



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

5-13-86

TONEY ANAYA
GOVERNOR

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88240
(505) 383-5151

DHC-617

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RE: Proposed:

MC	
DHC	X
NSL	
NSP	
SWD	
WFX	
PMX	

Gentlemen:

I have examined the application for the:

<i>Shell Western ESP Inc</i>	<i>Grizzell #6-1</i>	<i>8-22-37</i>
Operator	Lease & Well No.	Unit S-T-R

and my recommendations are as follows:

OK JS

Yours very truly,

Jerry Sexton
Supervisor, District 1

/mc

Shell Western E&P Inc.

A Subsidiary of Shell Oil Company



May 9, 1986

P.O. Box 576
Houston, TX 77001

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87504-2088

Gentlemen:

APPLICATION TO DOWNHOLE COMMINGLE
SHELL - GRIZZELL NO. 6
2200' FSL AND 420' FEL, UNIT LETTER "I"
SECTION 8, T22S, R37E
DRINKARD & BLINEBRY OIL AND GAS POOLS
LEA COUNTY, NEW MEXICO

Pursuant to the provisions of Rule 303-C, Shell Western E&P Inc. (SWEPI) respectfully requests administrative approval to commingle production within the wellbore from the Drinkard and Blinebry Oil and Gas Pools for the subject well. Grizzell No. 6 was drilled and completed in 1952 as a Drinkard producer. The Drinkard was abandoned in June of 1965 and the well recompleted to the Blinebry formation. Operations to dually produce Blinebry gas and Drinkard oil (NMOCD Order No. MC-1644) were completed in August of 1965. Following the subject well's reclassification to an oil well in the Blinebry Oil Pool in January of 1967, it was determined to be uneconomical to pursue further dual completion operations and the Drinkard was abandoned. The well has since singly produced from the Blinebry zone. With the indicated marginal production, installation of dual equipment cannot be justified. In the interest of conservation and prevention of waste, we now propose to reopen the Drinkard and downhole commingle the production with that of the Blinebry Oil and Gas Pool in the subject well.

This well qualifies for administrative approval in accordance with Statewide Rule 303-C; and in support thereof, the following facts are submitted:

1. The attached plat indicates the Grizzell lease.
2. The latest tests are as follows:
Blinebry: (2-20-86) 3 BO + 1 BW + 210 MCFG
Drinkard: (4-19-86) 3 BO + 0 BW + 50 MCFG
3. Neither zone produces more water than the combined oil limit as determined in Rule 303-C, Section 1, paragraph (1)

CDA8612804

4. SWEPI has commingled these fluids at the surface on the subject lease and has encountered no incompatibility problems; therefore, downhole commingling is not expected to result in reservoir damage (surface commingling authority: PC 394).
5. Surface commingling resulted in no reduction of oil value; therefore, downhole commingling will not reduce oil value.
6. Ownership of the two pools to be commingled is common and correlative rights will not be violated.
7. The bottom-hole pressures at common datum of 6200' are:

<u>Blinebry:</u>	539.5 psig (24 hrs SI)
<u>Drinkard:</u>	326 psig (24 hrs SI)

We do not anticipate crossflow of fluids since the well will be maintained at pumped off conditions.

8. Commingling will not jeopardize the efficiency of future secondary operations in either zone.
9. Recommended oil and gas allotments would be as follows:

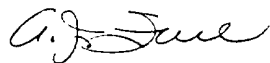
<u>Blinebry:</u>		<u>Drinkard</u>
50%	Oil	50%
81%	Gas	19%

10. Copies of this application have been furnished to all offset operators by certified mail.

Other supporting data attached are resume of the well's history, C-116 for each zone, a schematic of the present and proposed downhole configuration and a production decline curve of the Blinebry zone.

If additional information is required, please advise.

Yours very truly,



A. J. Fore
Supervisor Regulatory and Permitting
Production Administration
Western Division

JMW:LG

Attachments

cc: State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 1980
Hobbs, NM 88240

CDA8612804

GRIZZELL #6

WELL HISTORY

7/52 Drilled and completed in Drinkard formation.
6/65 Set CIBP over Drinkard and recompleted to the Blinebry.
8/65 Dually completed - producing Blinebry gas and Drinkard oil through the casing-tubing annulus and the tubing respectively.
1/67 Temporarily abandoned Drinkard and opened Blinebry through tubing.
2/86 Installed plunger lift.

