

CASE 5640: Appl. of PHILLIPS
PETROLEUM CO. for DOWNHOLE
COMMINGLING, Lea County

CASE NO.

5640

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.

CARL ULVOG

Hold for decision from
Phillips. (called 9/16/75)

Can't give adm. app. for
more than 2 zones combined.

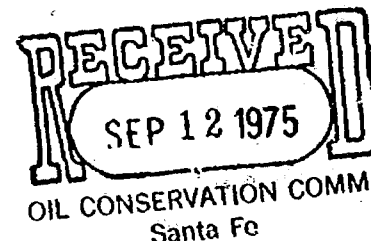
12/1: Bering says they will be taking
up to 1000.



PHILLIPS PETROLEUM COMPANY

ODESSA, TEXAS 79761
PHILLIPS BUILDING

NATURAL RESOURCES GROUP
Exploration and Production



September 10, 1975

Application for Exception to Statewide
Rule No. 303-C to Down-Hole Commingle
Production from the East Brunson
Ellenburger, East Brunson McKee and
Drinkard Pools, Sims Well No. 6,
Lea County, New Mexico

File: W4-Ta-154-75

New Mexico Oil Conservation Commission -- 2
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Joe D. Ramey,
Secretary-Director

Gentlemen:

We respectfully request administrative approval, subject to the twenty day waiting period, to down hole commingle production from the East Brunson McKee, East Brunson Ellenburger and Drinkard Pools in our Sims Well No. 6, located in Unit M, 370 feet from south and 330 feet from west lines, Section 24, T-22-S, R-37-E, Lea County, as provided by Statewide Rule No. 303-C. This will re-instate and amend DHC 126, dated May 7, 1973, which has been inactive since the temporary shut in of the Ellenburger and McKee zones. Pertinent well data follows:

1. All three zones to be commingled in the well bore are classified as oil zones and all require artificial lift.
2. The total daily production from the three zones before commingling does not exceed 50 BOPD as allowed for the deepest perforations in the lower zone.
3. Prior to shut in and temporary abandonment on 5-8-74, the Brunson East McKee and Brunson East Ellenburger zones were commingled down hole under Permit DHC 126. On or about 5-7-74, the combined zones tested at 9 BO, 1 BW and 29 Mcf gas per day. On 5-8-74, the well was perforated and recompleted in the Drinkard zone, which produced on test dated 4-3-75 at 17 BO, 4 BW and 133 Mcf gas per day. The oil and or water production is compatible one zone with another and there should be no undue formation of precipitates from combined produced waters.

4. Crude gravities are; Ellenburger - 42.8°, McKee - 47°, Drinkard - 40.8°. These crudes are classified as intermediate sweet with a posted price of \$12.00 for 40° gravity (and above) crude. Consequently, there would be no difference in the price of the combined crude over that of the crudes produced and sold separately. Royalty and working interests are common throughout and there is no overriding royalty.
5. Bottom hole pressures are estimated at 500# for the Ellenburger, 650# for the McKee, and 776# for the Drinkard.
6. Completion history: Spudded 1-13-68, TD of 7625' on 1-29-68, PBTD 7554'. Elevation - 3321' Gr., 8-5/8" csg set in 11" hole at 1137', cmt'd w/460 sx Class H w/10% DD and 2% CaCl₂/sx with 150 sx circ; 4-1/2" csg set at 7625' in 7-7/8" hole, cmt'd w/400 sx TRLW and 650 sx Class H with TOC at 2405'.

Ellenburger zone: Selective perfs 7469-74', 7480-84', 7494-7508', 7526-38', 7546-54'. Treated perfs 7526-54' w/4000 gals 28% acid; perfs 7469-7508' w/1000 gals 15% acid, and perfs 7469-7554 w/1500 gals 15% acid w/30,000 gals MOD brine. IP 4-30-68 at 14 BO, 5 BW, GOR 1049/1, declined to 9 BO, 3 BW, GOR 2275/1 on 3-21-73. Commingled w/McKee 5-7-73 = DHC 126.

McKee: Selective perfs 7328-42', treated w/1500 gals Super HyF mud acid. IP 4-8-73 at 13 BO, 0 BW, GOR 725/1. Commingled w/Ellenburger 5-7-73 = DHC 126.

Combined Ellenburger/McKee production declined to 9 BO, 6 BW on 4-16-74, and these zones temporarily abandoned 5-7-74.

Drinkard: Selective perfs (5-8-74) 6387-7227'; perfs 6969-7227' treated w/500 gals 15% acid; perfs 6387-7227 treated w/5000 gals 28% acid w/ball sealers and 1500 gals 15% acid. IP on 5-28-75 at 25 BO, 20 BW, GOR 12,700/1; production declined to 17 BO, 4 BW, GOR 7824/1 on 4-3-75.

We expect to recover an additional 6030 BO from the Ellenburger, 5930 BO from the McKee, and 17,300 BO from the Drinkard as a result of this commingling.

