

2/27/97	3/19/97	BS	KV	DHC
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
[DD-Directional Drilling] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

1485

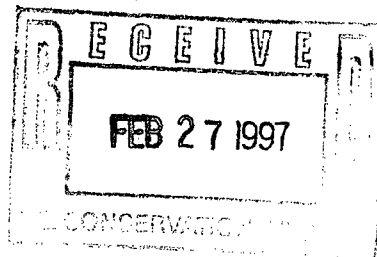
[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Directional Drilling
☐ NSL ☐ NSP ☐ DD ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☒ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR



[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☒ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Britton McQuien
Print or Type Name

Britton McQuien
Signature

Engineer
Title

2/24/97



Texaco E & P

205 E. Bender Blvd.
Hobbs NM 88240
505 393 7191

February 24, 1997

NMOCD
2040 South Pacheco
Santa Fe, New Mexico 87505

Attn: Mr. Ben Stone

**Subject: DHC C. H. Weir "A" #18 in the Monument Tubb (47090) and Skaggs
Drinkard (57000) Pools.**

Dear Mr. Stone:

Texaco Exploration and Production, Inc. respectfully requests administrative approval to down-hole commingle the C. H. Weir "A" #18 in the Monument Tubb and Skaggs Drinkard Pools. Notification of this application has been sent to the offset operators and a statement of notification is included in this package. Currently, the Tubb is being rod-pumped and the Drinkard is plugged back.

In order to DHC, the plug above the Drinkard formation will be drilled out and both formations will be rod-pumped simultaneously. This will provide the most economical means of producing both zones.

This well meets all of the requirements set forth by Rule 303(C). The allocation factors were calculated in the following manner:

$$\%TUBB = \frac{TUBB \text{ STABILIZED PRODUCTION}}{DRINKARD + TUBB \text{ STABILIZED PRODUCTION}}$$

$$\%DRINKARD = 100\% - \%TUBB.$$

The allocation factors were determined using the Drinkard test from March 1995. Although there are more recent tests, this test appears to represent the true potential of the reservoir better than any other (please see attached Drinkard decline curve). The test from March 1995 was 22 BOPD, 119 MCFPD, and 7 BWPD.

If you have any questions, please contact Britton M. McQuien @ (505) 397-0427.



Texaco E & P

205 E. Bender Blvd.
Hobbs NM 88240
505 393 7191

Sincerely,

Britton M. McQuien
Production Engineer
Texaco E&P, Inc.

cc: Mr. J. T. Sexton

EXHIBIT "B" - CASE NO. 11353, ORDER NO. R-10470-A

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

811 South First St., Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd, Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 87505-8429Form C-107-A
New 3-12-96

APPROVAL PROCESS:

☐ Administrative ☐ Hearing

EXISTING WELLBORE

☐ YES ☐ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Texaco Exploration & Producing Inc. 205 East Bender Hobbs, New Mexico 88240
Operator AddressC. H. Weir "A" 18 I-12-20S-37E Lea
Lease Well No. Unit Ltr. - Sec - Tws - Rge County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 022351 Property Code 011130 API NO. 30-025-29646 Federal _____, State X (and/or) Fee _____

The following facts are submitted in support of downhole commingling:	Lower Zone	Intermediate Zone	Upper Zone
1. Pool Name and Pool Code	Skaggs Drinkard 57000		Monument Tubb 47090
2. Top And Bottom of Pay Section (Perforations)	663-6978		6333-6521
3. Type of production (Oil or Gas)	oil		oil
4. Method of Production (Flowing or Artificial Lift)	pumping		pumping
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current	(Current) a. 700 psi	a.	a. 1025 psi
Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	(Original) b.	b.	b.
6. Oil Gravity (* API) or Gas BTU Content	38		35
7. Producing or Shut-In? Production Marginal? (yes or no)	shut-in yes		Producing Yes
* If Shut-In, give date and oil/gas/ water rates of last production Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data	Date: 9/1/95 Rates: 1/19/3		
* If Producing, give date and oil/gas/ water rates of recent test (within 60 days)	Date: Rates:		2/18/97 14/159/1
8. Fixed Percentage Allocation Formula -% for each zone	Oil: 61% Gas: 43%	Oil: % Gas: %	Oil: 39% Gas: 57%

