



Chevron U.S.A. Inc.
P.O. Box 670, Hobbs, NM 88240

R. C. Anderson
Division Manager
Production Department
Hobbs Division

OK JS

April 16, 1986

DOWNHOLE COMMINGLING
W. M. RINEWALT LEASE
UNIT E SECTION 4 T225 R37E

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P.O. Box 1980
Hobbs, New Mexico

Attn: Mr. J. T. Sexton

Temporary approval is requested to allow for the downhole commingling of Blinebry and Drinkard production in the W. M. Rinewalt #2.

The subject well was completed in the Blinebry on May 25, 1966. It was estimated at that time that the well would produce only 2 BOPD. As a result the well was temporarily abandoned on July 9, 1966. In November, 1973 the well was re-entered and completed as a Drinkard gas well. The Blinebry perforations were left open and the two pay intervals were separated by a production packer. The production casing was shut in preventing any production from the Blinebry. The Drinkard gas was produced from under the production packer through 2 3/8" production tubing.

Beginning in 1980, the continuous influx of oil and water into the wellbore from the Drinkard pay interval began to significantly decrease the gas production from the well. (See attached decline curve). Throughout 1984 and 1985 periodic swabbing was needed to maintain production. By February 1986, continuous swabbing was needed to maintain production and, due to the cost preventative nature of this type of production operation, the well was shut in.

Plans have been made to install pumping equipment on this well to restore Drinkard gas production. However, to pump the gas zone from below a packer would prevent us from effectively pumping the well down and maximizing production. If the packer was removed, the Blinebry perforations would have to be squeezed or the two zones would have to be commingled in the wellbore.

Under the current economic conditions we cannot justify squeezing the Blinebry to produce the Drinkard alone. Pumping the well with a packer in the hole would provide only a marginal increase in production. Under the current lease agreement, we have until April 18, 1986 to restore the well to production. We therefore request that temporary approval be granted to downhole commingle the Blinebry and Drinkard pay intervals until such time as a formal DHC application can be submitted.

