

May 30, 1997

GOV-STATE AND LOCAL GOVERNMENTS

Exception to NMOCD Rule 303 (A).
Application to Downhole Commingle
Teague; Tubb North (Assoc)/Teague; Drinkard-Abo, North (Assoc) Pools
G.W. Sims "B" #1
Unit Letter B, Sec. 9, 23S, 37E
Lea County, New Mexico

State of New Mexico
Energy and Minerals Department
Oil Conservation Commission
2040 South Pacheco
Santa Fe, New Mexico 87505

Attention: Mr. Ben Stone

Texaco Exploration & Production Inc., respectfully requests administrative approval to downhole commingle the TeagueTubb North (Assoc) and the Teague Drinkard Abo North (Assoc) Pool within the subject wellbore. Currently the well is a dual completion. Texaco operates 100% of the offset acreage, therefore notification of this application is complete. The royalty is common in all zones.

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). 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 allocated to the TeagueTubb North (Assoc) and the Teague Drinkard Abo North (Assoc) Pool by the Fixed Percentage Allocation Formula % for each zone based on previous production. (See form C-107A).

If you have any questions concerning this application, please contact Paula S. Ives at (505)397-0432.

Yours very truly,

(Paula S. Ives

Engineer Assistant

Attachments

cc: Chris Williams/NMOCD/Hobbs

DISTRICT I

P.O. Box 1980, Hobbs, NM 88241-1980

P.O. Box Drawer DD, Artesia, NM 88211-0719 DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

P.O. Box 2088, Santa Fe, NM 87504-2088

DISTRICT IV

OIL CONSERVATION DIVISION

Energy, Minerals and Natural Resources Departn

State of New Mexico

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Form C-102 Revised February 10,1994 Instructions on back Submit to Appropriate District Office / Fee Lease - 3 Copies

WEL	L LOCATION	AND ACREAGE	DEDICATION PLAT
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¹ API Number	Pool Code	³ Pool Name		
30 025 32223	96315	NORTH TEAGUE - TUBB ASSOCIATED		
Property Code 013194		operty Name IMS, G. W.	⁸ Well No. 1	
⁷ OGRID Number	•	perator Name	[®] Elevation	
022351		ATION & PRODUCTION INC.	GR-3310, KB-3324	

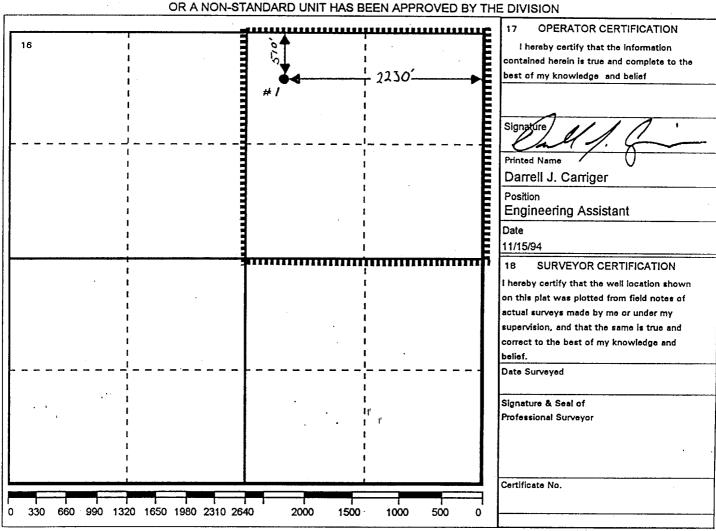
10 Surface Location

UI or lot no.	Section	Township	Range	Lot.ldn	Feet From The	North/South Line	Feet From The	East/West Line	County
В	9	238	37E		510	N	2230	£	Lea

11 Bottom Hole Location If Different From Surface

Dedicated Acres 13 Joint or Infill 14 Consolidation Code 15 Order No.	UI or lot no.	Section	Township	Range	Lot.idn	Feet From	The	North/South Line	Feet From The	East/West Line	County
160			13 Joint or Infill	14	Consolidation	n Code	¹⁵ Ord	ler No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED



DeSoto/Nichola 10/94 ver 2.0

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

P.O. Box 2088, Santa Fe, NM 87504-2088

DISTRICT IV

State of New Mexico Energy, Minerals and Natural Resources Departr

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Form C-102 Revised February 10,1994

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT **API Number** Pool Code 30 025 32223 96313 NORTH TEAGUE DRINKARD ABO **Property Code** Property Name Well No. 013194 SIMS, G. W. Operator Name OGRID Number Elevation 022351 **TEXACO EXPLORATION & PRODUCTION INC.** GR-3310, KB-3324

