



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

5-12-93

BRUCE KING
GOVERNOR

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

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

RE: Proposed:

MC _____
DHC ☒ _____
NSL _____
NSP _____
SWD _____
WFX _____
PMX _____

See 5001
Amended DHC 889

Gentlemen:

I have examined the application for the:

John H. Hendrix Corp. *Cassatot 2* *#5-E 23-22-37*
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK

Yours very truly,

Jerry Sexton
Jerry Sexton
Supervisor, District 1

/ed



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

ADMINISTRATIVE ORDER DHC-899

John H. Hendrix Corporation
223 West Wall Street, Suite 525
Midland, TX 79701

Attention: Lee Wood

*Cossatot "F" Well No. 5
Unit E, Section 23, Township 22 South, Range 37 East, NMPM,
Lea County, New Mexico.
South Brunson Drinkard-Abo and Wantz Granite Wash Pools*

Dear Mr. Wood:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations to permit the subject well to commingle production from both pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303-C, and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion and required separation of the two zones is hereby placed in abeyance.

In accordance with the provisions of Rule 303-C-4., total commingled oil production from the subject well shall not exceed 50 barrels per day, and total water production shall not exceed 90 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by Division Rules and Regulations or by the gas allowable for each respective prorated pool as printed in the Division's Southeast Gas Proration Schedule.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

South Brunson Drinkard-Abo Pool	Oil	33%	Gas	17%
Wantz Granite Wash	Oil	67%	Gas	83%

Administrative Order DHC-899
John H. Hendrix Corporation
June 2, 1993
Page 2

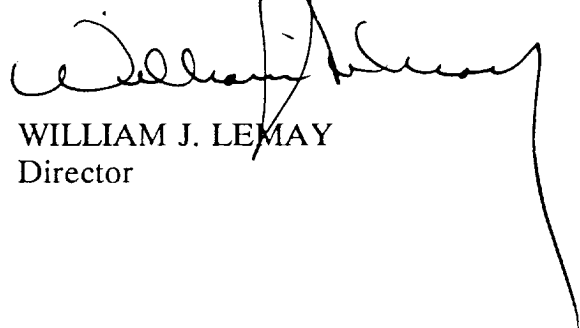
In accordance with the provisions of Rule 303-C, the supervisor of the Hobbs District Office of the Oil Conservation Division shall determine the proper allocation of production from the subject well following its completion.

FURTHER: The operator shall notify the Hobbs District Office of the Division upon implementation of the commingling process.

Pursuant to Rule 303-C-5, the commingling authority granted by the order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 2nd day of June, 1993.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in black ink, appearing to read 'William J. Lemay', is written over the typed name and title. The signature is fluid and cursive, with a long, sweeping line extending from the end of the name.

WILLIAM J. LEMAY
Director

S E A L

WJL/BES/amg

cc: Oil Conservation Division - Hobbs

JOHN H. HENDRIX CORPORATION



(915) 684-6631
223 WEST WALL, SUITE 525
MIDLAND, TEXAS 79701

May 10, 1993

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Attention: Mr. David R. Catanach

RE: Downhole Commingling Request
Cossatot "F" No. 5 Lease
Unit E, Section 23, T22S -
R37E, Lea County, New Mexico

Gentlemen:

John H. Hendrix Corporation respectfully requests administrative approval to downhole commingle the Drinkard and Wantz Granite Wash production. Approval of this request will protect correlative rights, and encourage the efficient recovery of oil and gas reserves.

Currently the well is dual completed with the Drinkard flowing up the casing and Wantz Granite Wash pumped up the tubing.

By copy of this letter, we are notifying the offset operators of this proposed commingling. If these operators have no objections, we ask that they execute the attached waiver and return two copies to the N.M.O.C.D.

Enclosed is pertinent data supporting this application as outlined in Rule 303-A. If additional information is necessary, please contact me at (915) 684-6631.

