

CASE NO. 5393: GETTY OIL CO. FOR
DOWNHOLE COMMINGLING, LEA COUNTY

CASE No.

5393

Application,

Transcripts,

Small Exhibits

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
January 2, 1975

EXAMINER HEARING

IN THE MATTER OF:)
)
)

Application of Getty Oil Company for)
downhole commingling, Lea County, New)
Mexico.)

Case No.
5393

BEFORE: Richard L. Stamets, Examiner.

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil
Conservation Commission:

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

For the Applicant:

W. Thomas Kellahin, Esq.
KELLAHIN & FOX
500 Don Gaspar
Santa Fe, New Mexico

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

I N D E X

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	<u>Marked</u>	<u>Admitted</u>
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MR. STAMETS: The Hearing will come to order, please. We call the next case, Case 1393.

MR. CARR: Case 1393. Application of Getty Oil Company for downhole commingling, Lea County, New Mexico.

MR. KELLAHIN: Tom Kellahin of Kellahin & Fox, Santa Fe, New Mexico, appearing on behalf of the Applicant, Getty Oil Company. I have one witness to be sworn.

MR. STAMETS: The Witness will stand and be sworn, please.

(Witness sworn.)

EUGENE MILLER

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

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q Would you please state your name, by whom you are employed and in what capacity?

A Eugene Miller, Getty Oil Company, Area Engineer, Hobbs, New Mexico.

Q Mr. Miller, have you previously testified before the Commission?

A Yes, I have.

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Q And have you made a study of and are you familiar with the facts surrounding this particular Application?

A Yes, I have.

MR. KELLAHIN: If the Examiner please, are the Witness' qualifications acceptable?

MR. STAMETS: They are.

BY MR. KELLAHIN:

Q Mr. Miller, will you refer to what has been marked as Applicant's Exhibit No. 1, identify it and state briefly what Getty Oil Company is seeking?

A Exhibit 1 is a plat of the area showing Getty Oil Company's A.B. Coates "C" lease and the area shows No. 14 which has been completed as a triple well. It was completed as a dual in 1958 in the Montoya-Tubb-Drinkard, and in 1964 it was completed as a triple, including the Blinebry Zone, making it the Blinebry, Tubb-Drinkard, Montoya triple, and it produced, I think there was one communication problem that had to be pulled and in 1971 we had another communication. At that time the Tubb-Drinkard had declined to the point that we didn't feel it was worth putting on so we sealed behind the packer.

Q Please refer to what has been marked as Exhibit No. 2 and identify it?

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A No. 2 is a downhole schematic of what we have down the hole now at present completion and what we propose. As shown here you will see the Blinebry perforation at 211 and 413 and they are producing through the short string of tubing. At the bottom is a plug and seating nipple; the sliding sleeve is open and the Blinebry is flowing through that. The Tubb-Drinkard perforation is going down the holes and the next step is completely sealed off between those packers and the NIO at the present time. At the bottom is the Montoya perforation at 6914 to 6961. They're flowing through long strings. This well was set up this way in 1971 after we had the communication and we sealed off the Tubb-Drinkard; we eliminated one string of tubing at that time.

Q Would you please refer to what has been marked as Exhibit 3 and identify it?

A Exhibit 3 is a C 116, a fairly recent one, on the Blinebry side. It shows 18 barrels of oil and 1 barrel of water with a gas-oil ratio of 10.44.

Q And Exhibit 4?

A This is a test of the Montoya, a retest of the Montoya; 12 barrels of oil, 3 barrels of water and a GOR of 65.

Q Do you have any tests on the Drinkard?

A No, not since it has been shut off. Going back, well, we had communications in the latter part of 1969 and working with the local office we tried to seal it off by means of scab liner in two small packers. We were unable to do it after repeated tries and at that time we had to go ahead and pull the tubing. We isolated the Tubb-Drinkard so we don't have a test on the Tubb-Drinkard.

Q Please refer to what has been marked as Exhibit No. 5 and identify it.

A Exhibit No. 5 is a decline curve on the Blinebry Zone and an estimated average line drawn through it. The heavy line is the oil production; the dotted line is the water flooding.

Q This is for the Blinebry, right?

A Yes.

Q All right, sir. Will you refer to Exhibit No. 6 and identify it?

A No. 6 is the decline curve for the Montoya and the line drawn through it is the average that we have estimated. We've had trouble keeping both the Montoya and the Blinebry going here lately. We've had to swab it quite repeatedly and sometimes we're diligent enough

in keeping it going and we've had a sag in production there you can see.

Q Exhibit No. 7; would you identify it?

A It's to the contour to the Tubb-Drinkard until the time that it was isolated, and this kick in production that you see in late 1970 -- in fact I think it happened about November until we got it cut off there -- that is actually Montoya production crossing over and we got it cut off and so we feel the last representative test we got from the Tubb Drinkard would be about the June, 1970, production. We feel that this represents what the zone is worth.

Q What is the current total production from all three producing zones?

A The current total is about 29 barrels of oil a day -- well -- of course that's not the production, that's what we estimate we could get from it. The Tubb-Drinkard is not producing now. We're making around 20 barrels a day I guess with the two zones we're producing.

Q Both the Blinebry and the Montoya are flowing. Is any artificial lift required?

A There isn't any artificial lift on now. They are flowing, and they die, and, of course, we keep them swabbed.

There is no artificial lift now; they both need it and, of course, what we are asking is that we be permitted to pull all of the downhole equipment out, and run one string of tubing and install one pumping unit and pump all three zones. We feel that it will make less than 60 barrels a day, which would be the allowable with a limit under Rule 303-C, I think it is, based on two zones, but we would be pumping all three zones. Referring back to Exhibit 2, we would set the tubing on the bottom and pump all three zones. Of course, the difference is that the pressure would be to the inside of the wellbore so there should be no cross-flow.

Q In your opinion, has this now reduced itself to the point where it is largely a salvage operation?

A Yes, it is.

Q Are you producing any water from any of the zones?

A Oh, we feel that we've produced 800 barrels of water from all three zones. None of the zones are making a significant amount of water.

Q Are the fluids from each of the zones compatible?

A Yes. This is an 8th zone area and we've had these wells completed in various combinations over the lease

and we've never found any incompatibility between any of the fluids.

Q What's the ownership as regards all three of the zones?

A They are all common.

Q How do you propose to allocate production from each of the three zones?

A I would allocate the oil production 35 percent to the Drinkard, 40 percent Montoya and 25 percent Blinebry. This is taken from the decline curve and averages that we feel are best allocations. The gas production I would allocate 20 percent to the Tubb-Drinkard, 53 percent Blinebry, and 22 percent Montoya.

Q In your opinion, Mr. Miller, will approval of this Application be in the best interests of conservation, the protection of correlative rights and the prevention of waste?

A Yes, it will, because it will allow us to produce wells down to a lower economic limit by lowering lifting cost and then we will be able to recover additional oil that would not otherwise be recovered, and it will not affect the correlative rights.

Q Were Exhibits 1 through 7 either prepared by you

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directly or under your direction and supervision?

A Yes, they were.

MR. KELLAHIN: We move the introduction of Exhibits 1 through 7.

MR. STAMETS: The Exhibits will be admitted into evidence.

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

MR. KELLAHIN: That concludes our direct examination.

CROSS EXAMINATION

BY MR. STAMETS:

Q Mr. Miller, if this downhole commingling would be achieved, would you notify the Hobbs District Office at any time the well might be down for any extended period of time so that they might order remedial action?

A Yes. Yes, we could very easily.

Q And the well would be pumped, is that correct?

A Yes. We'll have to drill the two packers out and set an anchor down to the bottom and it will be as Exhibit No. 2 setting down lower.

MR. STAMETS: Are there any other questions of

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the Witness? He may be excused. Anything further in this Case?

MR. KELLAHIN: No, sir.

MR. STAMETS: We will take the Case under advisement.

STATE OF NEW MEXICO)
)
COUNTY OF SANTA FE)

SS.

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.


RICHARD L. NYE, Court Reporter

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 5393 heard by me on 1-8, 1975.


Richard L. Nye, Examiner
New Mexico Oil Conservation Commission

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OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 2088 - SANTA FE
87501

I. R. TRUJILLO
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMISO
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

January 22, 1975

Mr. Tom Kellahin
Kellahin & Fox
Attorneys at Law
Post Office Box 1769
Santa Fe, New Mexico

Re: CASE NO. 5393, 5396, 5397

ORDER NO. R-4947, R-4948, R-4949

Applicant :

Getty Oil, Continental, Cities Ser.

