Gulf Oil Exploration and Production Company

April 30, 1979

R. C. Anderson PRODUCTION MANAGER, HOBBS AREA

P. O. Box 670 Hobbs, NM 88240

Re: W. A. Ramsay (NCT-C) No. 4, Section 36-24S-37E, Lea County, New Mexico

Energy and Minerals Department Oil Conservation Division P. O. Box 2088 Santa Fe, NM 87501

Attention: Mr. Joe D. Ramey

Gentlemen:

We request your administrative approval for an exception to Rule 303-A to permit downhole commingling of production from the subject well. Presently, the well is dually completed in the Fusselman and Montoya pools of the North Justis field, and production from these zones is being surface commingled on the subject lease. We have not observed any evidence of fluid incompatibility at this facility and do not anticipate any reservoir damage due to the downhole commingling proposed herein. Ownership of both pools is common and no correlative rights will be violated.

The subject well is being produced by a dual pumping unit installation. If this application is approved, existing pumping equipment will be utilized to produce the fluid from the commingled zones. We plan to run tubing through the lowest perforations and keep the well pumped down to prevent crossflow between the two pools. If this application is approved, we will contact the Supervisor of the Division's Hobbs office to determine suitable allocation formula.

Additional information concerning this application is attached for your information. If you have any questions concerning this matter, please contact this office.

Yours very truly,

R.C. anderson

R. C. ANDERSON

Attachments MDW/dch

cc: Oil Conservation Division
P. O. Box 1980
Hobbs, NM 88240

National Cooperative Refinery Association 404 Lincoln Tower Building Denver, CO 80203

Amerada Hess Corporation P. O. Box 817 Seminole, TX 79360



Texaco Inc. P. O. Box 3109 Midland, TX 79701

Parker Drilling Company P. O. Box 1742 Midland, TX 79701

WELL DATA

- (1) Operator: Gulf Oil Corporation
 P. 0. Box 670
 Hobbs, NM 88240
- (2) Well Name & Location: W. A. Ramsay (NCT-C) No. 4 330'FSL & 430'FWL of Section 36, T-24-S, R-37-E, Lea County, New Mexico
- (3) Pools: Justis Fusselman (6988'-6996') Justis Montoya (7110'-7114') Triple completed with the North Justis Waddell (8110'-8114') under Order No. R-2430. Waddell was plugged and abandoned 11-71.
- (4) Current Production: See attached C-116.

(5) Production Decline and Well History: See attached curves for decline.

Well was spudded on October 29, 1962 and drilled to a total depth of 8155'. Seven inch production casing was set at 8155'. The well was triple completed in the North Justis Fusselman, North Justis Montoya, and North Justis Waddell zones under Order No. R-2430. The Waddell was perforated in the interval 8110'-8114' and treated with 500 gallons of 15% NE acid and 2000 gallons of 15% HCl. Initially, the well flowed 198 BOPD on a 12/64" choke.

In 1963, the zone was reacidized with 1000 gallons 15% HCl and additional zones were perforated and treated with 2000 gallons Super F acid. Additional zones that were perforated and treated included 8109-8113', and 8090-8094'. The Waddell zone was TA'd on 8-18-64 and plugged on 11-17-71.

The Montoya zone was perforated in the interval 7104-14' and treated with 500 gallons 15% NE acid. The zone was squeezed and reperforated in the interval 7110-14' and treated with 1250 gallons 15% HCl. The Montoya zone initially flowed 188 BOPD after completion. The Fusselman was perforated in the interval 6988'-6996' and treated with 1000 gallons 15% HCl. Initial production from the Fusselman zone was 166 BOPD.

- (6) Estimated Bottom Hole Pressure: The bottom hole pressure for both zones is estimated to be 1000 psi based on offset information.
- (7) Fluid Characteristics: Production from the North Justis Fusselman and North Justis Montoya pools is being commingled in surface storage facilities under Administrative Order PC-72. No evidence of fluid incompatibility has been experienced to date and no future problems are anticipated.
- (8) Value of Commingled Production: No changed in value of the crude is anticipated since since the zones are already commingled at the surface under Administrative Order PC-72.
- (9) All offset operators are being notified by copy of this application:

National Cooperative Refinery Association, 404 Lincoln Tower Building, Denver, CO 80203 Amerada Hess Corporation, P. O. Drawer 817, Seminole, TX 79360 Texaco Inc., P. O. Box 3109, Midland, TX 79701 Parker Drilling Company, P. O. Box 1742, Midland, TX 79701