9. If allocation Formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.
10. Are all working, overriding, and royalty interests identical in all commingled zones? ☒ Yes ☐ No
If not, have all working, overriding, and royalty interests been notified by certified mail? ☐ Yes ☐ No
Have all offset operators been given written notice of the proposed downhole commingling? ☒ Yes ☐ No
11. Will cross-flow occur? ☐ Yes ☒ No If yes, are fluids compatible, will the Formations not be damaged, will any cross-flowed production be recovered, and will the allocation formula be reliable. ☐ Yes ☐ No (If No, attach explanation)
12. Are all produced fluids from all commingled zones compatible with other? ☒ Yes ☐ No
13. Will the value of production be decreased by commingling? ☐ Yes ☒ No (If Yes, attach explanation)
14. If this well is on, or communitized with, state or federal lands, either the Commissioner of Public Land or the United States Bureau of Land Management has been notified in writing of this application. ☒ Yes ☐ No
15. NMOCD Reference Cases for Rule 303(C) Exceptions: ORDER NO(S) _____
16. ATTACHMENTS:

- * C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- * Production curve for each zone for at lease one year. (If not available, attach explanation.)
- * For zones with no production history, estimated production rates and supporting data.
- * Notification list of all offset operators.
- * Notification list of working, overriding, and royalty interests for uncommon interest cases.
- * Any additional statements, data or documents required to support commingling.

I hereby certify that the information above is true and complete to the best of my knowledge and belief

SIGNATURE Britton M. McQuien TITLE Engineer DATE 2-24-97TYPE OR PRINT NAME Britton M. McQuien TELEPHONE NO. (505) 397-0427

All distances must be from the outer boundaries of the Section.

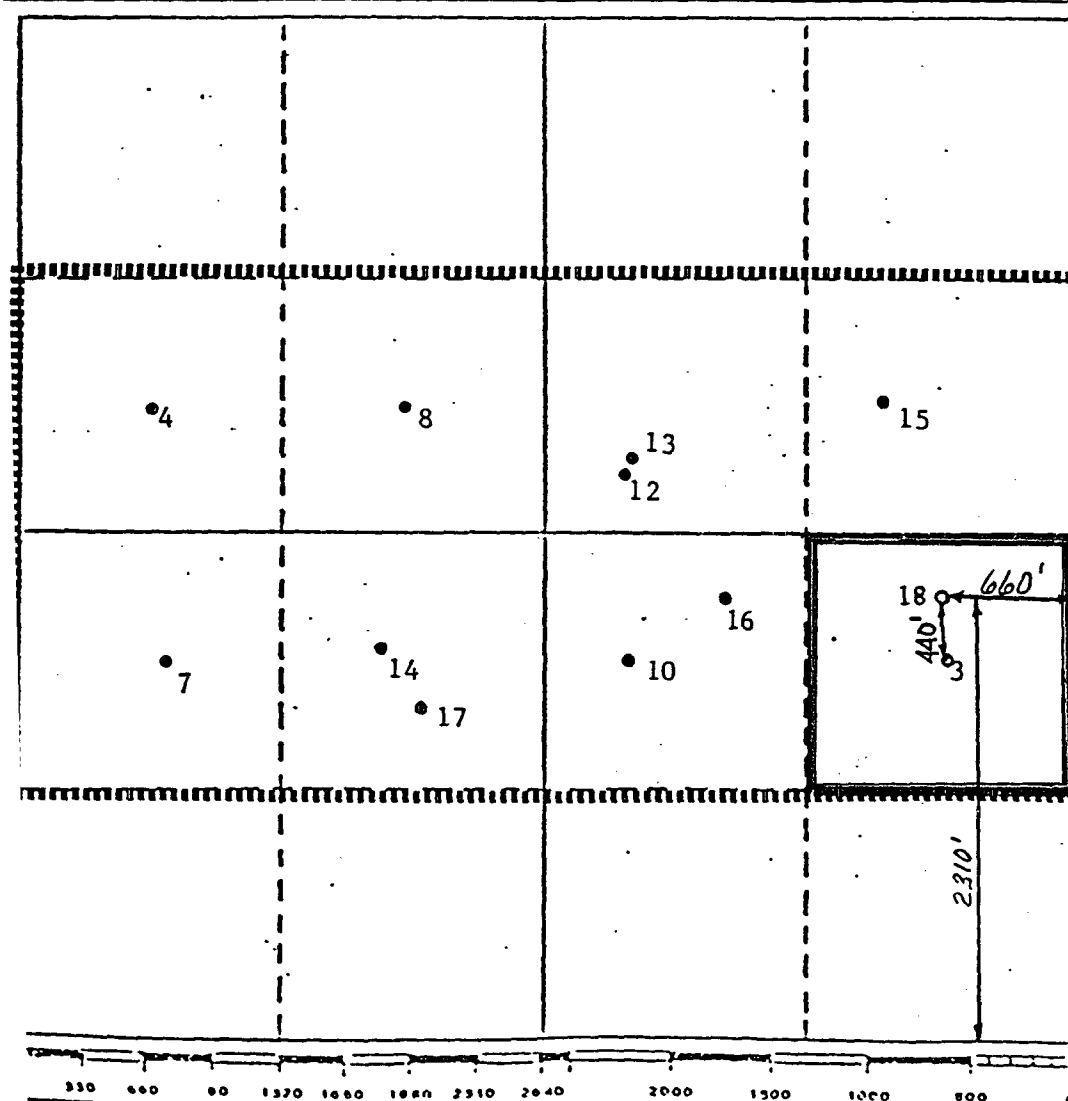
Operator TEXACO INC.		Lease C. H. Weir "A"		Well No. 18
Unit Letter I	Section 12	Township 20-S	Range 37-E	County Lea
Actual Postage Location of Well: 2310 feet from the South line and 660 feet from the East line				
Ground Level Elev. 3555'	Producing Formation Drinkard	Pool Skaggs - Drinkard	Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

