



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

BRUCE KING
GOVERNOR

January 25, 1994

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-981

RE: Proposed:

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

Gentlemen:

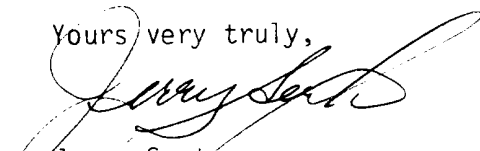
I have examined the application for the:

Samedan Oil Corp. Sarah B #1-P 11-23-37
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK

Yours very truly,


Jerry Sexton
Supervisor, District 1

/ed

SAMEDAN OIL CORPORATION
12600 NORTHBOROUGH, SUITE 250
HOUSTON, TEXAS 77067-3299
(713) 876-6150

January 11, 1994

Oil Conservation Division
PO Box 2088
Santa Fe, New Mexico 87504-2088

Attn: William LeMay:

RE: Down hole Commingling
Sarah B Well #1
Unit P, Sec 11, T-23-S, R-37-E
Cline - Tubb
Cline - Lower Paddock/Blainebry

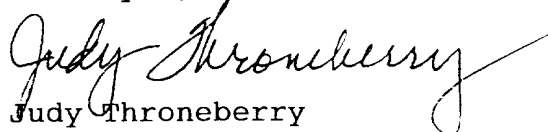
Samedan Oil Corporation requests administrative approval for the down hole commingling of the above mentioned pools.

We have enclosed the following:

- 1) Area Plat showing ownership of offsetting leases.
- 2) Plat showing acreage dedicated to the well.
- 3) Names and addresses of offsetting operators and a copy of the letter notify them and the United States Bureau of Land Management of our intention.
- 4) Division Form C-116 showing 24-hr productivity test from each zone.
- 5) Well History and Prognostication of Future Production.
- 6) Estimated BHP for each Artificially Lifted Zone.
- 7) Fluid Description of each Zone.
- 8) Values of Production.
- 9) Recommended formula for Allocation of production.

We appreciate your consideration in this matter. If you have any questions please call.

Thank you,


Judy Throneberry

attachments

xc: OCC - Hobbs District
BLM - Carlsbad, NM

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator SAMEDAN OIL CORP.			Lease SARAH B		Well No. 1
Unit Letter P	Section 11	Township 23 SOUTH	Range 37 EAST	NMPM	County LEA
Actual Footage Location of Well: 990 feet from the SOUTH line and 710 feet from the EAST line					
Ground Level Elev. 3239.2'	Producing Formation Tubb	Pool Cline		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.?