Dear Sir:

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

Very truly yours,

N. L. Porter, Jr.

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC	<u>X</u>
Artesia OCC	<u>R-4949</u>
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. 5393
Order No. R-4947

APPLICATION OF GETTY OIL COMPANY
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 January 8, 1975, at Santa Fe, New Mexico, before Examiner, Richard L. Stamets.

NOW, on this 22nd day of January, 1975, 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, Getty Oil Company, is the owner and operator of the A. B. Coates "C" Well No. 14, located in Unit G of Section 24, Township 25 South, Range 37 East, NMPM, Justis Field, Lea County, New Mexico.

(3) That the applicant seeks authority to commingle Blinebry, Tubb-Drinkard, and Montoya production within the wellbore of the above-described well.

(4) That from the Blinebry zone, the subject well is capable of low marginal production only.

(5) That from the Tubb-Drinkard zone, the subject well is currently shut in and capable of low marginal production only.

(6) That from the Montoya zone, the subject well is capable of low marginal production only.

-2-

Case No. 5393
Order No. R-4947

(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 to afford the Commission the opportunity to assess the potential for waste and to expeditiously order appropriate remedial action, the operator should notify the Hobbs district office of the Commission any time the subject well is shut in for 7 consecutive days.

(10) That in order to allocate the commingled production to each of the commingled zones in the subject well, 25 percent and 53 percent of the commingled oil and gas production, respectively, should be allocated to the Blinebry zone, 35 percent and 25 percent of the commingled oil and gas production, respectively, to the Tubb-Drinkard zone, and 40 percent and 22 percent of the commingled oil and gas production, respectively, should be allocated to the Montoya zone.

IT IS THEREFORE ORDERED:

(1) That the applicant, Getty Oil Company, is hereby authorized to commingle Blinebry, Tubb-Drinkard, and Montoya production within the wellbore of its A. B. Coates "C" Well No. 14, located in Unit G of Section 24, Township 25 South, Range 37 East, NMPM, Justis Field, Lea County, New Mexico.

(2) That 25 percent and 53 percent of the commingled oil and gas production, respectively, shall be allocated to the Blinebry zone, 35 percent and 25 percent of the commingled oil and gas production, respectively, shall be allocated to the Tubb-Drinkard zone, and 40 percent and 22 percent of the commingled oil and gas production, respectively, shall be allocated to the Montoya zone.

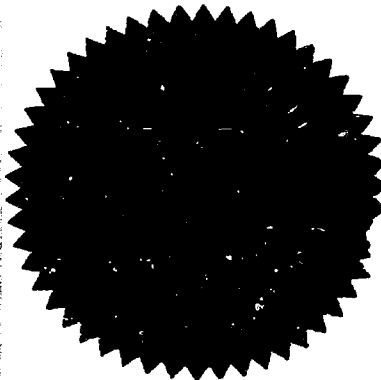
(3) That the operator of the subject well shall immediately notify the Commission's Hobbs district office any time the well has been shut in for 7 consecutive days and shall concurrently present to the Commission a plan for remedial action.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

-3-
Case No. 5393
Order No. R-4947

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



I. R. TRUJILLO, Chairman

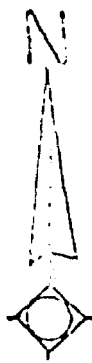
Phil R. Lucero
PHIL R. LUCERO, Member

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

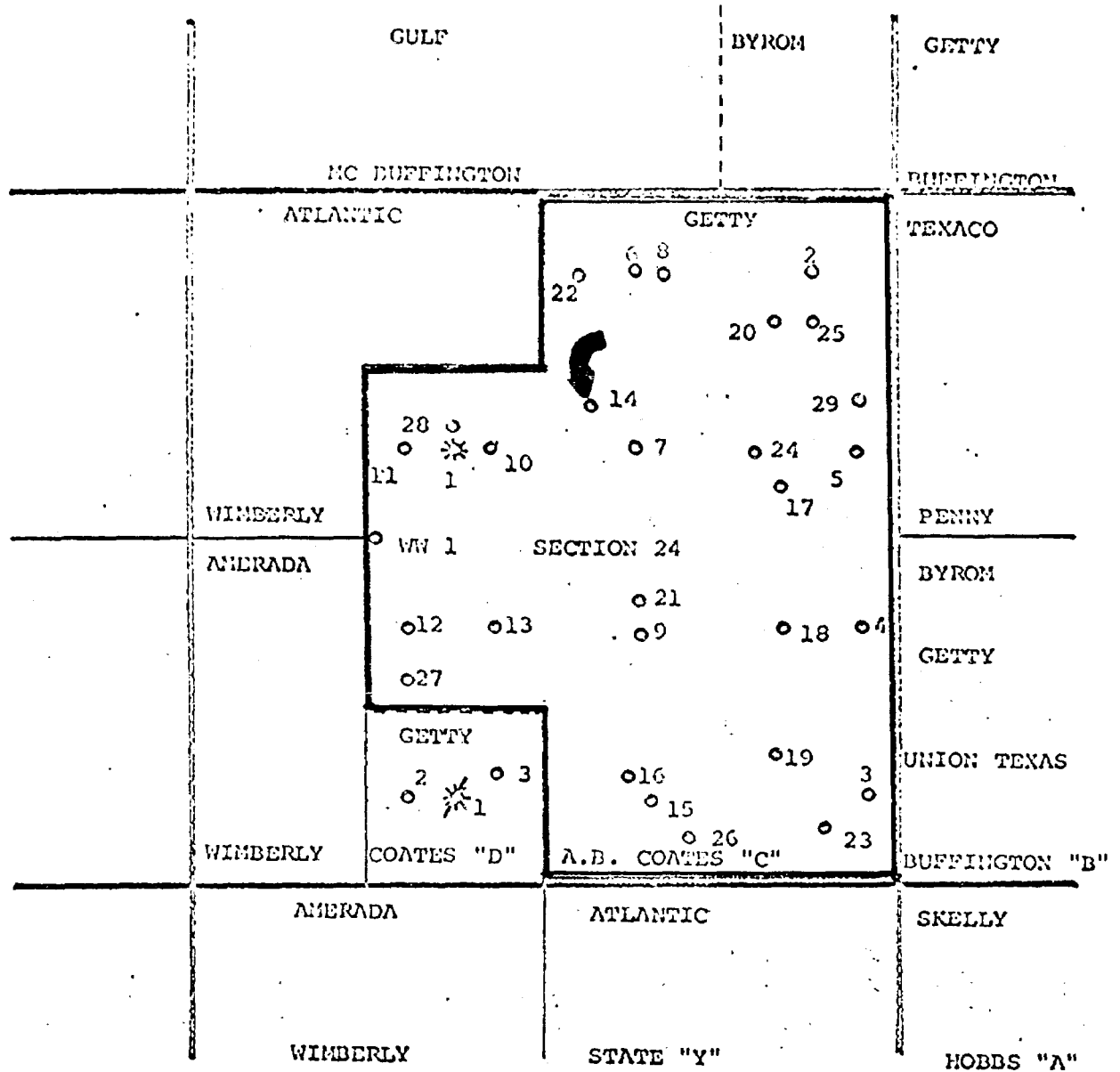
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dr/

R-37-E



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BEFORE EXAMINER STAMETS
OIL CONSERVATION COMMISSION
Getty EXHIBIT NO. 1
CASE NO. 5393
Submitted by _____
Hearing Date 8 Jan 75

GETTY OIL COMPANY
A. B. COATES "C" WELL NO. 14
APPLICATION FOR DOWNHOLE
COMINGLING.
JUSTIS BLINEBRY-JUSTIS MONTOYA-
JUSTIS TUBB-DRINKARD
LEA COUNTY, NEW MEXICO

