CASE 5296: Appli. of TEXACO INC. for downhole commingling, Lea County, New Mexico.

CASE Mo. 5296

Application,

Transcripts,

Small Ekhibts

Page.....1....

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION Santa Fe, New Mexico August 21, 1974

EXAMINER HEARING

IN THE MATTER OF:

Application of Texaco, Inc., for downhole commingling, Lea County, New Mexico.

Case No. 5296

BEFORE: Richard L. Stamets, Examiner

TRANSCRIPT OF HEARING

APPEARANCES

For the New Mexico Oil Conservation Commission:

William Carr, Esq.
Legal Counsel for the
Commission
State Land Office Building
Santa Fe, New Mexico

For the Applicant:

Ken Bateman, Esq.
WHITE, KOCH, KELLY &
MCCARTHY
220 Otero
Santa Fe, New Mexico

THE NYE REPORTING SERVICE
STATE-WIDE DEPOSITION NOTARIES
225 JOHNSON STREET
SANTA FE, NEW MEXICO 87501
TEL. (505) 982-0386

CASE 5296

Page.....2....

 \underline{I} \underline{N} \underline{D} \underline{E} \underline{X}

PAGE

EUGENE CRAIG HINRICHS

Direct Examination by Mr. Bateman

3

EXHIBITS

Applicant's Exhibits Nos. 1 through 7

10

THE NYE REPORTING SERVICE
STATE-WIDE DEPOSITION NOTARIES
225 JOHNSON STREET
SANTA FE, NEW MEXICO 87501
TEL. (505) 982-0386

Page......

MR. STAMETS: Case No. 5296.

MR. CARR: Case 5296. Application of Texaco, Inc., for downhole commingling, Lea County, New Mexico.

MR. STAMETS: We call for appearances in this case.

MR. BATEMAN: Mr. Examiner, I am Ken Bateman of White, Koch, Kelly and McCarthy, appearing for the Applicant, Texaco. I have one witness and I request that he be sworn.

MR. STAMETS: Are there any other appearances? The witness will stand and be sworn, please.

(Witness sworn.)

EUGENE CRAIG HINRICHS

called as a witness, having been first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. BATEMAN:

- Q Would you state your full name, your place of employment and the capacity in which you are employed?
- A My name is Eugene Craig Hinrichs. I am a Division Production Engineer for Texaco, Incorporated, located in Hobbs, New Mexico.
 - Q Mr. Hinrichs, have you previously testified before

THE NYE REPORTING SERVICE
STATE-WIDE DEPOSITION NOTARIES
225 JOHNSON STREET
SANTA FE, NEW MEXICO 87501
TEL. (505) 992-0386

Page....4

the Commission, and have you made your credentials a matter of record?

A Yes, I have.

MR. BATEMAN: Is the witness qualified?

MR. STAMETS: Yes, he is.

BY MR. BATEMAN:

Q Mr. Hinrichs, would you refer to Exhibit 1, identify it and state what Texaco seeks by its Application?

Texaco seeks approval for downhole commingling the Vacuum-Upper Penn with the present commingled North Vacuum-Aho and North Vacuum-Wolfcamp Pool in the New Mexico "Q" State Well No. 4. The well is located 760 feet from the east line and 500 feet from the south line in Section 25, Township 17 South, Range 34 East. The well is designated by the red arrow. The lease is outlined in yellow.

Q Mr. Hinrichs, what other data do you ... on Exhibit 1?

A This shows wells in the surrounding area that are completed in these same zones. They are designated by color which is shown at the bottom of the map. I would like to point out, too, that we have one well that is downhole commingled in these three zones. It is Texaco

THE NYE REPORTING SERVICE
STATE-WIDE DEPOSITION NOTARIES
225 JOHNSON STREET
SANTA FE, NEW MEXICO 87501
TEL. (505) 982-0386

Page....5

Mobil State Well, No. 1, which is two locations north of the subject well.

- Q I believe you testified that two of the zones are presently commingled in Well No. 4?
 - A That's correct.
- Q Would you continue, then, with Exhibit No. 2 and identify it and discuss it?

A Exhibit 2 is a data sheet for wellbore commingling which shows the present reservoir information for the subject well, all zones to be commingled. As you can see from this, the Vacuum-Abo North and the Vacuum-Wolfcamp zones are being rod-pumped and the Vacuum-Penn is now flowing, but bottomhole pressure information indicates that we need to put this well on pump. So, if we get the commingling, it will be produced by rod pump in all three sees. Also, the bettsahole pressure information for each zone as far as the gradient, and the well will be kept pumped down so there will be no cross flow from one to another.

Also, all three crudes are sweet, gravities are the same, which would indicate that there will be no compatibility problems. The price of the crude oil is the

THE NYE REPORTING SERVICE
STATE-WIDE DEPOSITION NOTARIES
225 JOHNSON STREET
SANTA FE, HEW MEXICO 67501
TEL. (505) 902 - 0306

Page 6

same for all three zones. so there will be no decrease in the price of crude as a result of the commingling. Also, the zones are commingled in the Texaco-Mobil, as I pointed out before, and we have had no detrimental effects due to that.

Our gas production will be below the allowable limits, so there will be no curtailed oil production due to over-produced gas.

- Q Do you expect any increase in production if these zones are commingled?
- A Yes, we expect an increase of ten barrels a day from the Penn as a result of putting it on rod pump.
- Q Proceed with what has been marked as Exhibit
 No. 3 and identify it?
- A Exhibit 3 is a present completion of the well. It is currently downhole commingled -- well, it was originally a triple completion in the Abo, Wolfcamp and Penn, as authorized by Cil Conservation Commission Order MC-1520 which was amended -- this was issued December 26, 1963. The Abo and Wolfcamp were downhole commingled which was authorized by Order 3946.
 - Q Is that R-3946?
 - A Yes. The Abo and Wolfcamp are currently being

THE NYE REPORTING SERVICE
STATE-WIDE DEPOSITION NOTARIES
225 JOHNSON STREET
SANTA FE, NEW MEXICO 87501
TEL. (505) 982-0386

Page....7

pumped out of Wolfcamp string and the Penn is being flowed out of a string by itself. The Wolf currently has 13 and 3/8 inch casing set at 385 feet, cemented with 400 sacks of cement and cement circulated. The intermediate string is 9 and 5/8 inch casing set at 4799, cemented with 1700 sacks of cement circulated. There are two strings of 2 and 7/8 inch casing set at 10,176, 10,150 and 11,468. These three strings were cemented with 2500 sacks of cement. The total depth of the well is 12,285. It was originally a Devonian test which was dry. Cement plugs were set in open holes at 12,285, 11,468 and completed as the present triple completion.

Exhibit No. 4 is the proposed completion after commingling. We will communicate the Wolfcamp and Penn strings in the Penn zone and pump the three zones out of the Penn string. This will allow for venting of gas out of the Abo and Wolfcamp strings and pumping from the Penn. We have had good results in other downhole commingling where we have been able to set the pump low and vent gas out of off-strings.

- Q Mr. Hinrichs, will commingling of the three zones eliminate expense to Texaco?
 - A Yes, it will, but Penn needs now to be placed on

THE NYE REPORTING SERVICE STATE-WIDE DEPOSITION NOTARIES 225 JOHNSON STREET SANTA FE, NEW MEXICO 87501 TEL. (505) 982-0386

Page.....8....

rod pump, and by allowing us to commingle this zone, we could use the pump that is presently pumping the Wolfcamp to pump the Penn. It will eliminate one extra pumping unit.

- © Do you have accumulative production data on these zones?
- A I have the decline curves for the last nine years.

 I don't have the cumulatives.