Sincerely,

Lee Wood
Lee Wood

LW/ah
Enclosures

COSSATOT "F" NO. 5
PERTINENT INFORMATION

- A) John H. Hendrix Corporation
223 W. Wall, Suite 525
Midland, TX 79701
- B) Cossatot "F" No. 5
Unit E, Section 23, T22S - R37E
Lea County, New Mexico
Commingled Zones: Drinkard and
Wantz Granite Wash
- C) A lease plat is attached showing the location of this well. (Exhibit 1)
- D) The Form C-116 is included to show current status of Drinkard Oil Zone and Wantz Granite Wash Zone. (Exhibit 2)
- E) Production decline curves for the Drinkard and Wantz Granite Wash are attached. (Exhibit 3)
- F) Due to the fact the well would be produced in a pumped off condition, it is respectfully requested that the BHP data be waived.
- G) Due to the fact these zones are already commingled in many wells, it is requested that the gas analysis requirements be waived.
- H) Working interest and royalty ownership in the two zones is the same.
- I) The following percentages are suggested based on the analysis of past and current production.

	<u>Anticipated Production</u>			<u>MCFPD</u>
	<u>Oil %</u>	<u>BOPD</u>	<u>Gas %</u>	
Wantz Granite Wash	33%	1	17%	14
Drinkard	67%	2	83%	70
Total	100%	3	100%	84

EXHIBIT 1

Submit 2 copies to Appropriate District Office.

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-116
Revised 1/1/89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

GAS - OIL RATIO TEST

Operator John H. Hendrix Corporation		Pool Drinkard		County Lea												
Address 223 W. Wall, Suite 525, Midland, TX 79701		TYPE OF TEST - (X)		Scheduled ☒ Completion ☐ Special ☐												
LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	STATUS	CHOKE SIZE	TBG. PRESS.	DAILY ALLOW. ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST			GAS - OIL RATIO CU.FT/8BL.	
		U	S	T	R							WATER 8BLS.	GRAV. OIL	OIL 8BLS.		GAS M.C.F.
Cossatot F	5	E	23	22	37	3/6/93	F	2"	35	MGW	24	1	41.4	2	87	43500
EXHIBIT 2																

Instructions:

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 Division.

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.

(See Rule 301, Rule 1116 & appropriate pool rules.)

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

Signature Lee Wood
Printed name and title
5/10/93 (915) 684-6631
Date Telephone No.

Submit 2 copies to Appropriate District Office.

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-116
Revised 1/1/89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

GAS - OIL RATIO TEST

Operator John H. Hendrix Corporation		Pool Wantz Granite Wash		County Lea												
Address 223 W. Wall, Suite 525, Midland, TX 79701		TYPE OF TEST - (X) ☒ TEST - (X)		Scheduled ☐ Completion ☐ Special ☐												
LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	STATUS	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 BBL.S.		GAS M.C.F.	
Cossatot F	5	E	23	22	37	3/6/93	P	Open	35	M	24	1	39.0	2	4	2000
EXHIBIT 2																

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(See Rule 301, Rule 1116 & appropriate pool rules.)