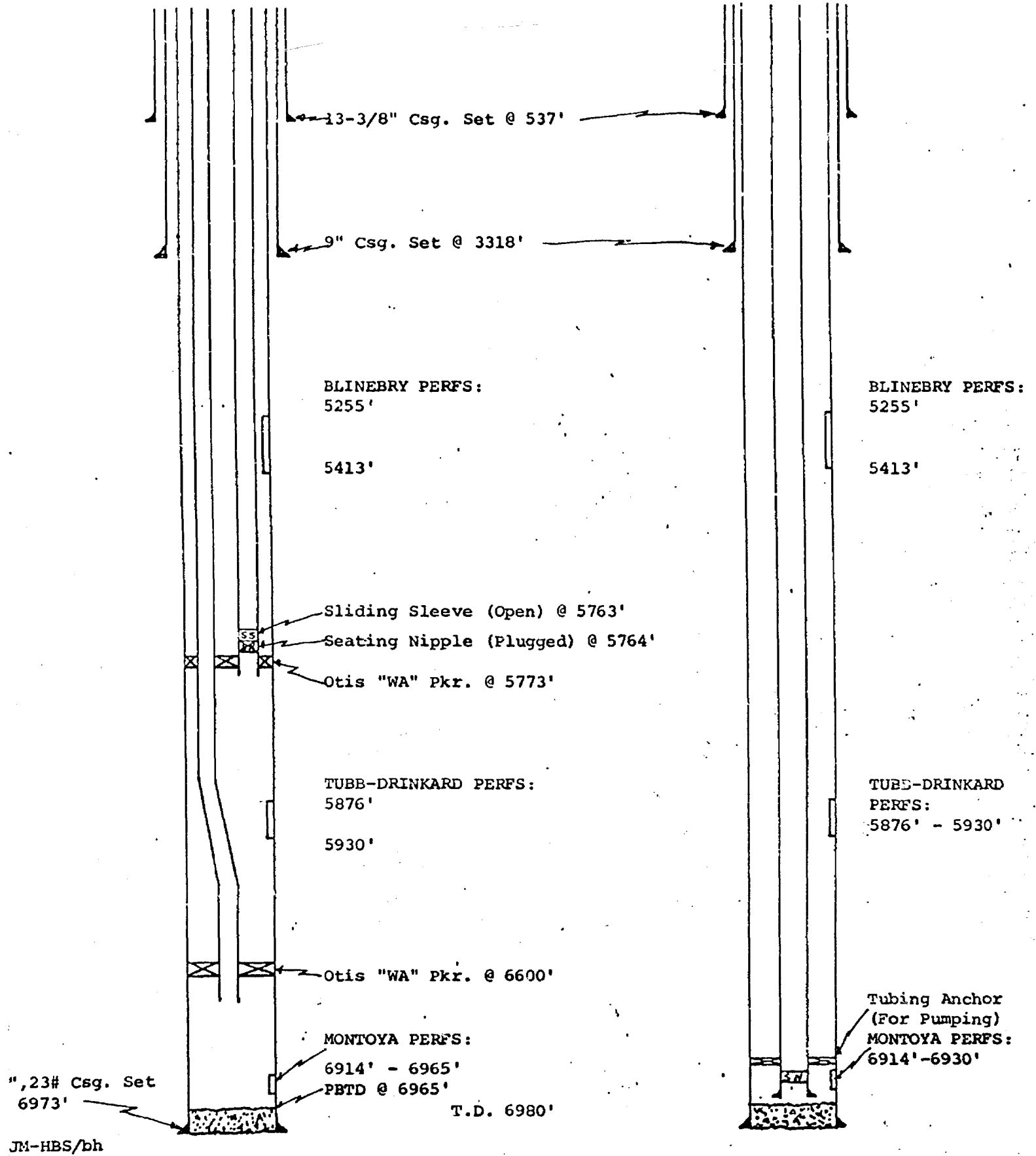
12-2-74
HBS/bh

GETTY OIL COMPANY
A. B. COATES "C" WELL NO. 14
JUSTIS FIELD
LEA COUNTY, NEW MEXICO

PRESENT

November 25, 1974

PROPOSED



NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS

C-116
Revised 1-1-65

Operator GETTY OIL COMPANY		Post JUSTIS BLINEBRY				County LEA										
Address P.O. BOX 249, HOBBS, NEW MEXICO 88240						TYPE OF TEST - (X) <input checked="" type="checkbox"/>		Scheduled <input type="checkbox"/>		Completion <input type="checkbox"/>		Special <input checked="" type="checkbox"/>				
LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	STATUS	CHOKE SIZE	T.B.G. PRESS.	DAILY ALLOWABLE	LENGTH OF TEST HOURS	PROD. DURING TEST				GAS - OIL RATIO CU. FT./BBL
		U	S	T	R							WATER BBLs.	GRAV. OIL	OIL BBLs.	GAS M.C.F.	
A. B. COATES "C"	14	G	24	25-S	37-E	8-12-74	F	20/64	110	18	24	1	36.5	18	188	10,444
APPLICATION FOR DOWNHOLE COMMINGLING																

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 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.

C.L. Wade: *C. L. Wade*
(Signature)
AREA SUPERINTENDENT
(Title)
December 2, 1974
(Date)

HBS/bh

NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS

C-116
Revised 1-1-65

Operator GETTY OIL COMPANY		Pool JUSTIS MONTOYA				County LEA										
Address P.O. BOX 249, HOBBS, NEW MEXICO 88240						TYPE OF TEST - (X)		Schedule <input type="checkbox"/>		Completion <input type="checkbox"/>		Special <input checked="" type="checkbox"/>				
LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	STATUS	CHOKE SIZE	TBG. PRESS.	DAILY ALLOWABLE	LENGTH OF TEST HOURS	PROD. DURING TEST				GAS - OIL RATIO CU.FT./BBL
		U	S	T	R							WATER BBLs.	GRAV. OIL	OIL BBLs.	GAS M.C.F.	
A.B. COATES "C"	14	G	24	25-S	37-E	6-23-74	F	17/64	150	34	24	3	36.1	12	79	6,583
APPLICATION FOR DOWNHOLE COMMINGLING																

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 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.

C.L. Wade: C.L. Wade

(Signature)

AREA SUPERINTENDENT

(Title)

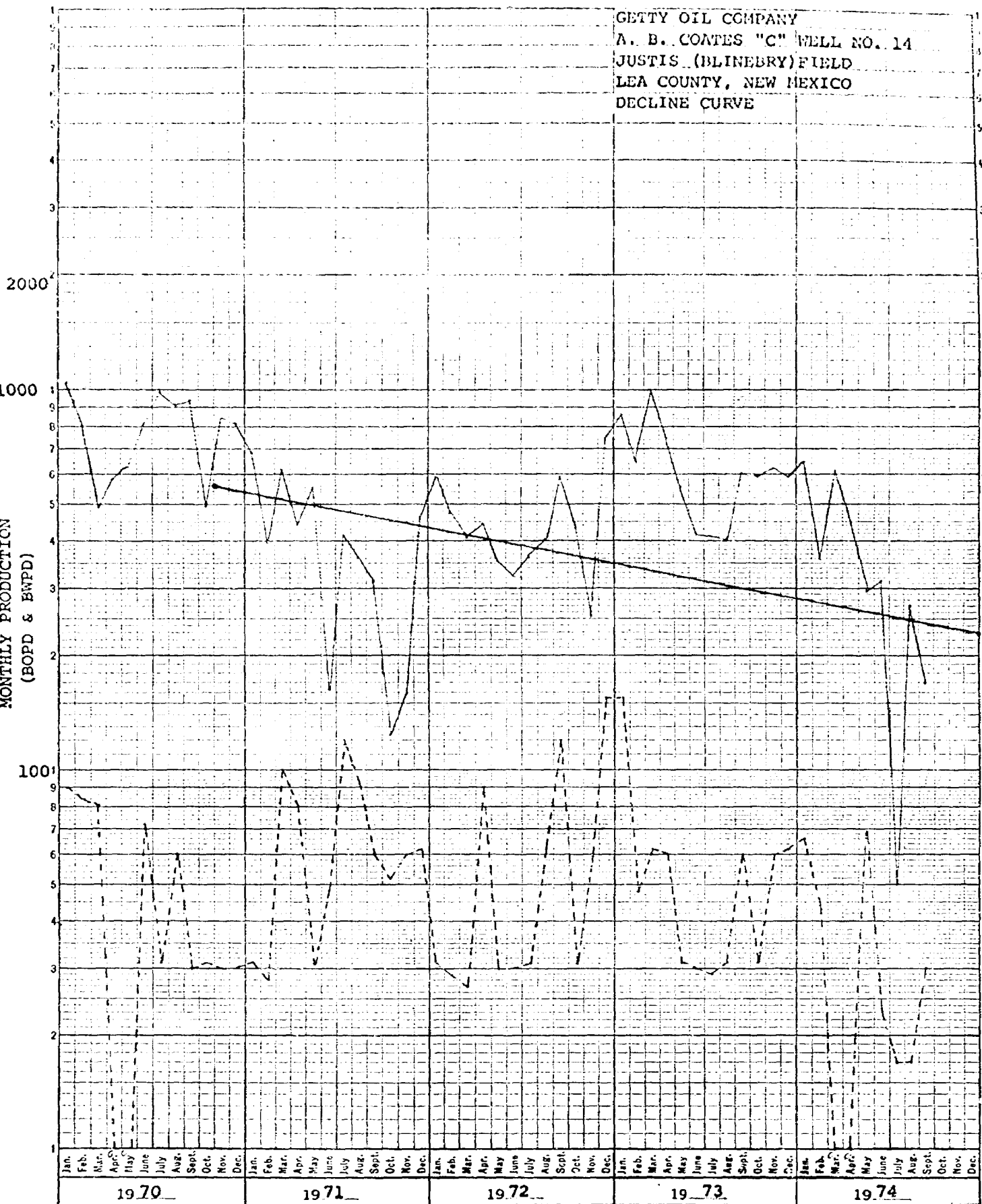
DECEMBER 3, 1974

(Date)