I would like to point out that if we are able to downhole commingle these zones by having one pumping unit instead of two, we will be able to recover an additional 700 barrels of oil. Also, these decline curves show that production is on stable decline so that an allocation could be made for the three zones so that the production can be split, and based on present tests, our proposed allocation would be 7 percent to the Abo North, 18 percent to the Wolfcamp and 75 percent to the Penn. Now, we would recommend that the well be tested for a period of approximately 30 days to see if it exceeds 40 parrels a day, which if these allocations are based on present tests, and any increased production it would have fould be due to an increase in the Pennsylvanian as a result of putting it on rod, so these should be recalculated based on the actual test of the well.

THE NYE REPORTING SERVICE
STATE-WIDE DEPOSITION NOTARIES
225 JOHNSON STREET
SANTA FE, NEW MEXICO 87501
TEL. (505) 902-0306

- Q The performance curves you are referring to are marked Exhibits 5, 5 and 7, is that correct?
 - A Yes.
 - Q What is the lease ownership involved here?
- A It is 100 percent Texaco and the royalty is common.
 - Q Is it a State lease?
 - A Yes.
- I take it from your testimony, therefore, that approval of the Application will eliminate expense to Texaco and allow recovery of additional oil. Do you think there will be any adverse effects to correlative rights?
 - A No.
- Q And I assume that your opinion is that waste will be prevented?
- A Yes, it will. We will have additional recovery of reserves.
- Q Were Exhibits 1 through 7 prepared by you or under your direction?
 - A Yes, they were.
- MR. BATEMAN: I offer Exhibits 1 through 7 at this time.
 - MR. STAMETS: Without objection, Exhibits 1 through

THE NYE REPORTING SERVICE
STATE-WIDE DEPOSITION NOT ARIES
225 JOHNSON STREET
SANTA FE, NEW MEXICO 87501
TEL. (505) 982-0386

Page 10

7 will be admitted.

(Whereupon, Applicant's Exhibits Nos. 1 through 7 were marked for identification and admitted into evidence.)

MR. BATEMAN: I have no further direct.

MR. STAMETS: Are there any questions of this witness? He may be excused.

(Witness dismissed.)

MR. STAMETS: Is there anything further in this case? We will take the case under advisement.

THE NYE REPORTING SERVICE STATE-WIDE DEPOSITION NOT ARIES 225 JOHNSON STREET SANTA FE, NEW MEXICO 87501 TEL. (505) 982-0386

Page 11

STATE OF NEW MEXICO)
) SS.
COUNTY OF SANTA FE)

I, RICHARD L. NYE, Court Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

CATTOR REPORTED

i do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 19

New Mexico Oil Conservation Commission

THE NYE REPORTING SERVICE
STATE-WIDE DEPOSITION NOTARIES
225 JOHNSON STRITET
SANTA FE, NEW MEXICO 87501
TEL. (505) 982-0386



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO P. O. BOX 2088 - SANTA FE 87501 LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER
STATE GEOLOGIST

I. R. TRUJILLO

CHAIRMAN

September 17, 1974

A. L. PORTER, JR.
SECRETARY - DIRECTOR

Re:	CASE NO	5296
	ORDER NO	R-4859
	Applicant:	
	Texaco In	c.
	Re:	Applicant:

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours, A. L. Parter, J.

A. L. PORTER, Jr. Secretary-Director

ALP/ir	
Copy of order also sent to:	
Hobbs OCC X Artesia OCC Aztec OCC	. *
Other	

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 5296 Order No. R-4859

APPLICATION OF TEXACO INC. FOR DOWNHOLE COMMINGLING, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 21, 1974, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 17th day of September, 1974, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Texaco Inc., is the owner and operator of the New Mexico "Q" State Well No. 4, located in Unit P of Section 25, Township 17 South, Range 34 East, NMPM, Lea County, New Mexico.
- (3) That the applicant seeks authority to commingle Vacuum-Upper Pennsylvanian production with the presently commingled North Vacuum-Abo and North Vacuum-Wolfcamp production in the wellbore of the above-described well.
- (4) That from the Vacuum-Upper Pennsylvanian zone, the subject well is capable of marginal production only.
- (5) That from the North Vacuum-Abo zone, the subject well is capable of low marginal production only.
- (6) That from the North Vacuum-Wolfcamp zone, the subject well is capable of low marginal production only.
- (7) That the proposed comminging may result in the recovery of additional hydrocarbons from each of the subject pools, thereby preventing waste, and will not violate correlative rights.

-2-CASE NO. 5296 Order No. R-4859

- (8) That the reservoir characteristics of each of the subject zones are such that underground waste would not be caused by the proposed commingling provided that the well is not shut-in for an extended period.
- (9) That in order to properly allocate the commingled production to each of the commingled zones in the subject well, 10 percent of the commingled production should be allocated to the North Vacuum-Abo zone, 20 percent of the commingled production should be allocated to the North Vacuum-Wolfcamp zone and 70 percent of the commingled production should be allocated to the Vacuum-Upper Pennsylvanian zone unless subsequent testing should show that these percentages should be modified.

IT IS THEREFORE ORDERED:

- (1) That the applicant, Texaco Inc., is hereby authorized to commingle Vacuum-Upper Pennsylvanian, North Vacuum-Abo and North Vacuum-Wolfcamp production in its New Mexico "Q" State Well No. 4, located in Unit P of Section 25, Township 17 South, Range 34 East, NMPM, Vacuum Field, Lea County, New Mexico, in such a manner as to permit production of commingled oil through one string of 2 7/8-inch casing and the production of all or part of the casinghead gas through one or both of the other strings of 2 7/8-inch casing in said well.
- (2) That 10 percent of the commingled production shall be allocated to the North Vacuum-Abo zone, 20 percent of the commingled production shall be allocated to the North Vacuum-Wolfcamp zone, and 70 percent of the commingled production shall be allocated to the Vacuum-Upper Pennsylvanian zone.

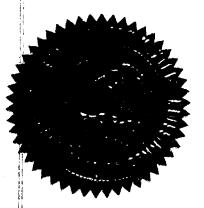
PROVIDED HOWEVER, that immediately before and within thirty days after completion of the work necessary to accomplish downhole commingling of the zones in said well, the operator shall conduct production tests on said well to verify the validity of the production percentages set out above and shall file the results of such test immediately with the Secretary-Director of the Commission;

PROVIDED FURTHER, that the Secretary-Director of the Commission may administratively revise the various percentage rates set out above if the results of the required tests indicate the need for such revision.

- (3) That the operator of the subject well shall immediately notify the Commission's Hobbs District Office any time the well has been shut-in for 7 consecutive days.
- (4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

-3-CASE NO. 5296 Order No. R-4859

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

I R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member /

A. L. PORTER, Jr., Member & Secretary

SEAL

Dockets Nos. 25-74 and 26-74 are tentatively set for hearing on September 4 and September 18. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - AUGUST 21, 1974

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM, STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner

CASE 5294: Application of Shenandoah Oil Corporation for a buffer zone allowable, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the assignment of a special buffer zone allowable to its Gissler "A" Wells Nos. 1 and 3, located 430 feet from the North line and 1720 feet from the West line, and 1320 feet from the North line and 2310 feet from the West line, respectively, of Section 23, Township 17 South, Range 30 East, Grayburg Jackson Pool, Eddy County, New Mexico. These wells offset an active waterflood project and have received an apparent response to water injection.

CASE 5295: Application of Amoco Production Company for a non-standard proration unit and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 480-acre non-standard gas proration unit comprising the N/2 and SE/4 of Section 24, Township 20 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to its Gillully Federal Gas Com Well No. 4 and its Gillully "A" Federal Well No. 7 located in Units B and O, respectively, of said Section 24.

CASE 5296:

Application of Texaco Inc. for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Vacuum-Upper Pennsylvanian production with the presently commingled North Vacuum-Abo and North Vacuum-Wolfcamp production in the wellbore in its New Mexico "Q" State Well No. 4 located in Unit P of Section 25, Township 17 South, Range 34 East, Vacuum Field, Lea County, New Mexico.

