| | | | | T |
|-------------|-----------------|----------|--------|--------|
| 0/2-/06 | 11000 | N C | 1 1/1 | N 11- |
| 9/2/1/99 | 1- 10118177 /1- | <u> </u> | I — PV | 1- 4/C |
| | J | | | |

ABOVE THIS LINE FOR DIVISION USE ONLY

| | | NEW MEXICO OIL CONSERVATION DIVISION - Engineering Bureau - | 2440 |
|--------|------------|---|---------------|
| | | ADMINISTRATIVE APPLICATION COVERSHEET | Λ |
| | | RSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND RE | EGULATIONS NO |
| Applic | . (PC | [NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location] [DD-Directional Drilling] [SD-Simultaneous Dedication] [Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measuremer [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase] [Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Resp. | ense) |
| [1] | TYPE OF AF | PPLICATION - Check Those Which Apply for [A] | L L |
| | [A] | Location - Spacing Unit - Directional Drilling SEP 2 | 7 1999 |
| | Check [B] | One Only for [B] or [C] Commingling - Storage - Measurement DEDHC CTB PLC PC COLS COLM | |
| | [C] | Injection - Disposal - Pressure Increase - Enhanced Oil Recovery ☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR | |
| [2] | NOTIFICAT | TON REQUIRED TO: - Check Those Which Apply, or Does Not A | oniv |
| | [A] | ☐ Working, Royalty or Overriding Royalty Interest Owners | -PP-7 |
| | [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 Attache | d, and/or, |
| | [F] | ☐ Waivers are Attached | |
| [3] | INFORMAT | TION / DATA SUBMITTED IS COMPLETE - Statement of Understa | unding |

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

DENISE LEAKE
Print or Type Name

Denise Feak

9-24'99



lexaco E &

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

September 22, 1999

GOV-STATE AND LOCAL GOVERNMENTS EXCEPTION TO NMOCD Rule 303(A)

Application to DHC
Teague Lower Paddock – Blinebry, North (Assoc.) and Teague Tubb, North (Assoc.) and Teague Drinkard-Abo, North (Assoc.)
F.B. Davis #1
Unit Letter A, Sec 8, T23S, R37E
Lea County, NM

State of New Mexico Energy and Minerals Department Oil Conservation Commission 2040 South Pacheco Santa Fe, NM 87505

Attention: Mr. Ben Stone

Texaco Exploration and Production Inc., respectfully requests approval to downhole commingle the Teague Lower Paddock-Blinebry, North (Assoc.) with the Teague Tubb, North (Assoc.) and the Teague Drinkard-Abo, North (Assoc.) pools within the subject wellbore. Currently the well is DHC in the Teague Tubb, North (Assoc.) and the Teague Drinkard-Abo, North (Assoc.). The Blinebry will be added after this DHC is approved. The royalty is common in all zones.

The proposed downhole commingling will provide a more economical means of production. It will allow complete development of the productive capacity on the subject lease by allowing all intervals to be artificially lifted simultaneously. This will extend the productive life of both completions, thereby preventing waste.

The subject well meets all of the requirements as set forth by rule 303(C). In addition, it should be noted that all produced fluids have entered a common production facility with no fluid compatibility problems.

It is requested that the allocation of production for each zone be based on tests obtained from the DHC Teague Tubb, North (Assoc.) and Teague Drinkard-Abo, North (Assoc.) pools before the DHC, with any additional production after the DHC be allocated to the Teague Lower Paddock-Blinebry, North (Assoc.) Pool.

If you have any questions concerning this application, please contact Denise Wann at (505) 397-0425, or Denise Leake at (505) 397-0405.

Yours truly,

Denise Wann Production Engineer Eunice FMT

Attachments

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

DISTRICT_I
P.O. Box 1980, Hobbs, NM 88240
DISTRICT_II
811 South Pirst St., Artesia, NM 88210