No application for multiple completion of these zones has been filed. The Ellenburger and McKee zones currently are temporarily abandoned with a CIBP set at 7260'. Your approval of this down hole commingling is requested without the formality of an approved multiple completion. Subject to approval, the well bore will be equipped to re-open the Ellenburger and McKee zones and commingle with the Drinkard zone in the well bore.

New Mexico Oil Conservation Commission
W4-Ta-154-75
September 10, 1975
Page 3

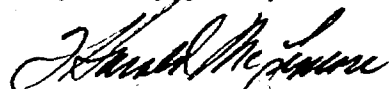
We propose allocation of the combined production be based on the decline production tests as cited herein, and are:

Ellenburger:	9 BO, 3 BW, 20 Mcf/gas per day
McKee:	13 BO, 0 BW, 9 Mcf/gas per day
Drinkard:	17 BO, 4 BW, 133 Mcf/gas per day

Offset operators are hereby notified with the request that their original waivers of objections be mailed directly to your attention, and a copy directed to this office. Mr. Gary Krieger will answer questions on this application, if any arise.

Your consideration and advise will be appreciated.

Very truly yours,



T. Harold McLemore
PHILLIPS PETROLEUM COMPANY

THM:jc

cc: New Mexico Oil Conservation Commission
Box 1980
Hobbs, New Mexico

Offset Operators (List Attached)

New Mexico Oil Conservation Commission
W4-Ta-154-75
September 10, 1975
Page 4

Attachment

OFFSET OPERATORS

John H. Hendricks, 403 Wall Towers West, Midland, Texas 79701

Gulf Oil Corporation, Box 1150, Midland, Texas 79701

Texas Pacific Oil Company, Box 4067, Midland, Texas 79701

Skelly Oil Company, Box 1351, Midland, Texas 79701

Samedan Oil Corporation, 2207 Wilco Bldg., Midland, Texas 79701

Crown Central Petroleum Corporation, Suite 1002, Wilco Bldg., Midland, Texas 79701

Marathon Oil Company, Box 552, Midland, Texas 79701

Well
LEASE PRODUCTION STATISTICS

State New Mexico Operator Phillips Petroleum Co Lease Acres Code No. 6
County San Location M-24-22-37 Field EAST BRUNSON (ELLEN) (McKee) Pools and BRINKARD Pool Reservoir

Form 7412 10-58

See attached production curve for prior production

Comm w/ McKee

MONTH	WELLS	OIL PROD'N. BBLs.	<i>Water</i> PROD'N. BBLs.	GAS PROD'N. MCF	MONTH	WELLS	OIL PROD'N. BBLs.	<i>Water</i> PROD'N. BBLs.	GAS PROD'N. MCF
1973 JAN.		160	48	596	JAN.				
FEB.		495	104	518	FEB.				
MAR.		268	56	612	MAR.				
APR.		0	0	0	APR.		140	0	673
MAY		294	62	396	MAY		293	0	396
JUNE		274	58	399	JUNE		274	0	399
JULY		204	43	501	JULY		205	0	500
AUG.		172	36	459	AUG.		172	13	428
SEPT.		130	27	452	SEPT.		130	10	422
OCT.		221	46	1404	OCT.		221	17	1404
NOV.		180	38	370	NOV.		190	14	370
DEC.		175	37	239	DEC.		175	13	239
TOTALS		2573	535	5946	TOTALS		1790	67	4831
ACCUM.					ACCUM.				
1974 JAN.		160	34	188	1974 JAN.		160	12	189
FEB.		144	30	238	FEB.		144	11	238
MAR.		169	35	598	MAR.		169	13	598
APR.		154	32	418	APR.		154	12	418
MAY		67	27	513	MAY		68	7	513
JUNE		<i>Temporarily abandoned</i>			JUNE		<i>Temporarily abandoned</i>		
JULY					JULY				
AUG.					AUG.				
SEPT.					SEPT.				
OCT.					OCT.				
NOV.					NOV.				
DEC.					DEC.				
TOTALS		694	158	1955	TOTALS		675	55	1955
ACCUM.					ACCUM.				
1974 JAN.					1975 JAN.		329	405	1402
FEB.					FEB.		303	823	1038
MAR.					MAR.		250	758	944
APR.					APR.		246	625	940
MAY		128	102	1837	MAY		299	58	1120
JUNE		340	272	11831	JUNE		164	70	3108
JULY		513	257	12761	JULY		196	39	3248
AUG.		510	145	1868	AUG.				
SEPT.		347	99	1027	SEPT.				
OCT.		331	828	1307	OCT.				
NOV.		322	805	1177	NOV.				
DEC.		162	405	1267	DEC.				
TOTALS		2653	2913	33025	TOTALS		1787	2178	11850
ACCUM.					ACCUM.				

