

Shell Oil Company



P.O. Box 991
Houston, Texas 77001

July 28, 1982

State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

SUBJECT: APPLICATION TO DOWNHOLE COMMINGLE
SHELL-GRIZZELL NO. 8
990 FSL AND 330 FEL, UNIT LETTER "P"
SECTION 8, T-22-S, R-37-E
BLINEBRY OIL AND GAS POOL
LEA COUNTY, NEW MEXICO

Shell Oil Company respectfully requests administrative approval under the provisions of Rule 303-C, to commingle within the wellbore, production from the Drinkard and Blinebry Oil and Gas Pools in the subject well. The subject well is currently being produced with the Blinebry zone on artificial lift. The Drinkard zone was temporarily abandoned in May 1982 with a retrievable bridge plug set @ 6350'. However, 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 downhole commingle the production from the Blinebry and Drinkard pools in Shell-Grizzell No. 8.

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

1. The attached plat shows the Grizzell lease.
2. The latest tests are as follows:

 Blinebry: 7-01-82 3 BOPD, 1 BWP, 140 MCFPD. Perforations: 5400' - 5929'.

 Drinkard: 4-09-82 10 BOPD, 2 BWP, 160 MCFPD. Perforations: 6420' - 6500'.
 (Currently isolated below RBP @ 6350'.)
3. Neither zone produces more water than the combined oil limit as determined in Rule 303, Paragraph C, (d).
4. Shell Oil Company has commingled these fluids at the surface and has encountered no incompatibility problems; therefore, no reservoir damage will result from downhole commingling.

July 28, 1982
Page 2

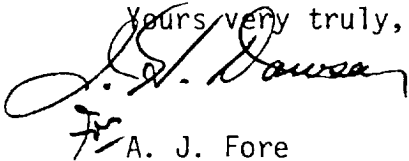
5. Surface commingling resulted in no reduction of oil value; therefore, downhole commingling will not reduce oil value. (PC-218, June 10, 1980)
6. The ownership of both zones to be commingled is common.
7. A resume of the well's completion history is attached.
8. The bottom hole pressures are:
Drinkard: 96 hr SI - 658 psig.
Blinebry: Fluid level - 1096 psig.
We do not anticipate cross flow of fluids since the well will be maintained at pumped off conditions.
9. Commingling will not jeopardize the efficiency of future secondary operations in either zone.
10. Copies of this application have been furnished to all offset operators by certified mail.
11. Recommended oil and gas allotments would be as follows:

<u>Drinkard</u>		<u>Blinebry</u>
77%	Oil	23%
53%	Gas	47%

Other supporting data attached are C-116 for each zone and a schematic of the present and proposed downhole configuration.

If additional information is required, please advise.

Yours very truly,



A. J. Fore
Supervisor Regulatory and Permitting
Mid-Continent Division

DMB:dmb

Attachments

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

Welton D. Moore
New Mexico Production Unit

RECEIVED

JUL 30 1982

O.C.D.
HOBBS OFFICE

OFFSET OPERATORS

GRIZZELL LEASE

TEXACO INC.
ATTN: A. R. McDANIEL
P. O. BOX 3109
MIDLAND, TEXAS 79702

AMOCO PRODUCTION COMPANY
ATTN: S. J. OKERSON, DIST. SUPT.
P. O. BOX 68
HOBBS, NEW MEXICO 88240

SUN EXPLORATION AND PRODUCTION COMPANY
ATTN: J. L. POWER, MGR. CONSERVATION
P. O. BOX 2880
DALLAS, TEXAS 75221

SOHIO PETROLEUM COMPANY
ATTN: J. H. WALTERS, DIST. SUPT.
P. O. BOX 3000
MIDLAND, TEXAS 79702

CONOCO INC.
ATTN: L. P. THOMPSON, DIV. MGR. PROD.
P. O. BOX 460
HOBBS, NEW MEXICO 88240

GULF OIL EXPLORATION AND PRODUCTION COMPANY
SOUTHWEST DIVISION OFFICE
306 WEST WALL STREET
MIDLAND, TEXAS 79701

EXXON COMPANY U.S.A.
MID-CONTINENT PRODUCTION DIVISION
ATTN: D. MENDELL, III, DIV. PROD. MGR.
P. O. BOX 1600
MIDLAND, TEXAS 79702

COMPLETION HISTORY
GRIZZELL NO. 8

9-06-52 thru 9-30-52: Drilled to total depth of 6510'.

