

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE 7/15/96

GOVERNOR

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

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New Mexico Oil Conservation Commission 2040 South Pacheco Santa Fe, New Mexico 87505 Attention: Mr. David R. Catanach

Re: Exception to NMOCD Rule 303 (A).

Application to Downhole Commingle
Wantz Abo/Drinkard Pool
Baker "B" #17
Unit Letter N, Sec. 10, 22S, 37E
Lea County, New Mexico

Mr. Catanach,

Texaco Exploration & Production Inc., respectfully requests administrative approval to downhole commingle the Wantz Abo/Drinkard Pool within the subject wellbore. Currently the Wantz Abo is plugback, and we are producing out of the Drinkard Pool. Notification of this application has been sent to the said offset operators and a statement of notification has been included in this application.

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The proposed downhole commingling will provide a more economical means of production. It will allow complete development of the productive capacity on the subject lease by allowing both intervals to be artificially lifted simultaneously. This will extend the productive life of both completions, thereby preventing waste.

The subject well meets all of requirements as set forth by Rule 303 (C). The well was completed 1-20-96, so a full year of production data is not available. In addition, it should be noted that all produced fluids have entered a common production facility with no fluid compatibility problems.

It is requested that the allocation of production for each zone be deferred until a stabilized production rate is establish. Production will then be allocated to the Wantz Abo Pool by subtracting the Drinkard stabilized production rate from the total stabilized production rate after downhole commingling the well. If you have any questions concerning this application, please contact Kirk W. Spilman at (505)397-0425.

Yours very truly.

Kirk W. Spilman Eunice Area Engineer

attachments

cc: Jerry Sexton/NMOCD/Hobbs

DISTRICT L

DISTRICT II

DISTRICT III

P.O. Box 1980, Hobbs. NM 88240

811 South First St., Artesia, NM 88210

1000 Rio Brazos Rd, Aztec, NM 87410

State of New Mexico Energy, Minerals and Natural-Resources Department

OIL CONSERVATION DIVISION 2040 S. Pacheco Santa Fe, New Mexico 87505-6429

Form C-107-A New 3-12-96

S:

APPLICATION FOR DOWNHOLE COMMINGLING

APPROVAL PR	OCESS:
X Administrative	_Hearing
EXISTING WE	LLBORE
X YES	NO

GRID NO	TEXACO EXPORATION &	PRODUCTION 205	E. BENDER HOBBS, NM 8	38240
The following feets are authorityded in gopper appeared to the process of the pro	BAKER 'B'	17 N-	10-22S-37E	LEA
auguerot downhore commingling:	GRID NO. 022351 Property Co	de <u>010886</u> API NO. <u>3</u> 0	0-025-33117 Federal	Specing Unit Lease Types: (check 1 or more) , State, (and/or) Fee
1. Popi Marse and Potton of Parl Section Deformational 6468-6509 6641-7048 2. Top and Botton of Parl Section Deformational 6468-6509 6641-7048 3. Type of production OIL OIL OIL OIL OIL OIL ARTIFICIAL ARTIFICIA	The following facts are submitted in support of downhole commingling:	Upper Zone	70000	Lower Zone
3. Type of production (Perforations) 6468–6509 6641–7048 3. Type of production (On or Gas) OIL OIL OIL 4. Method of Production (On or Gas) OIL ARTIFICIAL 5. Bottombole Pressure Oil Zones: Artificial Editomated Current Gas & Oil - Flowing's Measured Gas & Oil - Flowing's Measured Current Gas & Oil - Flowing's Measured Gas & Oil - Flowing's	Pool Name and Pool Code			WANTZ ABO
4. Method of Production (Flowing) of Artificial Littl: 5. Bottomhole Pressure 6. Cit Zones - Artificial Littl: 6. Bottomhole Pressure 7. Production (Massured Current Little Estimated Current Littl	Top and Bottom of Pay Section (Perforations)	6468-6509		6641-7048
(Flowming or Artificial Lift) 8. Bottomhole Pressure 8. Courtent) 8. Bottomhole Pressure 8. Courtent) 9. Courtent)	3. Type of production (Oil or Gas)	OIL		OIL
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Production Marginal? (yes or no) If Shut-in, give date and oil/gas/ water rates of last production If Shut-in, give date and oil/gas/ water rates of last production Wess	All Gas Zones: Measured Current Estimated Or Measured Original	b. (Original)	b.	b.
Production Marginal? (yes or no) If Shut-In, give date and oligae/ water fates of last production Note: For new 2006s with no production new 2006s with new	6. Oil Gravity (^o API) or Gas BTU Content	39.5		39.5
It is hut-in, give date and oiligas/ water rates of lest production Date: Rates: Rates: Rates: Rates:	7. Producing or Shut-In?	PRODUCING		SHUT-IN
Neter rates of last production Note: For new sone with an expending of the production	Production Marginal? (yes or no)	YES		YES
Date: 7/8/96 Mater rates of recent test Date: 11/6/250 Date: 11/6/250 Date: Rate: Date: Ra				2/19/96 Rates:
If allocation formula is based upon something other than current or past production, or is based upon some other meths submit attachments with supporting data and/or explaining method and providing rate projections or other required data. Are all working, overriding, and royalty interests identical in all commingled zones? If not, have all working, overriding, and royalty interests been notified by certified mail? Yes No If not, have all working, overriding, and royalty interests been notified by certified mail? Yes No No Have all offset operators been given written notice of the proposed downhole commingling? Will cross-flow occur? Yes You If yes, are fluids compatible, will the formations not be damaged, will any croflowed production be recovered, and will the allocation formula be reliable. Yes No (If No, attach explanation). Are all produced fluids from all commingled zones compatible with each other? Yes No (If Yes, attach explanation). Will the value of production be decreased by commingling? Yes X No (If Yes, attach explanation). If this well is on, or communitized with, state or federal lands, either the Commissioner of Public Lands or the United States Bureau of Land Management has been notified in writing of this application. Notification and the production history, estimated production rates and supporting data. Production curve for each zone to be commingled showing its spacing unit and acreage dedication. For zones with no production history, estimated production rates and supporting data. Notification list of all offset operators. Notification list of working, overriding, and royalty interests for uncommon interest cases. Any additional statements, data, or documents required to support commingling.	If Producing, give date andoil/gas/ water rates of recent test	D		
Submit attachments with supporting data and/or explaining method and providing rate projections or other required data. 2. Are all working, overriding, and royalty interests identical in all commingled zones? 2. Yes No If not, have all working, overriding, and royalty interests been notified by certified mail? 3. Yes No Have all offset operators been given written notice of the proposed downhole commingling? 4. Will cross-flow occur? 4. Yes No If yes, are fluids compatible, will the formations not be damaged, will any croflowed production be recovered, and will the allocation formula be reliable. 2. Are all produced fluids from all commingled zones compatible with each other? 3. Will the value of production be decreased by commingling? 4. If this well is on, or communitized with, state or federa! lands, either the Commissioner of Public Lands or the United States Bureau of Land Management has been notified in writing of this application. 5. NMOCD Reference Cases for Rule 303(C) Exceptions: 6. C-102 for each zone to be commingled showing its spacing unit and acreage dedication. 7. Production curve for each zone for at least one year. (If not available, attach explaination.) 8. ATTACHMENTS: 9. C-102 for each zone to be commingled showing its spacing unit and acreage dedication. 9. Production curve for each zone for at least one year. (If not available, attach explaination.) 9. For zones with no production history, estimated production rates and supporting data. 9. Notification list of working, overriding, and royalty interests for uncommon interest cases. 9. Notification list of working, overriding, and royalty interests for uncommon interest cases. 9. Any additional statements, data, or documents required to support commingling.	Fixed Percentage Allocation Formula -% for each zone	Oil: Gas: %		
United States Bureau of Land Management has been notified in writing of this application	submit attachments with sup O. Are all working, overriding, a If not, have all working, over Have all offset operators been 1. Will cross-flow occur? flowed production be recover 2. Are all produced fluids from a 3. Will the value of production b 4. If this well is on, or communi	nd royalty interests identical in riding, and royalty interests identical in riding, and royalty interests be given written notice of the profess X No If yes, are fluids red, and will the allocation formall commingled zones compatible decreased by commingling?	method and providing rate property of all commingled zones? sen notified by certified mail? oposed downhole commingling? compatible, will the formations mula be reliable. Yes Die with each other? X Yes X No (If Years, either the Commissioner of	
* C-102 for each zone to be commingled showing its spacing unit and acreage dedication. * Production curve for each zone for at least one year. (If not available, attach explaination.) * For zones with no production history, estimated production rates and supporting data. * Data to support allocation method or formula. * Notification list of all offset operators. * Notification list of working, overriding, and royalty interests for uncommon interest cases. * Any additional statements, data, or documents required to support commingling. * Any additional statements above is true and complete to the best of my knowledge and belief. **GNATURE** ** TITLE** ** PETROLEUM ENGINEER** ** DATE** ** DATE** ** DATE** ** TITLE** ** PETROLEUM ENGINEER** ** DATE** ** DATE** ** DATE** ** TITLE** ** PETROLEUM ENGINEER** ** DATE** ** DATE** ** DATE** ** TITLE** ** PETROLEUM ENGINEER** ** DATE** ** DATE** ** DATE** ** TITLE** ** PETROLEUM ENGINEER** ** DATE** ** DATE** ** DATE** ** TITLE** ** PETROLEUM ENGINEER** ** DATE** ** DATE** ** TITLE** ** PETROLEUM ENGINEER** ** DATE** ** DATE** ** TITLE** ** PETROLEUM ENGINEER** ** DATE** ** TITLE** ** TITLE** ** PETROLEUM ENGINEER** ** DATE** ** TITLE** ** TITLE** ** PETROLEUM ENGINEER** ** DATE** ** TITLE** ** TITLE	United States Bureau of Land	I Management has been notifie	ed in writing of this application	Yes No
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PE OR PRINT NAME KIRK W. SPILMAN TELEPHONE NO. (505) 397-0425	IGNATURE July July		_ TITLE PETROLEUM ENGIN	EER DATE 7/10/96
	YPE OR PRINT NAME <u>KIRK W</u>	SPILMAN	TELEPHONE NO. (505) 397-0425



STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

AUGUST 7, 1996

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

Texaco Exp	ol & Prod., Inc. Attr	ı: Monte Duncan	
205 E Bend	er		•
Hobbs, NM	88240		
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		RE: Packer 1	Leakage Tests
Gentlemen:			
A Packer Le	akage Test was due to hav	e been filed no later t	:han
July 10th		_ for the following wel	
Baker B	17-N	10-22-37	WANTZ ABO
Please submi	OT RECEIVE A PLT BY AUGUST it a Packer Leakage Test f ssible date in order to av	for each of the above 1	isted wells at the
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	Do no The	OIL CONSERVAT	ION DIVISION
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	have will	Jerry Sexton	_
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