HBS/bh

5 YEARS BY MONTHS 46 6690
X 3 LOG CYCLES
KEUFFEL & ESSER CO.

MONTHLY PRODUCTION
(BOPD & BHPD)



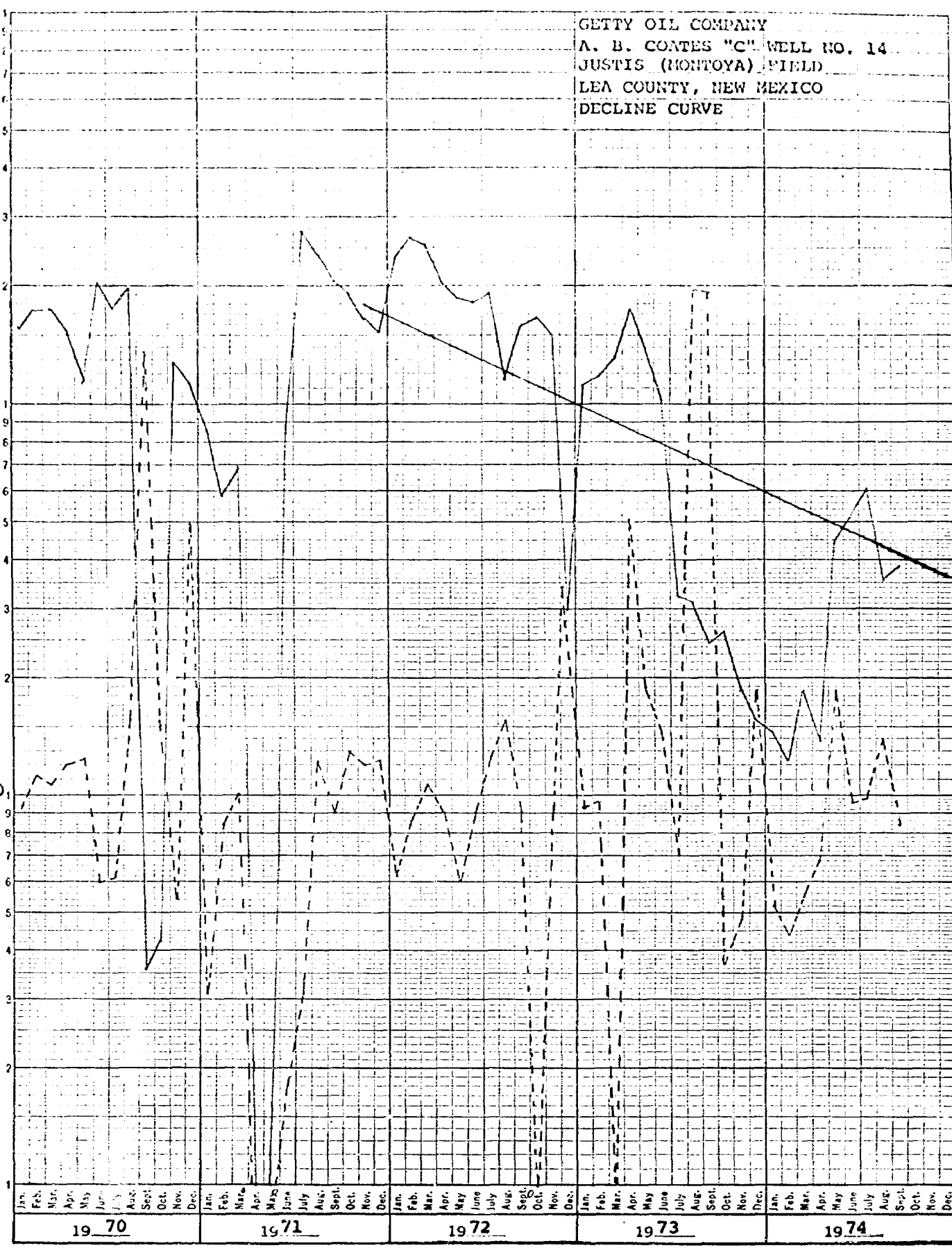
— ESTIMATED DECLINE

5 YEARS BY MONTHS 46 6690
X 3 LOG CYCLES
MADE IN U.S.A.
KEUFFEL & ESSER CO.

MONTHLY PRODUCTION
(BOPD & BWPD)

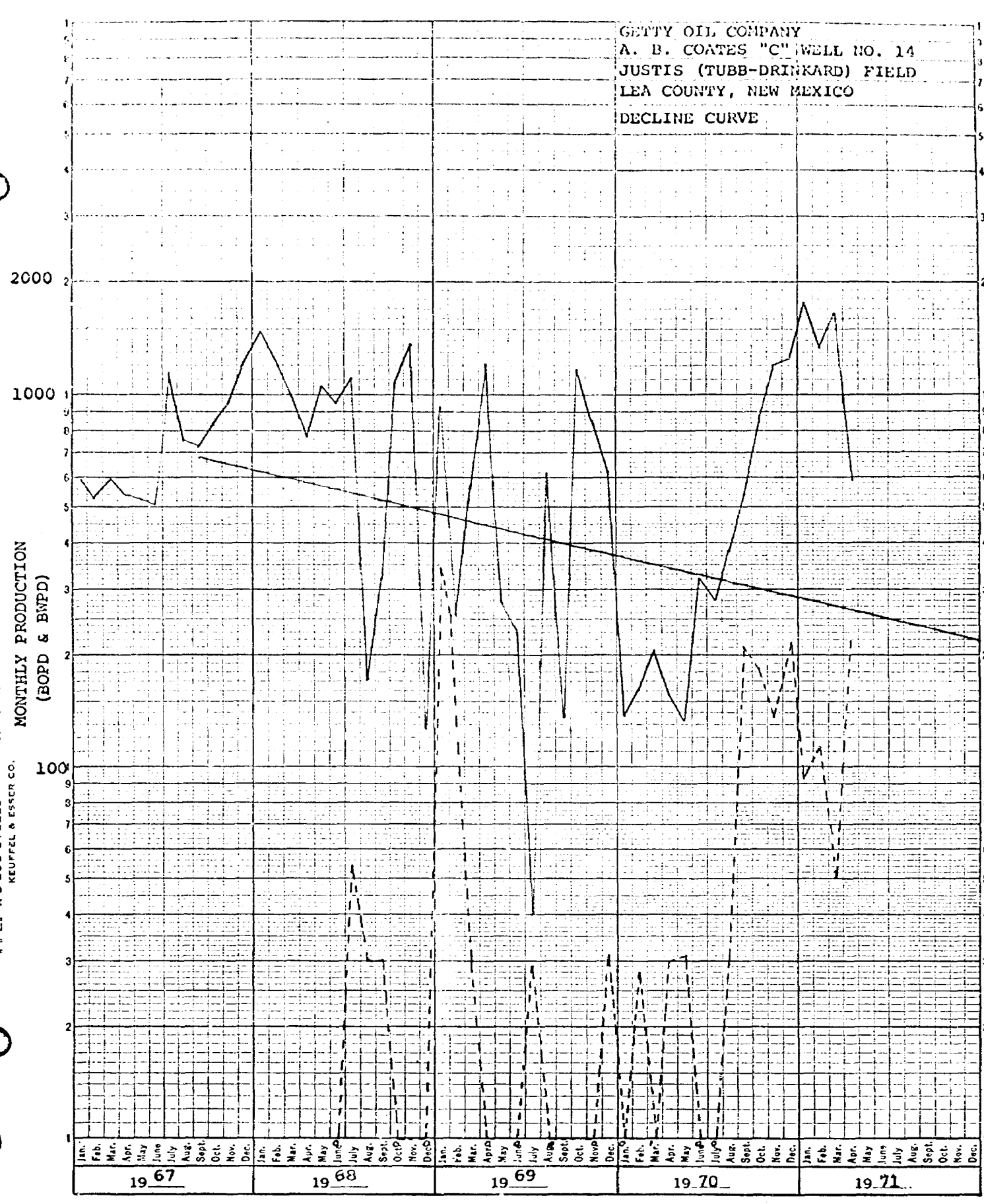
1000

100



ESTIMATED DECLINE

5 YEARS BY MONTHS 4G 6690
X 3 LOG CYCLES
MONTHLY PRODUCTION
(BOPD & BWPD)
KEUFFEL & ESSER CO.



— ESTIMATED DECLINE

(Case 5389 continued from Page 3)