CASE 5297: Application of Exxon Corporation for a non-standard proration unit and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard gas proration unit comprising the NE/4 of Section 35, Township 20 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to its Eumont Gas Com 3 Well No. 1 and its Fopeano Federal A/C Well No. 7, located in Units A and G, respectively, of said Section 35.

CASE 5298: Application of General American Oil Company of Texas for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the E/2 of Section 29, Township 17 South, Range 29

DOCKET: COMMISSION HEARING - MONDAY - AUGUST 19, 1974

OIL CONSERVATION COMMISSION - 9 A.M. - MORGAN HALL, STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 5262: (DE NOVO)

Application of Petro-Lewis Corporation for pool contraction, creation, and special pool rules, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks the contraction of the Media-Entrada Oil Pool by the deletion of the NW/4 of Section 22, Township 19 North, Range 3 West, Sandoval County, New Mexico, and the creation of a new pool for Entrada production comprising said lands. Applicant further seeks the promulgation of special rules for said pool, including a provision for 160-acre proration units and the establishment of a special depth bracket allowable for said pool of up to 750 barrels per day.

Upon application of Petro-Lewis Corporation, this case will be heard <u>De Novo</u> pursuant to the provisions of Rule 1220.

CASE 5152: (Reopened) Continued from July 24, 1974 Examiner Hearing

In the matter of Case No. 5152 being reopened pursuant to the provisions of Order No. R-4713, which order established a special depth bracket allowable for the Media-Entrada Oil Pool, Sandoval County, New Mexico. All interested parties may appear and show cause why said special depth bracket allowable should not be rescinded.

(Case 5298 continued from Page 1)

East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location for said unit. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

- CASE 5299: Application of Coquina Oil Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the E/2 of Section 23, Township 22 South, Range 25 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location for said unit. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 5300: Application of Mesa Petroleum Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp formation underlying the SE/4 of Section 7, Township 16 South, Range 36 East, North Shoe Bar-Wolfcamp Pool, Lea County, New Mexico, to be dedicated to a well to be drilled 555 feet from the South line and 2085 feet from the East line of said Section 7. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 5301: Application of Cleary Petroleum Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Quarry Unit Area comprising 5177 acres, more or less, of Fee and Federal lands in Township 22 South, Range 32 East, Lea County, New Mexico.

YACUUM ABO	UNIT "Santa Fo"	6			<u></u>	<u> </u>	<u> </u>	T
OPER MOBIL 53	20 07	3	2 "	lobil Naj	Mar	othon IC-2"	122	J.M.Kelly
128 <u>5</u> 128	119 018	Pennzoil	21)207		₹ . =	oplin"		"Cis.Sers."
- <i>23</i>	2	Maliard She	ell H (Hu	imble)	Atlantic		(Sunsel)	Josaline
8 <u>−</u> 156 43	116 23 114 47	2.E	₹	3,5	i "J" !	of Col Shell	Crown	1 Moreth
		Atlantic i E Atla		a i a n	l [Exxon : (Humble)	Shall	Josofine	"Stopha"
3 41 117	127 58 109 22	1.5 212	(2·C) =	ا ايو	(Humbte) (Sintigair)	I .K. ●I	Shell C3	
Stole "Bridges"		ole 2.4	Shell	Hordin	ا و ا / جنوب	ı qte	K. •	•
Mobil 137 A 38	Mobil 32 106	104 Mobil		XOCC	Atlantic • 2	Allantic	Josephne - + 3 - + 6300	124 • 83 P
105			5 1	'N" •9	"BI578"] "L"	- Р-6300 (Shell)	
1968	210	Mobil - Texa	7			(Twis)	Texaço	Shell
30 27 96	13 103 III 108	102 2		•3	31	2 × 1 · D	NCT-I 2	2 0
26	178 176 Brid	Sugaranta N	cT-I	ļ	3	0		7/33
33 98 25 25	morainon 2	"0"3,	6	2	Morothon	Phillips !	Shell 3	Shell "K"
= ************************************	6 9	"Swiga	nri"		405 "AC-1"	\$101	" 8"	
3 97 95	10	Texaco "O"			"Stoplin"	2		3 SI
9ridges" 180 .	= 88 =	6.	5	•	♦ 1	8100 1 1201	• • •	
<i>late</i> Confinental	"McCollister" Sta Get		M	bil !	Skelly	<i>le "Sonio Fe</i> " She	 	Ch
"H" 3 7	53 6 7 4 *BA	fy 9 2 1 1 1 • • • • • • • • • • • • • • • •		1-00 1-H	2.1	• 1 "A"		2
6033'					"J"		_ ≥	
5,10 1 ₉	Texo	" 3 <mark>~ ²¹ 16 </mark>		ltips	Morothon; 3_ 1_5!	2	3	6
10-X € 12 •==		•	2	į	AC-I	. •6	8 ₹	
35 Phillips	Mobil 1-A -2	5 25		87	<i>31</i>	9 Mot	7	7 A1
• 9	2 1 1 cc 1-A 2		15	5 .	22	•1 , ,		•
10	Amerada i		<i>"Son</i> Sh		<i>"Horn"</i> i Shell T	Phillips	.	
•6	8 9 17	10 • 23	24 Sh	2,"0".	5 I'.E.,]	102 4	. \$3 \$	8 2
tote "M.E.Hale"	Star			 	SECUL	Sonio Fe	D. CTAL	TC
Texaco 5 Texaco 3	Texaco 8 -5 "µ"60 56	Texaco	8	IS OIL	CONSE	RVATION	COMME	SION
"R" "U" 43	•55 6800 •	<u>.</u>	,7	MAR	PHOSPANTE	XHIBITON	. • /3	
Texaco	• 70	50 8 0 1 • • •	14	Ċ%S	ε ΝΟ. <u> </u>	52,96	<u>-</u> -	**************************************
"x" 38 39	-8'4/	42 0 8'A J/A1490'	43 3		nithed by	Appl	CAN T	3 ₆₃
NCT-2 	33	35		Hea	ring Date	92/17/14	" "	-= `
x0c0 23 24	25 26Texo	00 27 26	5 ·	: :		TEXACO	Inc.	
VÁCUUM GRÁYBURG	SAN ANDRES UNITACT	-3 9 20	-16	į	•	A PORTIC	N OF POOL	
OPERTEXACO	-\$\frac{14}{3332}\tag{3332}	•	, [OUNTY, N	EW MEXIC	0
8.	1 5	ا	5		Sca Fl	le: 2" = R 7	2,000' -23-74	
ale • • • •	Slot		. Ž			JPPER PEN		
NORTH VACUUM I	∪A(CUUM WOLFCAM	1		AWOOOW (orran IM	111	

DATA SHEET FOR WELLBORE COMMINGLING

Operator: TEXACO Inc.