RECEIVED
MAY 12 1986
C-12
HOBBS-PRICE

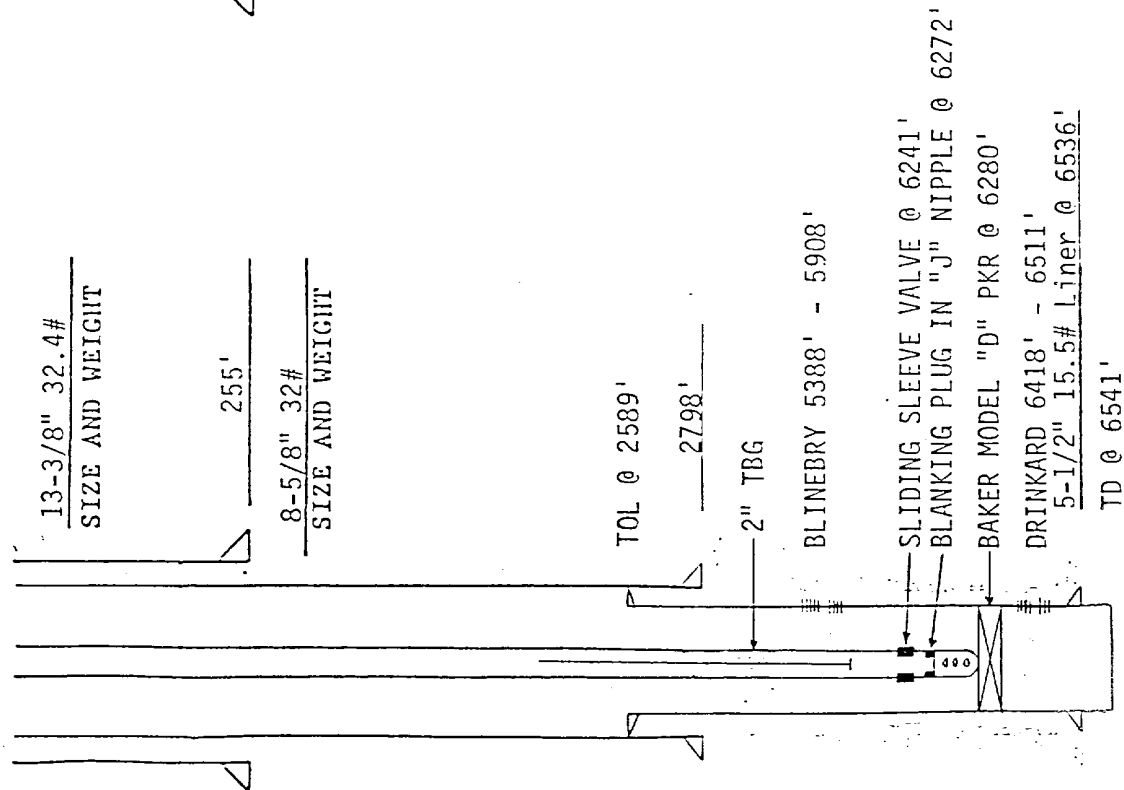
MECHANICAL CONFIGURATION

WELL GRIZZELL #6

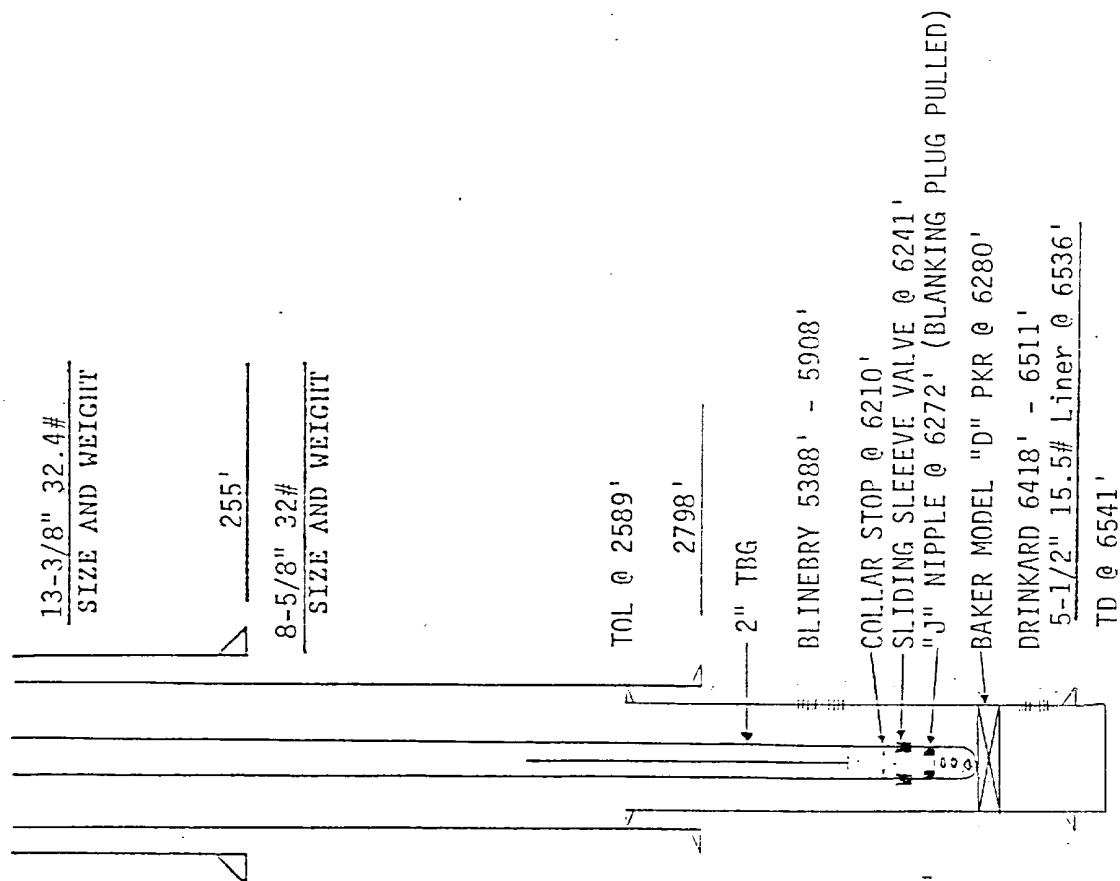
FIELD DRINKARD

DATE FEBRUARY, 1986

PRESENT



PROPOSED

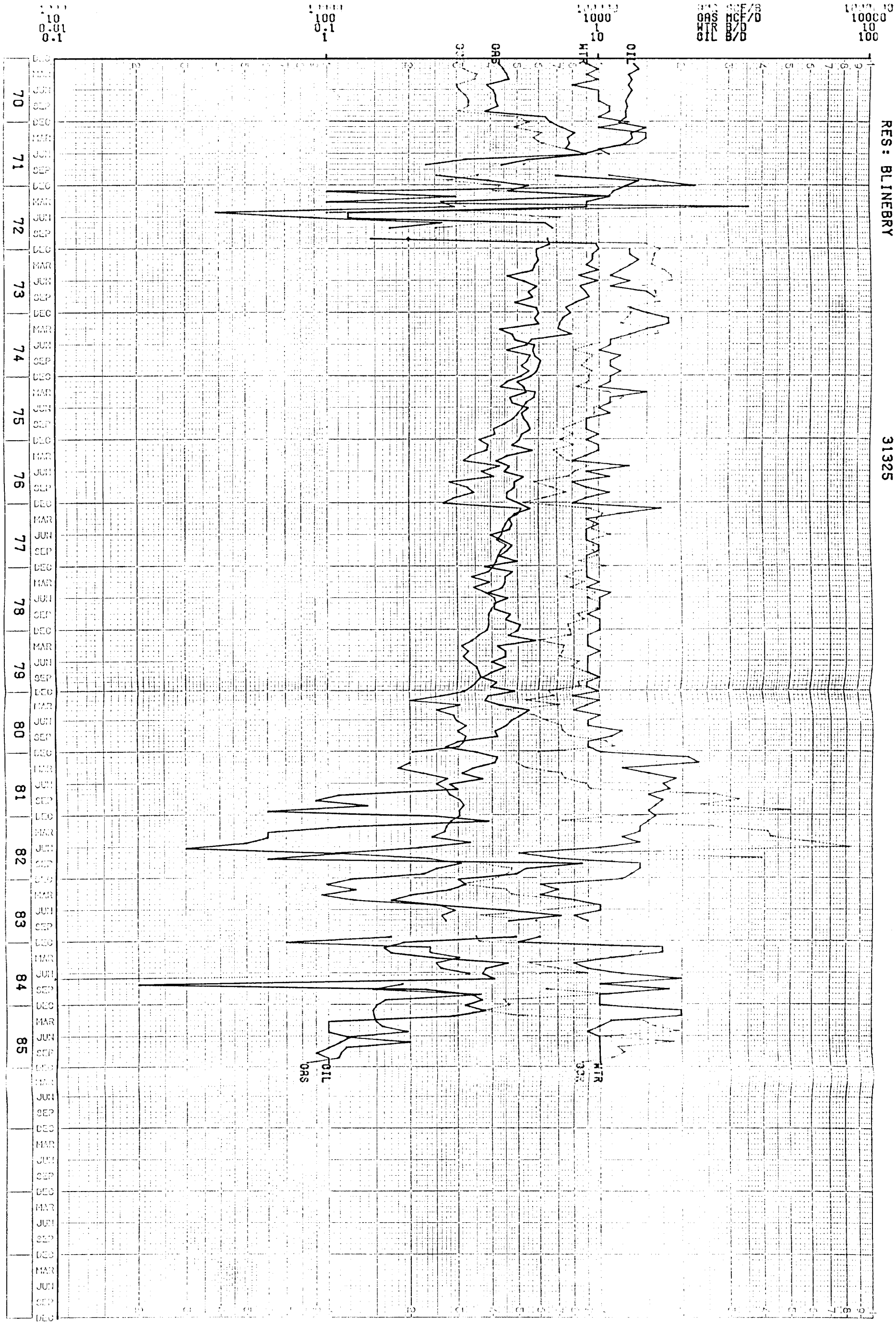


RECEIVED
MAY 12 1986
C.C.P.
HOBBS OFFICE

PRODUCT: JN UNIT 647: NEW MEXICO
LSE: GRIZZELL
RES: BLINEBRY

98222 WLL: 6-08 23330
31325

FLD: DRINKARD 3115



GAS-OIL RATIO TESTS

SHELL WESTERN E&P INC.		Pool		DRINKARD & BLINEBRY OIL & GAS POOLS		County		LEA												
P. O. BOX 576, HOUSTON, TEXAS 77001		TYPE OF TEST - (X)		SCHEDULED		COMPLETION		(COMMINGLE TEST) Special (X)												