Brinkard

New Completion

Remarks:

LEASE PRODUCTION STATISTICS

State _____ Operator _____ Lease _____ Code No. _____

County _____ Location _____ Field _____ Reservoir _____

Form 7412 10-58

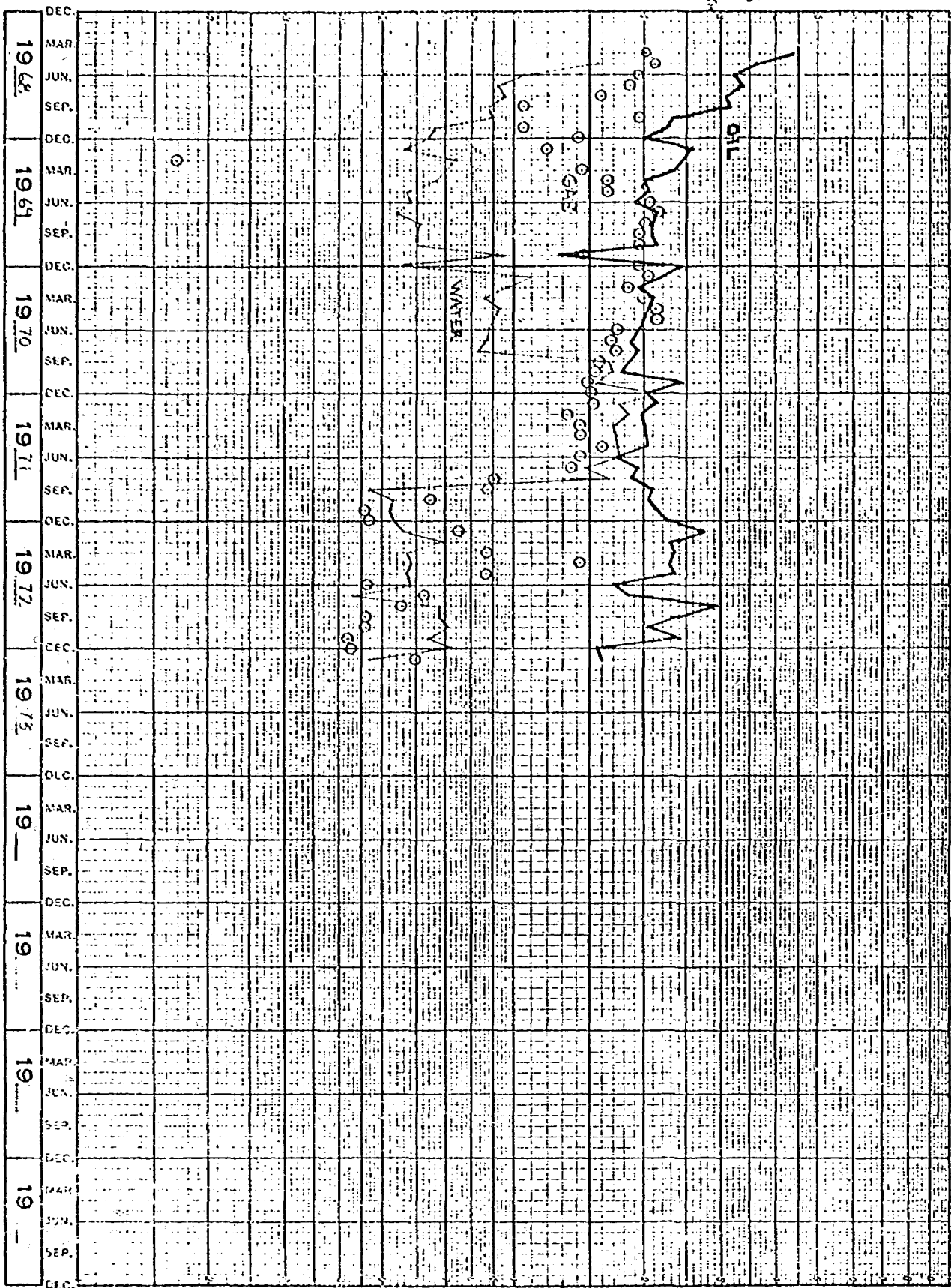
MONTH	NO. WELLS	OIL PROD'N. BBLs.	AVE. G/O	GAS PROD'N. MCF	MONTH	NO. WELLS	PROD'N. BBLs.	AVE. G/O	GAS PROD'N. MCF
JAN.					JAN.				
FEB.					FEB.				
MAR.					MAR.				
APR.					APR.				
MAY					MAY				
JUNE					JUNE				
JULY					JULY				
AUG.					AUG.				
SEPT.					SEPT.				
OCT.					OCT.				
NOV.					NOV.				
DEC.					DEC.				
TOTALS					TOTALS				
ACCUM.					ACCUM.				
JAN.					JAN.				
FEB.					FEB.				
MAR.					MAR.				
APR.					APR.				
MAY					MAY				
JUNE					JUNE				
JULY					JULY				
AUG.					AUG.				
SEPT.					SEPT.				
OCT.					OCT.				
NOV.					NOV.				
DEC.					DEC.				
TOTALS					TOTALS				
ACCUM.					ACCUM.				
JAN.					JAN.				
FEB.					FEB.				
MAR.					MAR.				
APR.					APR.				
MAY					MAY				
JUNE					JUNE				
JULY					JULY				
AUG.					AUG.				
SEPT.					SEPT.				
OCT.					OCT.				
NOV.					NOV.				
DEC.					DEC.				
TOTALS					TOTALS				
ACCUM.					ACCUM.				