Address: P. O. Box 728 - Hobbs, New Mexico 88240

Lease and Well No.: New Mexico 'Q' State No. 4

Location: Unit P, Section 25, Township 17 South, Range 34 East

WELL DATA	Upper Pool	Middle Pool	Lower Pool
Name of Pool	*Vacuum Abo (North)	*Vacuum Wolfcamp	Vacuum Upper Penn
Producing Method	Pump	Pump	Flow
BHP	820 Est.	II40 Est.	1502
Type Crude	Sweet	Sweet	Sweet
Gravity	38.2°	38.2°	38.2°
GOR Limit	2000	2000	2000
Completion Interval	84201-92511	99511-10,0051	10,069'-10,107'
Current Test Date	6-28-74	6-28-74	6-29-74
011	3	7	30
Water	l	2	2
GOR	5333	5000	4433
Selling Price of Crude \$/BBL.	5.2 7	5.27	5 . 27
Dally Income - \$/Day	15.81	36.89	158.10
COMMINGLED DATA:		OIL CONSE	EXAMINER STAMETS RVATION COMMISSION

Gravity of Commingled Crude 38.2° Selling Price of Commingled Crude - \$/BBL. 5.27

22 Lly dagger and Depresent Degrees and the second

OIL CONSERVATION COMMISSION

Applicat EXHIBIT NO. 2

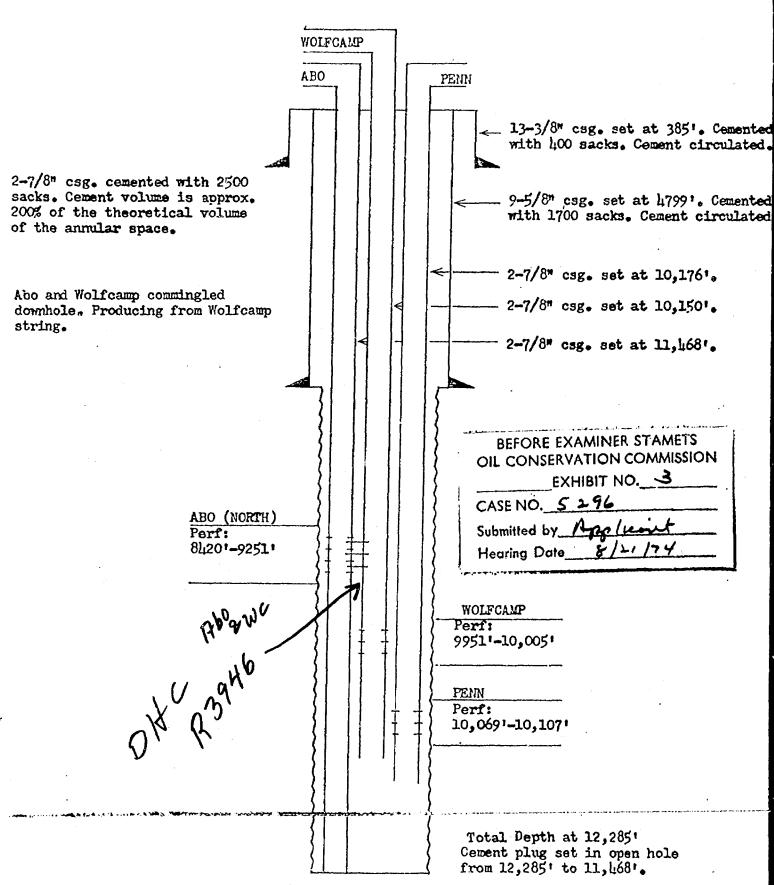
CASE NO. 5296

Submitted by Applicant

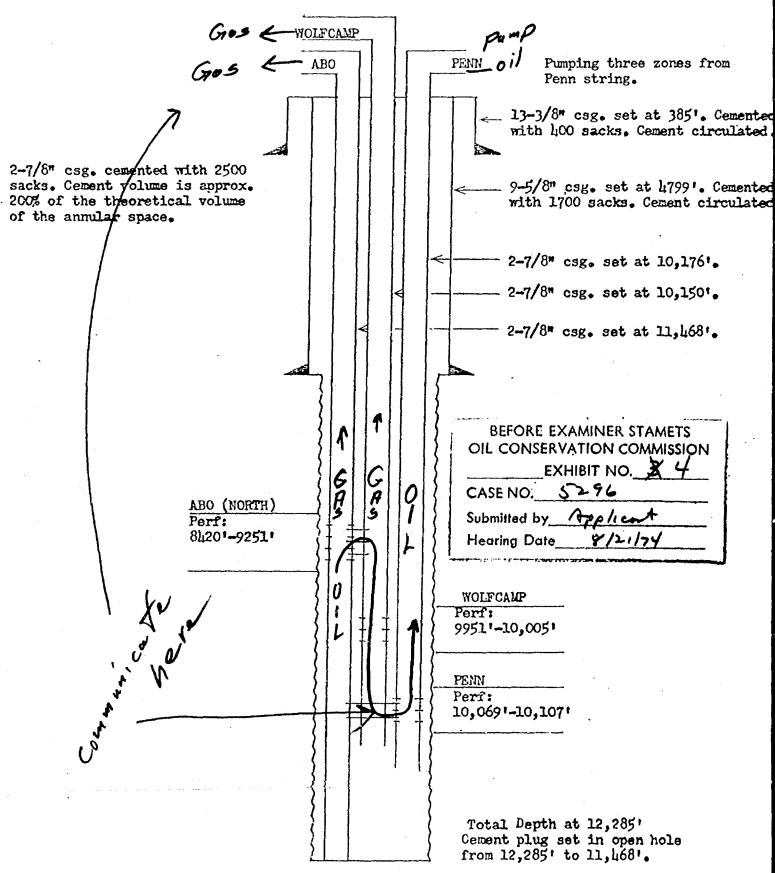
Planning Date 12474

Net (Gain) (Loss) from Wellbore Commingling - \$/Day 52.70 (Production increase of 10 EXPD) based on current producing rates.

^{*}Vacuum Abo North & Vacuum Wolfcamp are downhole commingled.



Present Completion
TEXACO INC.
NEW MEXICO "Q" STATE WELL NO. 14
VACUUM (N. ABO, WOLFCAMP & PENNSYLVANIAN)
LEA COUNTY, NEW MEXICO



Proposed Completion
TEXACO INC.
NEW MEXICO "Q" STATE WELL NO. 4
VACUUM (N. ABO, WOLFCAMP & PENNSYLVANIAN)
LEA COUNTY, NEW MEXICO

	7.000 7	TEX	ACO ND D								
	5		formance								
•	3	VACUU LEA CO	ICO "Q" S M ABO NOR OUNTY, NE	RTH POOL EW MEXICO	0						
	2 DRA	WN BY:		ATE:							
	8 7 6 5 5 4 4 3 3 4 5 6 6 6 7 6 7 6 7 7 7 7 7 7 7 7 7 7 7 7	OIL PROD BBIS/	DUCTION FOAY					E)	XHIBIT I	R ST AME COMMIS	
	2						Subm	nitred by ring Date	6 7		
	8										
	2										
	1			2000) e = 1				7
	19 65			19. 68	19.69.	章 19 70		1972		3 19	 75

ε			-		T	E	X	AC)	1	VC.	,		į									<u> </u>		
7			-	F					D						I		. <u>:14.[</u> [4] [4]									
5		<u> </u>	- Target - T			I	Per	for	mance	e Ct	urv	<i>т</i> е			Ì											-
4_			ALC: NO.		N	VAC	CUU	M UI	"Q" PPER	PEN	NN	P001	L												1	
									ry, I																	
3 -																										<u>=</u> =
			-	ORA\	MW.	BY	•	JBS	_D.	ATF		<u>7-</u> 18	<u>8-7</u> 1	L												<u>-</u>
2	1	1	 -																							<u>-</u>
	_u -		5							iii. CIO	L F	PRODI	UCTI	ON	- <u>-</u> -											=
	- +		-15	1					Him		BB	BLS/I	DAY			1=										1
joo		His .			1		111		#			1								卌					 	#
8 - 2					棋		Щ	I		4																
7											תו		請	1												
5	==				噩		t i	圍		1			量	1	<u>I</u>	屋		1	1		重					#
4															ij		li.				量					#
																		15		懂	睸					F
3													揰				#	#			世	卌	豐			1
																										1
5																		===		捕		#	ŧ.			+
														Œ		1	1=							TITT		
	1														Ħ						-	TAN	AETS			#
10																B	FO	RE	ERV	ANH	MEH-	AWW	ssic			
8																OIL	50	179	EX	HB	NC		4			I
78															ŧ	CA	ΈN	d.	3	2.5	<u>.</u>					E
5											4		Ħ		1	Sub	mitte	1 0	by_	4	种	4	7			E
4															1	He	arine	TC	ote		出	11	1			E
																wre:										
3												<u> </u>					1::=	:	- 7 - 1							
																				HH						
2		<u> </u>	<u>-</u>						 																	
			ļ		ļ	- -										اند. اند										į
			1										· · · · · · · · · · · · · · · · · · ·													
1 3		1435	1		1 4 N	L L L	2	אים אוני	12.35	K A B	JOAE	2002	אלא.	SCPT) i	MAR JUNE	12.0	ore.	JUNE .	26.07	אסענ	140	KAP.	300	HAR.	-
j	<u>. 65</u>		;			67		<u>ं ।</u> 19 .(<u>₹</u> 69		19			19.7			19.72		19		19.7		19.7	

