



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

April 14, 1999

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

DHC-2331

RE: Proposed:

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

Gentlemen:

I have examined the application for the:

Texaco Expl & Prod., Inc.	B.F. Harrison "B" #23-F	9-23-37
Operator	Lease & Well No.	Unit S-T-R

and my recommendations are as follows:

OK- _____

Yours very truly,

Chris Williams

Chris Williams
Supervisor, District 1

/ed



April 09, 1999

Texaco Exploration and Production
205 East Bender
Hobbs, NM 88240

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

GOV-STATE AND LOCAL GOVERNMENTS
EXCEPTION TO NMOCD RULE 303(A)

Application to DHC
Teague Lower Paddock Blinebry North Assoc. and Teague Drinkard-Abo North Assoc.
B.F. Harrison B #23
Unit Letter F, Section 9, T23S, R37E
1815' FNL, 1815' FWL
API # 30-025-32498
Lea County, NM

Attention: Mr. Ben Stone

Texaco Exploration and Production Inc., respectfully requests approval to downhole commingle the North Teague Lower Paddock Blinebry (Assoc.) and the North Teague Drinkard-Abo (Assoc.) pool within the subject wellbore. A copy of this application has notified offset operators. 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 the requirements as set forth by rule 303 ©. 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 Teague Lower Paddock Blinebry Pool before the DHC, with any additional production after the DHC be allocated to the Teague Drinkard-Abo Pool.

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

Yours truly,

EXHIB "B" - CASE NO. 11353, ORDER NO. R-10470-A

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

811 South First St., 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

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

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

APPROVAL PROCESS:

☐ Administrative ☐ Hearing

EXISTING WELLBORE

☐ YES ☐ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Texaco Exploration & Producing Inc.
Operator

205 East Bender
Address

Hobbs, New Mexico 88240

B.F. Harrison "B"

23

F

Sec 9

T23S

R37E

Lea

Lease

Well No.

Unit Ltr. - Sec - Tws - Rge

County

Spacing Unit Lease Types: (check 1 or more)

OGRID NO. 022351 Property Code 10960 API NO. 30-025-32498 Federal , State , (and/or) Fee

The following facts are submitted in support of downhole commingling:	Lower Zone	Intermediate Zone	Upper Zone
1. Pool Name and Pool Code	96313 Teague Drinkard Abo North Assoc.		96314 Teague Lower Paddock Blinebry North Assoc.
2. Top And Bottom of Pay Section (Perforations)	6389-7001		
3. Type of production (Oil or Gas)	Oil		5606-5816 Oil
4. Method of Production (Flowing or Artificial Lift)	Flowing (Current)		Plunger Lift
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current	700# Estimated	a.	670# Estimated
Gas & Oil - Flowing: Measured Current	b.	b.	b.
All Gas Zones: Estimated Or Measured Original			
6. Oil Gravity (* API) or Gas BTU Content	40.1		43.5
7. Producing or Shut-In? Production Marginal? (yes or no)	Shut-In		Producing
* If Shut-In, give date and oil/gas/ water rates of last production Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data	Date: 1-20-98 Rates: 10 Oil, 100 Gas 10 Water		
* If Producing, give date and oil/gas/ water rates of recent test (within 60 days)	Date: Rates:		2-05-99 10 oil, 5 water, 23 Gas
8. Fixed Percentage Allocation Formula -% for each zone	Oil: % Gas: %	Oil: % Gas: %	Oil: % Gas: %

- 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.
- Are all working, overriding, and royalty interests identical in all commingled zones? Yes ☒ No ☐
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 ☐
- 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)
- Are all produced fluids from all commingled zones compatible with other? ☒ Yes ☐ No ☐
- Will the value of production be decreased by commingling? ☐ Yes ☒ No (If Yes, attach explanation)
- If this well is on, or communitized 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. ☒ Yes ☐ No
- NMOCD Reference Cases for Rule 303(C) Exceptions: ORDER NO(S)
- ATTACHMENTS:

- * C-102 for each zone to be commingled showing its spacing unit and acreage deication.
- * Production curve for each zone for at lease one year. (If not available, attach explanation.)
- * For zones with no production history, estimated production rates and supporting data.
- * Notification list of all offset operators.
- * Notification list of working, overriding, and royalty interests for uncommon interest cases.
- * Any additional statements, data or documents required to support commingling.

I hereby certify that the information above is true and complete to the best of my knowledge and belief

SIGNATURE Denise Wann

TITLE Pet. Engr.

