



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

BRUCE KING
GOVERNOR

12-29-92

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

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

DHC - 876

RE: Proposed:

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

Gentlemen:

I have examined the application for the:

Marathon Oil Co. J. L. Muncy #5-P 24-22-37
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

Houston Division
Production Operations, United States



**Marathon
Oil Company**

P.O. Box 2409
Hobbs, New Mexico 88240
Telephone 505/393-7106

December 21, 1992

Mr. David Catanach
Energy and Mineral Department
Oil Conservation Division
PO Box 2088
Santa Fe, NM 87501

RE: Request for Exception to Rule 303-A
Downhole Commingling
Marathon Oil Company
J.L. Muncy Well No. 5
Unit P, 990' FEL & 990' FSL
Section 24, T-22-S, R-37-E
Blinebry Oil & Drinkard Granite Wash
Drinkard Field
Lea County, New Mexico

Dear Mr. Catanach:

Marathon Oil Company requests administrative approval for an exception to Rule 303-A to permit the downhole commingling of production in the above subject well from the Blinebry Oil and Drinkard - Granite Wash Pools in Lea County, New Mexico.

Currently, the well is dual completed with the Blinebry producing by plunger lift and the Drinkard by rod pump. Allowing the commingling of the two zones, both the Blinebry and Drinkard can be rod pumped, thus allowing for a more efficient lift system and therefore extending the life of the well and minimizing any associated waste.

Enclosed is pertinent data supporting this application as outlined in rule 303-C. If additional information is necessary, please contact me at (505) 393-7106.

Sincerely,

A handwritten signature in cursive script, appearing to read 'S.P. Guidry'.

S.P. Guidry
Northwest Operations
Area Superintendent

SPG:RDG/9242/dw

xc: R.W. Tracy

REQUEST FOR EXCEPTION TO RULE 303-C
J.L. MUNCY WELL NO. 5
DRINKARD FIELD

- (a) Marathon Oil Company
PO Box 2409
Hobbs, New Mexico 88240
- (b) J.L. Muncy Well No. 5
Unit P, 990' FEL and 990' FSL
Section 24, T-22-S, R-37-E
Lea County, New Mexico
Commingled Zones: Blinebry Oil and
Drinkard - Granite Wash
- (c) Plats (2) of area are attached showing the dedicated acreage and offset operations.
- (d) The Form C-116 for the Blinebry Oil and Drinkard - Granite Wash are attached. The allocated production for each pool will be based upon the current production declines and the latest GOR tests.
- (e) Production curves for both the Blinebry Oil and Drinkard - Granite Wash are attached.
- (f) Estimated bottom hole pressure for each zone:
Blinebry Oil - 400 psi
Drinkard - Granite Wash - 500 psi
- (g) Marathon has commingled these fluids at the surface and has encountered no incompatibility problems.
- (h) If the downhole commingling is approved, the artificial lift system will extend the economic life of the well and thus avoid waste. The value of the produced hydrocarbons will not be altered by commingling the production as the oil and gas of each zone is currently surface commingled.
- (i) Production from the latest GOR test shows as follows:

<u>Name</u>	<u>Oil (BOPD)</u>	<u>GAS (MCFD)</u>	<u>Water (BWPD)</u>
Blinebry Oil	5	140	1
Drinkard-Granite Wash	3	60	0
Total	8	200	1

Allocated percentages should be:

<u>Name</u>	<u>Oil (%)</u>	<u>Gas (%)</u>	<u>Water (%)</u>
Blinebry Oil	63	70	100
Drinkard-Granite Wash	37	30	0

- (j) Ownership of the two pools to be commingled in common and correlative rights will not be violated.
- (k) By copy of this letter, we are notifying all offset operators of the proposed commingling by certified mail.

OFFSET OPERATORS

J.L. MUNCY LEASE
LEA COUNTY, NEW MEXICO

Chevron Oil Company
PO Box 670
Hobbs, NM 88240

Hanson Operating company
PO Box 1515
Roswell, NM 88202-1515

Phillips Petroleum Company
4001 Penbrook
Odessa, TX 79762

John Hendrix
525 Midland Tower
Midland, TX 79701

Crown Central Petroleum
Building K, Suite 200
731 West Wadley
Midland, TX 79701

Sun Exploration & Production Company
PO Box 1861
Midland, TX 79702

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
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

WELL API NO.