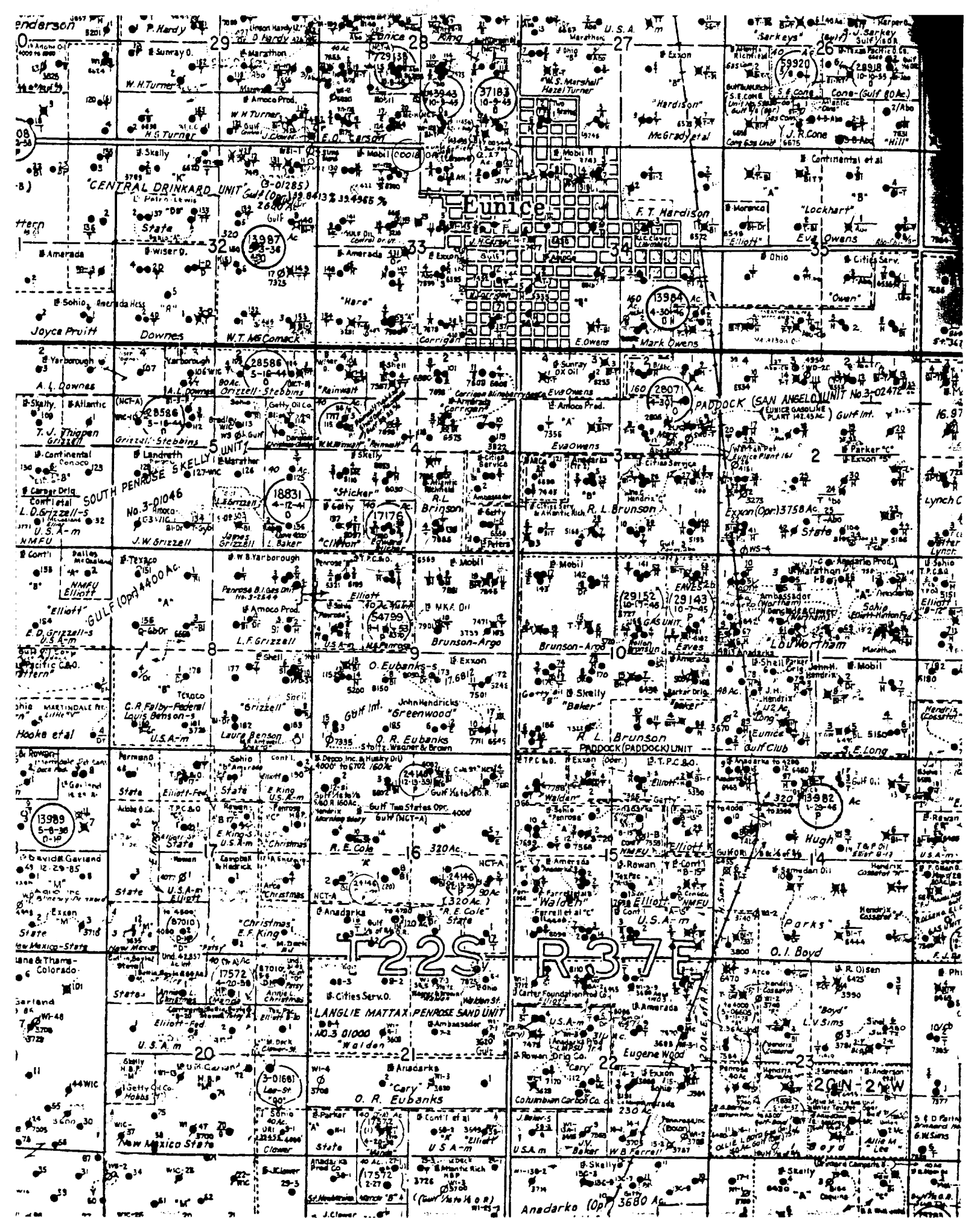
Yours very truly,

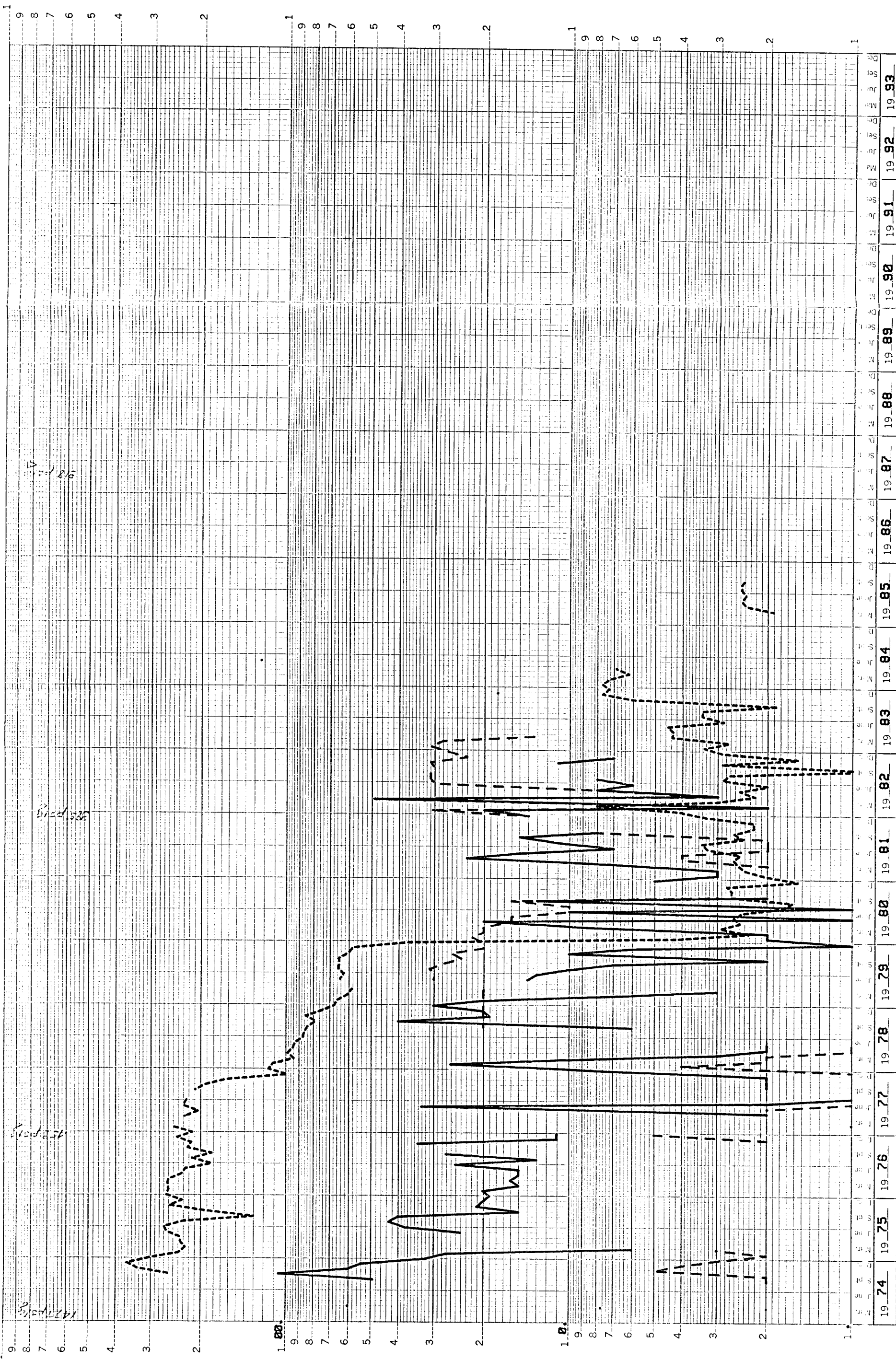
A handwritten signature in cursive script, appearing to read "R. C. Anderson".