DATE 4/12/99

TYPE OR PRINT NAME Denise Wann

TELEPHONE NO. (505) 397-0425

Z 576 997 391

US Postal Service

Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	
Sarnedan Oil Corp	
Street & Number	
12100 North Loop East St #250	
Post Office, State, & ZIP Code	
Houston, TX 77067	
Postage	\$.93
Certified Fee	1.40
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	1.40
TOTAL Postage & Fees	\$ 3.13
Postmark or Date	

PS Form 3800, April 1995



April 9, 1999

Texaco Exploration and Production Inc.
205 East Bender
Hobbs, New Mexico 88240

Samedan Oil Corporation
12600 Northborough, Suite 250
Houston, Texas 77067

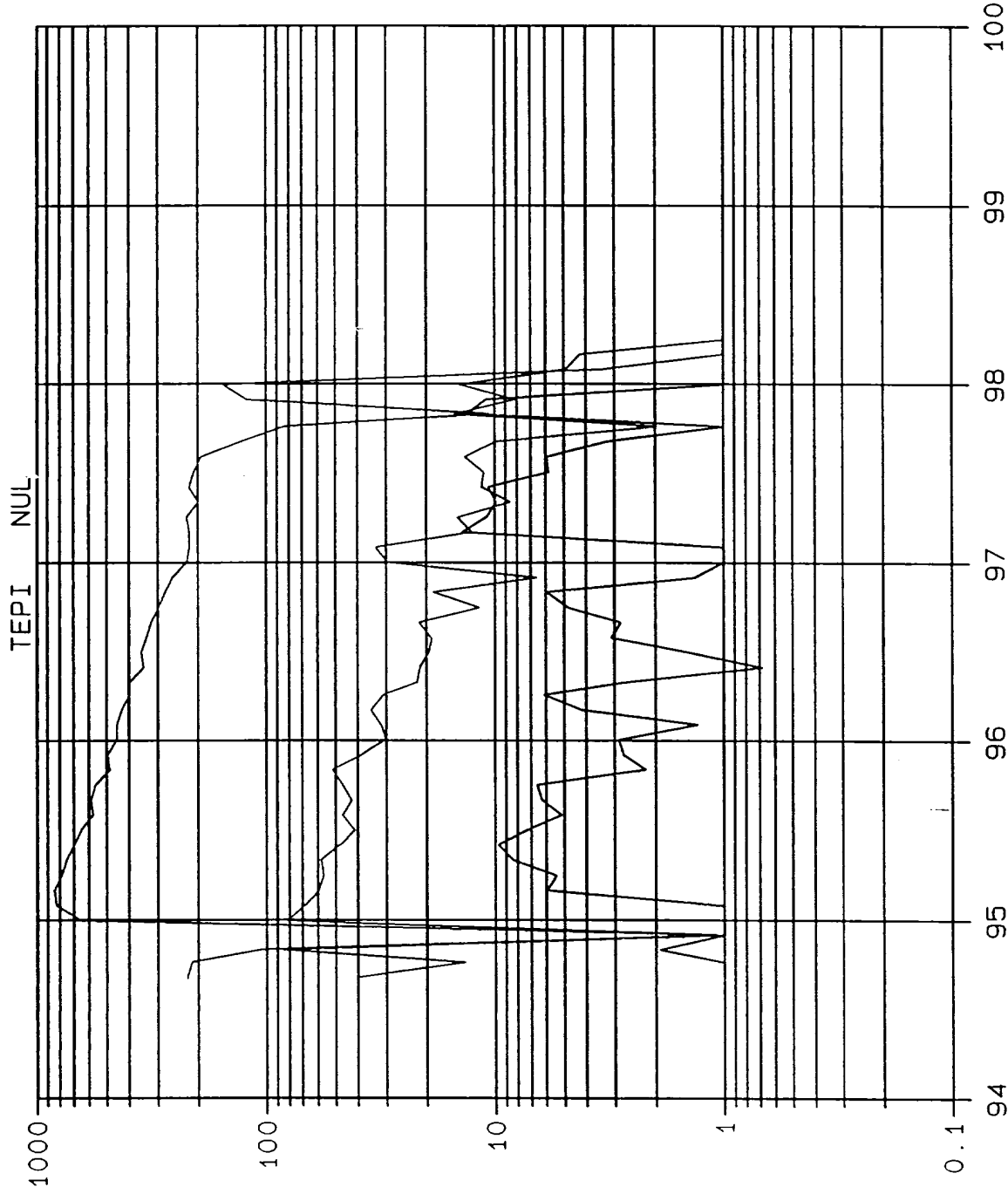
Gentlemen:

Please find attached an application which has been filed with the New Mexico Oil Conservation Division in Santa Fe, New Mexico for administrative approval for downhole commingling of the B. F. Harrison "B" #23.