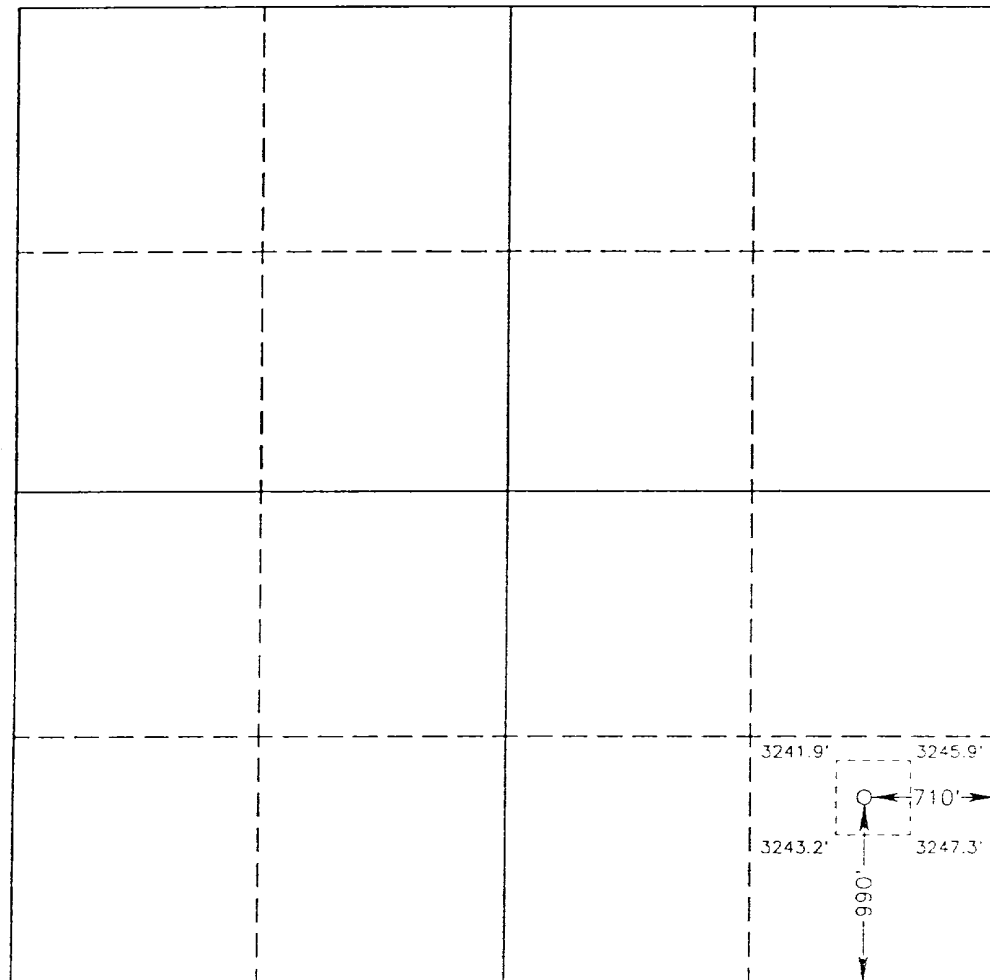
☐ Yes

☐ No

If answer is "yes" type of consolidation _____

If answer is "no" list of owners and tract descriptions which have actually been consolidated. (Use reverse side of this form necessary.)

