



October 21, 1996

NMOCD
2040 South Pacheco
Santa Fe, New Mexico 87505

DHC-1401

Attn: Mr. William J. LeMay

Subject: Application to DHC C. H. Weir "B" #8, A-11-20S-37E, in the Monument Tubb (47090) and Skaggs Drinkard (57000) Pools.

Dear Mr. LeMay:

Texaco Exploration and Production, Inc. respectfully requests administrative approval to downhole commingle the C. H. Weir "B" #8 in the Monument Tubb and Skaggs Drinkard Pools. Notification of this application has been sent to the offset operators and a statement of notification has been included in this package. Currently, the Tubb is being beam pumped with the Drinkard plugged back.

The proposed downhole commingling will provide a more economical means of production by allowing both intervals to be artificially lifted simultaneously. This will extend the productive life of both completions.

This well meets all of the requirements set forth by Rule 303(C). Due to the recency of the Tubb completion, a full year of production data is not available. The allocation factors were calculated in the following manner:

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

$$\% \text{ TUBB} = 100\% - \% \text{ DRINKARD.}$$

If you have any questions concerning this application, please contact Britton M. McQuien at (505) 397-0427.

Sincerely

Britton M. McQuien
Production Engineer
Texaco Exploration and Production, Inc.

cc: Mr. J. T. Sexton

enc

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 87505-6429Form C-107-A
New 3-12-96

APPROVAL PROCESS:

☐ Administrative ☐ Hearing

EXISTING WELLBORE

☐ YES ☐ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Operator Texaco Exploration & Producing Inc. Address 205 East Bender Hobbs, New Mexico 88240Lease C. H. Weir "B" Well No. 8 Unit Ltr. - Sec - Tws - Rge A-11-20S-37E Lea Lea County Lea

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 022351 Property Code 011132 API NO. 30-025-29731 Federal ☐ State ☒ (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)	6643-6904		6444-6502
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. 1075 psi
Gas & Oil - Flowing: Measured Current	(Original) b.	b.	b.
All Gas Zones: Estimated Or Measured Original			
6. Oil Gravity (* API) or Gas BTU Content	35°		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: 7/31/96 Rates: 8/320/10		
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: Rates:		9/18/96 3/375/8
8. Fixed Percentage Allocation Formula - % for each zone	Oil: 73% Gas: 46%	Oil: % Gas: %	Oil: 27% Gas: 54%

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 communized 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. NMOC 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 deication.
 - * 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 10-21-96TYPE OR PRINT NAME Britton M. McQuien TELEPHONE NO. (505) 397-0427

Revised February 10, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

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

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30 025 29731		² Pool Code 47090		³ Pool Name MONUMENT TUB3	
⁴ Property Code 011132		⁵ Property Name WEIR, C. H. -B-			⁶ Well No. 8
⁷ OGRID Number 022351		⁸ Operator Name TEXACO EXPLORATION & PRODUCTION INC.			⁹ Elevation 3600 KB