Remarks: _____

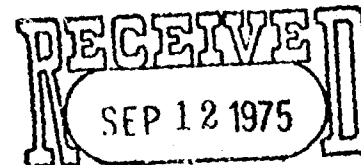
500 1000

YCF
BSLS
PER
MONTH

500 1000



PHILLIPS - SIMS No 6 ELLENBERGER



OIL CONSERVATION COMM.
Santa Fe

September 10, 1975

Application for Exception to Statewide
Rule No. 303-C to Down-Hole Commingle
Production from the East Brunson
Ellenburger, East Brunson McKee and
Drinkard Pools, Sims Well No. 6,
Lea County, New Mexico

File: W4-Ta-154-75

New Mexico Oil Conservation Commission - 2 ✓
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Joe D. Ramey,
Secretary-Director

Gentlemen:

We respectfully request administrative approval, subject to the twenty day waiting period, to down hole commingle production from the East Brunson McKee, East Brunson Ellenburger and Drinkard Pools in our Sims Well No. 6, located in Unit M, 370 feet from south and 330 feet from west lines, Section 24, T-22-S, R-27-E, Lea County, as provided by Statewide Rule No. 303-C. This will re-instate and amend DHC 126, dated May 7, 1973, which has been inactive since the temporary shut in of the Ellenburger and McKee zones. Pertinent well data follows:

1. All three zones to be commingled in the well bore are classified as oil zones and all require artificial lift.
2. The total daily production from the three zones before commingling does not exceed 50 BOPD as allowed for the deepest perforations in the lower zone.
3. Prior to shut in and temporary abandonment on 5-8-74, the Brunson East McKee and Brunson East Ellenburger zones were commingled down hole under Permit DHC 126. On or about 5-7-74, the combined zones tested at 9 BO, 1 BW and 29 Mcf gas per day. On 5-8-74, the well was perforated and recompleted in the Drinkard zone, which produced on test dated 4-3-75 at 17 BO, 4 BW and 133 Mcf gas per day. The oil and or water production is compatible one zone with another and there should be no undue formation of precipitates from combined produced waters.

4. Crude gravities are: Ellenburger - 42.8°, McKee - 47°, Drinkard - 40.8°. These crudes are classified as intermediate sweet with a posted price of \$12.00 for 40° gravity (and above) crude. Consequently, there would be no difference in the price of the combined crude over that of the crudes produced and sold separately. Royalty and working interests are common throughout and there is no overriding royalty.
5. Bottom hole pressures are estimated at 500# for the Ellenburger, 650# for the McKee, and 776# for the Drinkard.
6. Completion history: Spudded 1-13-68, TD of 7625' on 1-29-68, PBTD 7554'. Elevation - 3321' Gr., 8-5/8" csg set in 11" hole at 1137', cmt'd w/460 sx Class H w/10% DD and 2% CaCl₂/sx with 150 sx circ; 4-1/2" csg set at 7625' in 7-7/8" hole, cmt'd w/400 sx TRLW and 650 sx Class H with TOC at 2405'.

Ellenburger zone: Selective perfs 7469-74', 7480-84', 7494-7508', 7526-38', 7546-54'. Treated perfs 7526-54' w/4000 gals 28% acid; perfs 7469-7508' w/1000 gals 15% acid, and perfs 7469-7554 w/1500 gals 15% acid w/30,000 gals MOD brine. IP 4-30-68 at 14 BO, 5 BW, GOR 1049/1, declined to 9 BO, 3 BW, GOR 2275/1 on 3-21-73. Commingled w/McKee 5-7-73 = DHC 126.

McKee: Selective perfs 7328-42', treated w/1500 gals Super HyF mud acid. IP 4-8-73 at 13 BO, 0 BW, GOR 725/1. Commingled w/Ellenburger 5-7-73 = DHC 126.

Combined Ellenburger/McKee production declined to 9 BO, 6 BW on 4-16-74, and these zones temporarily abandoned 5-7-74.

Drinkard: Selective perfs (5-8-74) 6387-7227'; perfs 6969-7227' treated w/500 gals 15% acid; perfs 6387-7227 treated w/5000 gals 28% acid w/ball sealers and 1500 gals 15% acid. IP on 5-28-75 at 25 BO, 20 BW, GOR 12,700/1; production declined to 17 BO, 4 BW, GOR 7824/1 on 4-3-75.