DISTRICT III

State of New Mexico Energy, Minerals and Natural-Resources Department

OIL CONSERVATION DIVISION

2040 S. Pacheco Santa Fe, New Mexico 87505-8429 New 3-12-96
APPROVAL PROCESS:

___Administrative ___Hearing

EXISTING WELLBORE
___YES ___NO

1000 Rio Brazzos Rd. Aztoc. NM 87410

APPLICATION FOR DOWNHOLE COMMINGLING

| Texaco Exploration & Producin | | | exico 88240 |
|--|--|---|---|
| Operator | Address | S | |
| F.B. Davis | 1 A Sec 8. T | | |
| Lease | · · | - Sec - Tws - Rge | County |
| OGRID NO. <u>022351</u> Property Cod | 30-025-32226 leAPI NO Federal | Spacing Unit Lease, State, (and/or) Fee | Types: (check l or more) Zone to be added |
| The following facts are submitted in | Lower | Intermediate | Upper |
| support of downhole commingling: | Zone | Zone | Zone |
| Pool Name and Pool Code | Teague Drinkard-Abo North Assoc | Teague Tubb, North | Teague Lower Paddock Blinebry North Assoc |
| Top And Bottom of Pay Section (Perforations) | 6357-6732 | 6086-6286 | 5554-5860 |
| Type of production (Oil or Gas) | 0i1 | 0i1 | 0il |
| 4. Method of Production | | | |
| (Flowing or Artificial Lift) | Pump (Current) | Pump | Pump |
| Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current | | a. 250# est | F.B. Davis #5 300# est |
| Gas & Oil - Flowing: Measured Current | b. | b. | b. |
| Ali Gas Zones: Estimated Or Measured Original | | | |
| 6. Oil Gravity (* API) or Gas BTU Content | 40.5 | 39.7 | 39.7 |
| 7. Producing or Shut-In? Production Marginal? (yes or no) | Producing | Producing | |
| * If Shut-In, give date and oil/gas/ water rates of last production Note: For new zones with no production | Date: Rates: | | |
| history, applicant shall be required to attach | | | |
| production estimates and supporting data * If Producing, give date and oil/gas/ water rates of recent test (within 60 days) | Rates: | 8/19/99 | |
| 8. Fixed Percentage Allocation | 4 BO 5 BW 35 MCFPD Oil: Gas: | 2 BO 3 BW 86 MCFPD Oil: Gas: | Oil: Gas: |
| Formula -% for each zone | % % | % % | % % |
| submit attachments with sup 10. Are all working, overriding, an If not, have all working, overr Have all offset operators bee 11. Will cross-flow occur? flowed production be recove 12. Are all produced fluids from a 13. Will the value of production b 14. if this well is on, or communit United States Bureau of Land 15. NMOCD Reference Cases fo 16. ATTACHMENTS: * C-102 for each z * Production curve * For zones with no * Notification list of * Any additional states * Any additional states * Any additional states * Production curve * Any additional states * Any additional states * Any additional states * Any additional states * Production curve * Any additional states * Any additional states * Production curve * Any additional states * Any additional states * Production curve * Any additional states * Any additional states * Production curve * Any additional states * Any additional states * Production curve * Any additional states * Any additional states * Production curve | porting data and/or explaining method royalty interests identical in all conding, and royalty interests been not given written notice of the proposity of the p | otified by certified mail? sed downhole commingling? spatible, will the Formations not be of be reliable. Yes No (if the other? X Yes | Yes No Yes No Yes No Yes No damaged, will any cross-lif No, attach explanation) No explanation) nd or the iNo |
| \ | | e best of my knowledge and belief Engme DAT | re |
| TYPE OR PRINT NAME Den | | ONE NO. (505) | , , |

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 32226 | ² Pool Code | Pool Code Pool Nan Teague Lower PAddock Bline | | | |
|---|------------------------------|---|---|--|--|
| Property Code | · | rty Name IS, F. B. | ⁶ Well No. | | |
| ⁷ OGRID Number 022351 | 8 Opera TEXACO EXPLORATIO | ator Name ON & PRODUCTION INC. | ⁹ Elevation GR-3323', KB-3337 | | |