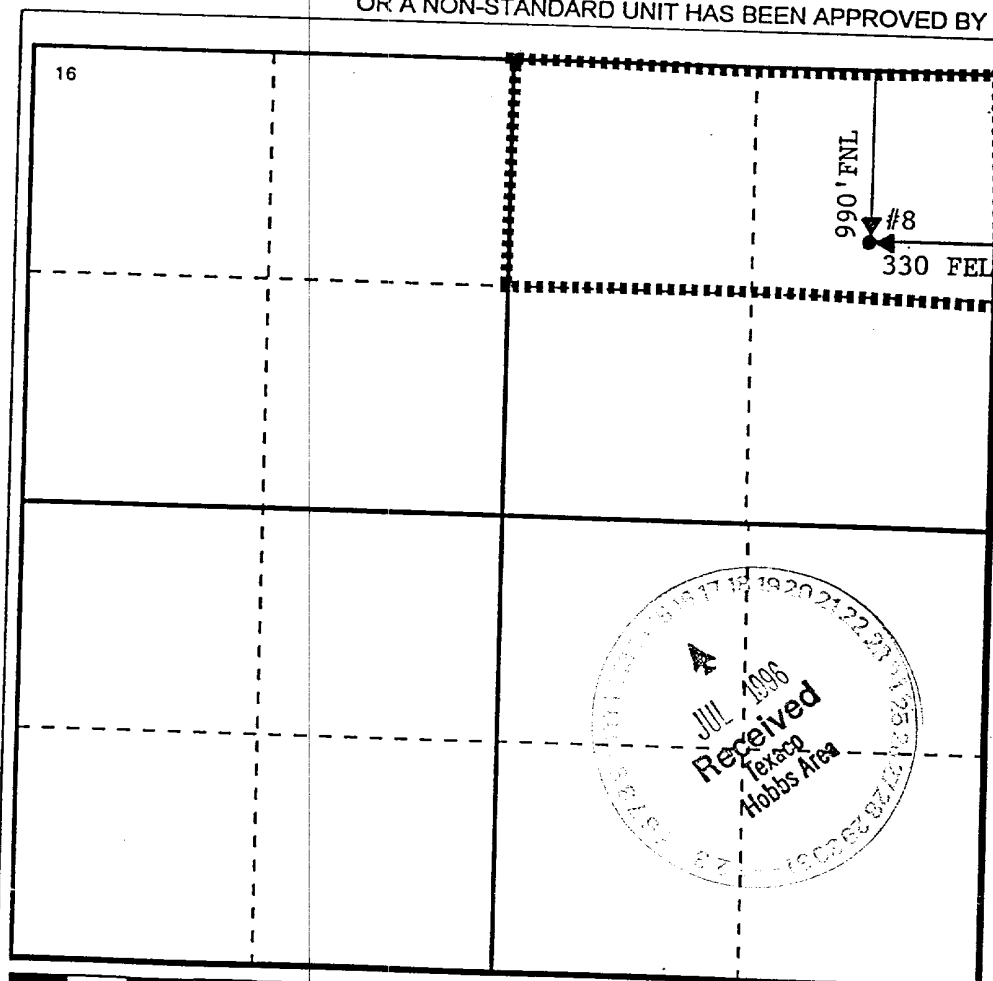
¹⁰ Surface Location

UI or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
A	11	20S	37E		990	NORTH	330	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 DIVISION¹⁷ OPERATOR CERTIFICATIONI hereby certify that the information
contained herein is true and complete to the
best of my knowledge and belief

Signature

Printed Name

Paula S. Ives

Position

Engineering Assistant

Date

7/9/96

¹⁸ SURVEYOR CERTIFICATIONI 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.

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

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

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

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30 025 29731	² Pool Code 57000	³ Pool Name SKA3GS DRINKARD
⁴ Property Code 011132	⁵ Property Name WEIR, C. H. -B-	⁶ Well No. 8
⁷ OGRID Number 022351	⁸ Operator Name TEXACO EXPLORATION & PRODUCTION INC.	⁹ Elevation 3600 KB