We expect to recover an additional 6030 BO from the Ellenburger, 5930 BO from the McKee, and 17,300 BO from the Drinkard as a result of this commingling.

No application for multiple completion of these zones has been filed. The Ellenburger and McKee zones currently are temporarily abandoned with a CIBP set at 7260'. Your approval of this down hole commingling is requested without the formality of an approved multiple completion. Subject to approval, the well bore will be equipped to re-open the Ellenburger and McKee zones and commingle with the Drinkard zone in the well bore.

New Mexico Oil Conservation Commission
W4-Ta-154-75
September 10, 1975
Page 3


We propose allocation of the combined production be based on the decline production tests as cited herein, and are:

Ellenburger:	9 BO, 3 BW, 20 Mcf/gas per day
McKee:	13 BO, 0 BW, 9 Mcf/gas per day
Drinkard:	17 BO, 4 BW, 133 Mcf/gas per day

Offset operators are hereby notified with the request that their original waivers of objections be mailed directly to your attention, and a copy directed to this office. Mr. Gary Krieger will answer questions on this application, if any arise.

Your consideration and advise will be appreciated.

Very truly yours,


T. Harold McLenore
PHILLIPS PETROLEUM COMPANY

THM:jo

cc: New Mexico Oil Conservation Commission
Box 1980
Hobbs, New Mexico

Offset Operators (List Attached)

New Mexico Oil Conservation Commission
W4-Ta-154-75
September 10, 1975
Page 4

Attachment

OFFSET OPERATORS

John H. Hendricks, 403 Wall Towers West, Midland, Texas 79701

Gulf Oil Corporation, Box 1150, Midland, Texas 79701

Texas Pacific Oil Company, Box 4067, Midland, Texas 79701

Skelly Oil Company, Box 1351, Midland, Texas 79701

Samedan Oil Corporation, 2207 Wilco Bldg., Midland, Texas 79701

Crown Central Petroleum Corporation, Suite 1002, Wilco Bldg., Midland, Texas 79701

Marathon Oil Company, Box 552, Midland, Texas 79701

Well
LEASE PRODUCTION STATISTICS

State New Mexico Operator Phillips Petroleum Co Lease Leased *Well* Code No. 6
County San Location M-24-22-37 Field EAST BRUNSON (Ellen.) (McKee) Pools and BRINKARD Pool Reservoir

Form 7412 10-58

See attached production curve for prior production

MONTH	WELLS	OIL PROD'N. BBLS.	<i>Water</i> PROD'N. GALS.	GAS PROD'N. MCF	MONTH	WELLS	OIL PROD'N. BBLS.	<i>Water</i> PROD'N. GALS.	GAS PROD'N. MCF
1973 JAN.		160	48	596	JAN.				
FEB.		495	104	518	FEB.				
MAR.		268	56	612	MAR.				
APR.		0	0	0	APR.		140	0	673
MAY		294	62	396	MAY		293	0	396
JUNE		274	58	399	JUNE		274	0	399
JULY		204	43	501	JULY		205	0	500
AUG.		172	36	459	AUG.		172	13	428
SEPT.		130	27	452	SEPT.		130	10	422
OCT.		221	46	1404	OCT.		221	17	1404
NOV.		180	38	370	NOV.		180	14	370
DEC.		175	37	239	DEC.		175	13	239
TOTALS		2573	555	5946	TOTALS		1790	67	4831
ACCUM.					ACCUM.				
1974 JAN.		160	34	188	1974 JAN.		160	12	188
FEB.		144	30	238	FEB.		144	11	238
MAR.		169	35	598	MAR.		169	13	598
APR.		154	32	418	APR.		154	12	418
MAY		67	27	513	MAY		68	7	513
JUNE		<i>Temporarily abandoned</i>			JUNE		<i>Temporarily abandoned</i>		
JULY					JULY				
AUG.					AUG.				
SEPT.					SEPT.				
OCT.					OCT.				
NOV.					NOV.				
DEC.					DEC.				
TOTALS		694	158	1955	TOTALS		675	55	1955
ACCUM.					ACCUM.				
1974 JAN.					1975 JAN.		329	405	1402
FEB.					FEB.		303	823	1038
MAR.					MAR.		250	758	944
APR.					APR.		246	625	940
MAY		128	102	1837	MAY		299	58	1120
JUNE		340	272	11831	JUNE		164	70	3108
JULY		513	257	12761	JULY		196	39	3298
AUG.		510	145	1868	AUG.				
SEPT.		347	99	1027	SEPT.				
OCT.		331	828	1307	OCT.				
NOV.		322	805	1177	NOV.				
DEC.		162	405	1267	DEC.				
TOTALS		2653	2913	33075	TOTALS		1787	2778	11850
ACCUM.					ACCUM.				