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

Signature

Lee Wood

Printed name and title

5/10/93

Date

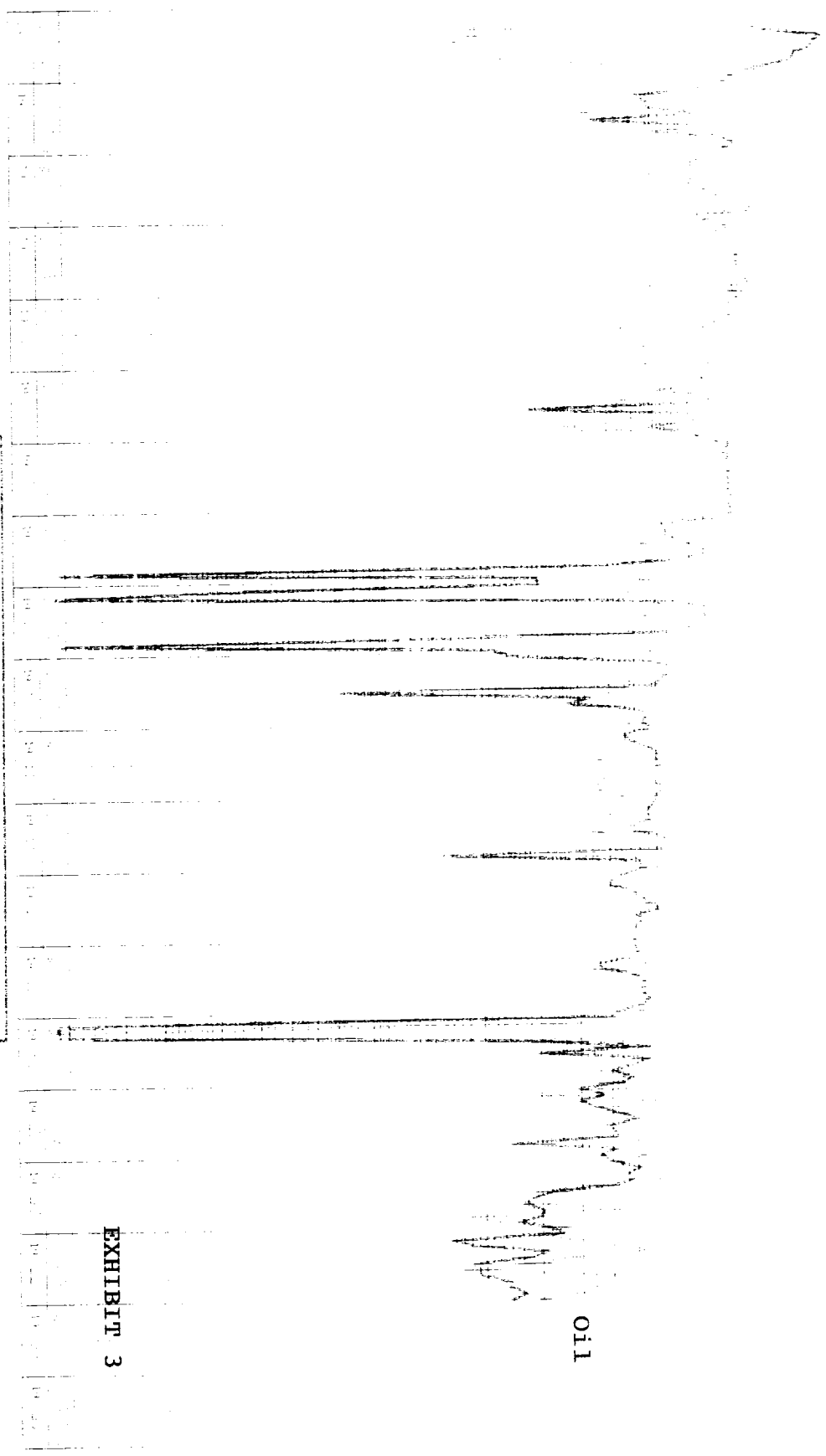
(915) 684-6631

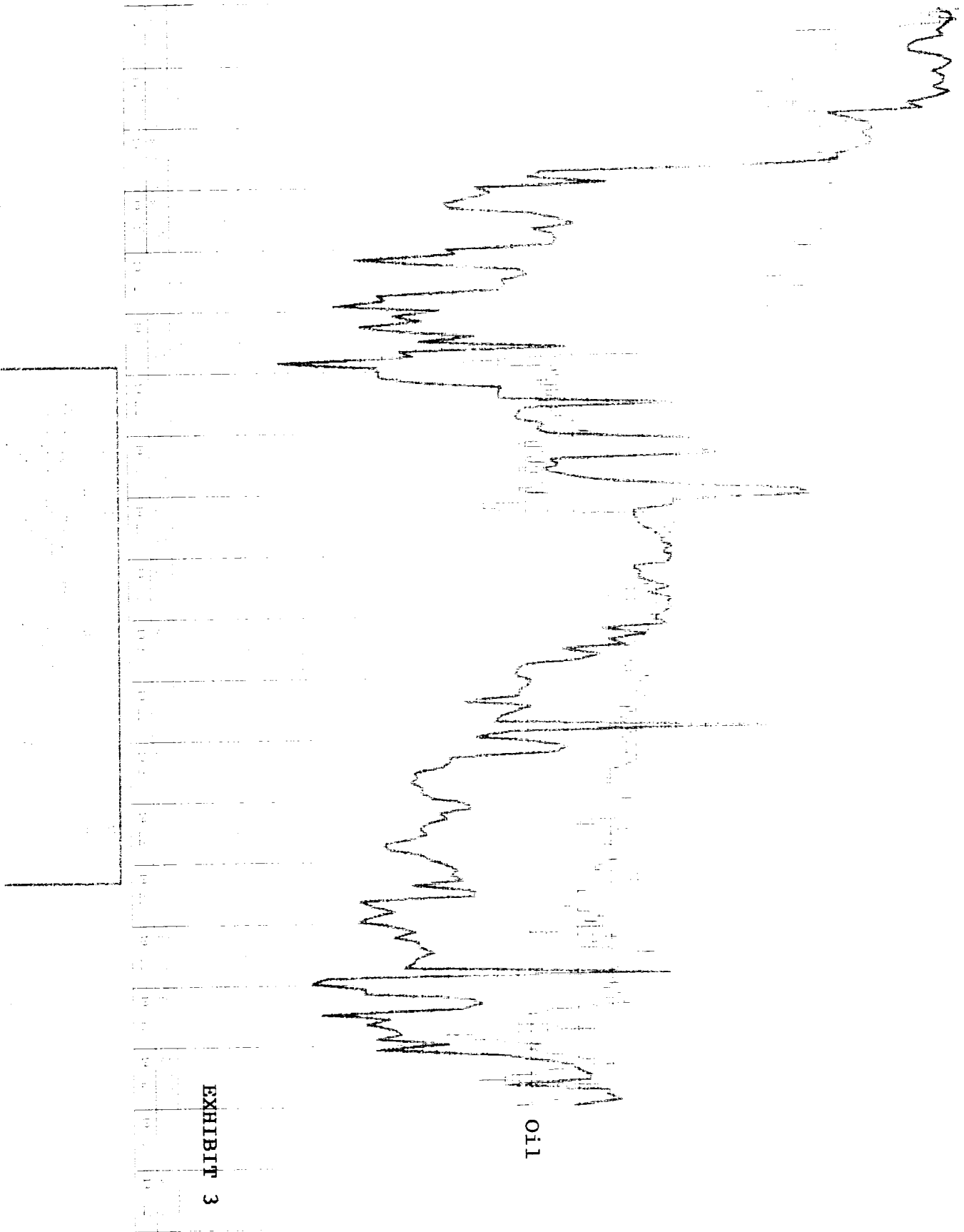
Telephone No.