B. L. Eiland

Name

B. L. Eiland

Position

Division Surveyor

Company

Texaco Inc.

Date

January 27, 1986

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

January 1986

Registered Professional Engineer
and/or Land Surveyor*B. L. Eiland*
B. L. Eiland

Certificate No.

1386

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Box Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-102

Revised February 10, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-29646	² Pool Code 47090	³ Pool Name MONUMENT TUBB
⁴ Property Code 11130	⁵ Property Name WEIR, C. H. -A-	⁶ Well No. 18
⁷ OGRID Number 022351	⁸ Operator Name TEXACO EXPLORATION & PRODUCTION INC.	⁹ Elevation 3568' KB

¹⁰ Surface Location

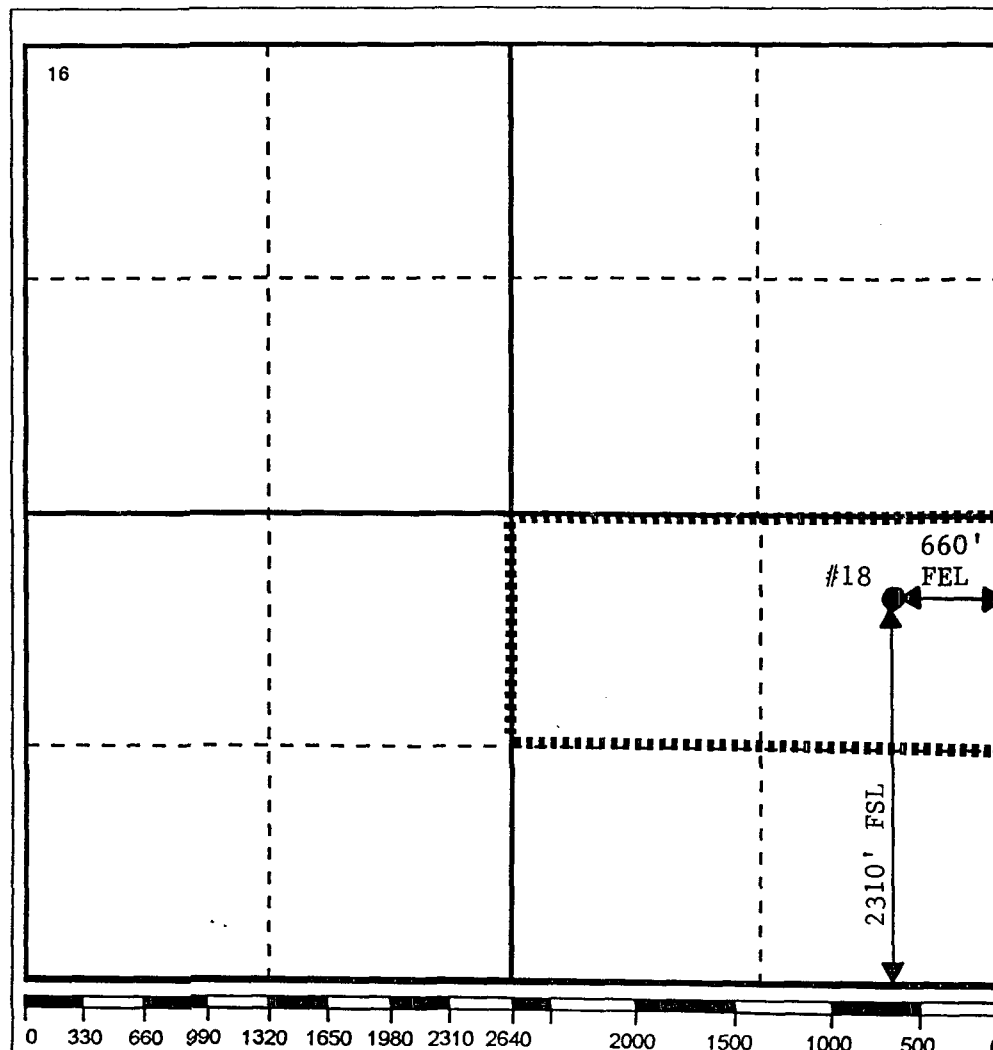
UI or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
I	12	20S	37E		2310	SOUTH	660	EAST	LEA