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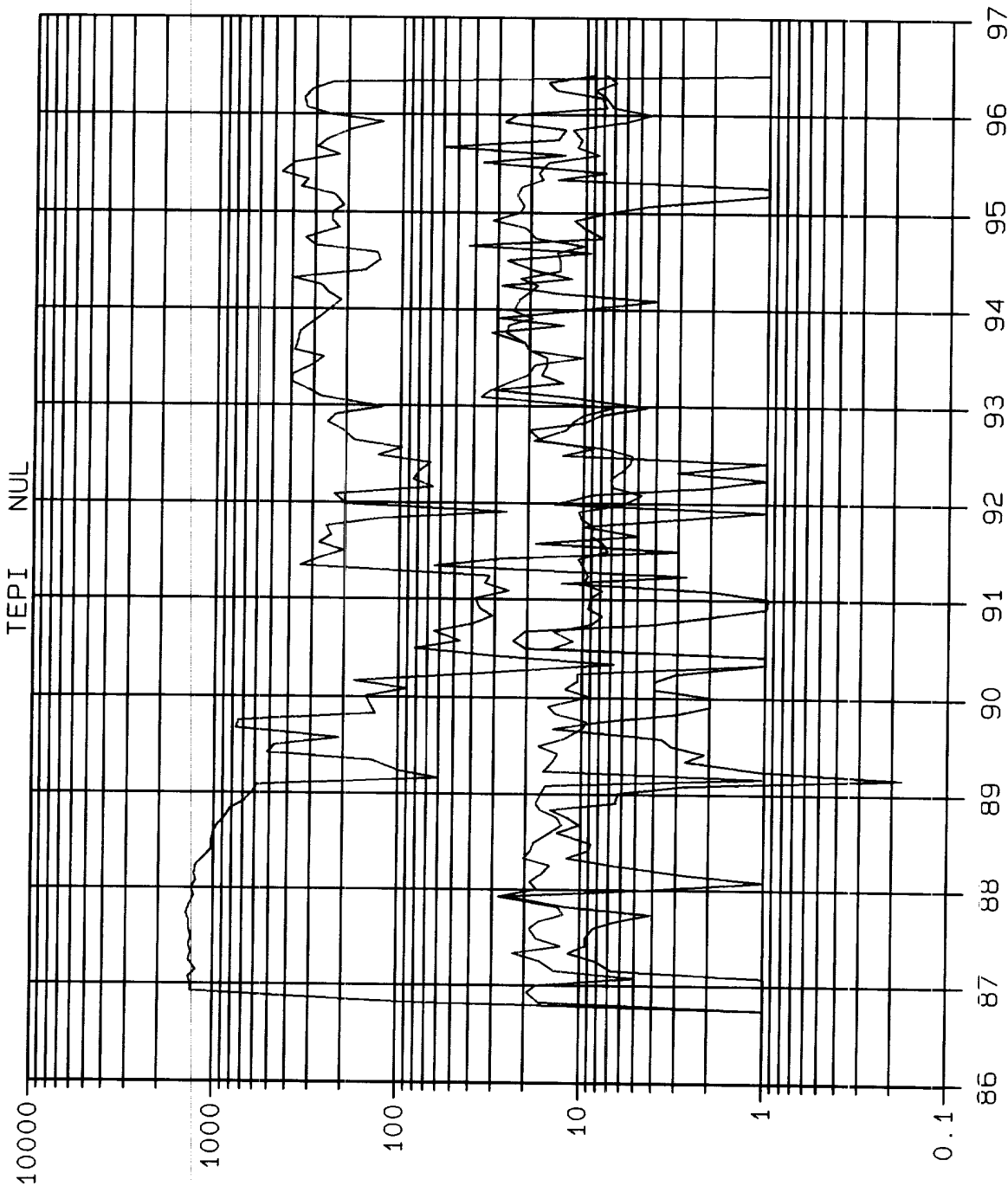
UI or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
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OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	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>Paula S. Ives</i> Printed Name: Paula S. Ives Position: Engineering Assistant Date: 9/23/96
	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.

