



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

GARREY CARRUTHERS
GOVERNOR

5-17-89

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

DHC 728

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

RE: Proposed:

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

Gentlemen:

I have examined the application for the:

American Expl + Prod Co. GG-Travis #3-2 21-23-37
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



American Exploration Company

May 11, 1989

Re: Application for Downhole
Commingling of the
Blinebry/Drinkard Pools
G. G. Travis No. 3
Sec. 21, T23S, R37E
Lea County, New Mexico

New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attn: Mr. David Catanach

Gentlemen:

American Exploration Company respectfully requests administrative approval under the provisions of Rule 303-C to downhole commingle the Blinebry/Drinkard pools in the G. G. Travis No. 3. This well is presently completed in the Teague Blinebry Pool and produces 3 BOPD, 48 MCFPD and 14 BWPD. We recently tested the Drinkard for 22 BOPD, 20 MCFPD and 10 BWPD. Producing only the Blinebry is economically marginal due to the low rates, but commingling the two zones should return the well to profitability.

A summary of information required for commingling is attached. Additionally, American has a 100% interest in this lease and the royalty interests of each zone are common. Based on the information we have gathered, we believe the request to commingle is justified in the interest of conservataion.

If there are any questions, please contact the undersigned as soon as possible.

Very truly yours,

AMERICAN EXPLORATION COMPANY


Marty B. McClanahan
Sr. Production Analyst

MBM:mm
Encl.

cc: Mr. J. T. Sexton
New Mexico Conservation Division
P. O. Box 1980
Hobbs, New Mexico 88240

RECEIVED

MAY 17 1989

OCD
HOBBS OFFICE

G. G. Travis No. 3
Information for Downhole Commingling

- a. Operator: American Exploration Company
2100 RepublicBank Center
Houston, Texas 77002
- b. Lease, Well Location and Pools:
G. G. Travis No. 3
990' FEL & 2310' FSL of Sec. 21, T23S, R37E
Lea County, New Mexico
Blinebry/Drinkard Pools
- c. Acreage Dedication (40 acres) Form C-102 is attached. Offset operators are listed on schedule attached.
- d. 24 hour productivity test - Form C-116 attached.
- e. Commingling Computations - Attached.
- f. Allocation of Production - based on latest production tests.

	<u>Oil</u>	<u>Gas</u>	<u>Water</u>
Blinebry	12%	71%	58%
Drinkard	88%	29%	42%

- g. Notification to Offset Operators.
A copy of the notice sent to offset operators.
- h. A complete resume of the well's completion history.
- i. Fluid Compatibility - See attached water analysis.



American Exploration Company

May 11, 1989

Re: Notification of Intent to
Commingle the Blinebry/
Drinkard Pools
G. G. Travis No. 3
990' FEL & 2310' FSL of
Sec. 21, T23S, R37E
Lea County, New Mexico

OFFSET OPERATORS
G. G. TRAVIS #3 LEASE

Gentlemen:

In accordance with New Mexico Oil Conservation Division regulations, you are hereby notified of American Exploration Company's application to downhole commingle production from the Blinebry/Drinkard pools in the G. G. Travis No. 3 Lease.

Very truly yours,

AMERICAN EXPLORATION COMPANY


Marty B. McClanahan
Sr. Production Analyst

MBM:mm

LIST OF OFFSET OWNERS
G. G. TRAVIS NO. 3 LEASE

NE/4 SE/4-21 T23S, R37E

Chevron U.S.A. Inc. (D/R-W/2 NE/4-21)
P. O. Box 1635 (All-NW/4 SE/4 & E/2 NE/4-21, W/2-22
Houston, Texas 77251

Zachary Oil Operating Co. (To 3700'-W/2 NE/4-21)
1212 Commerce Building
Fort Worth, Texas 76102

Damson Oil Corporation (S/2 SE/4-21)
P. O. Box 4391
Houston, Texas 77210

RECEIVED

MAY 17 1999

OCD
HOMES OF AUCS

MEMORANDUM

TO WHOM IT MAY CONCERN:

Pursuant to Rule 303 (C) (2) (i) of the rules and regulations of the State of New Mexico for downhole commingling, the following formula should apply as to the production allocation for the new zone added to the following well:

G. G. Travis No. 3 located in Unit I; 990' FEL and 2310' FSL of Section 21, T23S, R37E, Lea County, New Mexico.

Prior Production (Before Recent Workover)

°100 BOPM @ 10% Decline

$$\frac{(\text{Initial Prod.}) - (\text{Economic Limit}) (12 \text{ Mo.})}{-\ln (1-\text{decline})} = \text{Total Production}$$

(100-30) 12

$-\ln (1-.90) = ^\circ 8,000 \text{ BO}$

3.3 BOPD (IP)

1.0 BOPD (E.L.)

10% decline

Current Production (After Workover)