¹¹ Bottom Hole Location If Different From Surface

UI or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County

¹² Dedicated Acres 80	¹³ Joint or Infill No	¹⁴ Consolidation Code	¹⁵ Order No.
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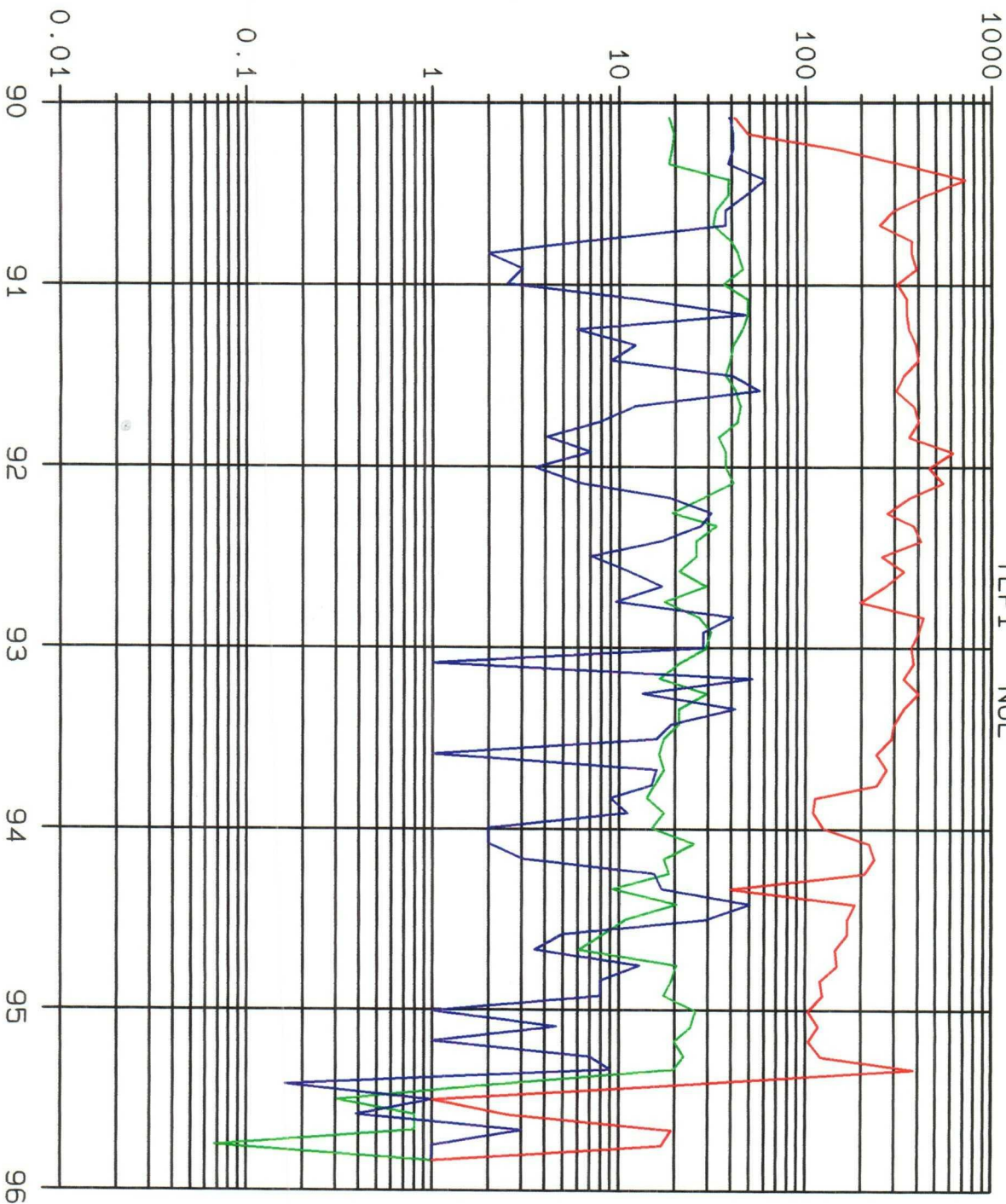
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature <i>V. Greg Maes</i> Printed Name V. Greg Maes Position Engineering Assistant Date 2/24/97
18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief. Date Surveyed Signature & Seal of Professional Surveyor Certificate No.