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



OPERATOR CERTIFICATION

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

Signature

Printed Name

Judy Throneberry

Position

Division Prod Clerk

Company

Samedan Oil Corporation

Date

01/11/94

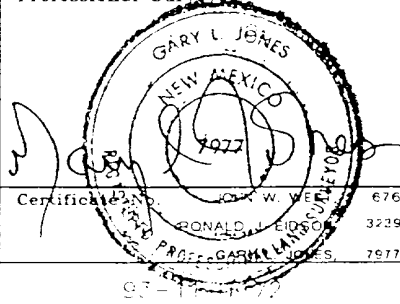
SURVEYOR CERTIFICATION

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

June 17, 1993

Signature & Seal of
Professional Surveyor



OIL CONSERVATION DIVISION

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

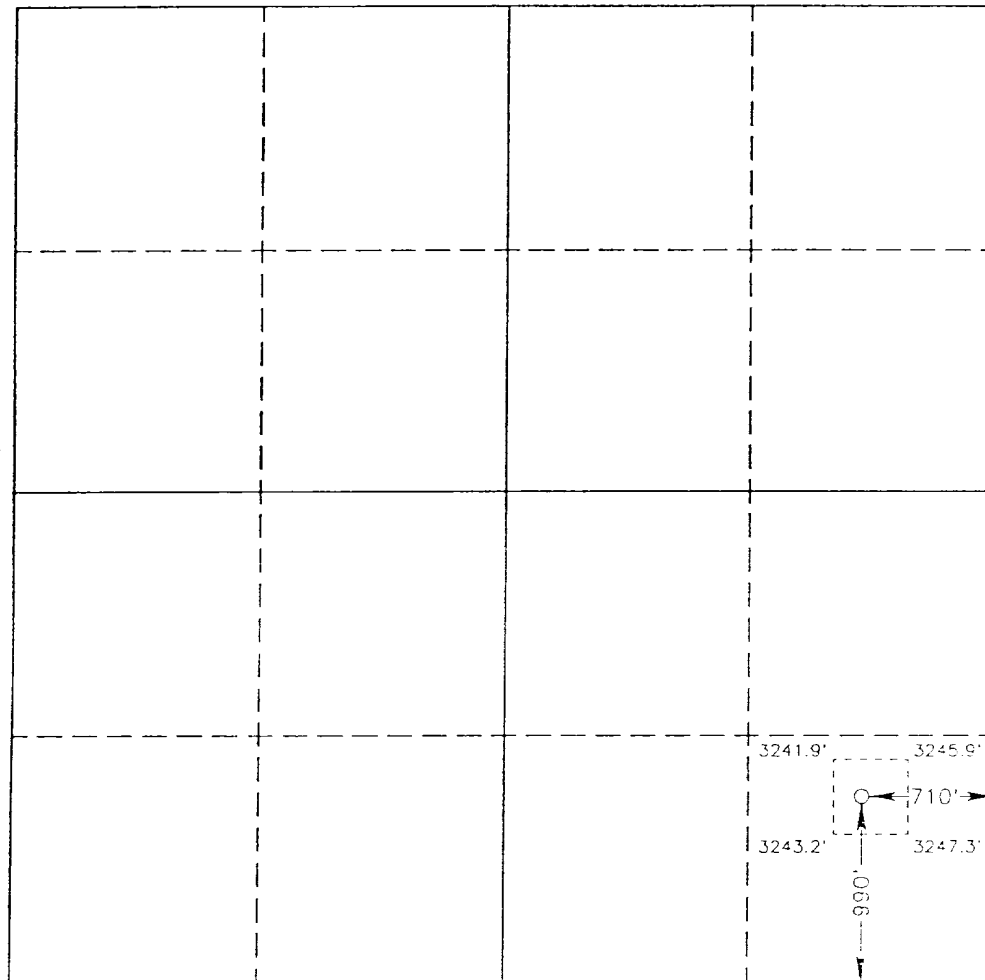
Operator SAMEDAN OIL CORP.			Lease SARAH B		Well No. 1
Unit Letter P	Section 11	Township 23 SOUTH	Range 37 EAST NMPM	County LEA	
Actual Footage Location of Well: 990 feet from the SOUTH line and 710 feet from the EAST line					
Ground Level Elev. 3239.2'	Producing Formation Lower Paddock/Blinebry		Pool Cline	Dedicated Acreage: 40 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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 of owners and tract descriptions which have actually been consolidated. (Use reverse side of this form necessary.) _____

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



0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

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Signature

Printed Name

Position

Div Production Clerk

Company

Samedan Oil Corp

Date

01/11/94

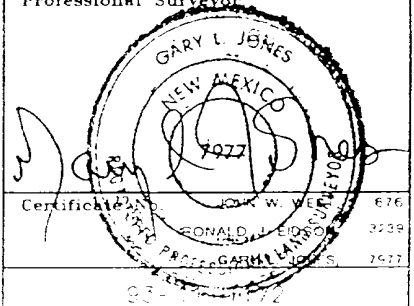
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Date Surveyed

June 17, 1993

Signature & Seal of
Professional Surveyor



OFFSET OPERATORS

AMOCO
PO Box 3092
Houston, Texas 77253

ARCO
PO Box 1610
Midland, Texas 79702

CHEVRON
PO Box 1635
Houston, Texas 77251

CONOCO
PO Box 4783
Houston, Texas 77210

KELTON OPERATING CORPORATION
PO Box 276
Adnrews, Texas 79714

SAMEDAN OIL CORPORATION
12600 NORTHBOROUGH, SUITE 250
HOUSTON, TEXAS 77067-3299
(713) 876-6150

January 11, 1994

AMOCO
Post Office Box 3092
Houston, Texas 77253

RE: Down Hole Commingling
Sarah B Well #1
Unit P, Section 11, T-23S, R-37E
Lea County, NM
Cline Tubb Zone
Cline Lower Paddock/Blaine Zone

This is to notify you as an offset operator of the Sarah B Lease Well #1, that we are applying for administrative approval for down hole commingling of Tubb and Lower Paddock/Blaine production in the Sarah B #1 Well.