Remarks:

LEASE PRODUCTION STATISTICS

State _____ Operator _____ Lease _____ Code No. _____

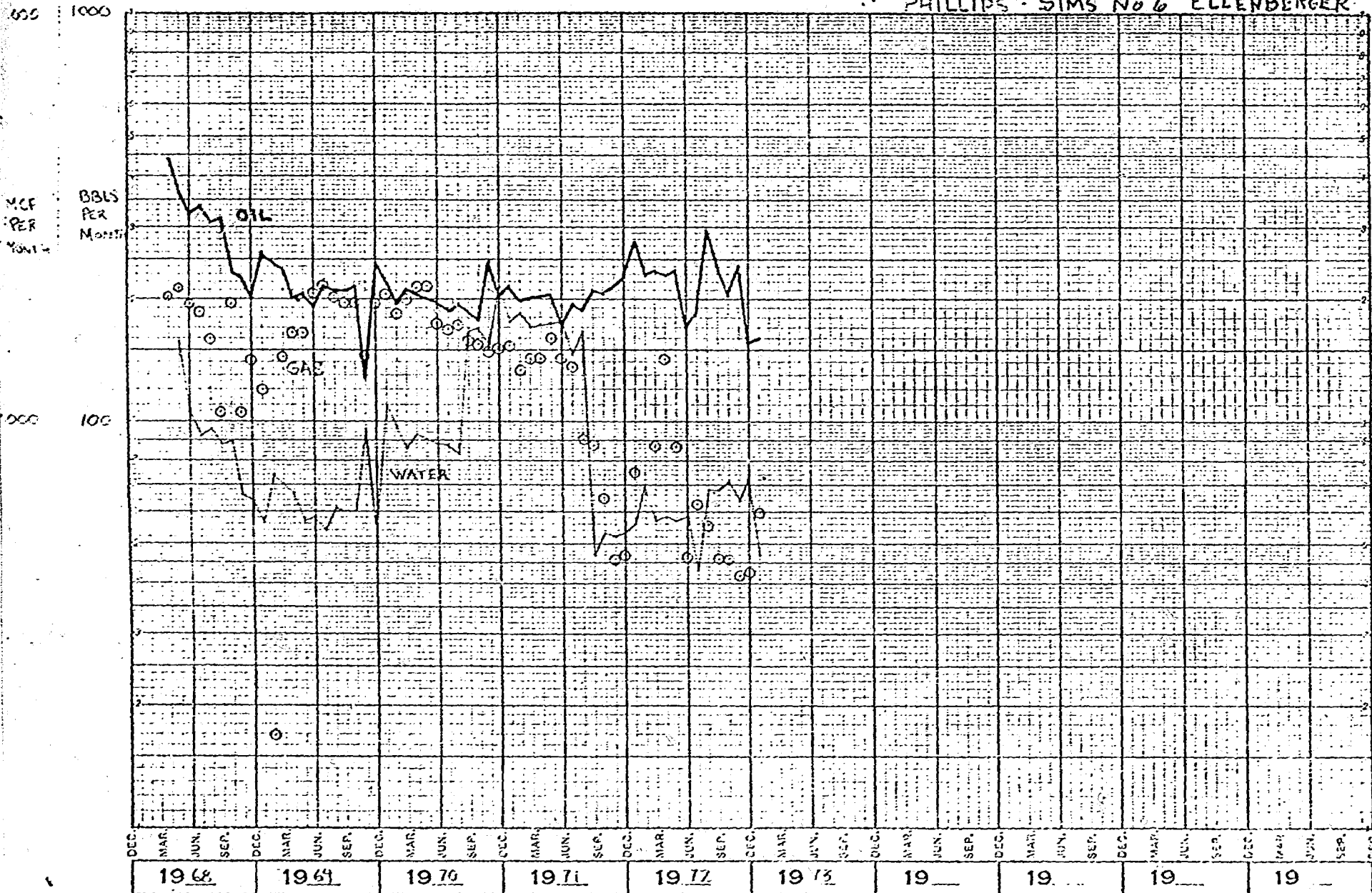
County _____ Location _____ Field _____ Reservoir _____