30-025-25361

5. Indicate Type of Lease

STATE ☐

FEE ☒

6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"
(FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:

OIL
WELL ☐

GAS
WELL ☐

OTHER

Dual Oil Well

2. Name of Operator

Marathon Oil Company

3. Address of Operator

P.O. Box 2409, Hobbs, NM 88240

4. Well Location

Unit Letter P : 990' Feet From The East Line and 990' Feet From The South Line

Section 24

Township 22-S

Range 37-E

NMPM

Lea

County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)

3323' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐

PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐

CHANGE PLANS ☐

PULL OR ALTER CASING ☐

OTHER: Downhole Commingle ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐

ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐

PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: ☐

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Marathon Oil requests authorization to downhole commingle the Blinebry Oil & Drinkard- Granite Wash Pools.

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

SIGNATURE

TITLE

Production Engineer

DATE

12-18-92

TYPE OR PRINT NAME

Rick Gaddis

505-

TELEPHONE NO. 393-7106

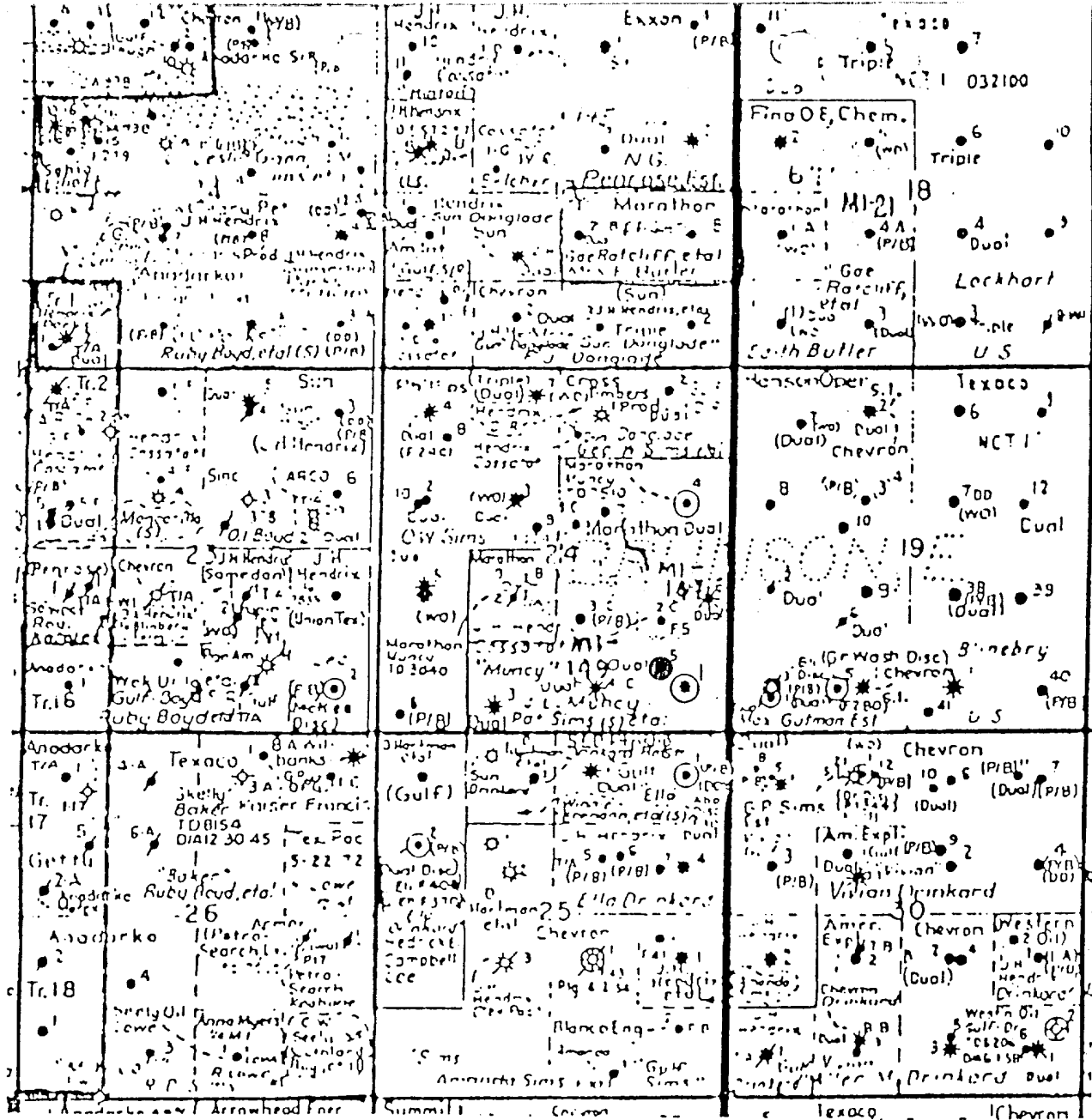
(This space for State Use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:



R-37-E

DRINKARD FIELD

J.L. Muncy Lease
Lea County, New Mexico

Land Plat

RDG- 11/30/92

OIL CONSERVATION DIVISION

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Marathon Oil Company			Lease J.L. Muncy		Well No. 5
Unit Letter P	Section 24	Township 22-S	Range 37-E	County NMPM	Lea
Actual Footage Location of Well: 990' feet from the South line and 990' feet from the East line					
Ground level Elev. 3323'	Producing Formation Granite Wash		Pool Drinkard		Dedicated Acreage: 40 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

☐ Yes ☐ No If answer is "yes" type of consolidation _____
If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary. _____)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.

Section 24

5 990'

990'

OPERATOR CERTIFICATION

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

Signature John J. Hall

Printed Name
Rick Gaddis

Position
Production Engineer

Company
Marathon Oil Company

Date
12-18-92

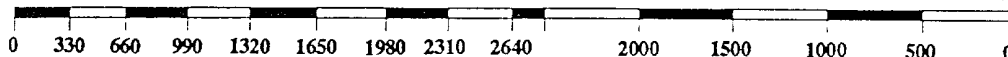
SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed _____

Signature & Seal of
Professional Surveyor

Certificate No.	
-----------------	--



OIL CONSERVATION DIVISION

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1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Marathon Oil Company			Lease J.L. Muncy			Well No. 5		
Unit Letter P	Section 24	Township 22-S	Range 37-E			County Lea		
Actual Footage Location of Well:								
990' feet from the East line and			990' feet from the South line					
Ground level Elev. 3323'		Producing Formation Blinebry		Pool Blinebry Oil			Dedicated Acreage: 40 Acres	
1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below. 2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty). 3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.? ☐ Yes ☐ No If answer is "yes" type of consolidation _____ If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary). _____ No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.								
						OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>		
						Signature _____ Printed Name Rick Gaddis Position Production Engineer Company Marathon Oil Company Date 12-18-92		
						SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.</i>		
						Date Surveyed _____ Signature & Seal of Professional Surveyor _____ Certificate No. _____		

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
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1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

Form C-116
Revised 1/1/89

GAS - OIL RATIO TEST

Operator Marathon Oil Company		Pool Drinkard - Granite Wash		County Lea						
Address P.O. Box 2409, Hobbs, NM 88240		TYPE OF TEST - (X)		Completion ☐ Special ☒						
LEASE NAME J.L. Muncy	WELL NO. 5	LOCATION			DAILY ALLOW- ABLE	LENGTH OF TEST HOURS 24	PROD. DURING TEST			GAS - OIL RATIO CU.FT/BE
		U P	S 24	T 22			R 37	DATE OF TEST 10-14-92	CHOKE SIZE N/A	

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.

Rick Gaddis

Signature

Rick Gaddis, Production Engineer

Printed name and title

12-18-92

505-393-7106

Date

Telephone No.

Submit 2 copies to Appropriate
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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 Marathon Oil Company		Pool Blinebry Oil		County Lea											
Address P.O. Box 2409, Hobbs, NM 88240		TYPE OF TEST - (X)		Completion ☐ 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		
		U	S	T						R	WATER BBL.S.	GRAV. OIL	OIL BBL.S.	GAS M.C.F.	GAS - OIL RATIO C.U.F. / BBL.
J.L. Muncy	5	P	24	22	37	11-8-92	P*	100psi	--	24	1	--	5	140	28,000
* Plunger Lift															

Instructions:

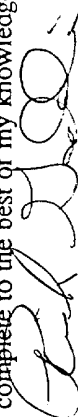
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(See Rule 301, Rule 1116 & appropriate pool rules.)