If you have any questions please contact Jim Trott at 713/876-6150. If you have no objections please sign and return the enclosed letter to the New Mexico Oil Conservation Commission in the self-addressed stamped envelope as soon as possible to expedite matters. Any objections must be filed with the Commission within 20 days of the date of this letter.

Thank you for your time and consideration in this matter.


Judy Throneberry
Division Production Clerk

attachments

xc: Oil Conservation Division
Santa Fe, NM

SAMEDAN OIL CORPORATION
2600 NORTHBOROUGH, SUITE 250
HOUSTON, TEXAS 77067-3299
(713) 876-6150

January 11, 1994

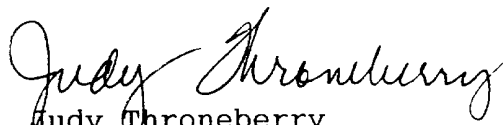
ARCO
Post Office Box 1610
Midland, Texas 79702

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Lea County, NM
Cline Tubb Zone
Cline Lower Paddock/Blaine Zone

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Santa Fe, NM

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12600 NORTHBOROUGH, SUITE 250
HOUSTON, TEXAS 77067-3299
(713) 876-6150

January 11, 1994


CHEVRON
PO Box 1635
Houston, Texas 77251

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Lea County, NM
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Santa Fe, NM

SAMEDAN OIL CORPORATION
12600 NORTHBOROUGH, SUITE 250
HOUSTON, TEXAS 77067-3299
(713) 876-6150

January 11, 1994


CONOCO
Post Office Box 4783
Houston, Texas 77210

RE: Down Hole Commingling
Sarah B Well #1
Unit P, Section 11, T-23S, R-37E
Lea County, NM
Cline Tubb Zone
Cline Lower Paddock/Blaine Zone

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Division Production Clerk

attachments

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Santa Fe, NM

SAMEDAN OIL CORPORATION
12600 NORTHBOROUGH, SUITE 250
HOUSTON, TEXAS 77067-3299
(713) 876-6150

January 11, 1994

KELTON OPERATING CORPORATION
Post Office Box 276
Andrews, Texas 79714

RE: Down Hole Commingling
Sarah B Well #1
Unit P, Section 11, T-23S, R-37E
Lea County, NM
Cline Tubb Zone
Cline Lower Paddock/Blaine Zone

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attachments

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Santa Fe, NM

SAMEDAN OIL CORPORATION
12600 NORTHBOROUGH, SUITE 250
HOUSTON, TEXAS 77067-3299
(713) 876-6150

January 11, 1994


Bureau of Land Management
PO Box 1778
Carlsbad, NM 88221-1778

RE: Down Hole Commingling
Sarah B Well #1
Unit P, Section 11, T-23S, R-37E
Lea County, NM
Cline Tubb Zone
Cline Lower Paddock/Blindbry Zone

This is to notify you of our application for administrative approval for down hole commingling of Tubb and Lower Paddock/Blindbry production in the Sarah B #1 Well. I have attached a copy of the application.

If you have any questions please contact Jim Trott at 713/876-6150.

Thank you,


Judy Throneberry
Division Production Clerk

attachments

xc: Oil Conservation Division
Santa Fe, NM

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

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 Samedan Oil Corporation		Pool Cline - Lower Paddock/B1 Inebry		County Lea												
Address 12600 Northborough, #250, Houston, Texas 77067		TYPE OF TEST - (X)		Completion <input type="checkbox"/> Special <input checked="" type="checkbox"/>												
LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	SIZE OF TEST	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.	
Sarah B	1	P	11	23S	37E	11/26/93	P				24	26	38.8	16	46	2875

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
Judy Throneberry

Printed name and title
Judy Throneberry, Div Prod Clerk

Date
01/11/94

Telephone No.
713-876-6150

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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

Form C-116
Revised 1/1/89

GAS - OIL RATIO TEST

Operator Samedan Oil Corporation		Pool Cline - Tubb		County Lea												
Address 12600 Northborough, #250, Houston, Tx 77067		TYPE OF TEST - (X)		Completion <input type="checkbox"/> Special <input checked="" type="checkbox"/>												
LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	SIZE OF TEST	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	OIL BBL.S		GAS M.C.F.
Sarah B	1	P	11	23S	37E	9/29/93	P				24	19	38.8	13	26	2000