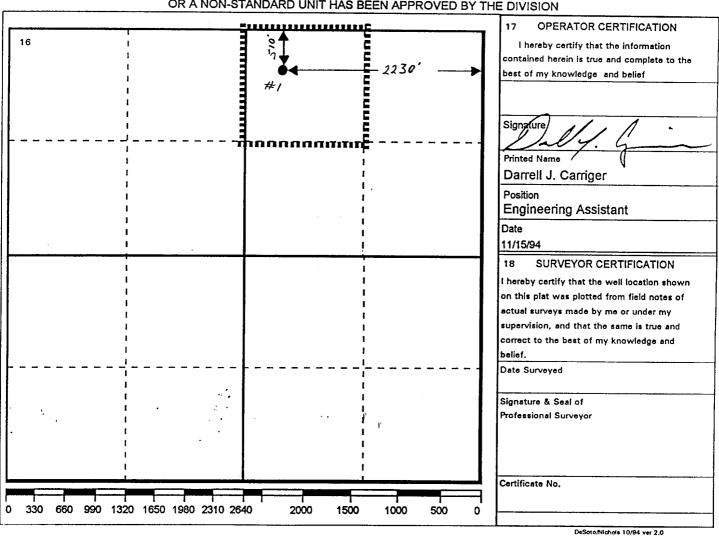
10 Surface Location

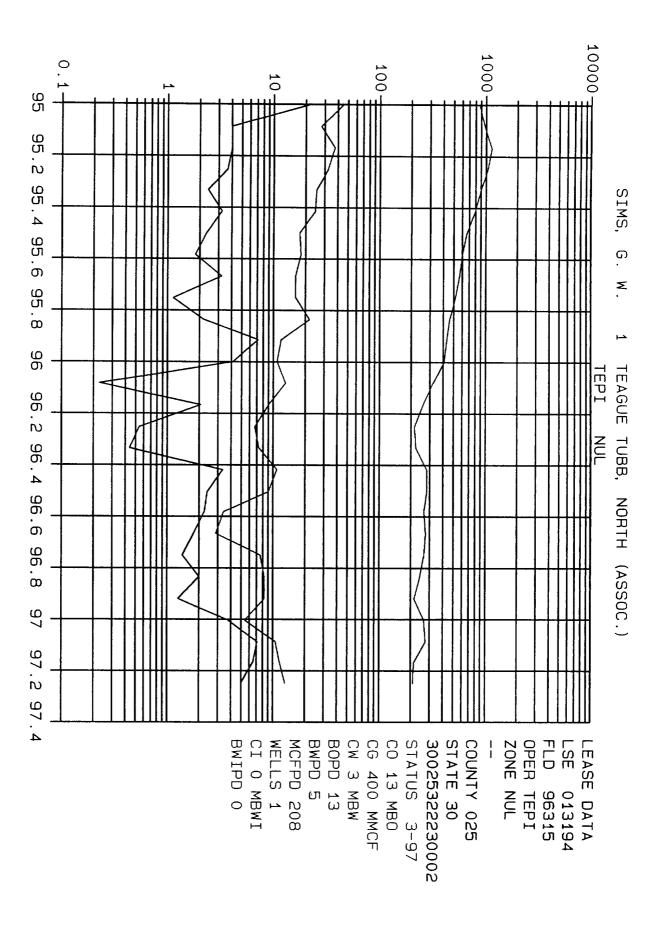
UI or lot no.	Section	Township	Range	Lot.ldn	Feet From The	North/South Line	Feet From The	East/West Line	County
В	9	238	37E		510	N	2230	E	Lea

Bottom Hole Location If Different From Surface

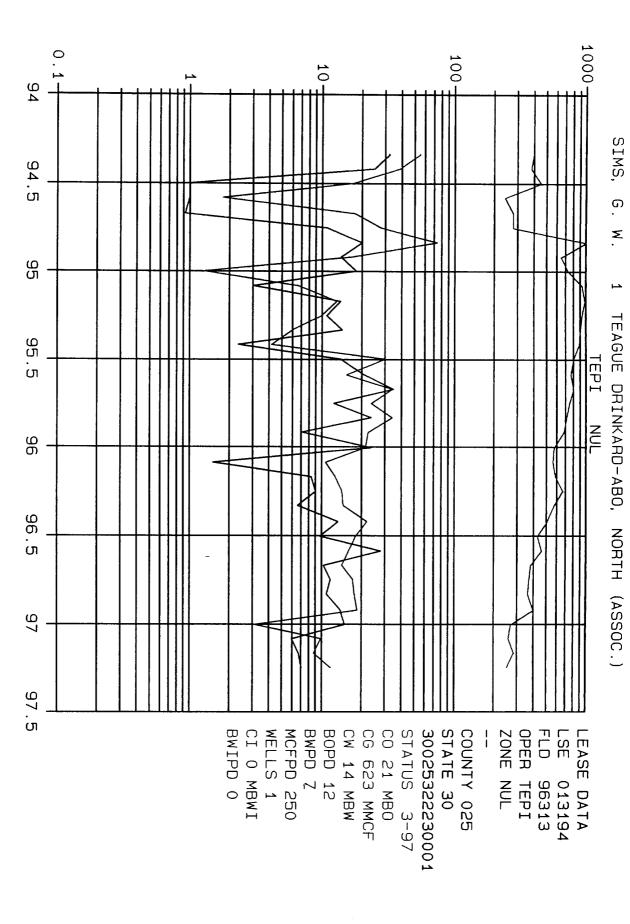
Ul or lot no.	Section	Township	Range	Lot.ldn	Feet From	The	North/South Line	Feet From The	East/West Line	County
Dedicated 40	Acres	Joint or Infill	14	Consolidation	n Code	15 Orc	ler No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION





YEARS



YEARS

DISTRICT P.O. Box 1980, Hobbs, NM 88240 DISTRICT II

OIL CONSERVATION DIVISION \$11 South First'St., Artesia, NM \$8210

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

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

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

DISTRICT III 1000 Rio Brazos Rd, Aztec, NM 87410

APPLICATION FOR DOWNHOLE COMMINGLING

APPROVAL PROC	CESS:
AdministrativeH	learing
EXISTING WELL	BORE
X YES	NO

Texaco Exploration & Producin	g Inc. 205 East Bender Hobbs, New Mexico 88240 Address						
Sims G. W.	1 B	9, 23S, 37E,	Lea				
Lease	Well No. Unit Ltr.	- Sec - Tws - Rge	County				
OGRID NO. <u>022345</u> Property Co	de <u>013194</u> API NO. <u>30-025-32223</u>	• -	e Types: (check 1 or more) State, (and/or) Fee X				
The following facts are submitted in	Lower	Intermediate	Upper				
support of downhole commingling: 1. Pool Name and	Zone Teague; Tubb, North (Assoc)	Zone	Zone Teague; Drinkard Abo, North				
1. Pool Name and	reague, rubb, North (Assoc)		(Assoc)				
Pool Code	96315		96313				
Top And Bottom of Pay Section (Perforations)	6098'-6244'		6424'-6995'				
3. Type of production							
(Oil or Gas)	Gas		Oil				
4. Method of Production							
(Flowing or Artificial Lift)	(Current)		Flowing				
Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current	a.560 (Original)	a.	a.615				
Gas & Oil - Flowing: Measured Current	b.	b.	b.				
All Gas Zones: Estimated Or Measured							
Original Control of the Control of t	41		41.5				
Oil Gravity (* API) or Gas BTU Content	41		41.5				
Producing or Shut-In? Production Marginal? (yes or no)	Producing Yes		Producing Yes				
* If Shut-In, give date and oil/gas/ water rates of last production	Date: Rates:						
history, applicant shall be required to attach	,						
production estimates and supporting data							
* If Producing, give date and oil/gas/	Date:3-97		Date: 3-97 Rates: 12/250/7				
water rates of recent test (within 60 days)	Rates:13/208/5		Rates. 12/250//				
8. Fixed Percentage Allocation	Oil: Gas:	Oil: Gas:	Oil: Gas:				
Formula -% for each zone	52 % 45 %	% %	48 % 55 %				
submit attachments with sup 10. Are all working, overriding, ar If not, have all working, overrid Have all offset operators beet 11. Will cross-flow occur? flowed production be recover 12. Are all produced fluids from a 13. Will the value of production b 14. If this well is on, or communit United States Bureau of Land 15. NMOCD Reference Cases for 16. ATTACHMENTS: * C-102 for each zo * Production curve * For zones with no * Notification list of * Notification list of * Any additional state I hereby certify that the information SIGNATURE	one to be commingled showing its so for each zone for at lease one year or production history, estimated production history, estimated production history, estimated productions, overriding, and royalty interested to the production of above is true and complete to the complete to the productions.	and providing rate projections of mmingled zones? diffed by certified mail? ded downhole commingling? If the properties of the certified mail? ded downhole commingling? If the promations not the reliable Yes No the other? X_ Yes Yes Yes Yes No (If Yes, attempted the Commissioner of Public Lewriting of this application. X_ PRDER NO(S) Practing unit and acreage deication. (If not available, attach explanation rates and supporting dataset of the common interest cased to support commingling. The part of the provided provided provided the common interest cased to support commingling. The part of the provided pro	when the required data.				
TYPE OR PRINT NAME Paul	a S. Ives TEL	LEPHONE NO. (505) 397-0432					