i oco				. =								· · · · · · · · · · · · · · · · · · ·			-+		
1000	TE)	ACO	IN	C.					-					-	<u> </u>		- <u> </u>
7	8	ND D													1 1 1 1 1 1		<u> </u>
\$	₹	rformance															
5		•		vo. 1		-	-										
4		XICO "Q" S UUM WOLFC									o postali. Del 1911						
,		COUNTY, M															
2	DRAWN BY	JBS D	ATE:	7-18-71	_												
						-											
						-			111						-		1
100-							-										
8									A 2 1								
6									- B	FOR	EX	AMII	ER.	TAN	13		
5									OIL.	ψQΝ	SERV	ATIC	NC	MM	\$SIO	N.	
-									ACE	NO	147		NO.	7			
	OIL PRODUCTION	N									y /		4-7-D745-) 5 \	296		
3	BBLS/DAY							F			ote	111-1-1		4)		
								1				73.71					
2					 												
and the second s																	
10-		4111		-:		-									1		
5_ <u>1</u>																	
7						/											
ε <u>-</u>					- , '										Parameter 1		
5					/			_1									
4																	
3										=							
1			/			i	7.22.1										
													- 1				
																11.1.17	
																	· · · · · ·
1	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	MAR.	out and seal	27.17	FAR.		- 1 7 NO.3	5f PT	MAR.	27.07.	HAR,	20 S	7242	14 J	VAB.	
1	9 65 19 65		19. 68.			19.7		19. 7		19.7		19.7		19		19.7	



Case 5296

July 26, 1974

OIL CONSERVATION COMM.

New Mexico OII Conservation Commission P. O. Box 2088
Santa Fe, New Mexico 87501

: REQUEST FOR EXAMINER HEARING

Application for Downhole Commingling
New Mexico 'Q' State Well No. 4
Vacuum (Abo North, Wolfcamp and
Upper Pennsylvanian) Pools
Lea County, New Mexico

Attention: Mr. A. L. Porter, Jr.

Gentlemen:

It is requested that an Examiner Hearing be scheduled to consider Texaco's application to downhole commingle the Vacuum (Upper Pennsylvanian) with the presently commingled Vacuum (Abo North and Wolfcamp) Pools in the New Mexico 'Q' State Well No. 4 located in Unit P, Section 25, Township 17 South, Range 34 East, Lea County, New Mexico.

By copy of this application the U.S.G.S. and all offset operators are notified of Texaco's proposal.

Your cooperation in this matter will be appreciated.

Yours very truly,

グ、V. Gannon

District Superintendent

JBS-BH

MAS,Jr.
JSR
NMOCC-Hobbs, N.M.
U.S.G.S.-Hobbs, N.M.
Offset Operators

DOCKET MAILED

DATE (- 74

DATA SHEET FOR WELLBORE COMMINGLING

Operator: TEXACO Inc.

Address: P. O. Box 728 - Hobbs, New Mexico 88240

Lease and Well No.: New Mexico 'Q' State No. 4

Location: Unit P, Section 25, Township 17 South, Range 34 East

WELL DATA	Upper Pool	Middle P∞I	Lower Pool
Name of Pool	*Vacuum Abo (North)	*Vacuum Wolfcamp	Vacuum Upper Penn
Producing Method	Pump	Pump	Flow
8HP	820 Est.	1140 Est.	1502
Type Crude	Sweet	Sweet	Sweet
Gravity	38.2°	38.2°	38.2°
GOR Limit	2000	2000	2000
Completion Interval	84201-92511	99511-10,0051	10,069'-10,107'
Current Test Date	6-28-74	6-28-74	6-29-74
011	3	7	30
Water	1	2	2
GOR	5333	5000	4433
Selling Price of Crude			5.07
\$/BBL.	5.27	5.27	5.27
Dally Income - \$/Day	15.81	36.89	158.10

COMMINGLED DATA:

Gravity of Commingled Crude_	38.2°	
Selling Price of Commingled C	Crude - \$/BBL	5.27
Dally Income - \$/Day 20	63.50	

Net (Gain) (Loss) from Wellbore Commingling - \$/Day 52.70 (Production increase of 10 POPD) based on current producing rates.

^{*}Vacuum Abo North & Vacuum Wolfcamp are downtiole commingled.

NEW MEXICO OIL CONSERVATION COMMISSION GAS - OIL RATIO TESTS

C-116 Revised 1-1-65

Operator TEXACO Inc.			Pod		Vacuur	n Upper Per	'n			C ₀	unty		Lea			
Address P.O. Box 728 - Hobbs,	New Mex	xico	8824			Т.	YPI	E OF [~ (X)	Sch	neduled [· · · · · · · · · · · · · · · · · · ·		oletion [Spec	tal 🔀
	WELL		LOC	ATION		DATEOF	2	СНОКЕ	TBG.	DAILY	LENGTH OF			URING	· / - · · · · · · · · · · · · · · · · ·	GAS - OIL
LEASE NAME	NO. U S T R 4 P 25 17S 34E					TEST	STA		PRESS.	ALLOW-	TEST HOURS	WATER BBLS.	GRAV.	OIL BBL\$	GAS M.C.F.	RATIO CU.FT/BBL
New Mexico 'Q' State	4	l	25	178	34E	6-29-74	F	l"		41	24	2	38.2	30	133	4433
		·														,
												·				
										,						
				- 1										į	×	
					<i>:</i>											
. 1																
	·		ŀ													

No well will be assigned an ellowable greater than the amount of oil produced on the official test.

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is lucated by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Commission.

Gas volumes must be reported in MCF measured at a pressure base of 15,025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

Mall original and one copy of this report to the district office of the New Mexico Oli Conservation Commission in accordance with Rule 301 and appropriate pool rules.

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

Assistant District Superintendent

Title

July 5, 1974

NEW MEXICO OIL CONSERVATION COMMISSION GAS-OIL RATIO TESTS

C-116 Revised 1-1-65

Operator TEXACO Inc.		Poo		cuum	Wolfcamp				Co	unty	Lea					
P. O. Box 728 - Hobb	s, New M	1exic	88 0:	3240				PE OF T = (X)	Sch	reduied []		Comp	letion [Sper	cial [X]
LEASE NAME	NO. U					DATE OF	TATUS	CHOKE	TBG.	DAILY ALLOW- ABLE	LENGTH OF TEST	WATER	GRAV.		GAS	GAS - OIL RATIO
New Mexico 'Q' State	4	ρ	25	178	34E	6-28-74	_	1		12	24	BBLS.	38.2	7	35	5000
	:											,				
									e e							•
						! ! !										
																i
													.			

No well will be assigned an allowable greater than the amount of oil produced on the official test.

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Commission.

Gas volumes must be reported in MCF measured at a pressure base of 15,025 psia and a temperature of 60° F. Specific gravity base will be 0,60.

Report casing pressure in iteu of tubing pressure for any well producing through easing.

Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 301 and appropriate pool rules.