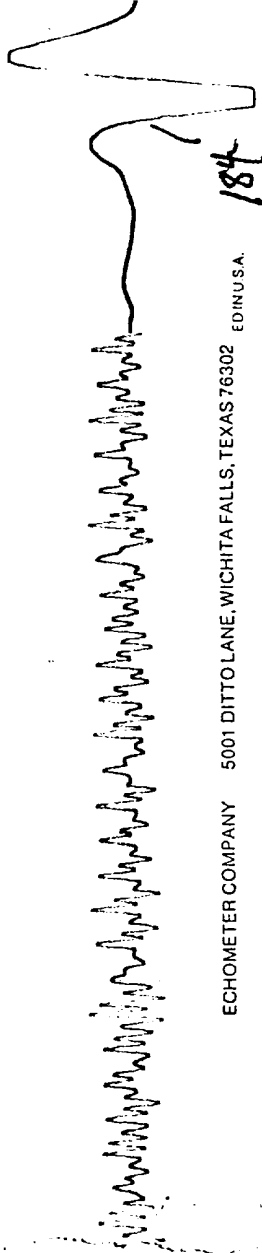
R. C. ANDERSON

TMM/jc

Attachment







ECHOMETER COMPANY 5001 DITTO LANE, WICHITA FALLS, TEXAS 76302 EDIN, USA.

4/9/86
Rinehart 2

184
5704

W.M. RINEHART #2
CSG PRESSURE 522 PSI
PERFORATIONS: 5746
5805
5834
5867

BOTTOM HOLE PRESSURE SURVEY REPORT

OPERATOR CHEVRON U.S.A., INC.
LEASE RINEWALT
WELL NO. 2
FIELD _____
DATE 4-9-86 TIME 3:30 P.M.
STATUS Shut-In TEST DEPTH 6300'
TIME S.I. _____ LAST TEST DATE _____
CAS. PRES. _____ BHP LAST TEST _____
TUB. PRES. 9 PSI BHP CHANGE _____
ELEV. _____ FLUID TOP _____
DATUM _____ WATER TOP _____
TEMP _____ RUN BY B.T.
CLOCK NO. 24959 GAUGE NO. 16389
ELEMENT NO. 25613 (0-945 PSI)

DEPTH	PRESSURE	GRADIENT
000	009	
1000	010	.001
2000	010	Neg.
3000	012	.002
4000	013	.001
5000	122	.109
6000	240	.118
6300	277	.123