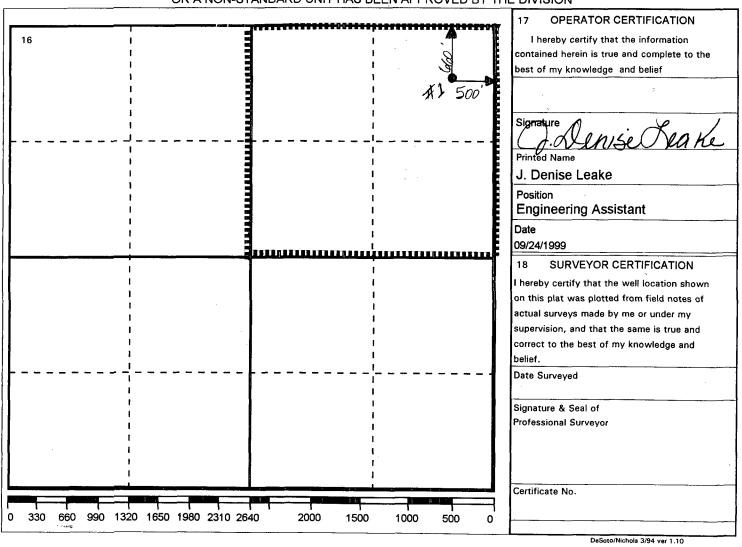
¹⁰ Surface Location

| Γ | UI or lot no. | Section | Township | Range | Lot.ldn | Feet From The | North/South Line | Feet From The | East/West Line | County |
|---|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| ١ | Α | 8 | 23-S | 37-E | Ì ' | 660 | NORTH | 500 | EAST | LEA |

Bottom Hole Location If Different From Surface

| UI or lot no. | Section | Township | Range | Lot.ldn | Feet From | The | North/South Line | Feet From The | East/West Line | County |
|---------------|---------|-------------------------------------|-------|---------------|-----------|-------------------|------------------|---------------|----------------|--------|
| Dedicated | Acres | ¹³ Joint or Infill No | 14 | Consolidation | n Code | ¹⁵ Ord | ler No. | | | |

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



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 32226 | Pool Code | Pool Code Teague Lower PAddock | | |
|---|-----------|--------------------------------|------------------------|--|
| 4 Property Code | | operty Name | ⁶ Well No. | |
| 13195 | | AVIS, F. B. | 1 | |
| ⁷ OGRID Number | · · | perator Name | ⁹ Elevation | |
| 022351 | | TION & PRODUCTION INC. | GR-3323', KB-3337' | |

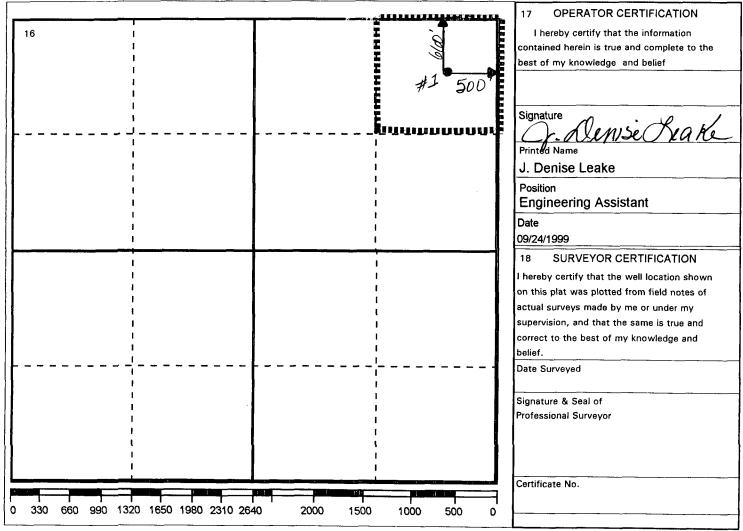
10 Surface Location

| | UI or lot no. | Section | Township | Range | Lot.ldn | Feet From The | North/South Line | Feet From The | East/West Line | County | l |
|-----|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|---|
| - } | Α | 8 | 23-S | 37-E | | 660 | NORTH | 500 | EAST | LEA | Ì |

Bottom Hole Location If Different From Surface

| Ul or lot no. Section | Township | Range | Lot.ldn | Feet From | The | North/South Line | Feet From The | East/West Line | County |
|--------------------------|-------------------------------------|-------|---------------|-----------|-------------------|------------------|---------------|----------------|--------|
| 12 Dedicated Acres 40 | ¹³ Joint or Infill No | 14 | Consolidation | n Code | ¹⁵ Ord | der No. | | | |

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



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 32226 | Pool Code 96313 | Pool Name Teague Drinkard-Abo North Assoc | | |
|---|--------------------|---|--|--|
| 4 Property Code 13195 | ⁵ Prop | ⁵ Property Name DAVIS, F. B. | | |
| OGRID Number 022351 | | rator Name ION & PRODUCTION INC. | ⁹ Elevation GR-3323', KB-3337' | |