WEIR, C. H. -A- 18 SKAGGS DRINKARD

TEPI NUL



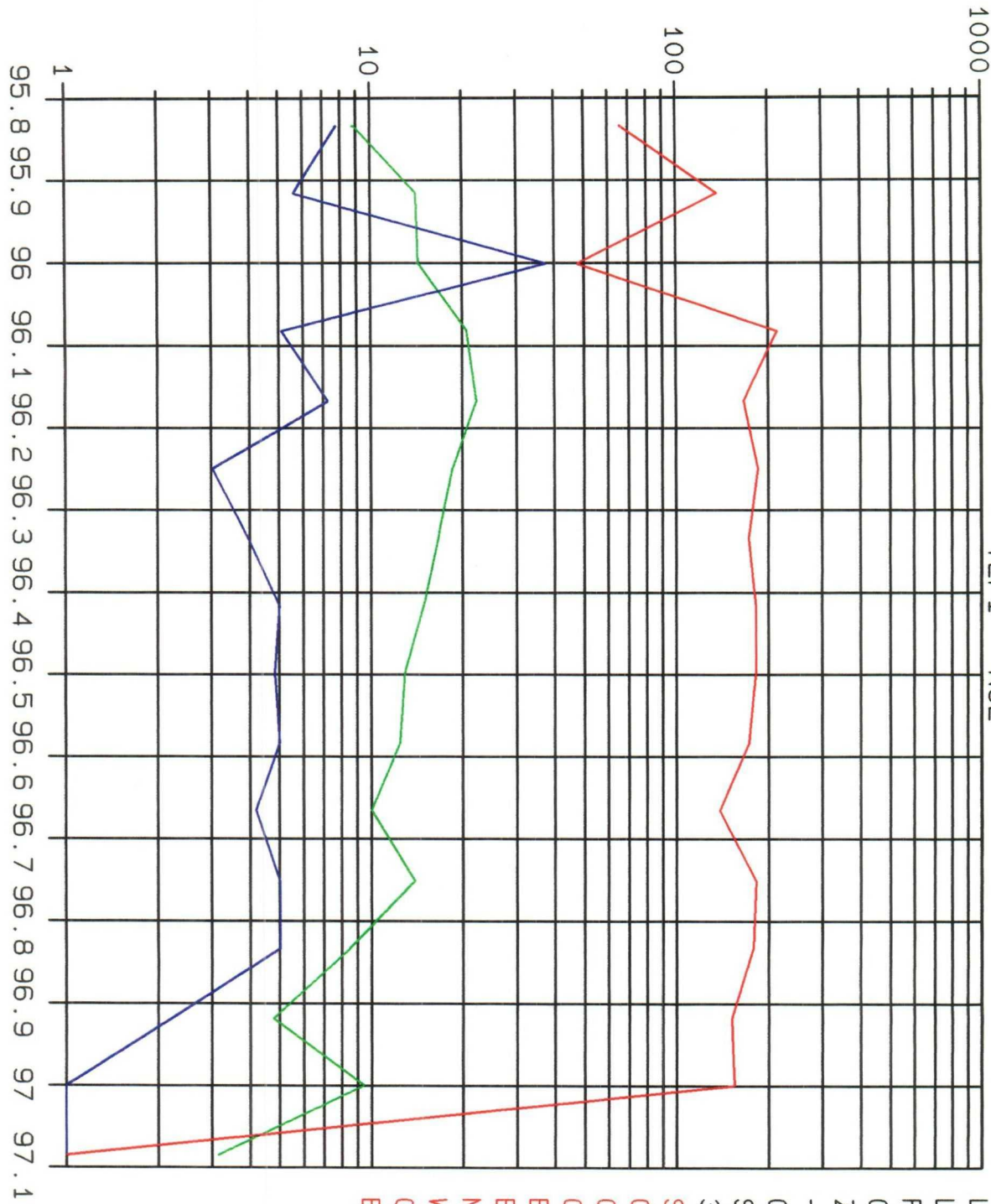
BOPD BWPD MCFPD

YEARS

LEASE DATA
 LSE 011130
 FLD 57000
 OPER TEPI
 ZONE NUL
 --
 COUNTY 025
 STATE 30
 30025296460001
 STATUS 10-95
 CO 52 MB0
 CG 561 MMCF
 CW 36 MBW
 BOPD 0
 BWPD 0
 MCFPD 0
 WELLS 1
 CI 0 MBWI
 BWIPD 0

WEIR, C. H. -A- 18 MONUMENT TUBB

TEPI NUL



YEARS

LEASE DATA
 LSE 011130
 FLD 47090
 OPER TEPI
 ZONE NUL
 --
 COUNTY 025
 STATE 30
 30025296460002
 STATUS 1-97
 CO 6 MBO
 CG 71 MMCF
 CW 3 MBW
 BOPD 3
 BWP 0
 MCFPD 0
 WELLS 1
 CI 0 MBWI
 BWIPD 0

The map displays a grid of oil fields and related infrastructure in the Gulf of Mexico region. Each section is labeled with a number and contains detailed information about the oil field, including its name, location, and production data. Key features include the Gulf of Mexico, the Texas coast, and the Louisiana coast. The map is a technical drawing with a high level of detail, showing the layout of the oil fields and the infrastructure that supports them.

Offset Operators and all Lessees of Record
 C. H. Weir "A" No. 18 Well
 N/2 SE/4 of Section 12, T-20-S, R-37-E
 Monument Tubb/Skaggs Drinkard Formations
 Lea County, New Mexico
 February 13, 1997

36	31	32	33	34	35	36	31
1	6	5	4	3	2	1	6
12	7	8	9	10	11	1 1 12 1 1	3 3 2 2 7 2 2 1 1
13	18	17	16	15	14	13	18
24	19	20	21	22	23	24	19
25	30	29	28	27	26	25	30