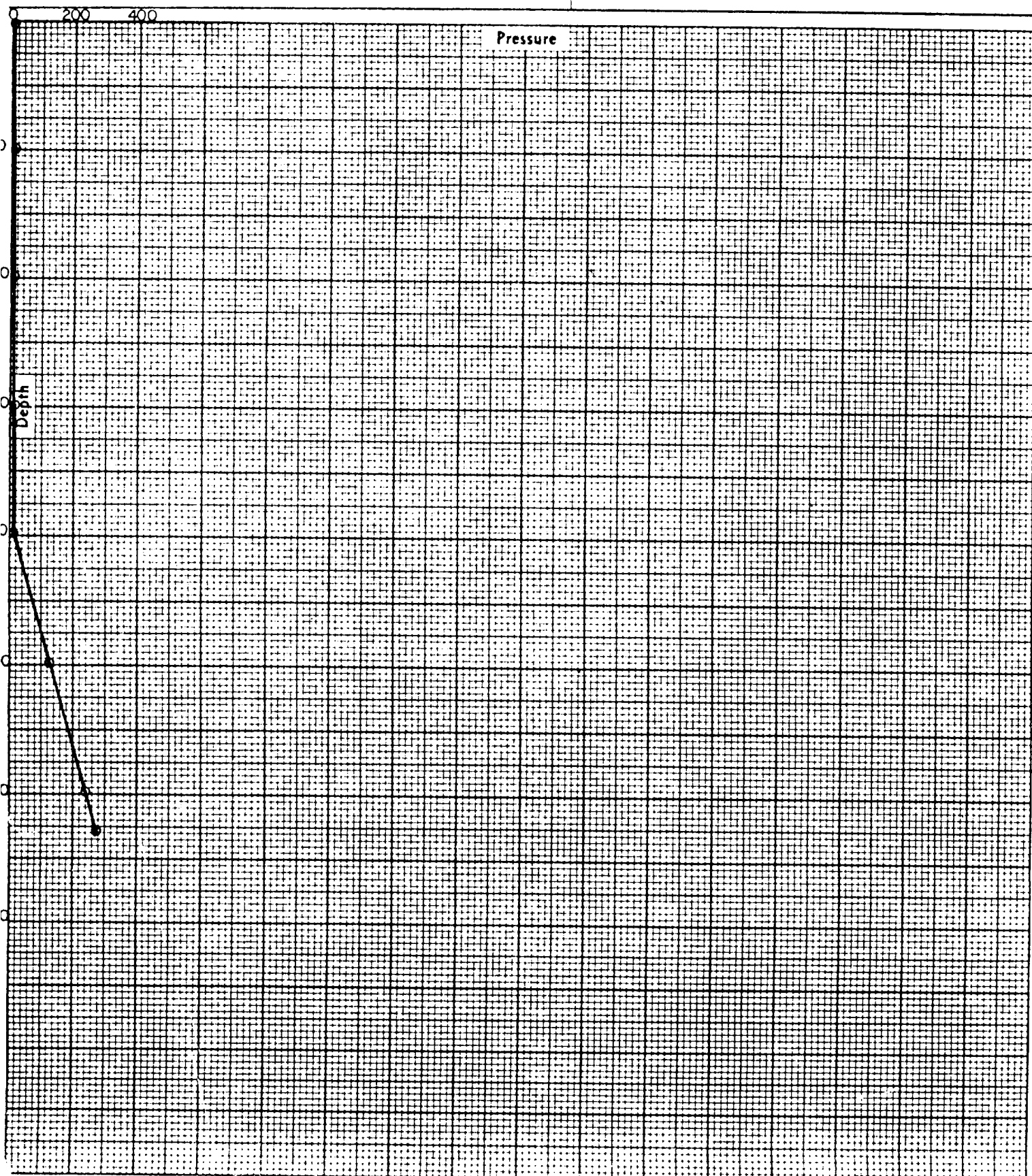
A 1½" Sinker Bar was run to 6320'

$$\gamma_g = 0.720$$

$$Z = 0.940$$

$$P/z = 332 \text{ PSI} \text{ (corrected to 6500')}$$

$$\text{Cumulative Prod.} = 1,054,000 \text{ MCF}$$



COUNTY LEA		FIELD Drinkard		STATE NM	
OPR GULF OIL CORP.		API MN 10026			
N.C. 2 LEASE Rinewalt, W. M.		SERIAL OWWO			
Sec 4, T-22-S, R-37-E		MAP			
1874' FNL, 750' FWL of Sec		CO-ORD			
1 mi SW/Eunice		CLASS DX-DG		ELE L & S 	
SPD RE-CMP 8-27-74		FORMATION		DATUM	
CSG		FORMATION		DATUM	
13 3/8" at 308' w/300 sx					
9 5/8" at 2975' w/1300 sx					
7" at 7980' w/900 sx					
		TD 8136' (ELFC)		PBD 7040'	
IP (Drinkard) Perfs 6376-6606' F 875 MCFGPD. 1st based on 24 hr cast thru 24/64" chk. GOR NR; Grav NR; IF 2000					