## Gulf Oil Exploration and Production Company

November 20, 1980

P. O. Box 670 Hobbs, NM 88240

R. C. Anderson PRODUCTION MANAGER, HOBBS AREA

> Re: R. E. Cole (NCT-A) No. 11 Unit J-Sec 16-T22S-R37E Lea County, New Mexico

Mr. Joe D. Ramey, Director New Mexico Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501

Dear Sir:

Your administrative approval is requested for an exception to Rule No. 303-C to permit downhole commingling of marginal Blinebry and Drinkard production in the subject well.

The subject well was drilled and completed in 1968 in the Montoya. In 1971 the Montoya zone was abandoned and the Blinebry zone was completed. In 1975 the Drinkard was completed and the well dual completed under Administrative Order MC-2180. The Drinkard zone flowed intermittently in 1978 and was closed in January 1979. The fluid produced from both zones was commingled above ground per Amendment Order PC-303.

There is no evidence of incompatibility of fluids. Reservoir damage from downhole commingling in the wellborc is not expected to occur. Ownership in the two pools is common and corelative rights will not be violated.

Presently the Blinebry is pumping, and the Drinkard will not flow and has been closed in since January 1979. The reservoir pressure in the Drinkard is too low to allow flowing conditions. Swabbing has failed to restore Drinkard production. The Drinkard will have to be pumped. If this application is approved, the existing pumping equipment will be used to produce the Blinebry and Drinkard production.

All offset operators have been notified by copy of this proposal to downhole commingle the subject well. Should secondary recovery operations become practical in the future, the two zones could be separated at that time without damaging either reservoir.

Yours very truly,

C. C. Cuderson C. ANDERSON

RQH/jr

Attachments

cc: vil Conservation Division - Hobbs C. F. Kalteyer - Midland All Offset Operators Division Director (Duplicate)

A DIVISION OF GULF OIL CORPORATION