Oil

EXHIBIT 3

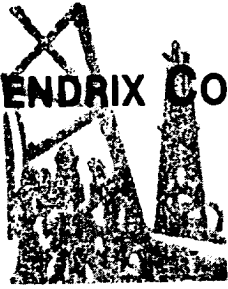




Oil

EXHIBIT 3

JOHN H. HENDRIX CORPORATION



(915) 684-6631
223 WEST WALL, SUITE 525
MIDLAND, TEXAS 79701

May 10, 1993

CERTIFIED MAIL

RE: Waiver Request to Downhole
Commingle Drinkard and Wantz
Granite Wash Pools, Cossatot
"F" No. 5, Unit E, Section
23, T22S -R37E, Lea County,
New Mexico

TO: OFFSET OPERATORS

Attached is a copy of John H. Hendrix Corporation's administrative application for N.M.O.C.D. approval to downhole commingle Drinkard and Wantz Granite Wash Pools in our Cossatot "F" No. 5. Approval of this application will promote conservation and encourage the efficient recovery of oil and gas reserves.

As an offset operator, if you do not have any objections to the attached application, please sign the enclosed waivers and mail the two copies to the N.M.O.C.D. in Santa Fe and one copy to the N.M.O.C.D. in Hobbs. We would also request that you send a copy to John H. Hendrix Corporation in Midland. We have enclosed self addressed, stamped envelopes for your convenience.

If you have any questions, please call me at (915) 684-6631. Your prompt consideration in the above matter is appreciated.

Yours very truly,

Lee Wood
Lee Wood

Attachments

May 10, 1993

RE: Request to Downhole
Commingle (Cossatot "F" #5)
Drinkard and Wantz Granite
Wash Pools, Unit E, Section
23, T22S -R37E, Lea County,
New Mexico

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Attention: David R. Catanach

As an offset operator, the undersigned has no objection to the John H. Hendrix Corporation application to the downhole commingling of the Drinkard and Wantz Granite Wash Pools in the captioned well bore.

Approved By: _____

Representing: _____

Date: _____

OFFSET OPERATORS TO
JOHN H. HENDRIX CORPORATION'S
COSSATOT "F" NO. 5

Chevron USA Inc.
P. O. Box 670
Hobbs, NM 88240

Amerada Hess Corporation
Drawer D
Monument, NM 88265

Conoco, Inc.
#10 Desta Drive
Midland, TX 79705-4500

Exxon Company USA
P. O. Box 1600
Midland, TX 79701