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Signature *Judy Throneberry*

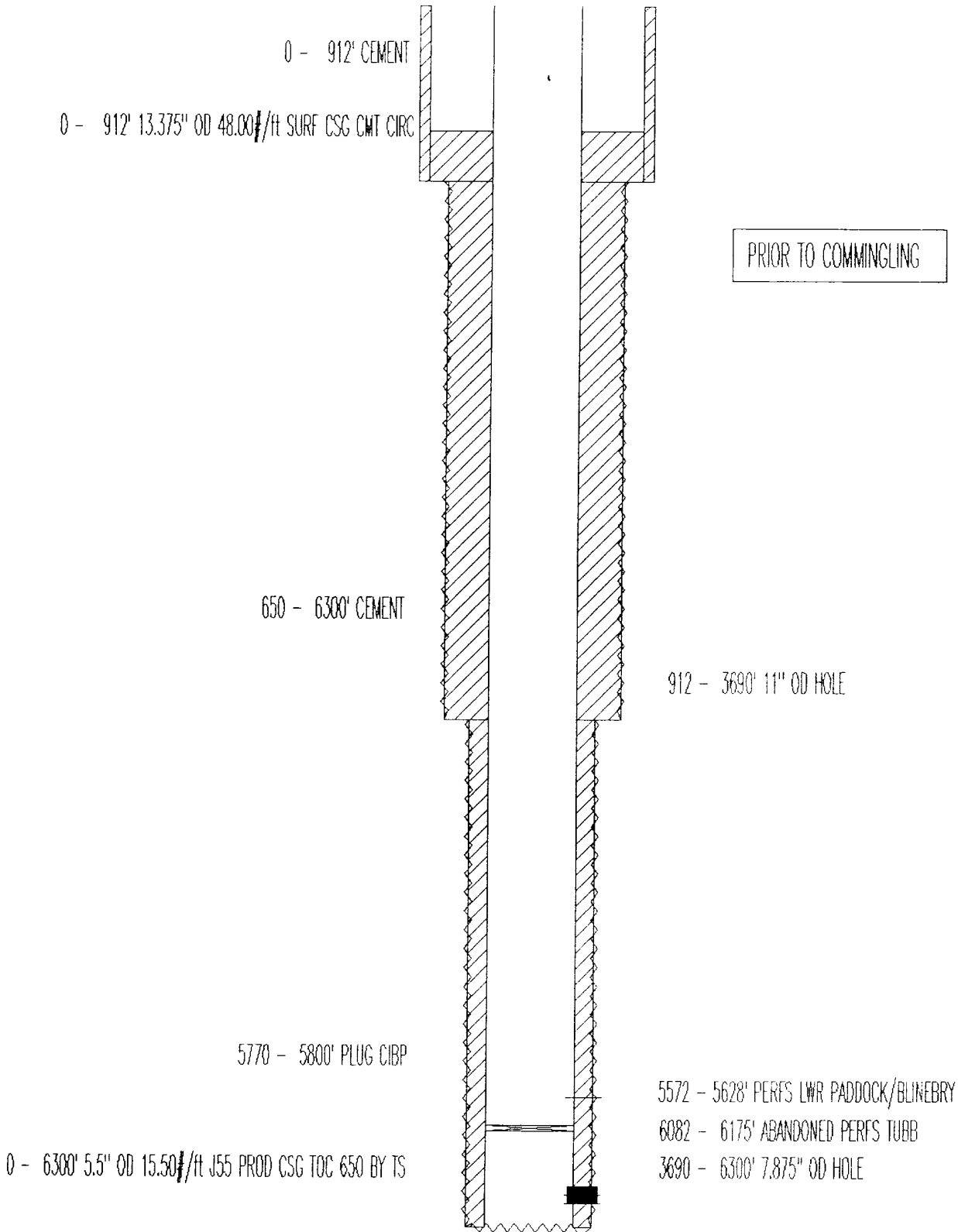
Printed name and title
Judy Throneberry, Div Prod Clerk