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

(Signature)
(Signature)
(Assistant District Superintendent
(Title)

July 5, 1974
(Date)

NEW MEXICO OIL CONSERVATION COMMISSION GAS - OIL RATIO TESTS

C-116 Revised 1-1-65

Operator TEXACO Inc.			Po		um Ab	oo North			***************************************	Co	unty	Lea				
Address P.O. Box 728 -	- Hobbs, I	lew l	 1ex1cc			Ţ.		E OF r _ (X)	Sch	neduled [Comp	oletion [Spec	:tal [X]
	WELL		LOC	ATION		DATEOF	3	CHOKE	твс.	DAILY	LENGTH OF	Р	ROD. C	URING	TEST	GAS - OIL
LEASE NAME	NO.	U	s	٦`	R	TEST	STAI	ľ	PRESS.	ALLOW-	TEST HOURS	WATER BBLS.	GRAV, OIL	OIL BBLS	GAS M.C.F.	RATIO CU.FT/BBL
New Mexico 'Q' State	4	P.	25	17-5	34-E	6-28-74	Р			5	24	. 1	38.2	3	16	5333
											*					
	·	:			·											
								·				•		•		
				,	: 1										-	• •
				·												
										·	7					

No well will be assigned an allowable greater than the amount of oil produced on the official test.

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Commission.

Gas volumes must be reported in MCF measured at a pressure base of 15,025 psis and a temperature of 60° F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 301 and appropriate pool rules.

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

Assistant District Superintendent

(Title) July 5, 1974

(Date)



COLEMAN PETROLEUM ENGINEERING COMPANY

PHONE EXPASS 3-3813 611 GRIMES P O BOX 1829 HOBBS, NEW MEXICO

BOTTOM HOLE PRESSURE RECORD

OPERATOR Texaco, Inc.	ľ		
FIELD Vacuum FORMATION Penn LEASENSW Mexico State Q WELL No. 4 COUNTY Lea STATENSW Mexico DATE 7-20-74 TIME 3:00 Pm Status Shut In Test depth 10088' Time S. 1.24.0 Hrs Last test date Tub Pres. 620 BHP last test Cas. Pres. BHP change Elev. 3992'GL Fluid top 8000' Datum (-6096') ** Water top NONE Temp. @ Run by Adkins Cal. No A2419N Chart No. 2	Depth 0 2000 4000 6000 8000 9846+ 10088(-6096) + Hit obstruc * Extrapolate ** Mid point	1502* ** tion	Gradient .024 .024 .025 .026 .328 (.028)

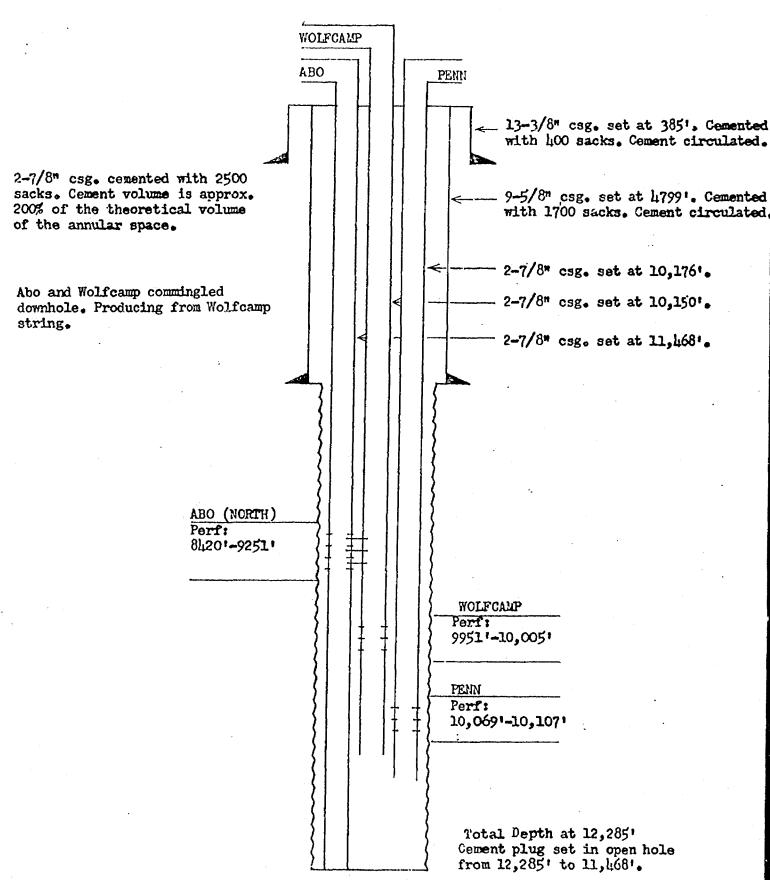
)						D. G.			 50	00										1	σo	0		2010	2 20		 20.7	124	15	00	754	 	24.52.3	i News	lasi.	ر روزارید		200
7													I																										
		₩	#						░																			H									#	₩	
		i i																																					
														9. 														脚									亷	▓	
									ļ;																												盟		
	œ	n				░									H																						讖		
															Ĭ,			Ш																			毌		
									E		:::											!! !!															壨		
																						i.																	
8											Ė					Ä																							
											in						¥																						
r. A		Ä															H																						
Depth																																					圃		
					ľ																																		
ģ	8	6															#																				#		
																																							,
											4																										#		
			Ц	i k																					1														
					Li							E								ļ												H		H			#		
			1																						1														
			:11																																				
							#	4													+																		
							1										H																						

OFFSET OPERATORS

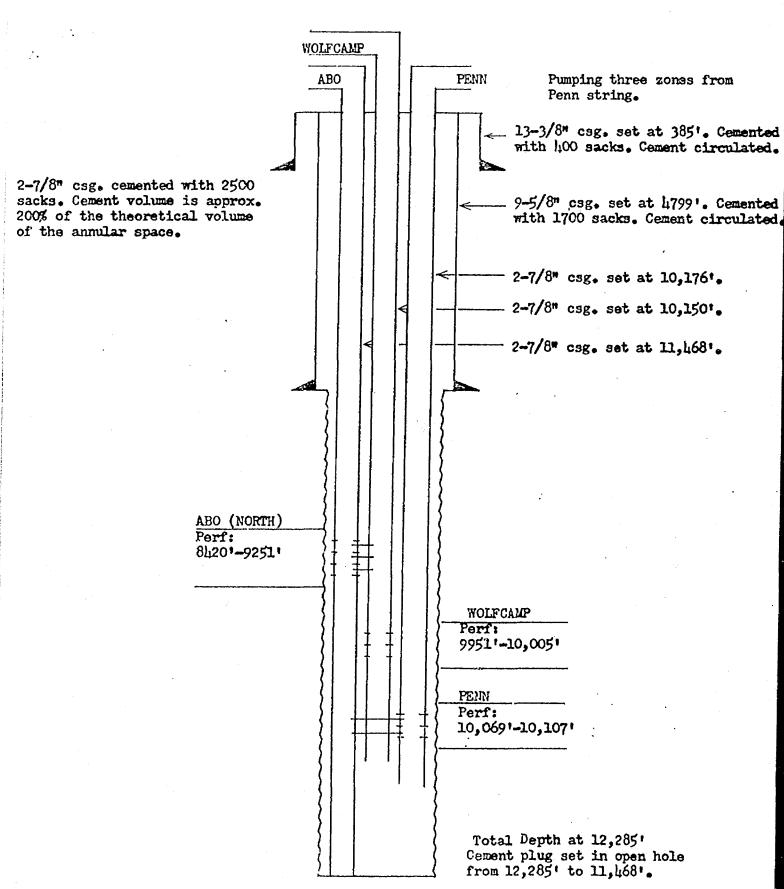
Getty OII Company P. O. Box 1231 Midland, Texas 79701