Range 37 East, Tubb Gas Pool, Lea County, New Mexico, to be dedicated to a well to be dually completed at a standard location in Unit F of said Section 3.

CASE 5390: Application of El Paso Natural Gas Company for extension of Order No. R-4342, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the extension of the provisions of Order No. R-4342, which order authorized the applicant to produce certain non-marginal wells in the San Juan 32-9 Unit Area, Blanco-Mesaverde Pool, San Juan County, New Mexico, at full capacity while conducting tests, making up such overproduction by underproducing other non-marginal wells within the participating area.

CASE 5391: Application of David Fasken for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Boyd-Cisco and Boyd Morrow production in the wellbore of its Arco 9 Morrison Well No. 1, located in Unit B of Section 9, Township 19 South, Range 25 East, Eddy County, New Mexico.

CASE 5392: Application of David Fasken for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a gas well to be drilled in the NE/4 of Section 2, Township 18 South, Range 26 East, Atoka-Pennsylvanian Gas Pool, Eddy County, New Mexico, at a point 1980 feet from the North line and 660 feet from the East line of said Section 2, the N/2 of the Section to be dedicated to the well.

CASE 5393: Application of Getty Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Blinebry, Tubb-Drinkard, and Montoya production in the wellbore of its Coates "C" Well No. 14, located in Unit G of Section 24, Township 25 South, Range 37 East, Justis Field, Lea County, New Mexico.

CASE 5394: Application of Dugan Production Corporation for amendment of special pool rules, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Rule 2 of the Special Rules and Regulations for the Slick Rock-Dakota Oil Pool, San Juan County, New Mexico, to allow the drilling of wells to within 25 feet of quarter-quarter section lines when the offset acreage is owned by the party drilling the well.

CASE 5395: Application of Sun Oil Company for two dual completions and two tubing exceptions, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Lynch Wells Nos. 1 and 3, located in Units K and M, respectively, of Section 1, Township 22 South, Range 37 East, Lea County, New Mexico, to produce oil from the Drinkard and Wantz-Granite Wash Pools through parallel strings of tubing. Applicant further seeks approval to utilize 1.315 O.D. tubing for the lower 1800 feet of its Drinkard production string in said Well No. 1, and for the lower 1303 feet of its Drinkard production string in said Well No. 3.

Case 5393

OIL CONSERVATION COMMISSION
Hobbs DISTRICT

OIL CONSERVATION COMMISSION
BOX 2088
SANTA FE, NEW MEXICO

DATE Dec. 5, 1974

RE: Proposed MC _____
Proposed DHC X _____
Proposed NSL _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

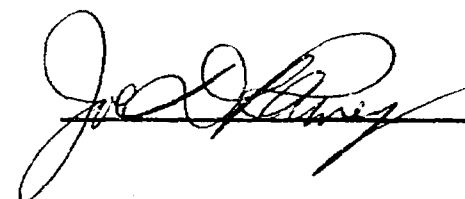
Gentlemen:

I have examined the application dated _____
for the Getty Oil Co. A. B. Coates C #14-G 24-25-37
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Need hearing---J.D.R.

Yours very truly,



Case 5393



Getty Oil Company

MID-CONTINENT EXPLORATION AND PRODUCTION DIVISION
~~XXXXXXXXXXXXXXXXXXXXXXXXXXXX~~

P. O. Box 249
Hobbs, New Mexico 88240

November 26, 1974

Oil Conservation Commission
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico 87501

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

Re: Application for Downhole
Commingling
GETTY OIL COMPANY
COATES "C" WELL NO. 14
JUSTIS MONTOYA, JUSTIS TUBB-
DRINKARD, AND JUSTIS BLINEBRY
POOLS, LEA COUNTY, NEW MEXICO

Gentlemen:

Getty Oil Company respectfully requests permission to downhole commingle the Coates "C" Well No. 14, a triple completion in the Justis Field, which is completed in the following zones: Montoya, Tubb-Drinkard, and Blinebry. Since this Application will not qualify for Administrative Approval, please include the Application on the Docket of the January 8, 1975 Hearing.

The following facts are submitted in support of the above request which is an extension of Statewide Rule 303, Paragraph "C":

1. All three zones are classified as Oil Zones.
2. The Montoya is the lowermost producing Zone (6914-30). Total production from all three producing zones (commingled) is expected to be less than 60 BOPD.
3. The Tubb-Drinkard is not producing at the present time. The Blinebry and Montoya are flowing; although, they require frequent swabbing - artificial lift is needed on both zones; artificial lift will be installed when commingled.
4. Water production from all three zones would amount to less than 10 BPD.
5. The fluids from each zone are compatible with the fluids from each of the other zones. The zones are multiply completed in various combinations in this and other wells on the lease and no fluid incompatibility between the fluids has been found.

DOCKET MAILED

Date 12-26-74

PAGE NO. 2

6. The total value of the Crude will be increased by commingling in that the Tubb-Drinkard Zone will be returned to production from a Shut-In Status.
7. Ownership of all three zones is common, including Working and Royalty Interest.
8. Commingling will not jeopardize future Secondary Recovery Operations; there are no Secondary Operations being conducted at the present time.
9. The location of the Coates "C" Well No. 14 is 1650' FNL and 2310' FEL, Pro. Unit G, Section 24, T-25-S, R-37-E, Lea County, New Mexico.
10. The well was dually completed in the Justis Montoya and Justis Tubb-Drinkard in 1958 in accordance with NMOCC Order R-1442. The well was additionally completed in the Justis Blinebry and triply completed in accordance with NMOCC Order No. R-2329.
11. Attached are current productivity tests C-116 for the Blinebry and Montoya Zones. The last representative test for the Tubb-Drinkard was taken June 1970-18 BO, 0 BW, and 88 MCF/Day. Downhole communication developed thereafter between the Montoya and the Tubb-Drinkard and the Tubb-Drinkard was subsequently isolated and shut-in between packers in June 1971.
12. Attached are decline curves for each of the zones involved.
13. The BHP of the zones are low. The Tubb-Drinkard is shut-in behind packers at the present time and the Blinebry and Montoya are low enough that they will die and require swabbing if they are shut-in.
14. The salt water from these zones are handled through one system. There have been no incompatibility problems. The zones have been in communication when these and other wells were pulled and no detrimental effects have ever been found on this eight multizone lease.
15. The value of the commingled production should be increased by about 18 BO and 88 MCF/Day or \$110.00 per day - the expected production from the NIO Tubb-Drinkard Zone.
16. All offset operators and the United States Geological Survey have been furnished with copies of this request.

