



Texaco 672

155 E. Bender Blvd.
P.O. Box 1000
305-353-7191

July 29, 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
Jalmat/Langlie Mattix Pool
Cooper Jal Unit #420, #421, #422
Unit Letter G, J, N; Sec. 24, 24, 19; 23S, 37E
Lea County, New Mexico

Mr. Catanach,

Texaco Exploration & Production Inc., respectfully requests administrative approval to downhole commingle the Jalmat and the Langlie Mattix Pool within the subject wellbore. Currently, the wells are in the process of being drilled and completed. Notification to offset operators is not required given the fact that Texaco offsets all of the wells.

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 wells meet all of requirements as set forth by Rule 303 (C). It should be noted that all produced fluids from other downhole commingled wells 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 established. Production will then be allocated to the Langlie Mattix and the Jalmat 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

DISTRICT I

P.O. Box 1880, 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 87505-6429Form C-107-A
New 3-12-96

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☐ YES ☒ NO

APPLICATION FOR DOWNHOLE COMMINGLING

Operator TEXACO EXPLORATION & PRODUCTION

205 E. BENDER HOBBS NM 88240

Lease

COOPER JAL UNIT

#421

J-24-24S-37E

LEA

County

OGRID NO. 022351

Property Code 10917

API NO. 30-025-33459

Spacing Unit Lease Types: (check 1 or more)

Federal ☐ State ☐ (and/or) Fee ☒

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zones	Lower Zone
1. Pool Name and Pool Code	JALMAT (33820)		LANGLIE MATTIX (37240)
2. Top and Bottom of Pay Section (Perforations)	NOT YET COMPLETED		NOT YET COMPLETED
3. Type of production (Oil or Gas)	OIL		OIL
4. Method of Production (Flowing or Artificial Lift)	ARTIFICIAL		ARTIFICIAL
5. Bottomhole Pressure Oil Zones - Artificial Lift: Estimated Current Gas & Oil - Flowing: Measured Current All Gas Zones: Estimated Or Measured Original	a. (Current) NA b. (Original)	a. b.	a. NA b.
6. Oil Gravity (°API) or Gas BTU Content	36.7		36.7
7. Producing or Shut-In?	NA		NA
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	Date: Rates: NA	Date: Rates:	Date: Rates: NA
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: Rates:	Date: Rates:	Date: Rates:
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?

If not, have all working, overriding, and royalty interests been notified by certified mail?

Have all offset operators been given written notice of the proposed downhole commingling?

☒ Yes ☐ No
☒ Yes ☐ No
☒ Yes ☐ No11. 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 ☐ No13. 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). DHC-1131

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.

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

SIGNATURE Kirk W. Spilman TITLE PETROLEUM ENGINEER DATE 7-29-96TYPE OR PRINT NAME KIRK W. SPILMAN TELEPHONE NO. (505) 397-0425