



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
HOBBS DISTRICT OFFICE

7/15/96

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 \_\_\_\_\_

Gentlemen:

I have examined the application for the:

Texaco E&P Inc RR Sims A #8-N 4-23s-37e  
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK

Yours very truly,

Jerry Sexton  
Jerry Sexton  
Supervisor, District 1

/ed



Texaco E & P

205 E. General Allen  
Hondo, NM 87801  
505 396 7181

July 11, 1996

New Mexico Oil Conservation Commission  
2040 South Pacheco  
Santa Fe, New Mexico 87505  
Attention: Mr. David R. Catanach

Re: Exception to NMOCD Rule 303 (A).  
Application to Downhole Commingle  
TeagueTubb North/Teague Lower Paddock Blinebry North Pool  
R.R. Sims "A" #8  
Unit Letter N, Sec. 4, 23S, 37E  
Lea County, New Mexico

Mr. Catanach,

Texaco Exploration & Production Inc., respectfully requests administrative approval to downhole commingle the TeagueTubb North and the Teague Lower Paddock Blinebry North Pool within the subject wellbore. Currently the well is a dual completion. The Blinebry completion does not flow continuously and requires frequent swabbing. The Tubb completion is pumping under a packer and subsequently requires 400 psi of back pressure to pump. Notification of this application has been sent to the said offset operators and a statement of notification has been included in this application.

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). The well was completed 10-9-95, so a full year of production data is not available. 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 deferred until a stabilized production rate is establish. Production will then be allocated to the TeagueTubb North and the Teague Lower Paddock Blinebry North Pool using the subtraction method provided in this packet. If you have any questions concerning this application, please contact Kirk W. Spilman at (505)397-0425.

Yours very truly,

Kirk W. Spilman  
Eunice Area Engineer

attachments

cc: Jerry Sexton/NMOCD/Hobbs

Operator  
TEXACO EXPLORATION & PRODUCTION

Address  
205 E. BENDER HOBBS, NM 88240

Well No.  
#8

Unit Ltr. - Sec - Twp - Rge  
N-4-23S-37E

County  
LEA

Property Code  
011060

API NO.  
30-025-320901

Spacing Unit Lease Types: (check 1 or more)  
Federal ☐ State ☐ (and/or) Fee ☒

OGRID NO.  
022351

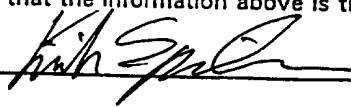
Property Code  
011060

API NO.  
30-025-320901

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zones	Lower Zone
1. Pool Name and Pool Code	TEAGUE LOWER PADDOCK-BLINEBRY, NORTH(96314)		TEAGUE TUBB(ASSOC.) (96315)
2. Top and Bottom of Pay Section (Perforations)	5689-5876		6098-6254
3. Type of production (Oil or Gas)	OIL		OIL
4. Method of Production (Flowing or Artificial Lift)	FLOWING		ARTIFICIAL
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	a. (Current) 24 hr SI 681 psi b. (Original)	a.  b.	a. 24 hr SI 840 psi b.
6. Oil Gravity (°API) or Gas BTU Content	45.5		45.5
7. Producing or Shut-In?	PRODUCING		PRODUCING
Production Marginal? (yes or no)	YES		YES
• 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  • If Producing, give date and oil/gas/ water rates of recent test (within 60 days)	Date: Rates:	Date: Rates:	Date: Rates:
	Date: 5/96 Rates: 14/9/204	Date: Rates:	Date: 5/96 Rates: 5/5/20
8. Fixed Percentage Allocation Formula - % for each zone	Oil: % Gas: %	Oil: % Gas: %	Oil: % Gas: %

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  
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 each 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 communitized with, state or federal lands, either the Commissioner of Public Lands or the United States Bureau of Land Management has been notified in writing of this application. ☐ Yes ☐ No
15. NMOCD Reference Cases for Rule 303(C) Exceptions: ORDER NO(S). \_\_\_\_\_
16. ATTACHMENTS:
  - C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
  - Production curve for each zone for at least one year. (If not available, attach explanation.)
  - For zones with no production history, estimated production rates and supporting data.
  - Data to support allocation method or formula.
  - 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.

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

IGNATURE 

TITLE PETROLEUM ENGINEER

DATE 7/11/96

TYPE OR PRINT NAME KIRK W. SPILMAN

TELEPHONE NO. ( 505 ) 397-0425