10-04-52 thru 10-05-52: Opened and tested Drinkard zone - 6420' to 6460'
6485' to 6500'.

5-03-82 thru 5-07-82: Abandoned Drinkard; Recompleted in Blinebry. Perforated
5-1/2" liner 5400' - 5929' (74 holes). Acidized w/14,420
gals 15% NEA. Returned well to production.

7-01-82: 3 BO + 1 BW + 140 MCFG (Blinebry zone).

NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS

C-116
Revised 1-1-65

Permit		Pool		County		Completion		Special						
SHELL OIL COMPANY		DRINKARD		LEA										
Address		P. O. BOX 576, HOUSTON, TEXAS 77001		TYPE OF TEST - (X)		SCHEDULED		SPECIAL						
LEASE NAME	WELL NO.	LOCATION			DATE OF TEST	CHOKE SIZE	TBG. PRESS.	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST			GAS - OIL RATIO CU.FT./BBL	
		U	S	T						R	WATER BBL'S.	GRAV. OIL		OIL BBL'S.
GRIZZELL	8	P	8	22-S 37-E	4-09-82	P 32/64	210		24	2	38.0	10	160	16,000
Above is a 24-hour productivity test preparatory to downhole commingling with the Blinedbry zone.														

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

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Commission.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

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

Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 303 and appropriate pool rules.

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

C. F. Newman
(Signature)
G. F. NEWMAN

SUPV. OIL ACCOUNTING

(Title)

NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS

C-116
Revised 1-1-65

Form		Pool	County		Completion		Special							
SHELL OIL COMPANY		BLINEBRY OIL AND GAS	LEA											
Address		P. O. BOX 576, HOUSTON, TEXAS 77001		TYPE OF TEST - (X)		SCHEDULED		Special						
LEASE NAME	WELL NO.	LOCATION			DATE OF TEST	CHOKE SIZE	TBG. PRESS.	DAILY ALLOWABLE	LENGTH OF TEST HOURS	PROD. DURING TEST			GAS - OIL RATIO CU.FT/BBLS	
		U	S	T						R	WATER BBL.S.	GRAV. OIL		OIL BBL.S.
GRIZZELL	8	P	8	22-S 37-E	7-01-82	P	30		24	1	38.0	3	140	46,700
Above is a 24-hour productivity test preparatory to downhole commingling with the Drinkard zone.														

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

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Commission.

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

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

Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 301 and appropriate pool rules.

