

P NRM 0224651075

C-103 6-7-01
DHC No. Assigned 6-7-01

Order Number

DI 0035

API Number

30-025-35051

Operator

Texaco Exploration & Production Inc.

County

Lea

Order Date

8-30-01

Well Name

R. R. Sims A

Number

009

Location

M

4

23S

37E

UL

Sec

T (+Dir)

R (+Dir)

Oil %

68%

Gas %

63%

Pool 1

96314

Teague Lower Paddock
Blinbry, North (Assoc.)

Pool 2

96313

Teague Drinkard Abo, North

Pool 3

Pool 4

Comments:

Work completed effective
Work cancelled effective
Supplement 1279N

8-30-01

10-31-01

9-3-02
Posted to
R-B-M & 

Submit 3 copies
to Appropriate
District Office

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

O. Box Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL API NO.	30-025-35051
5 Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6 State Oil / Gas Lease No.	

<p align="center">SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT (FORM C-101) FOR SUCH PROPOSALS.</p>	
1. Type of Well.	OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>
2. Name of Operator	TEXACO EXPLORATION & PRODUCTION INC.
3. Address of Operator	205 E. Bender, HOBBS, NM 88240
4. Well Location	Unit Letter <u>M</u> : <u>330</u> Feet From The <u>SOUTH</u> Line and <u>1010</u> Feet From The <u>WEST</u> Line Section <u>4</u> Township <u>23S</u> Range <u>37E</u> NMPM <u>LEA</u> COUNTY
10 Elevation (Show whether DF, RKB, RT,GR, etc)	3323'

7. Lease Name or Unit Agreement Name	SIMS R. R. "A"
8 Well No.	9
9 Pool Name or Wildcat	Tge Lwr Pad/Blnby/Tge Drnkrd-Abo.N.

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPERATION <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <u>DHC</u> <input checked="" type="checkbox"/>		OTHER: <u></u> <input type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

TEXACO INTENDS TO DOWNHOLE COMMINGLE THE TEAGUE LOWER PADDOCK BLINEBRY, N. (ASSOC) & TEAGUE DRINKARD-ABO, N. POOLS FOR THE SUBJECT WELL AS PRE-APPROVED BY DIVISION ORDER NO. R-11363. THIS COMMINGLING WILL NOT REDUCE THE VALUE OF THE TOTAL REMAINING PRODUCTION AND WILL ALLOW TEXACO TO RECOVER ADD'L RESERVES THAT WOULD NOT HAVE BEEN ECONOMICALLY VIABLE TO CAPTURE OTHERWISE.

THE WELL WILL BE TESTED IN THE TEAGUE LOWER PADDOCK/BLINEBRY, N. (ASSOC) (POOL CODE-96314) AND AN ESTABLISHED RATE & PRESSURE WILL BE DOCUMENTED BEFORE DHC WITH THE TEAGUE DRINKARD-ABO N. POOL (POOL CODE-96313). PRODUCTION SPLITS WILL BE DETERMINED FROM THIS TESTING BASED ON RELATIVE PROPORTIONS, AS INDICATED IN THE FOLLOWING EXAMPLE:

BLINEBRY: .25 OIL/ 315 MCF	PRODUCTION SPLITS: 68% OF OIL/ 63% OF GAS
DRINKARD/ABO: 12 OIL/ 185 MCF	PRODUCTION SPLITS: 32% OF OIL/ 37% OF GAS

THE PERFORATED INTERVALS FOR EACH POOL ARE AS FOLLOWS:
BLINEBRY: 5580-5888'
DRINKARD/ABO: 6372-7068'

OWNERSHIP AND PERCENTAGES BETWEEN THE TEAGUE LOWER PADDOCK/BLINEBRY, N. (ASSOC) AND THE TEAGUE DRINKARD-ABO, N. ARE IDENTICAL FOR THE SPECIFIED WELL & LEASE.