Mobil Oil Corporation P. O. Box 1800 Hobbs, New Mexico 88240

Marathon Oil Company
P. O. Box 2409
Hobbs, New Mexico 88240

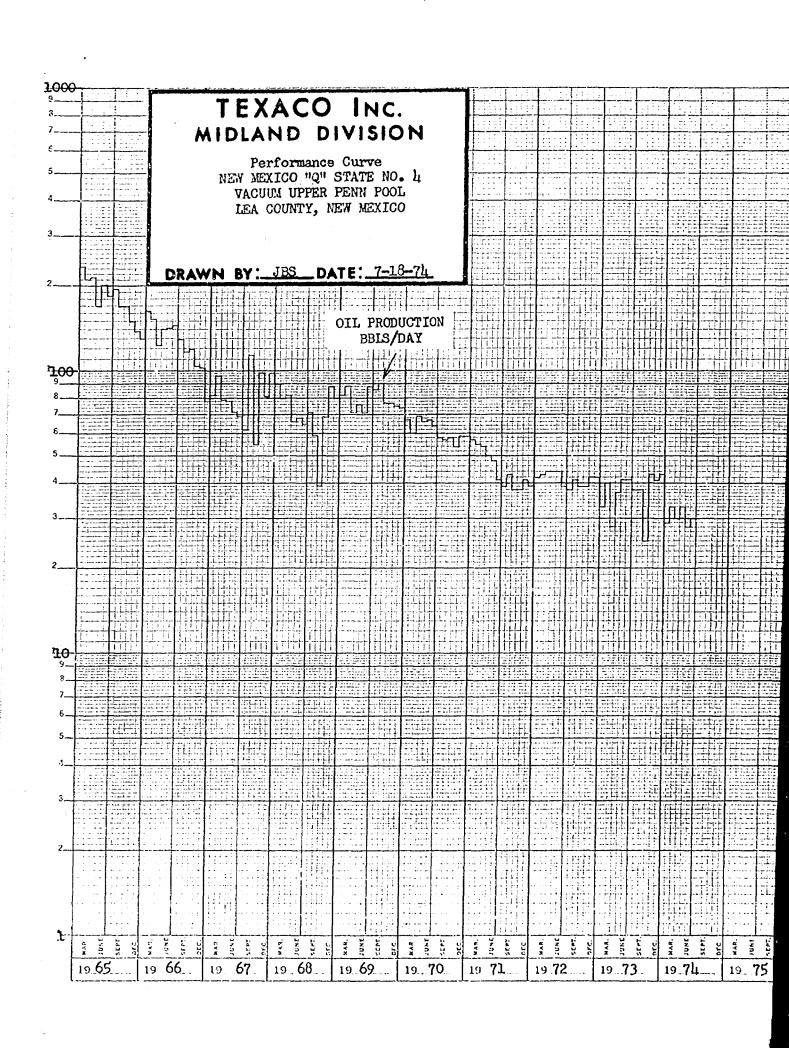


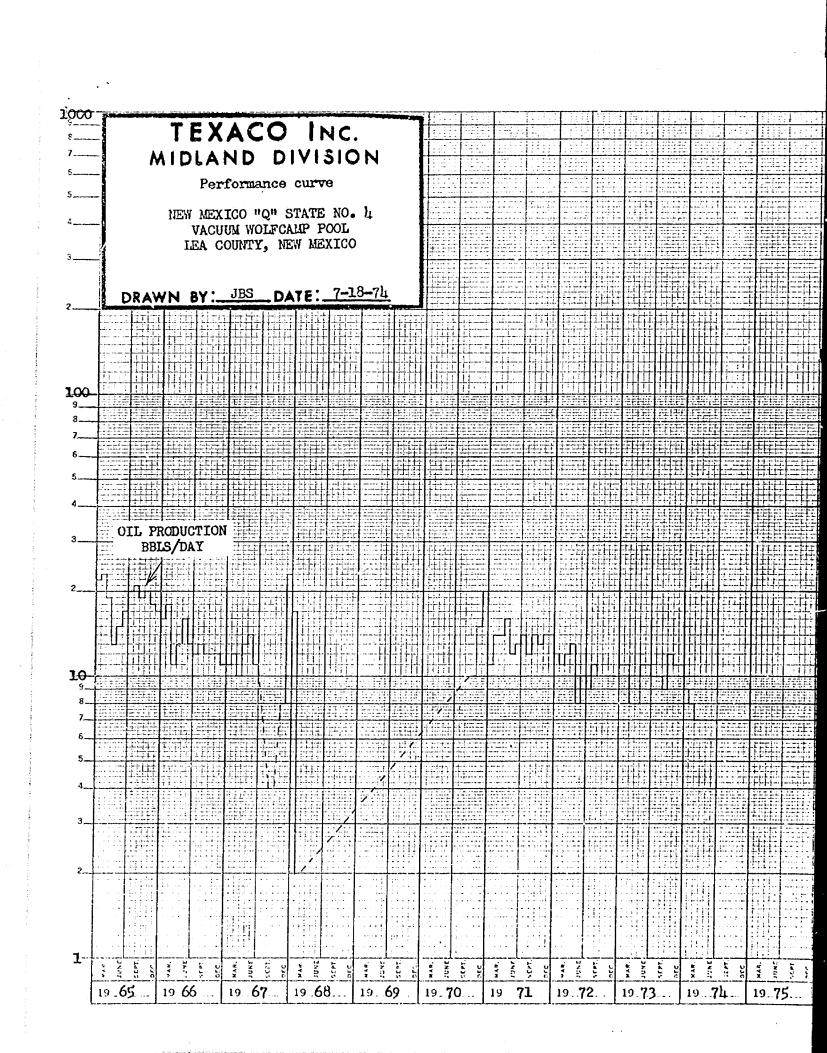
Present Completion
TEXACO INC.
NEW MEXICO "Q" STATE WELL NO. L
VACUUM (N. ABO, WOLFCAMP & PENNSYLVANIAN)
LEA COUNTY, NEW MEXICO



Proposed Completion
TEXACO INC.
NEW MEXICO "Q" STATE WELL NO. L
VACUUM (N. ABO, WOLFCAMP & PENNSYLVANIAN)
LEA COUNTY, NEW MEXICO

10 9_	000	7		····	E V	' A 6	~~																<u> </u>
8 7			٨	A I D	EX	ND	D	 V	SIC	DN													
<u>.</u>			•			form																	
5				NEW	MEX					h													
				V.	ACUU EA C	ABO) NOF	TH I	OOL														
3_						,	-,																
2_		D	RAV	MM	BY:_	JBS	D/	ATE:	7-1	8-74			1-1-1										崖
	Ī																						
(C.). Type (Miles) is seen	[
1 3 (00								 														
8.	7																						
6-													†±-11										
5-	_																						
4-				OIL	PROI BBLS/	DAY	ON																
3-						1																	計
			FI																		羅		
								ų.															H
											1-1												
: <u>I</u> mp											Щ												##
	ξ Ο 8		#11. 11.																				
	7 6						14.14 \$14.1				1.7.1												
	5_ -																						
	4_			1144																			
3	3																			in the			
																		1					
2	2																						11:
																		1-					
														TO MINE									
्र 			orc	A KAR	20.03 960.	10.5	Srpt.	TONE		NAR.	1 2 C L	JACE TO A	3CP.C.	Z Z Z	21.0	June .	, o	, 2		MAR.	2 X	KAR.	SCH
	1	9 65.	<u></u>	19 . 6	6	19 6	7	19	68	19.6	9	197	0	19.7	1	19'	72	19	7.3	197	4	197	5