Respectfully,
GETTY OIL COMPANY

C. L. Wade
C. L. Wade
AREA SUPERINTENDENT

EJM/bh
ATTACHMENTS

COPIES TO:

U. S. Geological Survey
P.O. Box 1157
Hobbs, New Mexico 88240

Amerada-Hess
Drawer 817
Seminole, Texas 79360

Atlantic Richfield
P. O. Box 1710
Hobbs, New Mexico 88240

W. K. Byrom
817 North Turner
Hobbs, New Mexico 88240

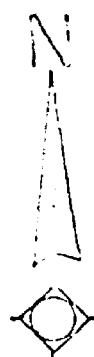
Skelly Oil Company
P. O. Box 730
Hobbs, New Mexico 88240

Texaco, Inc.
P. O. Box 728
Hobbs, New Mexico 88240

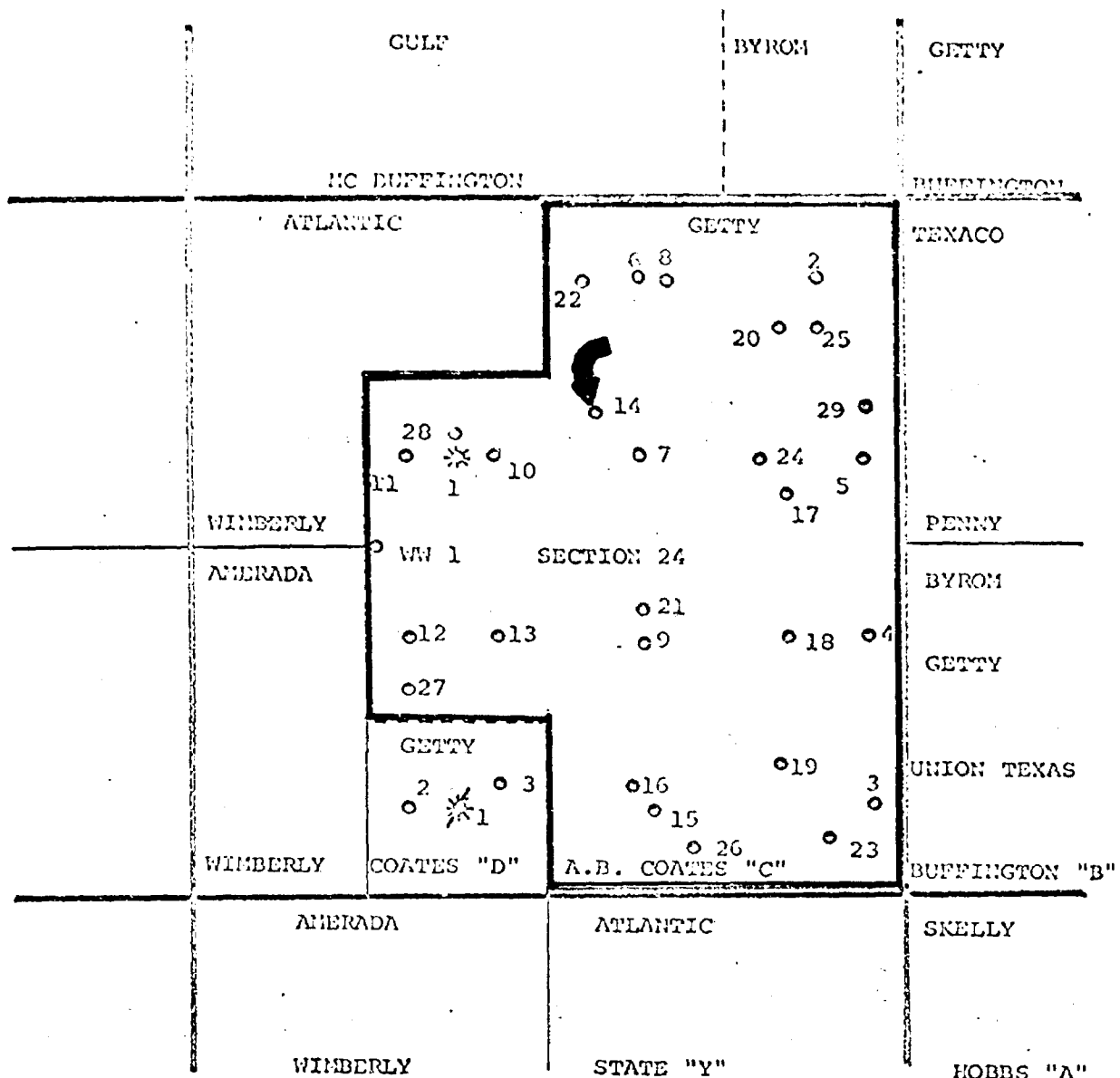
Union of Texas
1300 Wilco Building
Midland, Texas 79701

Gulf Oil Company
P. O. Box 670
Hobbs, New Mexico 88240

R-37-E



T
25
S



GETTY OIL COMPANY

A. B. COATES "C" WELL NO. 14

APPLICATION FOR DOWNHOLE
COMINGLING.

JUSTIS BLINEBRY-JUSTIS MONTOYA-
JUSTIS TUBB-DRINKARD

LEA COUNTY, NEW MEXICO

12-2-74
HBS/bh

NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS

0-116
Revised 1-1-65

Operator GETTY OIL COMPANY		Field JUSTIS BLINEBRY				County LEA										
Address P.O. BOX 249, HOBBS, NEW MEXICO 88240						TYPE OF TEST - (X) <input checked="" type="checkbox"/> Scheduled <input type="checkbox"/> Completion <input type="checkbox"/> Special <input checked="" type="checkbox"/>										
LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	STATUS	CHOKE SIZE	TBG. PRESS.	DAILY ALLOWABLE	LENGTH OF TEST HOURS	PROD. DURING TEST				GAS - OIL RATIO CU.FT./BBL
		U	S	T	R							WATER BBLs.	GRAV. OIL	OIL BBLs.	GAS M.C.F.	
A. B. COATES "C"	14	G	24	25-S	37-E	8-12-74	F	20/64	110	18	24	1	36.5	18	188	10,444
APPLICATION FOR DOWNHOLE COMMINGLING																

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 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.

C.L. Wade: C.L. Wade
(Signature)

AREA SUPERINTENDENT
(Title)

December 2, 1974
(Date)

HBS/bh

NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS

0-116
Revised 1-1-65

Case 5393

Operator GETTY OIL COMPANY		Name JUSTIS MONTOYA						County LEA								
Address P.O. BOX 249, HOBBS, NEW MEXICO 88240						TYPE OF TEST - (X) <input checked="" type="checkbox"/> (X)		Schedule <input type="checkbox"/> ()		Completion <input type="checkbox"/> ()		Special <input checked="" type="checkbox"/> (XX)				
LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	STATUS	CHOKE SIZE	TBG. PRESS.	DAILY ALLOWABLE	LENGTH OF TEST HOURS	PROD. DURING TEST				GAS - OIL RATIO CU.FT./BBL.
		U	S	T	R							WATER DBLS.	GRAV. OIL	OIL BBLs.	GAS M.C.F.	
A.B. COATES "C"	14	G	24	25-S	37-E	6-23-74	F	17/64	150	34	24	3	36.1	12	79	6,583
APPLICATION FOR DOWNHOLE COMMINGLING																

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 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.

C.L. Wade: C. L. Wade

(Signature)

AREA SUPERINTENDENT

(Title)

DECEMBER 3, 1974

(Date)