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



Signature

Rick Gaddis, Production Engineer

Printed name and title

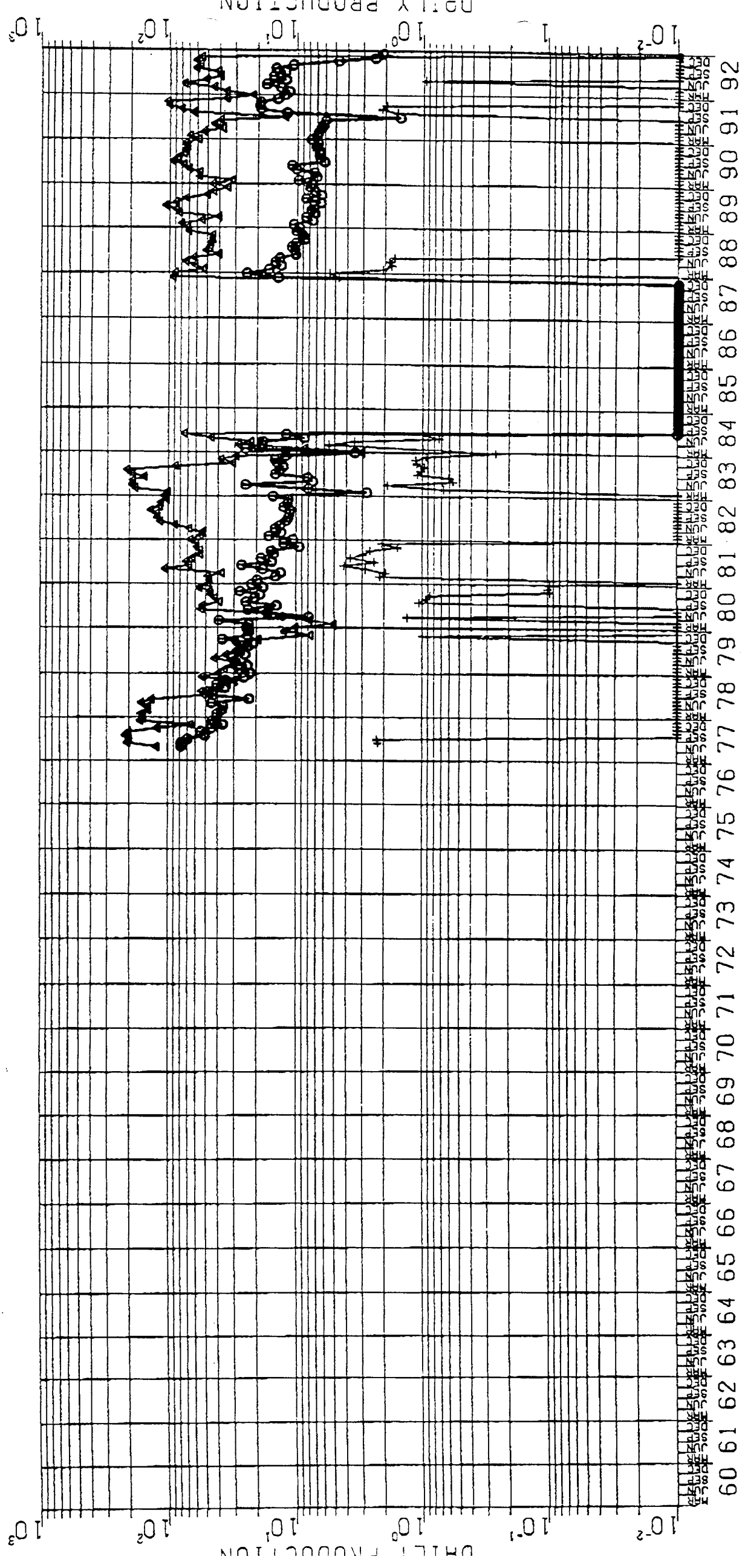
12-18-92

505-393-7106

Date

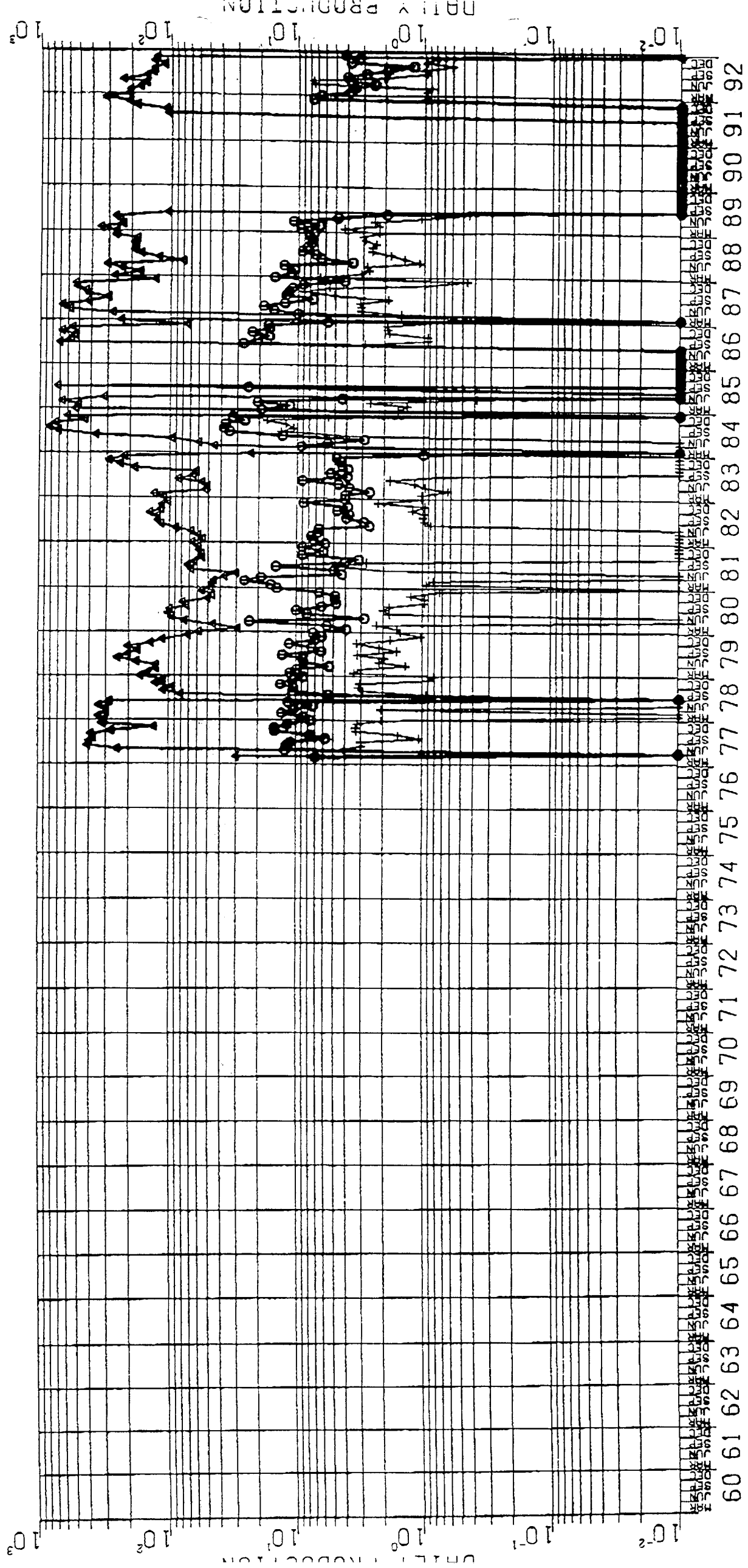
Telephone No.

FIELD - DRINKARD
 RESERVOIR - GRANITE WASH
 LEASE - MUNCY J L
 WELL - J. L. MUNCY-NO. 5



O+C CALENDAR DLY AVG $\circ$
 GAS CALENDAR DLY AVG Δ
 WTR CALENDAR DLY AVG $+$

FIELD - DRINKARD
 RESERVOIR - BLINEBRY
 LEASE - MUNCY J L
 WELL - J. L. MUNCY-NO. 5



OIL CALENDAR DLY AVG —○—
 GAS CALENDAR DLY AVG —▲—
 WTR CALENDAR DLY AVG —+—

DRINKARD FIELD

J. L. MUNCY WELL No. 5

990' FSL & 990' FEL

SECTION 24, T-22S, R-37E

LEA COUNTY, NEW MEXICO

STATUS: DUAL OIL WELL

KB: 3337' GL: 3323'

TD: 7512' PBD: 7507'

SURFACE: 9-5/8", 32#/ft, H-40, set at 1250'. Cmt'd w/ 675 sxs. Cird to surface.

PRODUCTION: 7", 23 & 26'/ft, K-55 & N-80, set at 7510'. DV-Tool at 3996'. Cement circ'd to surface.

TUBING:

Short String: 2-1/16", 3.25#/ft, 10rd, N-80, IJ to 5610'.

Long String: 2-3/8", 4.7#, J-55, EUE to 7241' w/ on-off tool & Baker Lok-Set @ 7249'.

RODS: 78-7/8", 199-3/4", 10-7/8" and a 2"x1-1/4"x16' pump.

PRESENT COMPLETION:

Blnebry: 5496-5744'

Drinkard: 7285-7478'