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

C.F. NEWMAN
(Signature) — C.F. NEWMAN

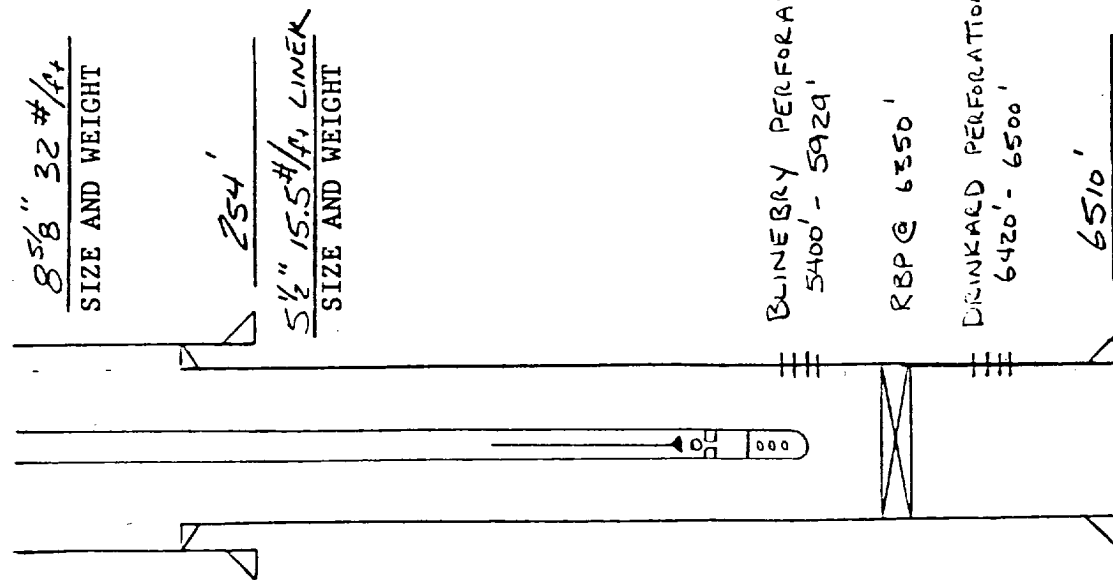
SUPV. OIL ACCOUNTING

(Title)

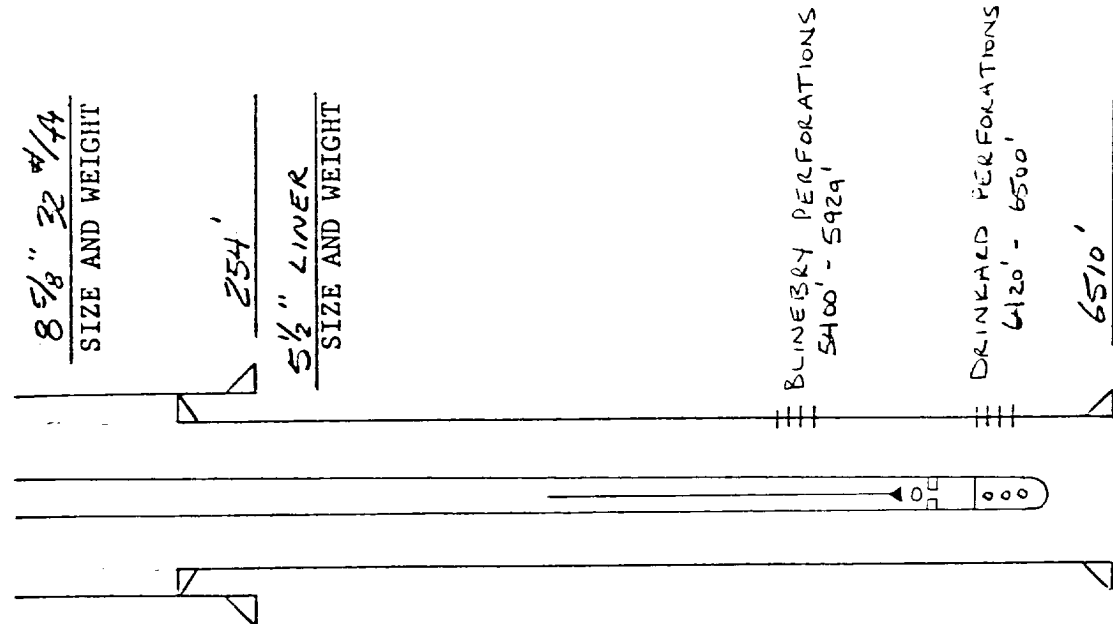
MECHANICAL CONFIGURATION

WELL GRIZZELL #8
 FIELD DRINKARD
 DATE 7/21/82

PRESENT



PROPOSED





PORTION OF BLINBERRY OIL AND GAS POOL
LEA COUNTY, NEW MEXICO

○ SUBJECT WELL

GETTY (OPER)

RECEIVED

JUL 30 1982

O.C.D.
HOBBS OFFICE

P 226 788 945

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO		TEXACO INC.	
STREET AND NO.		P. O. BOX 3109	
P.O. STATE AND ZIP CODE		MIDLAND, TEXAS 79702	
POSTAGE		\$	
CONSULT POSTMASTER FOR FEES		CERTIFIED FEE	
OPTIONAL SERVICES		SPECIAL DELIVERY	
RETURN RECEIPT SERVICE		RESTRICTED DELIVERY	
SHOW TO WHOM AND DATE DELIVERED		SHOW TO WHOM AND DATE DELIVERED	
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TOTAL POSTAGE AND FEES		\$	
POSTMARK OR DATE		D. M. BRANFORD	
		WCK 4435	
		JULY 28, 1982	