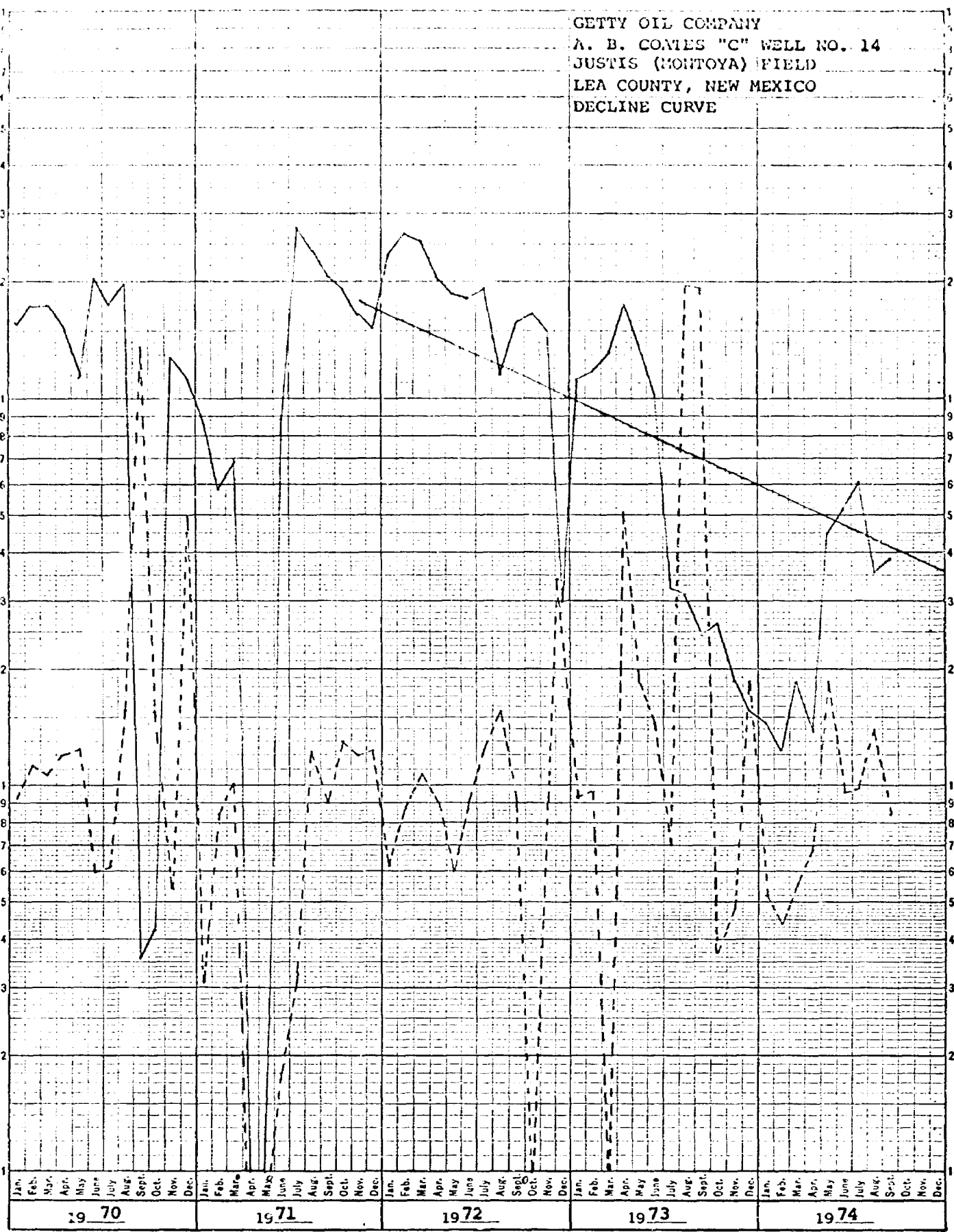
HBS/bh

5 YEARS BY MONTHS 46 6690
X 3 LOG CYCLES
KEUFFEL & ESSER CO.

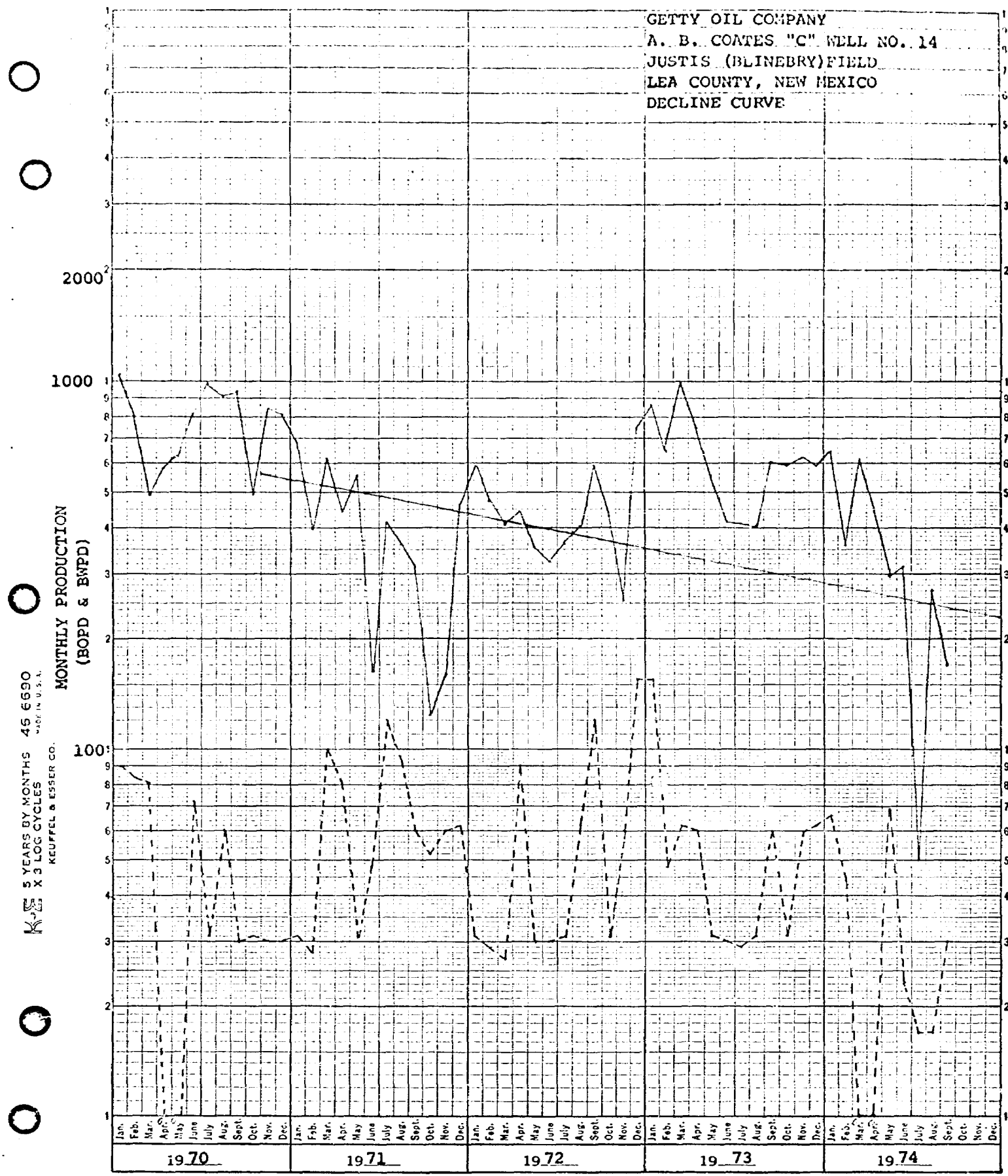
MONTHLY PRODUCTION
(BOPD & BWPD)