LEASE NAME	WELL NO.	LOCATION			DATE OF TEST	CHOKE SIZE	TBG. PRESS.	DAILY ALLOW. ABLE	WATER BBL.	PROD. DURING TEST	GAS - OIL RATIO CU. FT. / BBL.									
		U	S	T								R	GRAV. OIL	OIL BBL.	GAS M.C.F.					
GRIZZELL	6	I	8	22S	37E	4-19-86	P	40		24	1	40.2	6	260	43,333					
																DRINKARD BLINEBRY	50%		3 BOPD	
																	50%		3 BOPD	
GRIZZELL	6	I	8	22S	37E	4-19-86	P	40		24	1	40.2	6	260	43,333					
																100%		6 BOPD		
GRIZZELL	6	I	8	22S	37E	4-19-86	P	40		24	1	40.2	6	260	43,333					
																DRINKARD BLINEBRY	19%		50 MCF/D	
																	81%		210 MCF/D	
GRIZZELL	6	I	8	22S	37E	4-19-86	P	40		24	1	40.2	6	260	43,333					
																100%		260 MCF/D		

No well will be obtained as allowable greater than the amount of oil produced on the official test.

During go-out ratio test, each well shall be produced at a rate not exceeding the tap well allowable for the pool in which well is located by more than 33 percent. Operator is encouraged to take advantage of this 33 percent tolerance in order that well can be subjected to increased allowable when authorized by the Division.

Gas volumes must be reported in MCP measured at a pressure base of 11.03 psia and a temperature of 60° F. Specific gravity base is 0.918.

Report cooling process in lieu of tubing pressure for any well producing through casing.

Not original and one copy of this report to the district office of the New Mexico Oil Conservation Division in accordance with 301 and 302, N.M.S.