36	31	32	33	34	35	36	31
1	6	5	4	3	2	1	6

Offset Operators and all Lessees of Record
C. H. Weir "A" No. 18 Well
N/2 SE/4 of Section 12, T-20-S, R-37-E
Monument Tubb/Skaggs Drinkard Formations
Lea County, New Mexico
February 13, 1997

Number 1

Texaco Exploration and Production Inc.
P. O. Box 3109
Midland, Texas 79702

Number 2

OXY USA Inc.
P. O. Box 50250
Midland, Texas 79702

Number 3

Cross Timbers Operating Company
3000 N. Garfield, Suite 175
Midland, Texas 79705

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

OXY USA Inc.
P. O. Box 50250
Midland, Texas 79702

4a. Article Number

P 622 723 769

4b. Service Type

- ☐ Registered ☒ Certified
☐ Express Mail ☐ Insured
☐ Return Receipt for Merchandise ☐ COD

7. Date of Delivery

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)

X

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
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I also wish to receive the following services (for an extra fee):

1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Cross Timbers Operating Comp.
3000 N. Garfield, Suite 175
Midland, Texas 79705

4a. Article Number

P 622 723 770

4b. Service Type

- ☐ Registered ☒ Certified
☐ Express Mail ☐ Insured
☐ Return Receipt for Merchandise ☐ COD

7. Date of Delivery

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)

X

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Service.