Copy has been sent to the Commissioner of Public Lands for the State of New Mexico
DI DHC Order No. 0035

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

SIGNATURE J. Denise Leake TITLE Engineering Assistant DATE 4/23/01

TYPE OR PRINT NAME J. Denise Leake Telephone No. 397-0405

(This space for State Use)

APPROVED [Signature] TITLE DATE

CONDITIONS OF APPROVAL IF ANY:



Texaco Exploration and Production Inc.
Permian Business Unit

500 North Loraine
Midland TX 79701

P O Box 3109
Midland TX 79702

April 16, 2001

NMOCD

Attn: Chris Williams
1625 N French Drive
Hobbs, NM 88240

RE: Notice of Intent to Down-hole Commingle the Teague Lower Paddock/Blinebry, N. (Assoc.) Pool with the Teague Drinkard-Abo, N. Pool in the R.R. Sims "A" #9 well (API # 30 025 35051).

Dear Sir:

Texaco Exploration and Production, Inc. respectfully states its intention to down-hole commingle the Teague Lower Paddock/Blinebry, N (Assoc.) and Teague Drinkard-Abo, N. pools for the R.R. Sims "A" #9 well, as pre-approved by **Division Order No. R-11363**. We state that this commingling will not reduce the value of the total remaining production. Instead, commingling will allow our company to recover additional reserves that would not have been economically viable to capture otherwise.

The above cited well will be tested in the Teague Lower Paddock/Blinebry, N (Assoc.) (Pool Code 96314) and an established rate and pressure will be documented before DHC with the Teague Drinkard-Abo, N. pool (Pool Code 96313). Production splits will be determined from this testing based on relative proportions, as indicated in the following example:

Blinebry:	25 oil / 315 mcf	Production Splits:	68% of oil / 63% of gas
Drinkard-Abo:	12 oil / 185 mcf	Production Splits:	32% of oil / 37% of gas

The perforated intervals for each pool are as follows:

Blinebry:	5580 - 5888'
Drinkard-Abo:	6372 - 7068'

Ownership and percentages between the Teague Lower Paddock/Blinebry, N. (Assoc.) and the Teague Drinkard-Abo, N. are identical for the specified well and lease.

If you have any questions concerning this matter, please contact Denise Leake at (915) 688-4752 or myself at (915) 688-4639. Thank you in advance for your attention to this.

Sincerely,

Tim Nein
Production Engineer
Hobbs Operating Unit

cc: File

DOWNHOLE COMMINGLE CALCULATIONS: 30-025-35051.

OPERATOR: Texaco Exploration & Production Inc. HOB-0035

PROPERTY NAME: R.R. Sims A

WNULSTR: 9-M, 4-23-37

SECTION I: Teague Lower Paddock ALLOWABLE AMOUNT
A TEA 34000 POOL NO. 1 Blinebry, North (Assoc.) 107 642 MCF 6000

A TEA 23000 POOL NO. 2 Teague Drinkard Abo, North 142 1420 MCF 10000

POOL NO. 3 _____ MCF

POOL NO. 4 _____ MCF

POOL TOTALS 249 2062

96314 SECTION II: Teague Lower Paddock Oil Gas
POOL NO. 1 Blinebry, North (Assoc.) 68% X 249 = 169.32 63%

96313 POOL NO. 2 Teague Drinkard Abo, North 32% 37%

POOL NO. 3 _____

POOL NO. 4 _____

OIL GAS
SECTION III:
 $107 \div 68\% = 157.36 (158)$ _____

SECTION IV:
 $158 \times 68\% = 107.44 (107)$ _____
 $158 \times 32\% = 50.56 (51)$ _____

OIL CONSERVATION DIVISION
Hobbs, New Mexico 88241

DISTRICT OFFICE

July Thru
December, 2001

No. 1279N

SUPPLEMENT TO THE OIL PRORATION SCHEDULE

DATE: 10/31/2001

PURPOSE: ALLOWABLE ASSIGNMENT (NEW WELL) (A-M)

Effective 08/30/2001, the marginal allowables of the

TEXACO EXPLORATION & PRODUCTION INC,
R R SIMS A, 9 - M, 4-23-37,

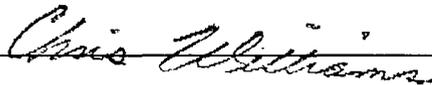
well for the period covering August through December, 2001,
are hereby assigned in the various pools as follows:

TEAGUE;LOWER PAD-BLI, NORTH (ASSOC)--- #M107

TEAGUE;DRINKARD-ABO, NORTH----- #M51

(S-P)
DI-0035

OIL CONSERVATION DIVISION



DISTRICT SUPERVISOR

CW:nm
TEXACO EXPLORATION & PRODUCTION INC

EEP 37480

DYN 24650