APR 2 | 1998



April 10, 1998

Attn: Oil Conservation Division

Mr. Michael Stogner

P.O. Box 2088

Santa Fe, NM 87504-2088

Re:

**EXCEPTION TO RULE 303A** 

Permanent Approval to Surface Commingle

State "AN" #12

Unit Letter I, Sec 7, T-18S, R-35E

Lea County, New Mexico

Mr. Stogner,

Texaco Exploration and Production respectfully requests administrative approval to permanently surface commingle the above mentioned well into the Abo Reef Consolidated Battery. The State "AN" #12 is a newly drilled Vacuum Devonian oil producer and is currently testing at rates of approximately 200 BOPD, 960 BWPD, and 138 MCFPD with the bottom hole pressure diminishing from an original 360 psi to the current 1500 psi. The subject well was spud on October 21, 1997, and completed in the Devonian formation in the Vacuum field.

In accordance to amended commingle order #PLC-103, the Abo Reef Consolidated battery can accept Atoka, Drinkard, and Abo Reef production. The Devonian production, which is requested to be commingled into this facility, contains identical working interest, royalty interest, and overriding royalty interest as the current battery production. Texaco maintains that the State of New Mexico will suffer no loss of revenue due to the proposed operation. This well is not a top allowable well and therefore production will be allocated from well tests. The facility installation is in accordance to the "MANUAL FOR INSTALLATION AND OPERATION OF COMMINGLING FACILITIES".

Please refer to the attached C-102 plat, facility diagram, and lease diagram, for additional information pertaining to this request.

Please don't hesitate to call me with any questions, at (505) 397-0405.

J. Denise Leake

Engineering Assistant (TEXACO)

Cc: State Land Office

DISTRICT 1 P. O. Box 1980, Hobbs, NM 88240

DISTRICT II P. O. Drawer DD, Artesia, NM 88210

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT III

DISTRICT IV

P. O. Box 208P, Santa Fe, NM 87504-2088

State of New Mexico Energy, Minerals and Natural Resources Department

## OIL CONSERVATION DIVISION

PO Box 2088 Santa Fe, NM 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

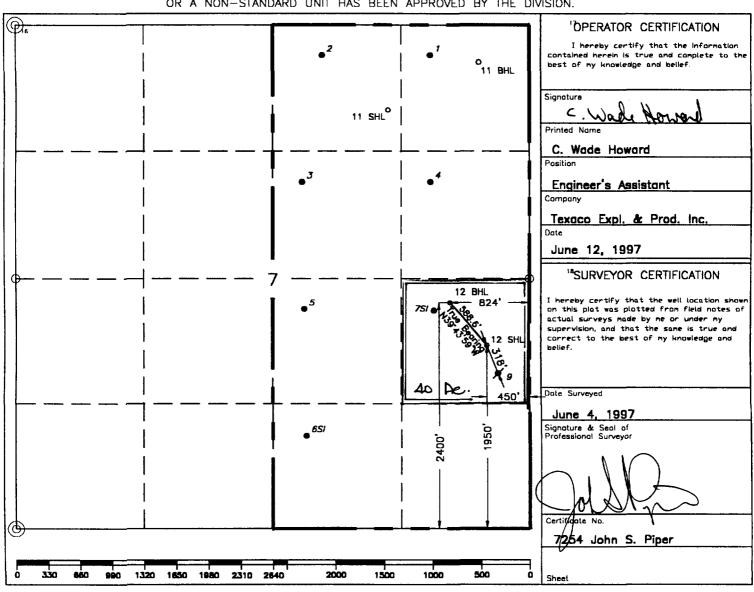
AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

API Num	ber 2Pool Code	<sup>3</sup> Pool Name	
30-025	34098 62000	Vacuum; Devonian, Mid	
Property Code		<sup>5</sup> Property Name	<sup>6</sup> Weil Number
11093		State "AN"	12
OGRID No.		*Operator Name	<sup>9</sup> Elevation
22351	TEXACO EXPLO	ORATION & PRODUCTION, INC.	3959'
	10 (	Surface Location	

Range Lot Idn Feet from the UL or lot no. Township North/South line East/West line Section Feet from the County 7 1950 35-E 7 18-S 450' 1 South East Lea Bottom Hole Location If Different From Surface UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line <sup>7</sup>County 1 18-S 35-E 2400 824 East South Lea 13 Joint or Infill 12Dedicated Acres Consolidation Code <sup>5</sup>Order No. 40

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.



T-18-S, R-35-E	T-18-S, R-35-E				T 18 0 D 3/ F	<del> </del>
SEC 8		STATE AN	7	SEC	12	SEC
	*7 */\(\)	STATE AN				
HOBES N STATE	STATE AN	STATE AN				# 26
	STATE AN #1	STATE AN	1		MM. AE STATE	2
	NM. AB STATE  #2   #49  MM. AB STATE	N.M. AB STATE			All Flowlines Above Ground	All Flow
	o <b>#</b>			1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Active wells producing to battery inactive wells	<ul> <li>Active wells p</li> <li>Inactive wells</li> </ul>
	N.M. AB STATE			* 4 * * * * * * * * * * * * * * * * * *	Y	Battery
	# O				UNIT LTR B, SECTION 7, T-18-S, R-35-E LEA COUNTY, NEW MEXICO	UNIT LTR B, S
			SEC 6		TEXACO EXPLORATION AND PRODUCTION INC. Off-Lease Storage and Surface Commingling VACUUM ABO CONSOLIDATED BATTERY	TEXACO EXPLO