Sincerely,

J. Denise Leake
Engineering Assistant
Texaco E&P
Hobbs Operating Unit

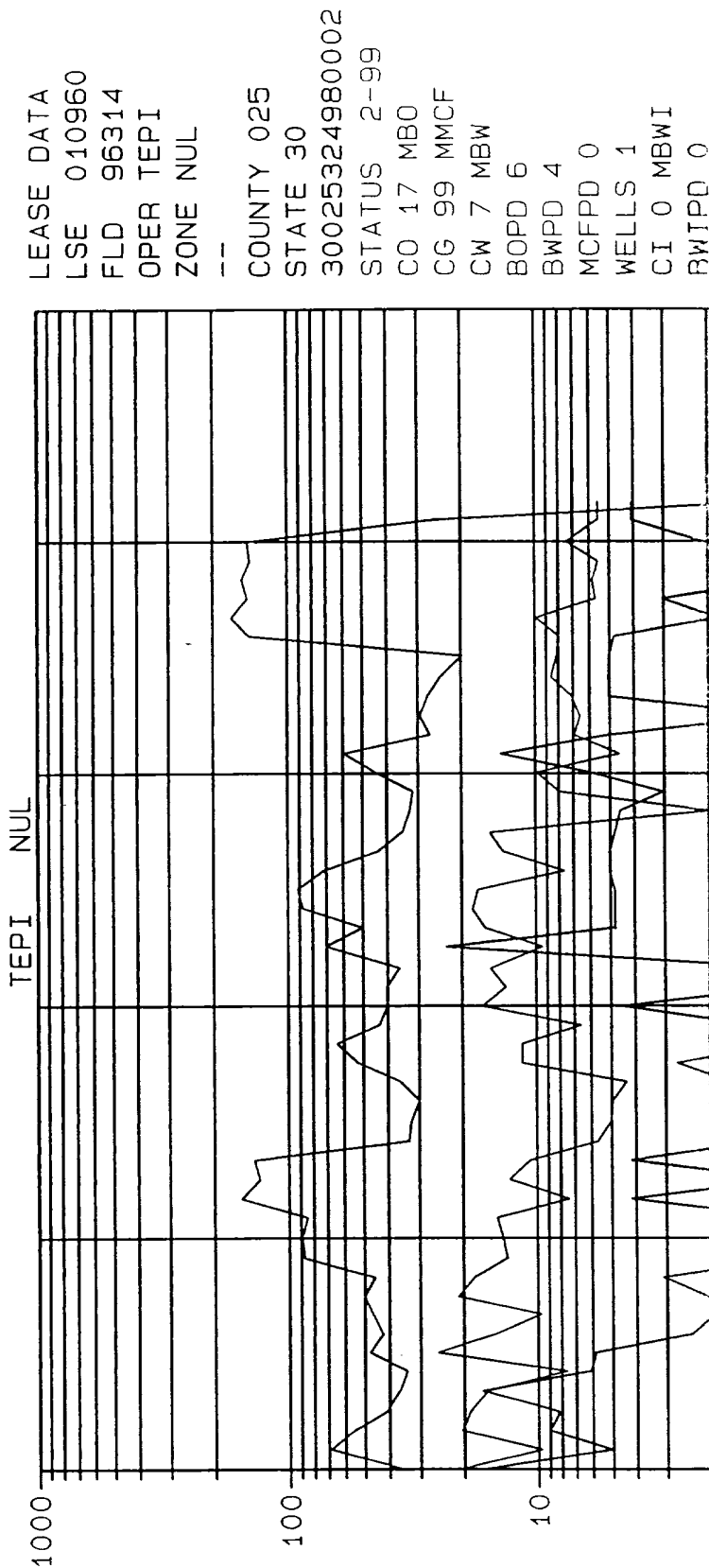
HARRISON, B. F. -B- 23 TEAGUE DRINKARD-ABO, NORTH