(670) - 30) 12

$-\ln (1-.80) = ^\circ 34,000 \text{ BO}$

22 BOPD (IP)

1.0 BOPD (E.L.)

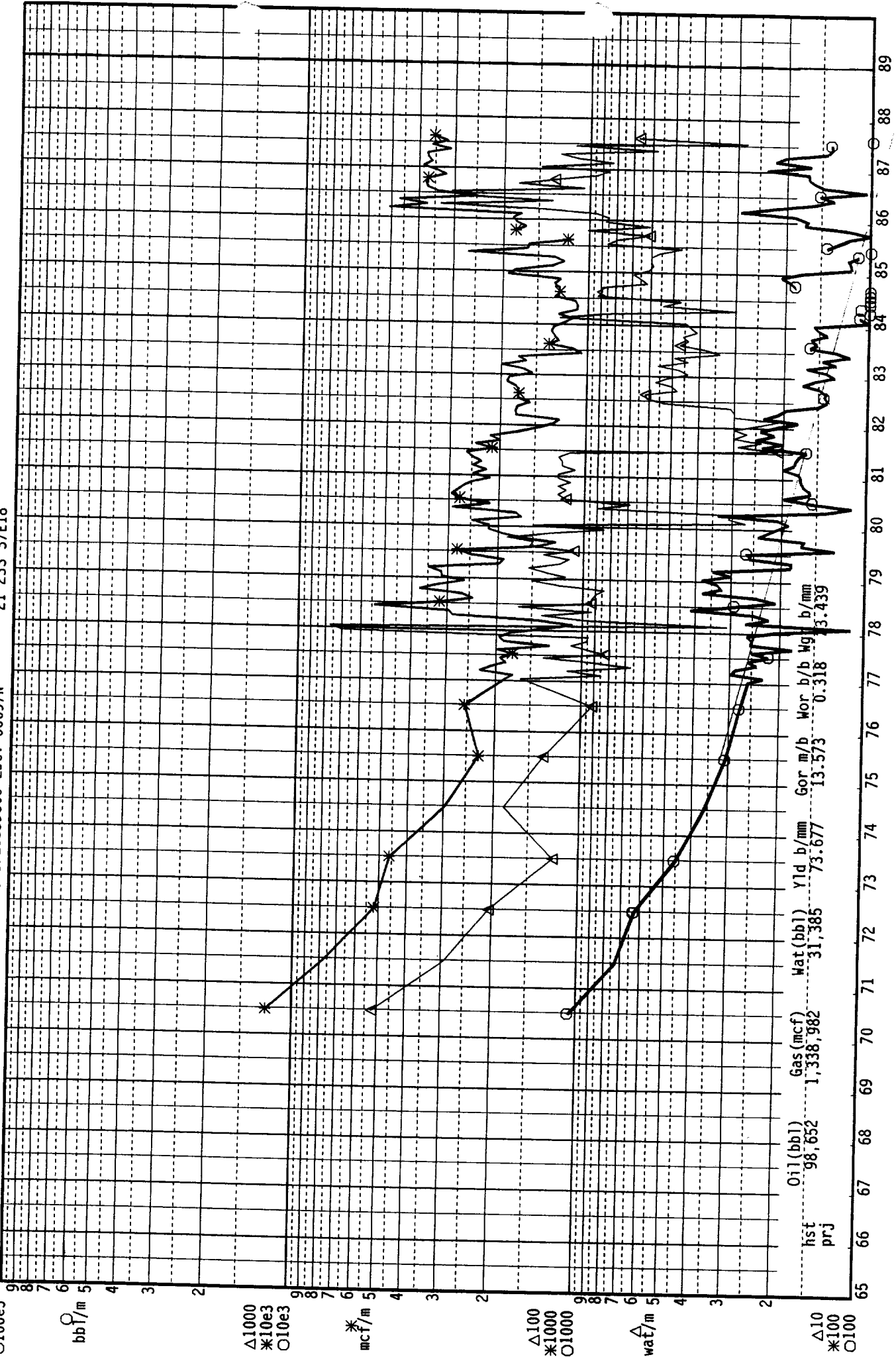
20% decline

34 MBO - 8 MBO = 26 MBO for new zone (Drinkard)

Decline ~ 10% / yr

Lse: G G TRAVIS NO. 3
 Fld: TEAGUE BLINERY (BLINERY) Field
 Cty: LEA County, New Mexico
 Pic: +ANN3058300 025LEA 4425451A18 21 23S 37E1839800 Lsc: 00097N 21 23S 37E18

Opr: KIRBY EXPLORATION CO. OF T
 Cat: 1101
 Psf: 07 1973
 Lsc: 00097N



HISTORICAL PRODUCTION DATA

Property No. : 1971704 1 0 Lease Name : TRAVIS GG #3

Mo	Yr	Oil (Bbls)	Cumulative Oil	Gas (MCF)	Cumulative Gas	GOR (SCF/Bbl)
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5	88	184	184	1778	1778	966
6	88	132	316	2889	4667	2188
7	88	132	448	2889	7556	2188
8	88	103	551	1781	9337	1729
9	88	93	644	1698	11035	1825
10	88	40	684	1694	12729	4235
11	88	103	787	1504	14233	1460
12	88	105	892	900	15133	857
1	89	105	997	900	16033	857