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

A. J. Fore A. J. Fore
(Surrender)

SUPERVISOR REG. & PERMITTING

5-(79)-116

OFFSET OPERATORS

SHELL - GRIZZELL LEASE

TEXACO INC.
P.O. BOX 728
HOBBS, NM 88240

AMOCO PRODUCTION COMPANY
P.O. BOX 249
ANDREWS, TX 79714

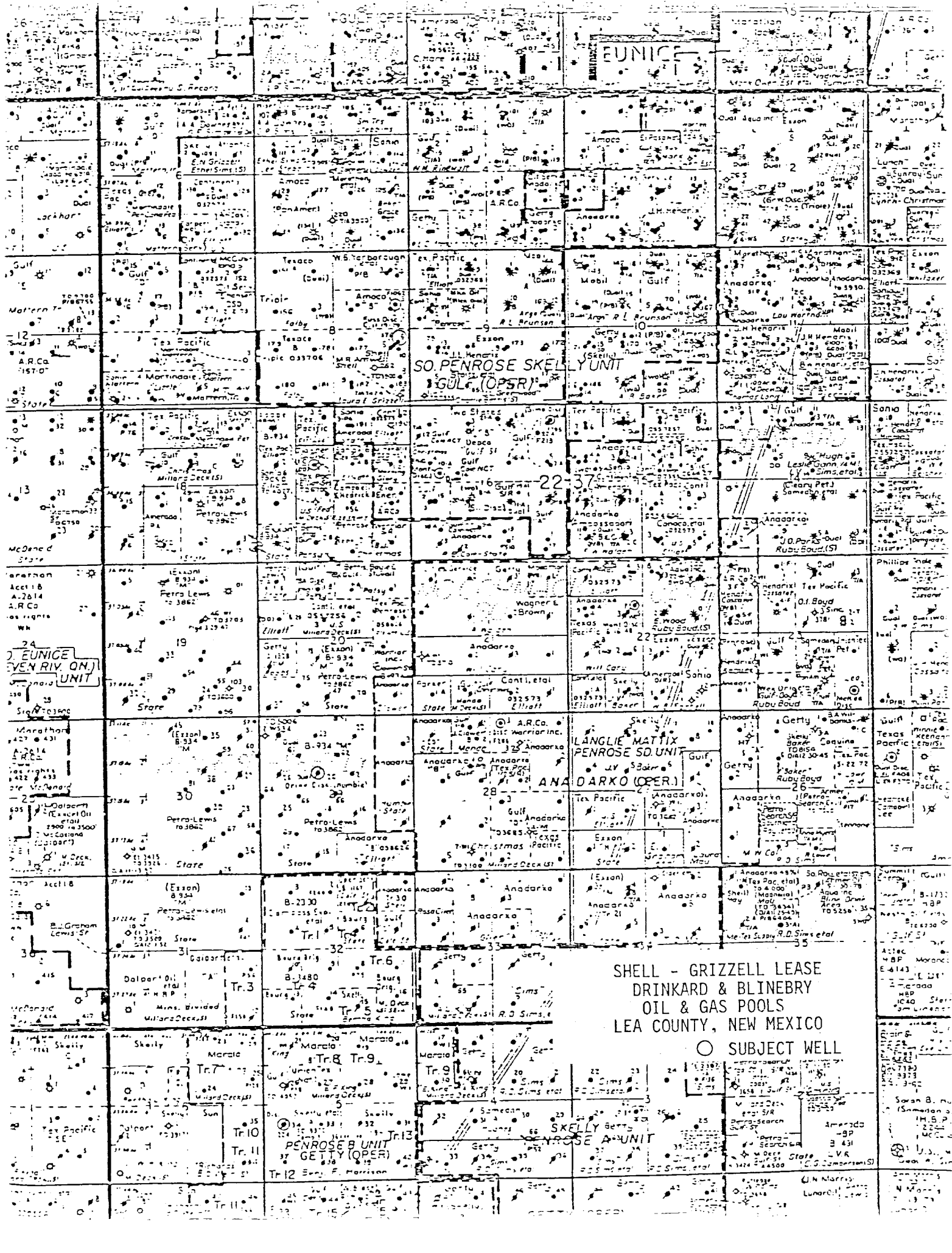
SUN EXPLORATION AND PRODUCTION CO.
P.O. BOX 1861
MIDLAND, TX 79705

SOHIO PETROLEUM COMPANY
10 DESTA DR., STE. 600 WEST
MIDLAND, TX 79705

CONOCO INC.
P.O. BOX 460
HOBBS, NM 88240

CHEVRON, U.S.A., INC.
P.O. BOX 670
HOBBS, NM 88240

EXXON COMPANY, U.S.A.
P.O. BOX 1600
MIDLAND, TX 79702-1600



SHELL - GRIZZELL LEASE
DRINKARD & BLINEBRY
OIL & GAS POOLS
LEA COUNTY, NEW MEXICO

○ SUBJECT WELL

SKELLY UNIT
PENROSE A UNIT

RECEIVED
MAY 12 1986
HOLLYWOOD