Form 7412 10-58

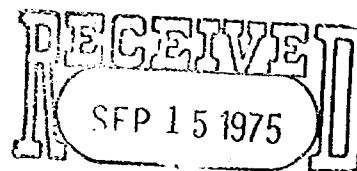
MONTH	NO. WELLS	OIL PROD'N. BBLS.	AVE. G/O	GAS PROD'N. MCF	MONTH	NO. WELLS	PROD'N. BBLS.	AVE. G/O	GAS PROD'N. MCF
JAN.					JAN.				
FEB.					FEB.				
MAR.					MAR.				
APR.					APR.				
MAY					MAY				
JUNE					JUNE				
JULY					JULY				
AUG.					AUG.				
SEPT.					SEPT.				
OCT.					OCT.				
NOV.					NOV.				
DEC.					DEC.				
TOTALS					TOTALS				
ACCUM.					ACCUM.				
JAN.					JAN.				
FEB.					FEB.				
MAR.					MAR.				
APR.					APR.				
MAY					MAY				
JUNE					JUNE				
JULY					JULY				
AUG.					AUG.				
SEPT.					SEPT.				
OCT.					OCT.				
NOV.					NOV.				
DEC.					DEC.				
TOTALS					TOTALS				
ACCUM.					ACCUM.				
JAN.					JAN.				
FEB.					FEB.				
MAR.					MAR.				
APR.					APR.				
MAY					MAY				
JUNE					JUNE				
JULY					JULY				
AUG.					AUG.				
SEPT.					SEPT.				
OCT.					OCT.				
NOV.					NOV.				
DEC.					DEC.				
TOTALS					TOTALS				
ACCUM.					ACCUM.				

Remarks: _____

PHILLIPS - SIMS No 6 ELLENBERGER



OIL CONSERVATION COMMISSION
Hobbs DISTRICT



OIL CONSERVATION COMM.
Santa Fe

OIL CONSERVATION COMMISSION
BOX 2088
SANTA FE, NEW MEXICO

DATE September 12, 1975

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

Gentlemen:

I have examined the application dated _____
for the Phillips Petroleum Co. Sims #6-M 24-22-37
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Recommend hearing--Rule 303-C specifies only the DHC of a dually completed
well; rule does not allow a triple---J.W.R.

Yours very truly,

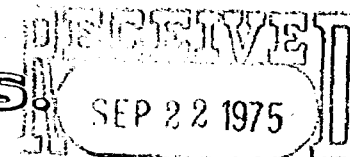
John W. Runyan

Gulf Oil Company - U.S.

PRODUCTION DEPARTMENT
MIDLAND DISTRICT

September 17, 1975

B. L. Choate
DISTRICT PRODUCTION MANAGER
R. F. Ward, Jr.
DISTRICT OPERATIONS MANAGER
C. E. Fields
DISTRICT SERVICES MANAGER
A. J. Evans, Jr.
DISTRICT ENVIRONMENTAL & SAFETY MANAGER
J. C. Howard
DISTRICT EMPLOYEE RELATIONS MANAGER



OIL CONSERVATION COMM.

Santa Fe

P. O. Drawer 1150
Midland, Texas 79701

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

Attention: Mr. Joe D. Ramey

RE: Exception to Statewide Rule 303-C

Gentlemen:

This is to advise that Gulf Oil Corporation has been given due notice that Phillips Petroleum Company has made application to down-hole commingle production from the East Brunson (McKee), East Brunson (Ellenburger) and Drinkard Pools in the well bore of their Well No. 6, Sims Lease, Lea County, New Mexico.


We hereby waive any objection to the granting of this application for the above well located:

370 feet from the South Line and 330 feet from
the West Line of Section 24, T-22S, R-37E,
Lea County, New Mexico.

Executed this 17th day of September, 1975.

Yours very truly,

GULF OIL CORPORATION

By: 
for. W. C. PALMER
District Engineer

CVB: jc



A DIVISION OF GULF OIL CORPORATION

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

Page 1

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
March 3, 1976

EXAMINER HEARING

IN THE MATTER OF:

Application of Phillips Petroleum
Company for downhole commingling,
Lea County, New Mexico.

CASE
5640

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

For the Applicant:

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

sid morrish reporting service

General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

Page 2

I N D E X

GARY KRIEGER

Page

Direct Examination by Mr. Kellahin

3

Cross Examination by Mr. Stamets

8

EXHIBIT INDEX

Page

Applicant's Exhibit No. One, Plat

8

Applicant's Exhibit No. Two, Diagrammatic Sketch

8

Applicant's Exhibit No. Three, Data Sheet

8

Applicant's Exhibit No. Four, Production Curve

8

Applicant's Exhibit No. Five, Production Curve

8

Applicant's Exhibit No. Six, Production Curve

8

Applicant's Exhibit No. Seven, Order No. 126

8

Applicant's Exhibit No. Eight, Sonic Log

8

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

Page 3

1 MR. STAMETS: We will call the next case 5640.

2 MR. CARR: Case 5640, application of Phillips
3 Petroleum Company for downhole commingling, Lea County,
4 New Mexico.

5 MR. KELLAHIN: Tom Kellahin of Kellahin and Fox,
6 Santa Fe, New Mexico, appearing on behalf of Phillips Petroleum
7 Company and we have one witness.

8 (THEREUPON, the witness was duly sworn.)

9
10 GARY KRIEGER

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

13
14 DIRECT EXAMINATION

15 BY MR. KELLAHIN:

16 Q Please state your name, by whom you are employed and
17 in what capacity?

18 A My name is Gary Krieger, I work for Phillips
19 Petroelum and I'm an Associate Reservoir Engineer.

20 Q How do you spell your last name?

21 A K-r-i-e-g-e-r.

22 Q Are you familiar with the application requested by
23 Phillips Petroleum Company in this case?

24 A Yes, I am.

25 Q Have you previously testified before the Commission

sid morrish reporting service

General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

Page 4

1 and had your qualifications as an expert witness accepted and
2 made a matter of record?