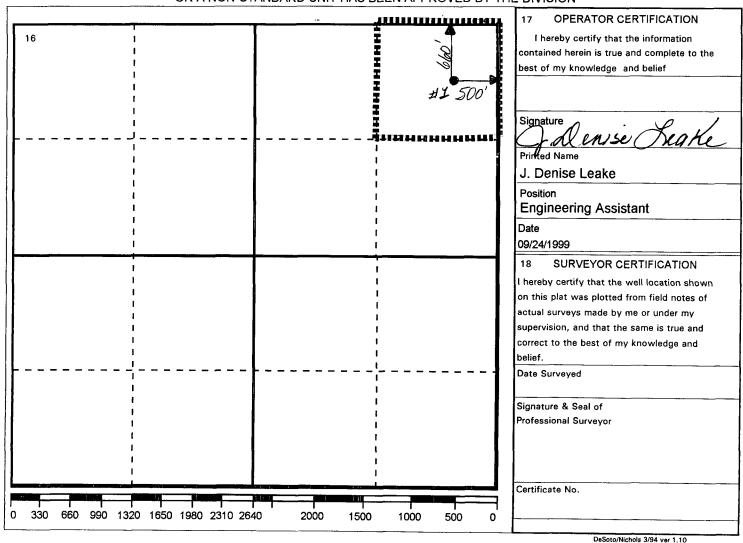
¹⁰ Surface Location

| UI or lot no. | Section | Township | Range | Lot.ldn | Feet From The | North/South Line | Feet From The | East/West Line | County | l |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|---|
| Α | 8 | 23-S | 37-E | | 660 | NORTH | 500 | EAST | LEA | |

Bottom Hole Location If Different From Surface

| - | UI or lot no. | Section | Township | Range | Lot.ldn | Feet From | The | North/South Line | Feet From The | East/West Line | County |
|---|-------------------------------|---------|--------------------------|-------|----------------------------|-----------|-------------------|------------------|---------------|----------------|--------|
| | ¹² Dedicated 40 | Acres | 13 Joint or Infill No | 1 | ⁴ Consolidation | n Code | ¹⁵ Ord | ler No. | | | |

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



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 32226 | Pool Code 96315 | Pool Name Teague Tubb, North (Assoc.) Oil | | |
|---|--------------------|---|------------------------|--|
| 4 Property Code | • | erty Name | ⁶ Well No. | |
| 13195 | | VIS, F. B. | 1 | |
| OGRID Number | - • | rator Name | ⁹ Elevation | |
| 022351 | | ION & PRODUCTION INC. | GR-3323', KB-3337' | |

¹⁰ Surface Location

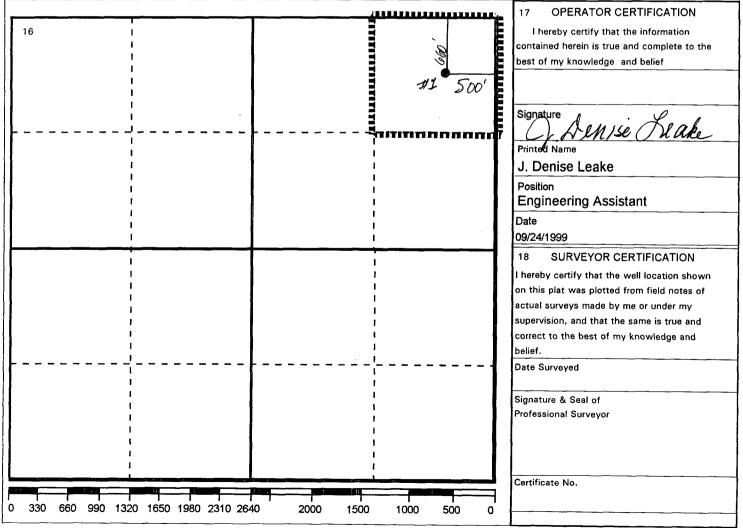
| UI or lot no. | Section | Township | Range | Lot.ldn | Feet From The | North/South Line | Feet From The | East/West Line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| Α | 8 | 23-S | 37-E | | 660 | NORTH | 500 | EAST | LEA |

11 Bottom Hole Location If Different From Surface

| Bottom Total Bottlew II Billiotett Total Guillage | | | | | | | | | | |
|---|---------|--------------------------|-------|----------------------------------|-----------|-------------------------|------------------|---------------|----------------|--------|
| UI or lot no. | Section | Township | Range | Lot.ldn | Feet Fron | n The | North/South Line | Feet From The | East/West Line | County |
| 12 Dedicated Acres 40 | | 13 Joint or Infill No | | ¹⁴ Consolidation Code | | ¹⁵ Order No. | | | | |

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



DeSoto/Nichols 3/94 ver 1.10