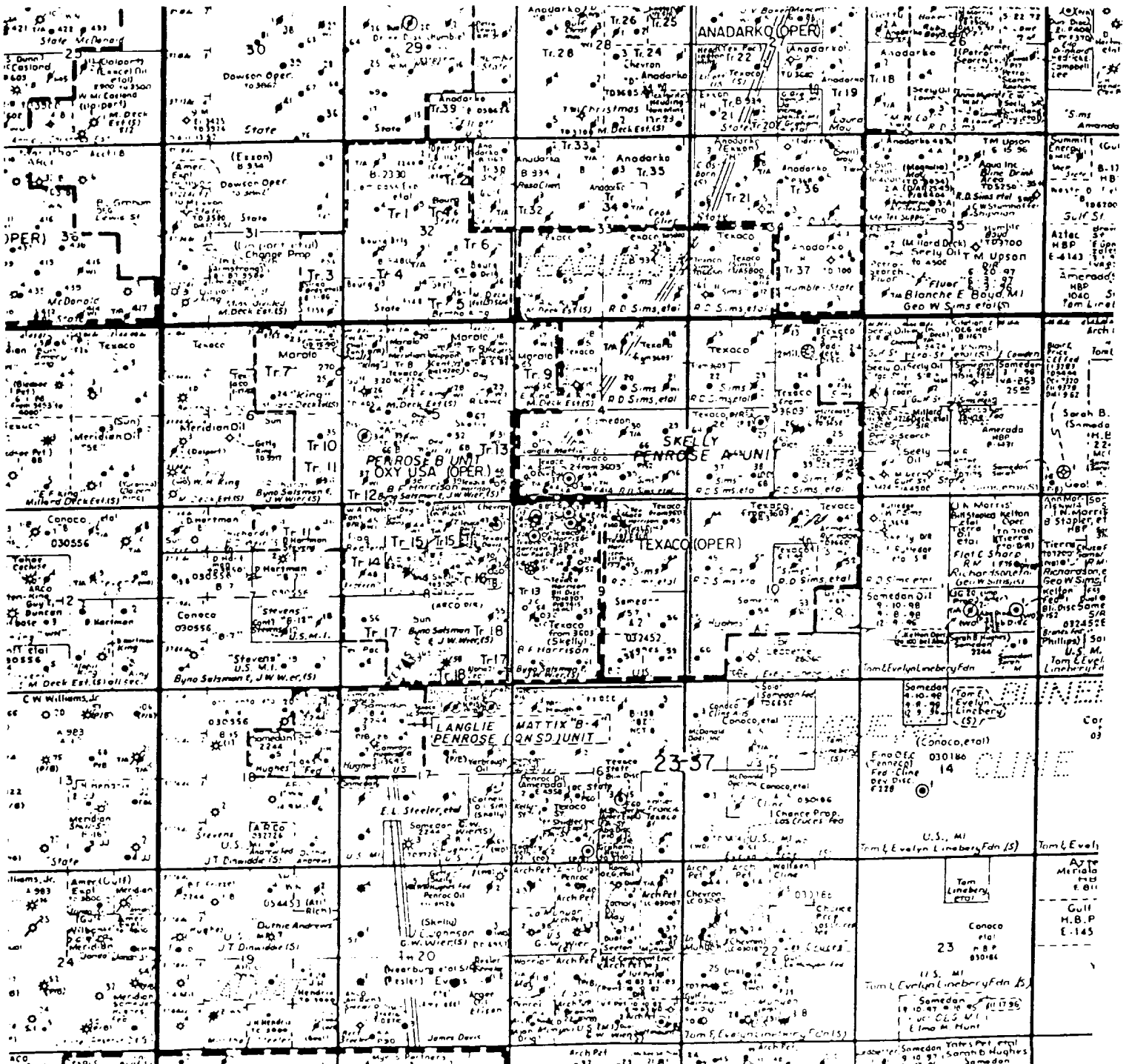
YEARS

LEASE DATA
 LSE 010960
 FLD 96313
 OPER TEPI
 ZONE NUL
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 COUNTY 025
 STATE 30
 30025324980001
 STATUS 2-99
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 CG 455 MMCF
 CW 6 MBW
 BOPD 0
 BWPD 0
 MCFPD 0
 WELLS 1
 CI 0 MBWI
 BWIPD 0

