

ADMINISTRATIVE ORDER DHC-1973

Texaco Exploration & Production Inc. 205 E. Bender Blvd. Hobbs, New Mexico 88240

Nonne

Ms. J. Denise Leake

SDE "31" Federal No. 1 API No. 30-025-32676 Unit D, Section 31, Township 23 South, Range 32 East, NMPM, Lea County, New Mexico. South Sand Dunes-Bone Spring (Oil-53805) and, Triste Draw-Delaware (Oil-59930) Pools

Dear Ms. Leake:

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the above described well to commingle production from the subject 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 zones is hereby placed in abeyance.

In accordance with the provisions of Rule 303.C., the daily allowable producing rates from the subject well are hereby established as follows:

Oil 107 B/D Gas 214 MCF/D Water 214 B/D

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

Triste Draw-Delaware Pool	Oil 74%	Gas 100%
South Sand Dunes-Bone Spring Pool	Oil 26%	Gas 0%

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Form 3160-5 UNITED S (June 1990) DEPARTMENT OF BUREAU OF LAND	TATES 1980 THE INTERIOR NO 8	FORM APPROVED
SUNDRY NOTICES AND Do not use this form for proposals to drill or to		5. Lease Designation and Serial No. NM 18848
Use "APPLICATION FOR PER		6. If Indian, Alottee or Tribe Name
SUBMIT IN TR	RIPLICATE	7. If Unit or CA, Agreement Designation
1. Type of Well: I OIL GAS OTH	ER	8. Well Name and Number SDE '31' FEDERAL
2. Name of Operator TEXACO EXPLORATION &	PRODUCTION INC.	1
3. Address and Telephone No. 205 E. Bender, HOBBS, NM	88240 397-0405	9. API Well No. 30-025-32676
4. Location of Well (Footage, Sec., T., R., M., or Survey Des Unit Letter <u>D</u> : 660 Feet From The <u>NOR</u>		10. Field and Pool, Exploaratory Area TRISTE DRAW; DELAWARE, WEST
WEST Line Section 31 Townshi	0 23-S Range 32-E	11. County or Parish, State LEA ,NM
12. Check Appropriate Box(s) To Indicate Nature of Notice, Re	port, or Other Data
TYPE OF SUBMISSION	TYI	PE OF ACTION
 Notice of Intert Subsequent Report Final Abandonment Notice 	 Abandonment Recompletion Plugging Back Casing Repair Atlering Casing OTHER: ADD PAY-BRUSHY CAN 	Change of Plans Change of Plans New Construction Non-Routine Fracturing Water Shut-Off Conversion to Injection IYON Dispose Water (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log Form.)
 Describe Proposed or Completed Operations (Clearly state work. If well is directionally drilled, give subsurface location 1. TOH W/PMP & RDS. TAG FILL, STRAP, & SCANALOG TBG OUT OF HLE 3. DRILL OUT 50' OF CMT & 5 1/2" CIBP FR 8430-8480 4. TIH W/5 1/2" RBP & TRTNG PKR ON WS. SET RBP 5. UNSET PKR & PULL RBP. SET RBP @ 8350'. PSA 8 W/1000# RK SLT AS DIVERTER. UNSET PKR & PULL RBP. SET RBP ABOVE LOWER 7. PERF LOWER BRUSHY CANYON FR 8152-8166 W/ 8. SWAB TEST TO EVALUATE NEW COMPLETION. CIRC SD OFF OF RBP @ 8285' & PULL RBP. TIH W/MHMA, SN 1 2 7/8" IPC JT, & 2 7/8" TBG W/T RDS. RETURN WELL TO PRODUCTION. RD PU. TREAT **HAVE APPLIED FOR A DOWNHOLE COMMINGLING 	ons and measured and true vertical depths for all C/O TO 8700'. @ 8600'. PSA 8450'. A/BONE SPRING PERFS 150'. A/LOWER BRUSHY CANYON PERFS 82 R BRUSHY CANYON PERFS 8202-8308' @ 81 4 SPF. A/ LOWER BRUSHY CANYON 8152-81 BG ANCHOR. SET TBG ANCHOR @ 8100'. S FOR CORROSION & PARAFFIN.	markers and zones pertinent to this work,)*. 8 8518-8544 W/1500 GALS 80/20 DAD ACID 202-8308' W/2500 GALS 80/20 DAD ACID 85' W/10' SD ON TOP. 66 W/1000 GALS 15% HCL.

SIGNATURE A. ALAN	W Ma/le TITI	Engineering Assistant	DATE	4/21/98
TYPE OR PRINT NAME	J. Denise Leake			
This space for Federal or State office use) APPROVED (@RIG. SG D.) (3)		E ATTOLEUM ENGINEER	DATE	R S S S F
CONDITIONS OF APPROVAL, IF ANY	:			

DISTRICT I P.O. Box 1980, Hobbs, NM 88241-1980 DISTRICT II P.O. Box Drawer DD, Artesia, NM 88211-0719 DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410 DISTRICT IV P.O. Box 2088, Santa Fe, NM 87504-2088 WE

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State of New Mexico Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

Revised February 10,1994 Instructions on back Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies AMENDED REPORT

Form C-102

LL LOCATION AND	ACREAGE	DEDICATION	ΡΙΑΤ

	API Number ² Pool Code ³ Pool Name							
4		59945			TRISTE DRAW; DELAWARE, WEST			
Property C 15704		⁵ Property Name SDE '31' FEDERAL			6 W	⁶ Well No. 1		
⁷ OGRID Num 022351	lber		⁸ Operator Name ⁹ Elevatio TEXACO EXPLORATION & PRODUCTION INC. GR-355					
				¹⁰ Surface L	ocation	<u> </u>		
UI or lot no. Section D 31	Township 23-S	Range 32-E	Lot.Idn	Feet From The 660	the second s	Feet From The 660	East/West Line	County
	<u> </u>	¹¹ E	Bottom Hol	e Location If	Different From Su		WEST	LEA
Ul or lot no. Section	Township	Range	Lot.ldn	Feet From The		Feet From The	East/West Line	County
- 40	³ Joint or Infill No	14	Consolidatio		Order No.	i		
NO ALLOWA	BLE WILL B	E ASSIGN R A NON-	NED TO TH	IS COMPLETIO	ON UNTIL ALL INTI EN APPROVED B'	ERESTS HAVE I Y THE DIVISION	BEEN CONSOLIE	ATED
16 660' FNL #1 660' FWL						I hereby a contained he best of my k Signature Printed Name J. Denise Position Engineeri Date 4/16/98 18 SUR I hereby certif on this plat w actual surveys supervision, a	Leake ng Assistant /EYOR CERTIFICA y that the well location as plotted from field r made by me or under and that the same is tr best of my knowledg	ation lete to the Dake

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

Pursuant to Rule 303.H., the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Approved at Santa Fe, New Mexico on this 20th day of July, 1998.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

LORI WROTENBERY Director

SEAL

LW/DRC

cc: Oil Conservation Division - Hobbs [/] Bureau of Land Management-Carlsbad