Date
01/11/94

Telephone No.
713-876-6150

SARAH B #1

LEA CO NM



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

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 Samedan Oil Corporation		Pool Cline - Lower Paddock/Blinebry		County Lea												
Address 12600 Northborough, #250, Houston, Texas 77067		TYPE OF TEST - (X) <input checked="" type="checkbox"/> Scheduled <input type="checkbox"/> Completion <input type="checkbox"/> Special <input checked="" type="checkbox"/>														
LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	SIZE OF TEST	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	OIL BBL'S		GAS M.C.F.
Sarah B	1	P	11	23S	37E	11/26/93	P				24	26	38.8	16	46	2875

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Signature

Judy Throneberry, Div Prod Clerk

Printed name and title

01/11/94

713-876-6150

Date

Telephone No.

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		U	S	T							R	WATER BBL.S	GRAV. OIL BBL.S		GAS MCF.	
Sarah B	1	P	11	23S	37E	9/29/93	P				24	19	38.8	13	26	2000

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Signature

Judy Throneberry, Div Prod Clerk

Printed name and title

01/11/94

713-876-6150

Date

Telephone No.

SARAH B #1

LEA CO NM

0 - 912' CEMENT

0 - 912' 13.375" OD 48.00#/ft SURF CSG CMT CIRC

PRIOR TO COMMINGLING

650 - 6300' CEMENT

912 - 3690' 11" OD HOLE

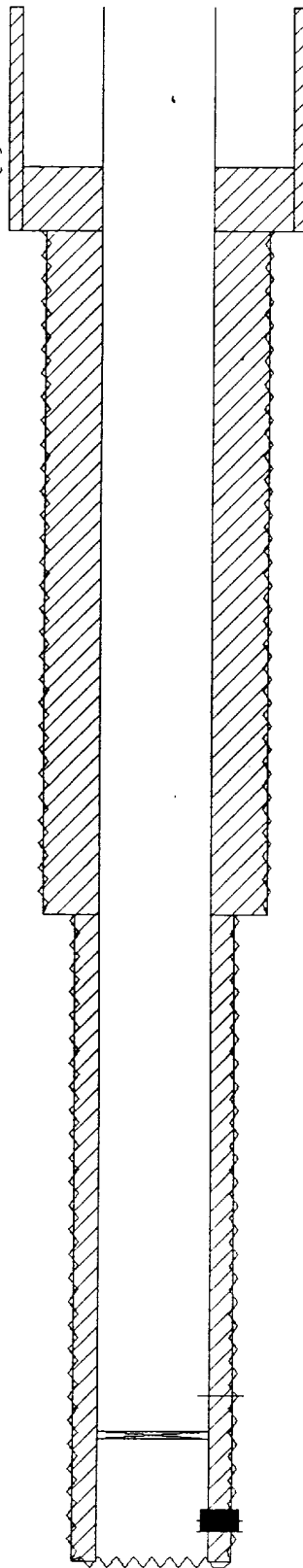
5770 - 5800' PLUG CIBP

- 6300' 5.5" OD 15.50#/ft J55 PROD CSG TOC 650 BY TS

5572 - 5628' PERFS LWR PADDOCK/BLINEBRY

6082 - 6175' ABANDONED PERFS TUBB

3690 - 6300' 7.875" OD HOLE



SARAH B #1

LEA CO NM

0 - 912' CEMENT

0 - 912' 13.375" OD 48.00#/ft SURF CSG CMT CIRC

COMMINGLED PRODUCTION

650 - 6300' CEMENT

912 - 3690' 11" OD HOLE

0 - 6300' 5.5" OD 15.50#/ft J55 PROD CSG TOC 650 BY TS

5572 - 5628' PERFS LWR PADDOCK/BLINEBRY

6082 - 6175' PERFS TUBB

3690 - 6300' 7.875" OD HOLE

5) Sarah "B" No. 1 Well History

Field: Cline Tubb and Cline Lower Paddock/Blaineby

Location: 990' FSL and 710' FEL, Sec. 11, T-23-S, R-37-E
Drilling Contractor: Hondo Drilling