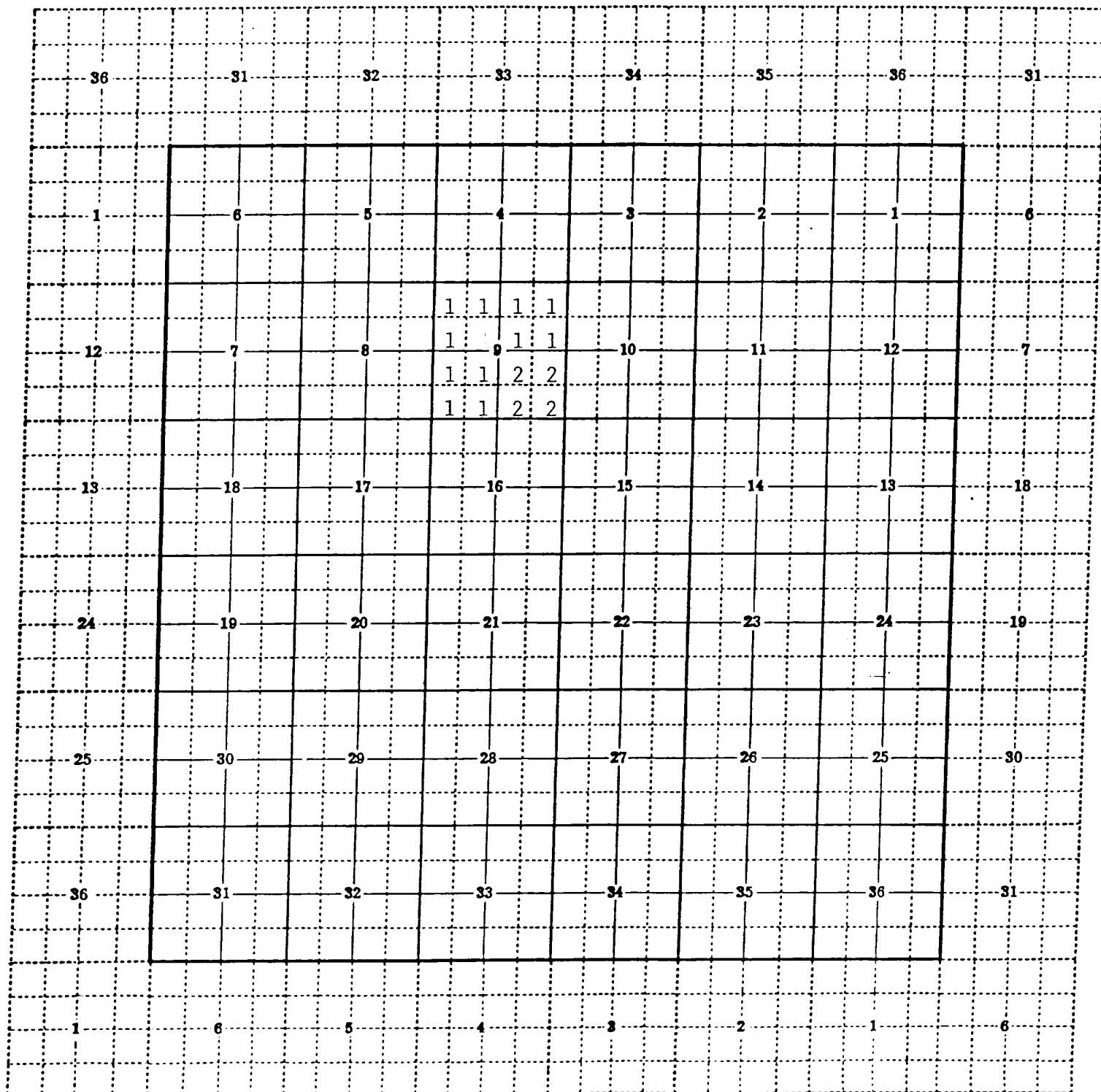
HARRISON, B. F. -B- 23 TEAGUE LOWER PADDOCK-BLINEBRY, N. (ASSOC)



Offset Operators and all Lessees of Record
B. F. Harrison B #23
SE/4 NW/4 of Section 9, T-23-S, R-37-E
Teague Lower Paddock Blinbry North Assoc. &
Teague Drinkard-Abo North Assoc.
Lea County, New Mexico
April 6, 1999



Offset Operators and all Lessees of Record
B. F. Harrison B #23
SE/4 NW/4 of Section 9, T-23-S, R-37-E
Teague Lower Paddock Blinebry North Assoc. &
Teague Drinkard-Abo North Assoc.
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Teague Lower Paddock Blinebry North Assoc. &
Teague Drinkard-Abo North Assoc.
Lea County, New Mexico
April 6, 1999

Number 1

Texaco Exploration and Production Inc.
P. O. Box 3109
Midland, Texas 79702

Number 2

Samedan Oil Corporation
12600 Northborough, Suite 250
Houston, Texas 77067