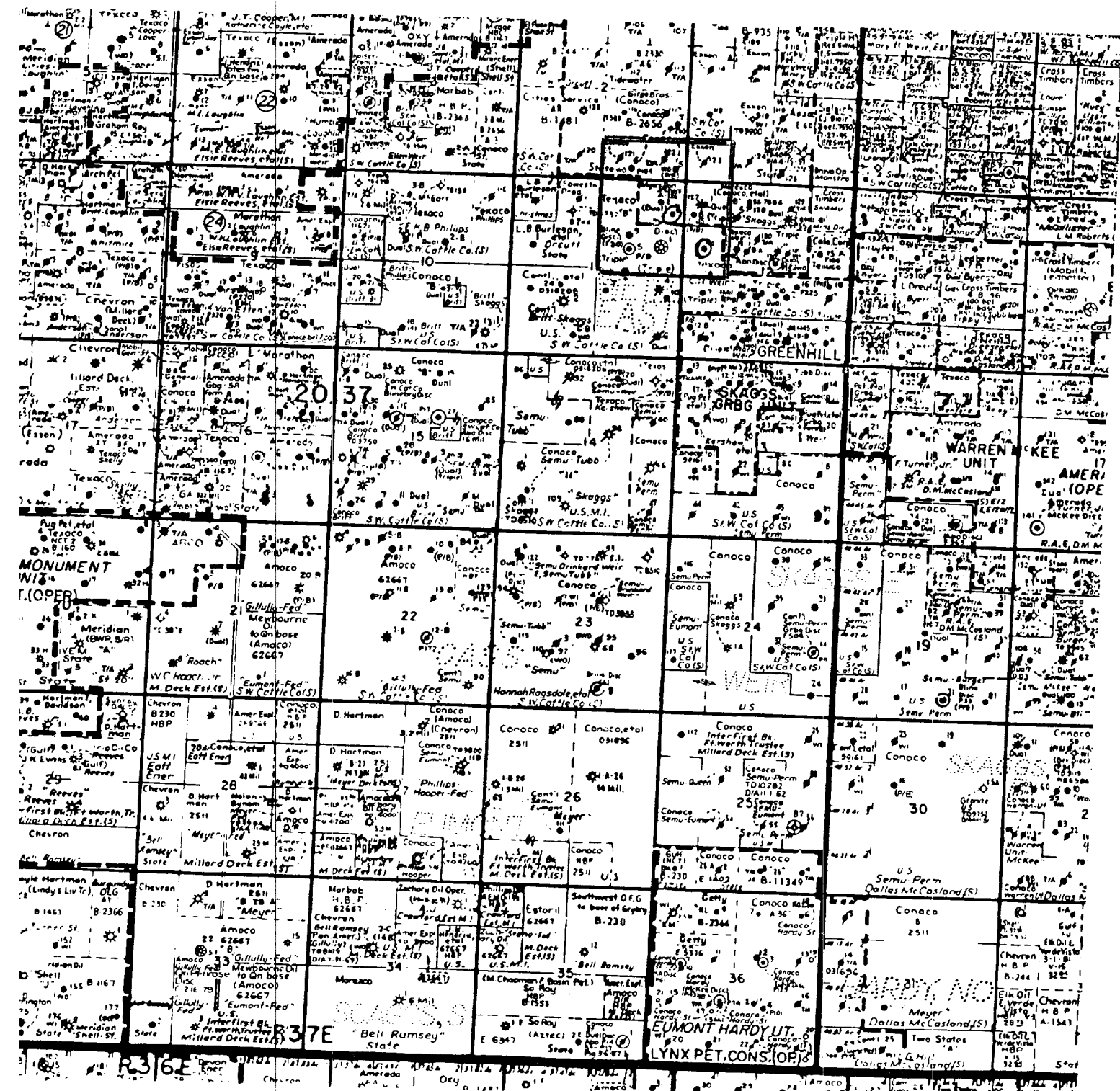
WEIR, C. H. -B- 8 SKAGGS DRINKARD



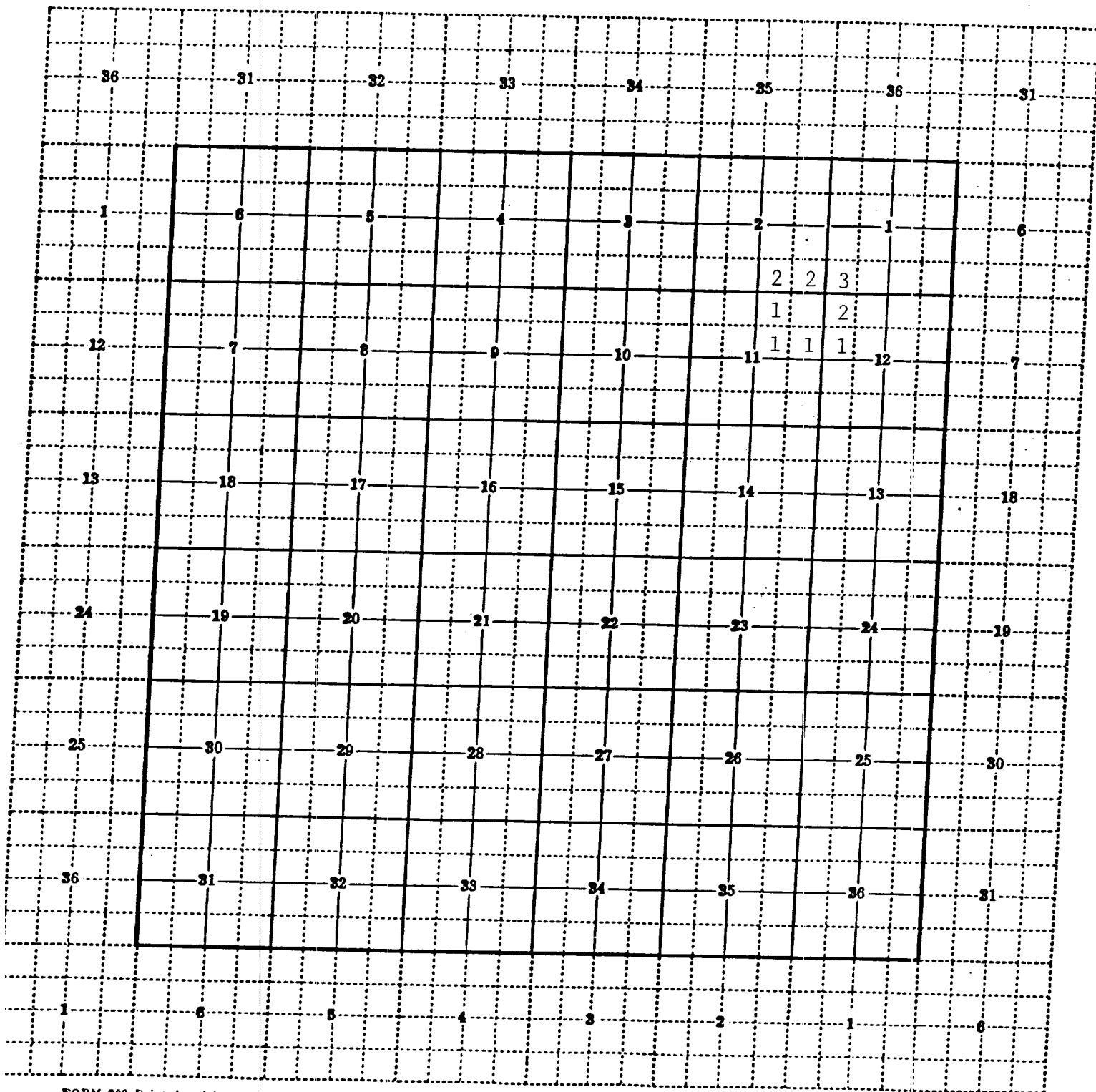
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 LSE 011132
 FLD 57000
 OPER TEPI
 ZONE NUL
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 COUNTY 025
 STATE 30
 30025297310001
 STATUS 5-96
 CO 50 MBO
 CG 1540 MMCF
 CW 39 MBW
 BOPD 8
 BWPD 9
 MCFPD 0
 WELLS 1
 CI 0 MBWI
 BWIPD 0

YEARS

September 16, 1996



Offset Operators and all Lessees of Record
 C. H. Weir "B" No. 8 Well
 NE/4 NE/4 of Section 11, T-20-S, R-37-E
 Monument Tubb/Skaggs Drinkard Formations
 Lea County, New Mexico
 September 16, 1996



Offset Operators and all Lessees of Record
C. H. Weir "B" No. 8 Well
NE/4 NE/4 of Section 11, T-20-S, R-37-E
Monument Tubb/Skaggs Drinkard Formations
Lea County, New Mexico
September 16, 1996

Number 1

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

Number 2

Conoco Inc.
10 Desta Dr., Suite 100W
Midland, Texas 79705

Number 3

Exxon Company USA
P. O. Box 1600
Midland, Texas 79702

LAFCO, Inc.
505 N. Big Spring, Suite 604
Midland, Texas 79701

6705 Leon Pace Charlotte Hypper
688-2878
63-767
758-5585 Jimmy

Lee Fischer

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):

- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Exxon Company USA
P.O. Box 1600
Midland, Texas 79702

4a. Article Number

2106 611 829

4b. Service Type

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

7. Date of Delivery

OCT 17 1996

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)

X *[Signature]*

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.
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- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

LAFCO, Inc.
505 N. Big Spring, Suite 604
Midland, Texas 79701

4a. Article Number

2106 611 845

4b. Service Type

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

7. Date of Delivery

10-16-96

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)

X *[Signature]*

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

PS Form 3811, December 1994

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- ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:

Conoco Inc.
10 Desta Dr., Suite 100W
Midland, Texas 79705

4a. Article Number

4b. Service Type

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

7. Date of Delivery

10-16-96

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)

[Signature: Anita Gonzales]

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.