7-30-93: Spud and set 13-3/8" 48# H-40 casing at 912'.
Cement circulated.
8-11-93: TD at 6300' and logged.
8-12-93: Set 5-1/2" 15.5# casing @ 6300'. TOC 650' by T.S.
8-18-93: Perf Tubb section 6082-6175'.
8-19-93: Acidized Tubb section 6082-6175' with 2000 gals.
8-20-93: Swabbed 2 BO + 6 BW.
to
8-25-93
8-26-93: Western Co. frac'd Tubb section 6082-6175' with
29,000 gals 40 Quality CO₂ foam + 77,000# 20/40
sand.
8-27-93: Flowed to recover load and test.
to
9-03-93
9-04-93: Cleaned out frac sand from wellbore.
to
9-08-93
9-09-93: Run tubing, rods, and pump. Put well on
production.
9-10-93: Pumped 0 BO, 86 BLW, & 55 MCF.
9-11-93: Pumped 61 BO, 53 BW, & 150 MCF.
9-12-93: Pumped 20 BO, 33 BW, & 150 MCF.
9-13-93: Pumped 20 BO, 20 BW, & 178 MCF.
9-14-93: Pumped 35 BO, 22 BW, & 135 MCF.
9-15-93: Pumped 22 BO, 118 BW, & 174 MCF.
9-16-93: Pumped 0 BO, 0 BW, & 0 MCF.
9-17-93: Pumped 0 BO, 0 BW, & 0 MCF.
9-18-93: Pumped 13 BO, 161 BW, & 174 MCF.
9-19-93: Pumped 21 BO, 161 BW, & 168 MCF.
9-20-93: Pumped 13 BO, 161 BW, & 168 MCF.
9-21-93: Pumped 21 BO, 115 BW, & 168 MCF.
9-22-93: Pumped 19 BO, 111 BW, & 59 MCF.
9-23-93: Pumped 10 BO, 43 BW, & 59 MCF.
9-24-93: Pumped 14 BO, 64 BW, & 10 MCF.
9-25-93: Pumped 13 BO, 43 BW, & 9 MCF.
9-26-93: Pumped 18 BO, 86 BW, & 6 MCF.
9-27-93: Pumped 8 BO, 43 BW, & 11 MCF.
9-28-83: Pumped 14 BO, 11 BW, & 7 MCF.
9-29-93: Pumped 13 BO, 26 BW, & 19 MCF.
9-30-93: Pumped 14 BO, 59 BW, & 7 MCF.
10-01-93: Set CIBP with 30' cement at 5800'. Perf'd Lower
Paddock/Blaineby 5572-5628'.
10-02-93: SI.
to
10-04-93
10-05-93: Acidized and frac'd Lower Paddock/Blaineby 5572-
5628' with 1500 gals 15% NEFE + 33,000 gals 40
Quality CO₂ foam + 83,000# sand.
10-06-93: Flowed back load.
to
10-10-93
10-12-93: Ran tubing, rods, and pump.
10-13-93: Pumped 100% water.
10-14-93: Pumped trace oil, 119 BW, & 68 MCF.
10-15-93: Pumped 5 BO, 120 BW, & 130 MCF.
10-16-93: Pumped 5 BO, 114 BW, & 80 MCF.
10-17-93: Pumped 5 BO, 104 BW, & 81 MCF.
10-18-93: Pumped 6 BO, 107 BW, & 79 MCF.
10-19-93: Pumped 13 BO, 77 BW, & 73 MCF.

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5) Well History (Continued)

10-20-93: Pumped 20 BO, 79 BW, & 72 MCF.
 10-21-93: Ran GR log, indicated R.A. material 5565-5680'.
 to Perfs 5581-5628'.
 10-22-93
 10-23-93: Pumped 5 BO, 100 BW, & 41 MCF.
 10-24-93: Pumped 10 BO, 86 BW, & 50 MCF.
 10-25-93: Pumped 10 BO, 80 BW, & 53 MCF.
 10-26-93: Pumped 12 BO, 70 BW, & 51 MCF.
 10-27-93: Initial potential Lower Paddock/Blinebry - 11 BO,
 53 BW, & 52 MCF. Final Report.

