

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	D11(1-98)
RE: Proposed: MC DHC X NSL NSP SWD WFX PMX	
Gentlemen:	
I have examined the applica	tion for the:
Samedan Oil Corp. Operator and my recommendations are	Sarah B #1-P 11-23-37 Lease & Well No. Unit S-T-R as follows:
Yours very truly,	7
Jerry Sect	
Jerry Sexton Supervisor, District 1	

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/Blinebry

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
- 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,

fudy ∕throneberry

attachments

xc: OCC - Hobbs District BLM - Carlsbad, NM

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State of New Mexico Energy,

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Revised 1-1-89

OIL CONSERVATION DIVISION

DISTRICT_I P.O. Box 1980, Hobbs, NM 88240

P.O. Box 2088

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

Santa Fe, New Mexico 87504-2088

DISTRICT III

WELL LOCATION AND ACREAGE DEDICATION PLAT

1000 Rio Brazos Rd., Aztec, NM 87410 All Distances must be from the outer boundaries of the section Lease Well No. SAMEDAN OIL CORP. SARAH B Township County Unit Letter 23 SOUTH 37 EAST Р LEA NMPM Actual Footage Location of Well: 710 990 SOUTH FAST feet from the line and feet from the line Producing Formation Ground Level Elev. Dedicated Acreage: 40 Tubb Cline 3239.21 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 lesse 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 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 ronelus Printed Name Sudy throneberry Position <u>Division Prod Clerk</u> 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 supervison, and that the same is true and correct to the best of my knowledge and Date Surveyed 1993 June 17. Signature & Seal of Professional Survey 3245.91 GARY L J⊕;_{V€S} {710′**→** 3243.2 3247.31 3239 PAGE-GARMEN 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500

State of New Mexico Energy, Therals and Natural Resources Dep Thent

Form C-102 Revised 1-1-69

OIL CONSERVATION DIVISION

DISTRICT | 1 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

WELL LOCATION AND ACREAGE DEDICATION PLAT

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

All Distances must be from the outer boundaries of the section

	SAMEDAN OF	L CORP.	Lease	SARAH B	Well No.
Unit Letter	Section	Township	Range		County
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Ground Level Elev	r. Producing Fo	addock/Blinebry	Pool Cline		Dedicated Acreage:
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2. If more than	one lease is dedic	ated to the well, outline	each and identify the	ownership thereof (both	h as to working interest and royalty).
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	!				Samedan Oil Corp
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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/Blinebry 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/Blinebry 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 ω Throneberry

Division Production Clerk

attachments

xc: Oil Conservation Division

*2600 NORTHBOROUGH, SUITE 250 HOUSTON, TEXAS 77067-3299 (713) 876-6150

January 11, 1994

ARCO Post Office Box 1610 Midland, Texas 79702

RE: Down Hole Commingling

Sarah B Well #1

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Cline Lower Paddock/Blinebry Zone

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Judy Throneberry

Division Production Clerk

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xc: Oil Conservation Division

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

January 11, 1994

CHEVRON PO Box 1635 Houston, Texas 77251

RE: Down Hole Commingling

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Lea County, NM Cline Tubb Zone

Cline Lower Paddock/Blinebry Zone

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Judy Throneberry

Division Production Clerk

attachments

xc: Oil Conservation Division

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

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Division Production Clerk

attachments

xc: Oil Conservation Division

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/Blinebry Zone

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Kudy Throneberry

Division Production Clerk

attachments

xc: Oil Conservation Division

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/Blinebry Zone

This is to notify you of our application for administrative approval for down hole commingling of Tubb and Lower Paddock/Blinebry 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

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

Form C-116 Revised 1/1/89

OIL CONSERVATION DIVISION

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

GAS - OIL RATIO TEST

Instructions:

order that well can be assigned increased allowables when authorized by the Division. 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

Specific gravity base will be 0.60. Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F.

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.

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Signature /		
Judy Throneberry, Div Prod Clerk	iv Prod	Clerk
Printed name and title		
01/11/94	. 713-	713-876-6150
Date		Telephone No.

P.O. Drawer DD, Artesia, NM 88210 P.O. Box 1980, Hobbs, NM 88240 Submit 2 copies to Appropriate District Office. DISTRICT II

DISTRICT III

1000 Rio Brazos Rd., Aziec, NM 87410

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

nstructions:	4	Sarah B	LEASE NAME		Address 12600 Northborough, #25	Operator Samedan Oil Corporation
		<u> </u>	NO.	WELL	#250, Houston, Tx 77067	
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order that well can be assigned increased allowables when authorized by the Division. 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

