

Submit 3 copies
to Appropriate
District Office

Energy, Minerals and Natural Resources Department

Revised 1-1-89

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.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.

30-025-35039

5. Indicate Type of Lease

STATE

FEE ☒

6. State Oil / Gas Lease No.

7. Lease Name or Unit Agreement Name

CAYLOR 'B'

8. Well No.

1

9. Pool Name or Wildcat

LOVINGTON DRINKARD *BLINEBRY*

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.

1. Type of Well: OIL WELL ☒ GAS WELL ☐ OTHER ☐

2. Name of Operator TEXACO EXPLORATION & PRODUCTION INC.

3. Address of Operator PO BOX 3109, MIDLAND, TX 79702

4. Well Location
Unit Letter K Section 2310 Feet From The SOUTH Line and 1650 Feet From The WEST Line
Section 6 Township 17-S Range 37-E NMPM LEA COUNTY

10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3809'

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: <input type="checkbox"/>	DHC <input type="checkbox"/>	OTHER: <input checked="" 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 EXPLORATION & PRODUCTION INC. RESPECTFULLY REQUESTS APPROVAL TO DOWNHOLE COMMINGLE THE WILDCAT BLINEBRY POOL AND THE LOVINGTON DRINKARD POOL WITHIN THE SUBJECT WELLBORE. THE PLUG BETWEEN THE TWO INTERVALS WILL BE CLEANED OUT UPON APPROVAL OF THE DHC.

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 BOTH 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). IT SHOULD BE NOTED THAT IT IS COMMON PRACTICE TO COMMINGLE BLINEBRY AND DRINKARD PRODUCTION WITH NO FLUID COMPATIBILITY PROBLEMS.

ALLOCATION OF PRODUCTION FOR EACH ZONE WILL BE BASED ON THE WELL TESTS OBTAINED FROM THE POOLS BEFORE DHC. THE TESTS SHOWED THE FOLLOWING:

WILDCAT BLINEBRY (NO POOL CODE AS YET)	11 OIL, 5 WTR, 10 GAS
LOVINGTON DRINKARD (POOL CODE #40490)	24 OIL, 5 WTR, 0 GAS

COMMINGLED PRODUCTION WILL BE ALLOCATED AS FOLLOWS:

WILDCAT BLINEBRY	31.4% OIL, 50% WATER, 100% GAS
LOVINGTON DRINKARD	68.6% OIL, 50% WATER, 0% GAS

THE SUBJECT WELL IS A FEE LEASE, THEREFORE NO COPY WILL BE SENT TO THE COMMISSIONER OF PUBLIC LANDS OF NEW MEXICO.

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

SIGNATURE

TITLE

Engineering Assistant

DATE 6/6/01

Telephone No. 915-688-4752

TYPE OR PRINT NAME

J. Denise Leake

(This space for State Use)

APPROVED

CONDITIONS OF APPROVAL IF ANY

TITLE

DATE

DeSoto-Nichols 12-93 ver 1.0



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

ADMINISTRATIVE ORDER DHC-2938

Texaco Exploration & Producing Inc.
P. O. Box 3109
Midland, Texas 79702

Attention: Ms. Denise Wann

*Caylor "6" No. 1
API No. 30-025-35039
Unit K, Section 6, Township 17 South, Range 37 East, NMPM,
Lea County, New Mexico.
Undesignated Lovington-Drinkard (Oil – 40490) and
Wildcat-Blinebry (Oil – N/A) Pools*

Dear Ms. Wann:

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the above described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303.C., and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion and required separation of the zones is hereby placed in abeyance.

In accordance with the provisions of Rule 303.C.(1), each of the commingled pools shall be allowed to produce up to the top oil allowable and top casinghead gas allowable applicable for that pool.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

Undesignated Lovington-Drinkard Pool	Oil-69%	Gas-0%
Wildcat-Blinebry Pool	Oil-31%	Gas-100%

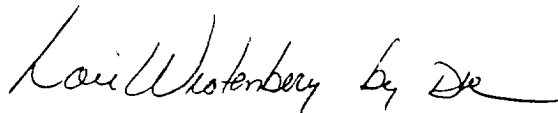
Administrative Order DHC-2938
Texaco Exploration & Producing Inc.
July 18, 2001
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REMARKS: The operator shall notify the Hobbs District Office of the Division upon implementation of commingling operations.

Pursuant to Rule 303.C.(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 18th day of July, 2001.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in cursive script, appearing to read "Lori Wrotenbery by De".

LORI WROTENBERY
Director

S E A L

LW/DRC

cc: Oil Conservation Division - Hobbs

Caylor '6' #1

Date: 8/6/01

Objective: DHC the Blinebry and Drinkard Formations
(Commingle authorized via DHC 2938)

Formation: Blinebry / Drinkard

Elevation: GL = 3809'
KB = 3821'

WELLBORE:

Casing: 5 ½" 17#, J-55, L-80 set @ 8315'

Cement: 1400 sxs
TOC = ?

DV Tool: 5815'

PBTD: 7900' (RBP w/ 5' sand)

Tight Spots: 5815' (DV) & 7880'

Tubing: 2 7/8" J-55 – SN @ 7650' / TAC = 7178'

Rods: 1": 85 (According to drilling report)
7/8": 121
¾": 141
1 ½": 8

Pump: 1 ¾" x 20'

Perfs: Blinebry
7020 – 7030', 7180 – 7234', 7558 – 7574'
Drinkard
8020 – 8060', 8100 – 8160'

Procedure:

- 1) Dump 200 gal 15% HCl down backside to dissolve any possible scale around the TAC.
- 2) Kill well with 2% KCl.
- 3) TOH with rods and pump. ND wellhead. NU 3000 psi manual BOP with blind rams in top and 2 7/8" pipe rams in bottom. Release tubing anchor and TOH with 2 7/8" tubing.
- 4) Rig Up Foam Air Unit. PU Retrieving Tool for the Baker RBP. Run down to PBTD (≅ 8796'). Circulate on top of RBP for about 1 hr to clean up RBP. Latch onto RBP and TOH.

5) TIH with 2 7/8" tubing string with the following settings:

SN: 8175'

TAC: 6950'

(1 jt open-ended / 1 IPC Blast Jt.)

6). ND bop and NU wellhead. TIH with rods and pump as follows:

1" x 83

7/8" x 84

3/4" x 151

1 1/2" x 8

1 1/16" x 6' x 20' Pump

7) RDMO pulling unit.

8) Place well on test

Contacts:

Production Foreman:	Don Diamond	(505) 394-4206
Engineer:	Tim Nein	(915) 688-4639
Engineer Assistant:	Bobby Hill	(505) 394-1855
UNICHEM:	Lavell Hanson	(505) 370-8643
CDI AXELSON:	Jim Cornett	(505) 390-7366