5) Prognostication of Future Production

Production decline rates for both zones Tubb and Lower Paddock/Blinebry can be assumed to be similar. Estimated monthly production for 1994 is submitted below based on latest production rates declined 10% annually.

1994 ESTIMATE PRODUCTION

<u>TUBB SECTION</u>				<u>LOWER PADDOCK/BLINEBRY SECTION</u>		
<u>MONTH</u>	<u>BO</u>	<u>BW</u>	<u>MCF</u>	<u>BO</u>	<u>BW</u>	<u>MCF</u>
JAN	395	578	790	486	790	1398
FEB	392	573	783	482	783	1386
MAR	389	568	777	478	777	1375
APR	385	564	770	474	770	1363
MAY	382	559	764	470	764	1351
JUN	379	554	757	466	757	1339
JUL	375	550	751	462	751	1328
AUG	372	548	744	458	744	1316
SEP	369	540	738	454	738	1305
OCT	365	436	731	450	731	1393
NOV	362	531	725	446	725	1282
DEC	359	526	718	442	718	1270

ESTIMATED COMBINED PRODUCTION

<u>MONTH</u>	<u>BO</u>	<u>BW</u>	<u>MCF</u>
JAN	881	1368	2188
FEB	874	1356	2169
MAR	867	1345	2152
APR	859	1334	2133
MAY	852	1323	2115
JUN	845	1311	2096
JUL	837	1301	2079
AUG	830	1289	2060
SEP	823	1278	2043
OCT	815	1267	2124
NOV	808	1256	2007
DEC	801	1244	1988

6) Estimated BHP for each Artificially Lifted Zone

The wellbore will produce from the Tubb and Lower Paddock/Blaine zones. Both producing zones will be artificially lifted. Measured BHP data for this well is not available. However based on production rates and the fact that both zones require artificial lift, it is estimated that each zone will be relatively close to the same BHP. Cross flow will not occur due to the fact that production will be artificially lifted and no differential pressure will exist.

7) Fluid Description of each Zone

Tubb zone: Crude Oil, 33.8° API @ 60°F
Produced water: SG = 1.055 @ 80°F, TDS = 10106 PPM
Total hardness = 19810 PPM

Lower Paddock/Blaine zone: Crude Oil, 40° API @ 60°F
Produced water: SG = 1.102 @ 60°F, TDS = 122744 PPM
Total hardness = 24545 PPM

Permission to surface commingle production from the Cline Tubb and Cline Lower Paddock/Blaine zones was previously approved by the NMOCD for the Samedan operated Sarah "B" No. 1 & 2 under order PC-847. No adverse affects have occurred due to surface commingling. It is anticipated that fluid characteristics will not significantly change at BHP or temperatures and no adverse conditions would be created by down hole commingling.

8) For Values of Production

1) Samedan owns and operates 100% of the Sarah B. lease.

2) Tubb zone: Daily production = 85 bbls oil
Gravity @ 60 = 33.8. Sulfur = .389
Value = \$16.25 per bbl for sweet crude

Lower Paddock/Blaine zone:
Daily production = 70 bbls oil (estimate)
Gravity @ 60 = 40.0 (representative)
Value = \$16.35 per bbl for sweet crude

Commingled oil: Expected gravity = 37.0 sweet crude
Expected value = \$16.31 per bbl

3) The actual commercial value of the commingled production will be equal to the sum of the values of the production from each common source of supply.

9) Formula for Allocation of Production

Production was allocated based on the most recent gas-oil ratio test (Form C-116 attached) and it is felt this will continue to be representative.

	<u>Oil</u>	<u>Gas</u>	<u>Water</u>
Lower Paddock/Blaine	55%	64%	58%
Tubb	45%	36%	42%