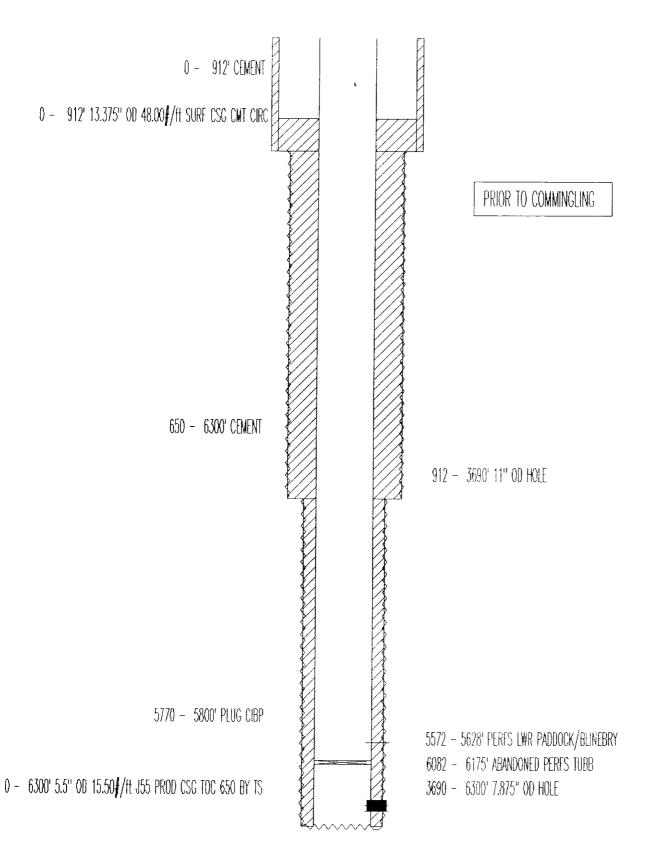
Specific gravity base will be 0.60. Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

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

Signature Printed name and title 01/11/94 Judy Throneberry, 713-876-6150

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

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

Instructions: Instructions: I hereby certify that the above information is true complete to the best of my knowledge and belief. 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 Signature I hereby certify that the above information is true complete to the best of my knowledge and belief. Signature Signature		Sarah B 1 P 11 23S 37E 11/26/93 P 24 26 38.8 16 46 2875	U S T R TEST TO SIZE PRESS. ABLE HOURS BBLS. OIL BBLS. M.C.F.	WELL LOCATION DATE OF B CHOKE TRG DAILY LENGTH PROD. DURING TEST	Address 12600 Northborough, #250, Houston, Texas 77067 TEST-(X) Scheduled Completion Special X	Samedan Oil Corporation Cline - Lower Paddock/Blinebry Lea
Instructions: During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent toler 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 Specific gravity base will be 0.60.			LEASE NAME		ĺ	Samedan Oil Corporatio
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, / <u>2.</u>		2875	CU.FT/BBL	GAS - OIL	X	

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

Date

Telephone No.

Submit 2 copies to Appropriate P.O. Box 1980, Hobbs, NM 88240 DISTRICT III P.O. Drawer DD, Artesia, NM 88210 DISTRICT District Office. 1000 Rio Brazzos Rd., Aztec, NM 87410 DISTRICT II

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

OIL CONSERVATION DIVISION

Revised 1/1/89 Form C-116

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

GAS - OIL RATIO TEST

	4	Sarah B	LEASE NAME		Address 12600 Northborough, #250, Houston, Tx 77067	Operator Samedan Oil Corporation
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instructions:

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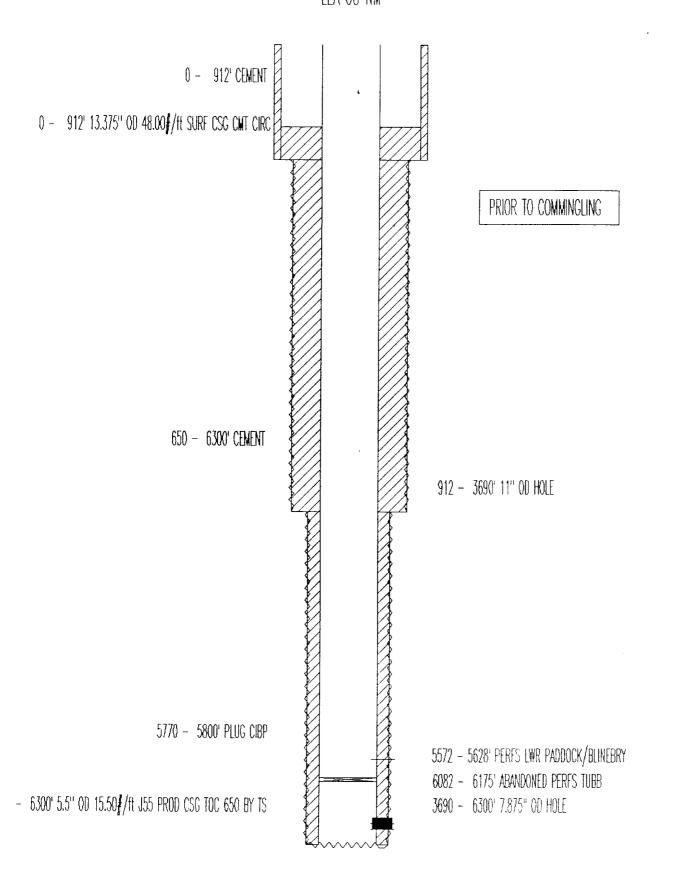
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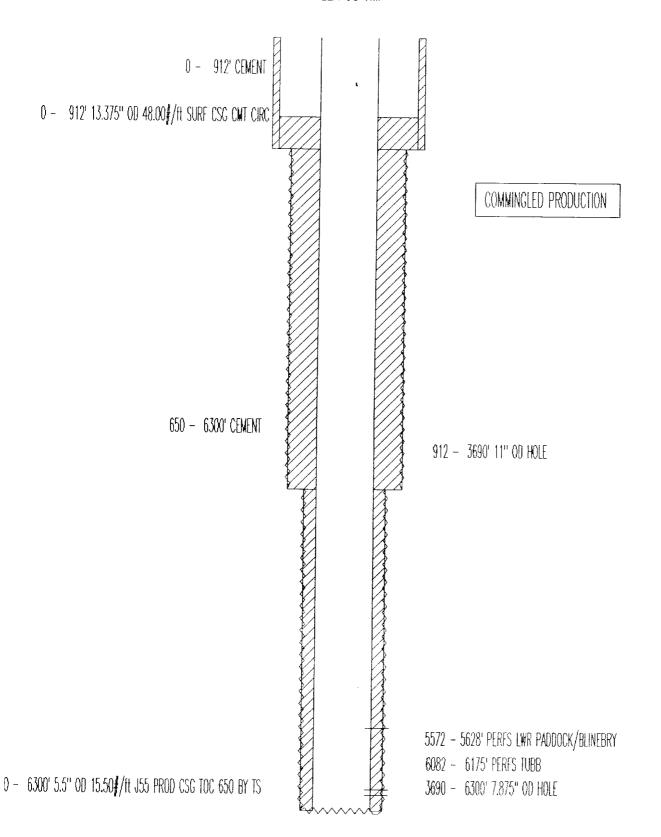
(See Rule 301, Rule 1116 & appropriate pool rules.)

i increuy ceruity mat the above information is true and complete to the best of my knowledge and belief. Printed name and title Signature 01/11/94 Judy Throneberry, Div Prod Clerk

713-876-6150 Lelephone No.

Date





Samedan Oil Corporation Sarah "B" No. 1 Commingling Justification Page One

Page One 5) Sarah "B" No. 1 Well History Field: Cline Tubb and Cline Lower Paddock/Blinebry Location: 990' FSL and 710' FEL, Sec. 11, T-23-S, R-37-E Drilling Contractor: Hondo Drilling Spud and set 13-3/8" 48# H-40 casing at 912'. 7-30-93: Cement circulated. TD at 6300' and logged. 8-11-93: 8-12-93: Set 5-1/2" 15.5# casing @ 6300'. TOC 650' by T.S. Perf Tubb section 6082-6175'. 8-18-93: Acidized Tubb section 6082-6175' with 2000 gals. 8-19-93: 8-20-93: Swabbed 2 BO + 6 BW. to 8-25-93 Western Co. frac'd Tubb section 6082-6175' with 29,000 gals 40 Quality CO_2 foam + 77,000# 20/40 8-26-93: 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. Set CIBP with 30' cement at 5800'. Perf'd Lower 10-01-93: Paddock/Blinebry 5572-5628'. 10-02-93: SI. to 10-04-93 Acidized and frac'd Lower Paddock/Blinebry 5572-5628' with 1500 gals 15% NEFE + 33,000 gals 40 10-05-93: Quality CO_2 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.

Samedan Oil Corporation Sarah "B" No. 1 Commingling Justification Page Two

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

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

ESTIMATED COMBINED PRODUCTION

MONTH	<u>BO</u>	<u>BW</u>	MCF
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

Samedan Oil Corporation Sarah "B" No. 1 Commingling Justification Page Three

6) Estimated BHP for each Artificially Lifted Zone

The wellbore will produce from the Tubb and Lower Paddock/Blinebry 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 @ $60^{\circ}F$ Produced water: SG = 1.055 @ $80^{\circ}F$, TDS - 10106 PPM Total hardness = 19810 PPM

Lower Paddock/Blinebry 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/Blinebry 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.
 - Tubb zone: Daily production = 85 bbls oil
 Gravity @ 60 = 33.8. Sulfur = .389
 Value = \$16.25 per bbl for sweet crude

Lower Paddock/Blinebry 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

- 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>	Water
Lower	Paddock/Blinebry	55%	64%	58%
Tubb		45%	36%	42%