



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
HOBBS DISTRICT OFFICE

10/1/99

GOVERNOR

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

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

RE: Proposed:

MC  
DHC X  
NSL  
NSP  
SWD  
WFX  
PMX

DHC-2176

Gentlemen:

I have examined the application for the:

Texaco E&P Inc FB Davis #1-A-8-235-37e  
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

30-025-32226

Yours very truly,

Chris Williams  
Supervisor, District 1

/ed



Texaco E & P

205 E. Bender Blvd

HOBBS 111 882-10

505 693 7191

September 22, 1999

GOV-STATE AND LOCAL GOVERNMENTS  
EXCEPTION TO NMOC Rule 303(A)

Application to DHC

Teague Lower Paddock - Blinebry, North (Assoc.) and Teague Tubb, North (Assoc.) and  
Teague Drinkard-Abo, North (Assoc.)

F.B. Davis #1

Unit Letter A, Sec 8, T23S, R37E

Lea County, NM

State of New Mexico

Energy and Minerals Department

Oil Conservation Commission

2040 South Pacheco

Santa Fe, NM 87505

Attention: Mr. Ben Stone

Texaco Exploration and Production Inc., respectfully requests approval to downhole commingle the Teague Lower Paddock-Blinebry, North (Assoc.) with the Teague Tubb, North (Assoc.) and the Teague Drinkard-Abo, North (Assoc.) pools within the subject wellbore. Currently the well is DHC in the Teague Tubb, North (Assoc.) and the Teague Drinkard-Abo, North (Assoc.). The Blinebry will be added after this DHC is approved. 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 all intervals to be artificially lifted simultaneously. This will extend the productive life of both completions, thereby preventing waste.

The subject well meets all of the 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 based on tests obtained from the DHC Teague Tubb, North (Assoc.) and Teague Drinkard-Abo, North (Assoc.) pools before the DHC, with any additional production after the DHC be allocated to the Teague Lower Paddock-Blinebry, North (Assoc.) Pool.

If you have any questions concerning this application, please contact Denise Wann at (505) 397-0425, or Denise Leake at (505) 397-0405.

Yours truly,

*Denise Wann*

Denise Wann

Production Engineer

Eunice FMT

Attachments

9. If allocation Formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.
10. Are all working, overriding, and royalty interests identical in all commingled zones? Yes ☒ No ☐ after tests  
If not, have all working, overriding, and royalty interests been notified by certified mail? ☐ Yes ☐ No  
Have all offset operators been given written notice of the proposed downhole commingling? ☐ Yes ☐ No
11. Will cross-flow occur? ☐ Yes ☒ No If yes, are fluids compatible, will the Formations not be damaged, will any cross-flowed production be recovered, and will the allocation formula be reliable. ☐ Yes ☐ No (If No, attach explanation)
12. Are all produced fluids from all commingled zones compatible with other? ☒ Yes ☐ No
13. Will the value of production be decreased by commingling? ☐ Yes ☒ No (If Yes, attach explanation)
14. If this well is on, or communized with, state or federal lands, either the Commissioner of Public Land or the United States Bureau of Land Management has been notified in writing of this application.