PS Form 3800, Apr. 1976

CERTIFIED

P 226 788 945

MAIL

P 226 788 946

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO		AMOCO PRODUCTION CO.	
STREET AND NO.		P. O. BOX 68	
P.O. STATE AND ZIP CODE		HOBBS, NM 88240	
POSTAGE		\$	
CONSULT POSTMASTER FOR FEES		CERTIFIED FEE	
OPTIONAL SERVICES		SPECIAL DELIVERY	
RETURN RECEIPT SERVICE		RESTRICTED DELIVERY	
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TOTAL POSTAGE AND FEES		\$	
POSTMARK OR DATE		D. M. BRANFORD	
		WCK 4435	
		JULY 28, 1982	

PS Form 3800, Apr. 1976

CERTIFIED

P 226 788 946

MAIL

P 226 788 947

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO		SUN EXPL. & PROD. CO.	
STREET AND NO.		P. O. BOX 2880	
P.O. STATE AND ZIP CODE		DALLAS, TX. 75221	
POSTAGE		\$	
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RETURN RECEIPT SERVICE		RESTRICTED DELIVERY	
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TOTAL POSTAGE AND FEES		\$	
POSTMARK OR DATE		D. M. BRANFORD	
		WCK 4435	
		JULY 28, 1982	

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P 226 788 947

MAIL

P 226 788 948

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO		SOHIO PETROLEUM CO.	
STREET AND NO.		P. O. BOX 3000	
P.O. STATE AND ZIP CODE		MIDLAND, TX. 79702	
POSTAGE		\$	
CONSULT POSTMASTER FOR FEES		CERTIFIED FEE	
OPTIONAL SERVICES		SPECIAL DELIVERY	
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TOTAL POSTAGE AND FEES		\$	
POSTMARK OR DATE		D. M. BRANFORD	
		WCK 4435	
		JULY 28, 1982	

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P 226 788 948

MAIL

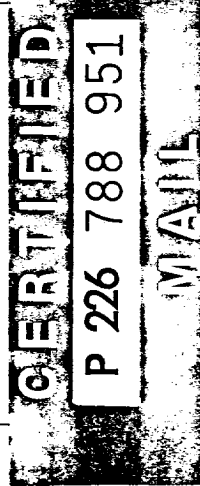
P 226 788 951

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
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(See Reverse)

SENT TO		EXXON COMPANY U.S.A.	
STREET AND NO.		P. O. BOX 1600	
P.O., STATE AND ZIP CODE		MIDLAND, TX 79702	
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OPTIONAL SERVICES		SPECIAL DELIVERY	
RETURN RECEIPT SERVICE		RESTRICTED DELIVERY	
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TOTAL POSTAGE AND FEES		\$	
POSTMARK OR DATE		D. M. BRANFORD WCK 4435 JULY 28, 1982	

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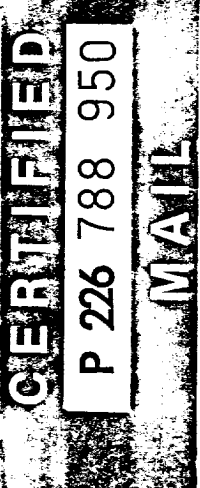
P 226 788 950

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO		GULF OIL EXPL. & PROD.	
STREET AND NO.		306 WEST WALL STREET	
P.O., STATE AND ZIP CODE		MIDLAND, TX. 79701	
POSTAGE		\$	
CONSULT POSTMASTER FOR FEES		CERTIFIED FEE	
OPTIONAL SERVICES		SPECIAL DELIVERY	
RETURN RECEIPT SERVICE		RESTRICTED DELIVERY	
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TOTAL POSTAGE AND FEES		\$	
POSTMARK OR DATE		D. M. BRANFORD WCK 4435 JULY 28, 1982	

PS Form 3800, Apr. 1976



P 226 788 949

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO		CONOCO INC.	
STREET AND NO.		P. O. BOX 460	
P.O., STATE AND ZIP CODE		HOBBS, NM 88240	
POSTAGE		\$	
CONSULT POSTMASTER FOR FEES		CERTIFIED FEE	
OPTIONAL SERVICES		SPECIAL DELIVERY	
RETURN RECEIPT SERVICE		RESTRICTED DELIVERY	
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