1000

100



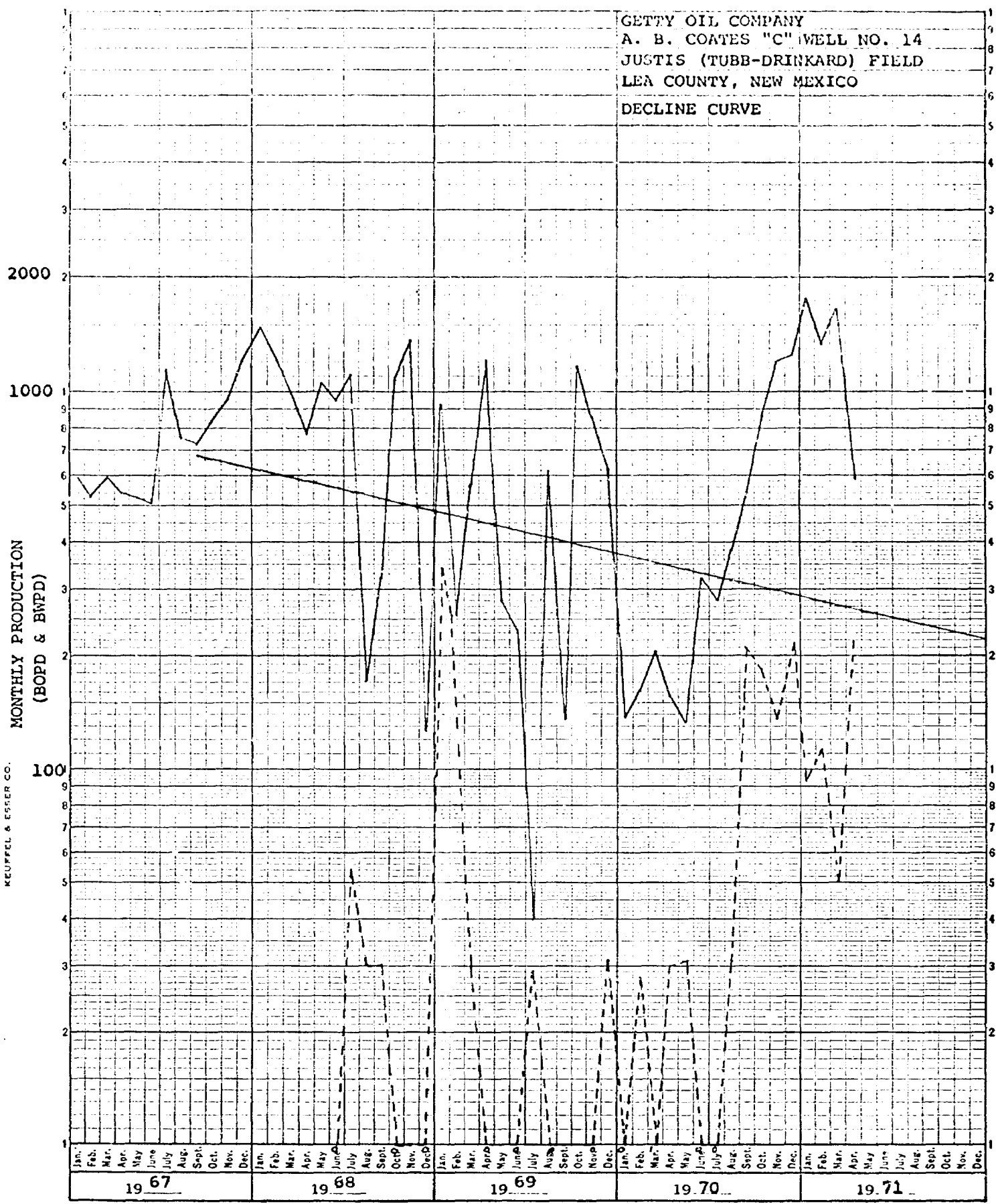
ESTIMATED DECLINE



———— ESTIMATED DECLINE

5 YEARS BY MONTHS 46 6690
X 3 LOG CYCLES
KEUFFEL & ESSER CO.

MONTHLY PRODUCTION
(BOPD & BWPD)



— ESTIMATED DECLINE

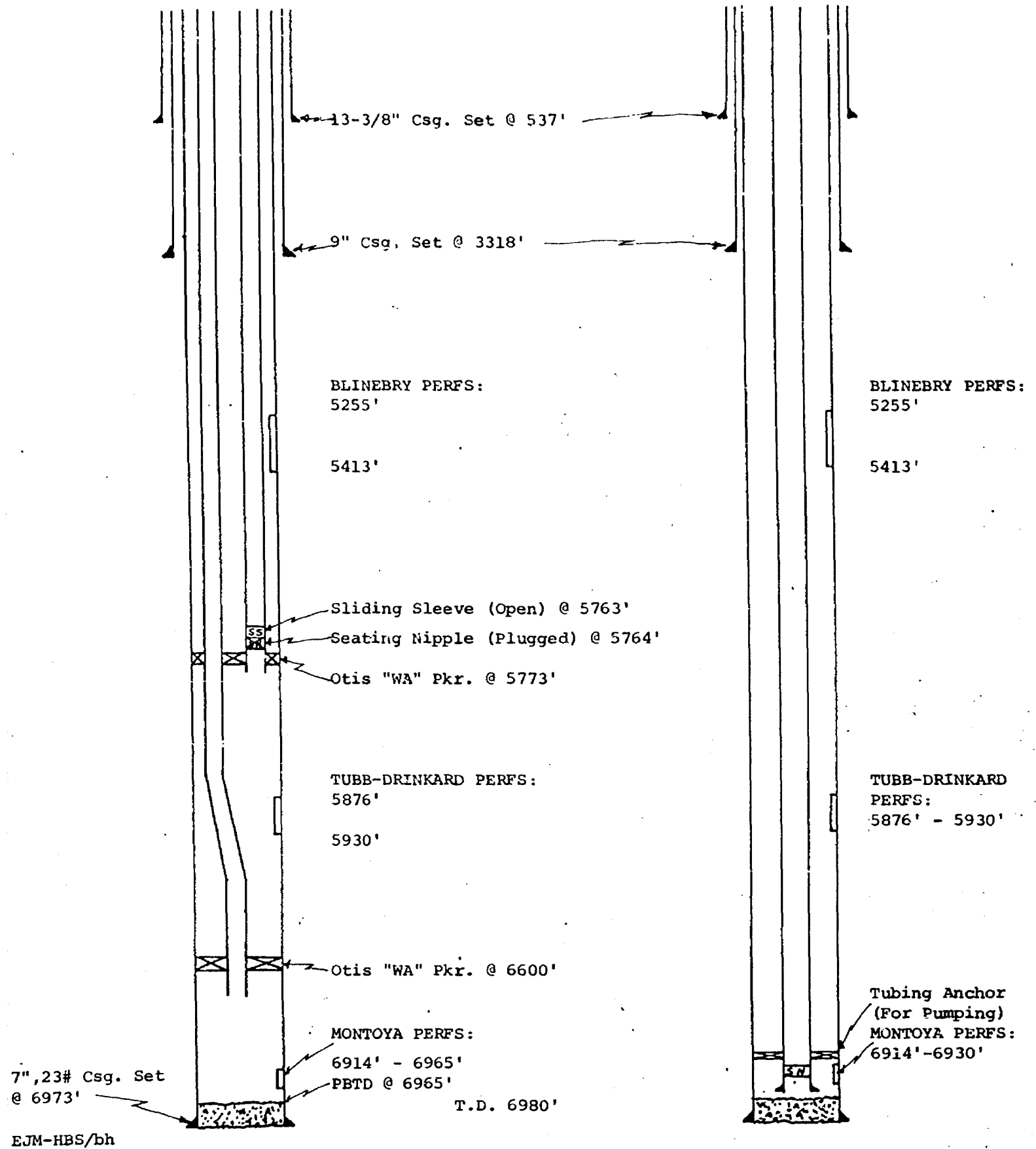
GETTY OIL COMPANY
A. B. COATES "C" WELL NO. 14
JUSTIS FIELD
LEA COUNTY, NEW MEXICO

Case 5393

PRESENT

November 25, 1974

PROPOSED



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. 5393

Order No. R-4947

APPLICATION OF GETTY OIL COMPANY
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 January 8, 1975
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this day of January, 1975, 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, Getty Oil Company, is the owner and
operator of the ^{H.B.}Coates "C" Well No. 14, located in Unit G of
Section 24, Township 25 South, Range 37 East, NMPM, ~~xxx~~ Justis
Field, Lea County, New Mexico.

(3) That the applicant seeks authority to commingle Blinebry, Tubb-Drinkard, and Montoya production within the wellbore of the above-described well.

(4) That from the Blinebry zone, the subject well is capable of low marginal production only. ~~100~~

(5) That from the Tubb-Drinkard zone, the subject well is ~~currently shut in and~~ capable of low marginal production only.

(6) That from the Montoya 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 to afford the Commission the opportunity to assess the potential for waste and to expeditiously order appropriate remedial action, the operator should notify the Hobbs district office of the Commission any time the subject well is shut-in for 7 consecutive days.

(10) That in order to allocate the commingled production to each of the commingled zones in the subject well, ~~25 percent~~ percent of the commingled ~~oil and gas~~ ^{oil and gas} production ^{respectively,} should be allocated to the Blinebry zone, ~~35 percent and~~ ^{25 percent} percent of the commingled ~~oil and gas~~ ^{oil and gas} production to the Tubb-Drinkard zone, and ~~40 percent and~~ ^{22 percent} percent of the commingled ~~oil and gas~~ ^{oil and gas} production should be allocated to the Montoya zone.

IT IS THEREFORE ORDERED:

(1) That the applicant, Getty Oil Company, is hereby authorized to commingle Blinebry, Tubb-Drinkard, and Montoya production within the wellbore of ~~the~~ ^{its A.B.} Coates "C" Well No. 14, located in Unit G of Section 24, Township 25 South, Range 37 East, NMPM, Justis Field, Lea County, New Mexico.

and 53

~~B1 25 53
T.D 35 25
M 40 22
100 100~~

(2) That 25 percent and 53 percent of the commingled oil and gas production, respectively, shall be allocated to the Blinbry zone, 36 percent and 25 percent of the commingled oil and gas production, respectively, shall be allocated to the Tubb-Drinkard zone, and 40 percent and 22 percent of the commingled oil and gas production, respectively, shall be allocated to the Montoya zone.

(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 and shall concurrently present to the Commission a plan for remedial action.

(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.