H VACUUM ABO	TUNIT	"Santo Fe"	l <u>p</u>		T - Y	X		· · · · · · · · · · · · · · · · · · ·	ı	~
OPER - MOBIL 53	20 113		1 3	2	Mobil "N" I		athon AC-2"	1 122 1 (56)	J.M.Kelly	
<u>*</u> 128	1	119	X	1)20	7	₽ ₽	aplin"	(56)	(Crusader	
-23	1	2	<i>2</i>	nzoil	A Land Land	B /	19	Sonto Fo"	"Cit.Serv."	
3 8 156 43	116 -23	47	Mailard 21(1-A)	Shell	(Humble)	Atlantic	Josaine	(Sunset) Crown	Joseline	
•	"≗ •	119	S.E	*	Exxon		Shell	. 2	2 Mor/m	1
		*	Atlantic		Egypn	Exxon		Shell	"Stoplia"	
3 41_117	127 58	109 22	I-E V	Atlantic 212 (2-C)		(AUMOIE)	Shell	Josaline	Stopila	
(1)2(3)	%	-9.º	J-E Yucco	1.05	1 1(3)	(Sintlair)	•	K _ S	ال	1
Stole Bridges"			ale	Shelf	Asia as a sa a sa a sa a sa a sa a sa a	Loppose S/	a e • • • • • • • • • • • • • • • • • • •	******		}
Mobil 38	36 112	bil 32 1061	104 Mot) [Texoco	Allonlic	Allontic	Josephine	124 83	
105	••	4.	=-	115	5 = 1 9	81578"	1 "L"	(Sheli)		ļ
		<u>.</u>				 		Texaco	"Sa	
118 30 27, 96	13	218	MODII	T"	7 3	i ! 31	(Twin)	"CG"	Shell T	
7 -29	103	111 108	, 102	3	• •	••	2 /	NCT-I 2	2 4753	T
26	178	176 O	2 nhmig 2 nhmig	NCT-1		3	0			17 S
55 35 98 25	Moro	non 2	Texeco -	Sušu ii	6 2	Morathon	Phillips I	Shell	Shell	
99177	6	9	8	2	₽.	4.5	:101	* 9 • " #		
	•	ا م		"Swigart"		"AC-1"	1 5	°		
153 15 97 95	5 3	• 7 I	Texaca 2 "Q	"		"Staplin"	2 1 €100 1	4 1	اع ا • • ا	
Bridges" 180	≟ 8	<u>.</u>	● ⁻ ●5	6 • 4	5.0	91 1 ●3 1	120	• • •		
5/0/6	"McColli	ster" Sto	<u>te</u>		<u> </u>	510	te "Sonto Fe"			
Confinental	536	Get	ly 9 2 .	1 10	Mobil	Skelly	She		Ch)	
"H" 3 7	•••	●● BA	• <u>3</u> 8	••	2-H J-DD	2 ⊕•!!!	• o l A	5 #	8	
60333'					ا ا ـ ـ ـ ـ ـ ـ	, J 1		· •		
\$ 5.10 la	20 1	Texo	160 " 2 21 1	6 18	Phillips !	Marathon	2	, 1	6	
5,10 19 10-X 12	20 1	HCT.	., 3.	16. <u>18</u>	**• • ' <u> </u>		6	8	3 1 }	
-35		36	s		¦		• /	<u>.</u> .		
Phillips	Mobil	J·A . ●2 !	25		87	•41	9 Mob	il .7. E	7 Al	
9 9	2011-0	Amoundo	14 6 12	15	= 5	•2	•1	• • • •	•	
	, . L	Amerada "V8"	•••	ì	"Sonto Fe"	"Warn"				
10	•	- 17	10	2 <u>4</u> -7	Shell I	Shell	Phillips	8		
•6	• 22	9.01 <u>7</u>	\$ 23	•7	•\$1,0,	••		3 1	8 2	
State "M.E.Hale"	******	Stat	e		L	Stà	"Sonio Fe" le			
Texaco 5 Texaco 3	Texa	CO_8	Ţexa	CO 58	•12	● ¹³	•10 Texa	0 •8	99	
0' "R" "U"	55 68	00 8 160 56 00 ●	6 57 "L"	307	e ^l	then i	2 "R" NCT-	, •' ∰	-8	•
45 NCT-2 LG		8 49	5	0	Maru "AC-	2"		Į.		
Texaco	40	7.	8 8·X	9 ,,	• • 14	15	9 5	o" ,		T
7 "X" 38 39	•40	34/	42 0 " J/A1490"	•"	• :	•4	• 7	• 3		18
NCT-2	3.	3 i	3:	5		_	Liet	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		5
2Texoco 23 24	32	26Texa	34 CO 27	28	•5 ′					
"AC" VACHUM GRAYBURG	25 SAN ANDRE	M 711	A	16	. •		TEXACO A PORTIO	Inc.		
15 VACUUM 6 11 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	18	75 VILLA		• :	1.			POOL		
OPERTEXACO	- \$ 3332'	, 	•	Ì		LEA C	OUNTY, N	EW MEXICO)	
9 •8.	10	•"	•12	<i>13</i> 15	•	Sca	le: 2" =	2,0001		
State	* \\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	State	e	Ĭ		FN	ш. 7	-23-711		
- NORTH VACUUM A	BO	VAC	COOM MOIT	FCAMP		VACUUM I	JPPER PEN	N		

DRAFT

dr/

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

CASE NO. 5296

Order No. R-4859

APPLICATION OF TEXACO INC. FOR DOWNHOLE COMMINGLING, LEA COUNTY, NEW MEXICO.

Jour

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 21 , 1974 at Santa Fe, New Mexico, before Examiner Richard L. Stamets .

NOW, on this day of August , 194, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Texaco Inc., is the owner and operator of the New Mexico "Q" State Well No. 4, located in Unit P of Section 25, Township 17 South, Range 34 East, NMPM, Lea County, New Mexico.

-2-Case No. 5296 Order No. R-

. 14

- (3) That the applicant seeks authority to commingle Vacuum-Upper Pennsylvanian production with the presently commingled North Vacuum-Abo and North Vacuum-Wolfcamp production in the
- (4) That from the Vacuum-Upper Pennsylvanian zone, the subject well is capable of marginal production only.

wellbore of the above-described well.

- (5) That from the North Vacuum-Abo zone, the subject well is capable of low marginal production only.
- (6) That from the North Vacuum-Wolfcamp zone, the subject well is capable of low marginal production only.
- (7) That the proposed commingling may result in the recovery of additional hydrocarbons from each of the subject pools, thereby preventing waste, and will not violate correlative rights.
- (8) That the reservoir characteristics of each of the subject zones are such that underground waste would not be caused by the proposed commingling provided that the well is not shut-in for an extended period.
- (9) That in order to Aallocate the commingled production to each of the commingled zones in the subject well, 10 percent of the shorld be allocated commingled production to the North Vacuum-Abo zone, 20 percent of the commingled production to the North Vacuum-Wolfcamp zone and 70 percent of the commingled production should be allocated to the Vacuum-Upper Pennsylvanian zone unless subsequent testing should show that these percentages should be modified.

IT IS THEREFORE ORDERED:

(1) That the applicant, Texaco Inc., is hereby authorized to commingle Vacuum-Upper Pennsylvanian, North Vacuum-Abo and North Vacuum-Wolfcamp production in its New Mexico "Q" State Well No. 4, located in Unit P of Section 25, Township 17 South, Range 34 East, NMPM, Vacuum Field, Lea County, New Mexico, in such a manner

-3-Case No. 5296 Order No. R-

as to permit production of commingled oil through one string of 2 7/8-inch casing and the production of all or part of the casinghead gas through one or both of the other strings of 2 7/8-inch casing in said well.

(2) That 10 percent of the commingled production shall be allocated to the North Vacuum-Abo zone, 20 percent of the commingled production shall be allocated to the North Vacuum-Wolfcamp zone, and 70 percent of the commingled production shall be allocated to the Vacuum-Upper Pennsylvanian zone.

PROVIDED HOWEVER, that immediately before and within thirty days after completion of the work necessary to accomplish downhole commingling of the zones in said well, the operator shall conduct production tests on said well to verify the validity of the production percentages set out above and shall file the results of such test immediately with the Secretary-Director of the Commission;

PROVIDED FURTHER, that the Secretary-Director of the Commission may administratively revise the various percentage rates of set out above if the results/the required test/indicate the need for such revision.

- (3) That the operator of the subject well shall immediately notify the Commission's Hobbs District Office any time the well has been shut in for 7 consecutive days.
- (4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.