3 A. Yes, sir, I have.

4 MR. KELLAHIN: If the Examiner please, are the
5 witness's qualifications acceptable?

6 MR. STAMETS: They are.

7 Q. Please refer to Exhibit Number One, identify it and
8 tell us what Phillips is seeking?

9 A. Our first exhibit is a plat of the Phillips-Sims
10 lease area with our acreage outlined in red and the Sims No. 6
11 Well spotted by the black arrow on the plat. Also included
12 are the offsetting wells and the zones these wells are completed
13 in. Phillips is requesting approval for downhole commingled
14 production from the East Brunson-Ellenburger, East Brunson-
15 McKee and the Drinkard Pool in the Sims No. 6.

16 Q. There is the forty-acre dedication to the Sims Well,
17 is it, for all formations?

18 A. Yes.

19 Q. Please refer to Exhibit Number Two and identify it?

20 A. The second exhibit is a diagrammatic sketch of
21 the proposed downhole completion of this.

22 Q. What is the current status of your well?

23 A. Presently we are testing this well. Our latest test
24 was February 11th and 12th. We have been recovering load for
25 approximately two months. We lost seven hundred to eight

sid morish reporting service

General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

Page 5

1 hundred barrels of load water and drilling mud when we drilled
2 out the two bridge plugs isolating the Drinkard, McKee and
3 Ellenburger zones.

4 MR. STAMETS: Where did that load water go?

5 A. It went into the Lower Drinkard, McKee and Ellenburger.
6 This work was initiated in the early part of November, the 13th,
7 and it was at the request of Commission Inspector, Mr. Clements,
8 that we at that time squeezed our four-and-a-half by eight-and-
9 five-eighths inch casing annulus because we had seven hundred
10 and fifty pounds of pressure and water flow behind the pipe.
11 And at this time we decided to go ahead and drill out the
12 bridge plugs, isolating these other two zones and test the
13 lower zones.

14 MR. STAMETS: The well had been producing only from
15 the Drinkard?

16 A. Yes, sir, that is correct.

17 Q (Mr. Kellahin continuing.) Please refer to Exhibit
18 Number Three and identify it?

19 A. The third exhibit is a data sheet for wellbore
20 commingling with completion and well testing information on
21 the individual zones.

22 Q In your opinion are all three zones compatible and
23 conducive to commingling?

24 A. Yes, sir, they are.

25 Q What is your current production from the Drinkard?

1 A. Okay, prior to this work that we just finished,
2 the Drinkard production was six barrels of oil per day, one
3 barrel of water and a GOR of sixteen thousand, eight hundred
4 and thirty.

5 Q And the McKee and Ellenburger were abandoned?

6 A. Yes, they were temporarily abandoned on May 8th,
7 1974. At this time they were producing approximately nine
8 barrels of oil and four barrels of water with a GOR of one
9 hundred and eleven. At that time the Drinkard was recompleted.

10 Q In your opinion all three zones are of a low marginal
11 production?

12 A. Yes, they are.

13 Q Please refer to Exhibit Number Four and identify it?

14 A. Our fourth exhibit is a production curve for the
15 East Brunson-Ellenburger formation.

16 Q All right. Exhibit Number Five?

17 A. Our fifth exhibit is a production curve for the
18 East Brunson-McKee.

19 Q And Exhibit Number Six?

20 A. The sixth exhibit is a production curve for the
21 Drinkard formation.

22 Q Please refer to what has been marked as Exhibit
23 Number Seven?

24 A. Our seventh exhibit is a copy of the downhole
25 commingle Order No. 126 which was previously issued for the

1 Ellenburger and McKee formations in May of 1973.

2 Q Did you produce the well under this Administrative
3 Order?

4 A Yes, we produced this for approximately one year.

5 Q Do you have a proposal for the Examiner as to how to
6 allocate production between the three zones?

7 A Yes, based on the production tests prior to the
8 abandonment of the McKee and the Ellenburger and production
9 test of the Drinkard formation prior to this workover, we
10 want to allocate to the Drinkard formation, forty percent,
11 McKee thirty percent and the Ellenburger thirty percent.

12 Q In the event that the application is not approved,
13 what, if any, zones will you have to abandon?

14 A We will probably have to abandon the McKee and
15 the Ellenburger again.

16 Q Please refer to Exhibit Number Eight and identify
17 it?

18 A Our last exhibit, our Number Eight, is the sonic
19 log on Sims No. 6 and completion information, formation tops
20 have been marked on the two-and-a-half inch scale.

21 Q What is the nature of the ownership with regards to
22 the proration unit assigned to this well?

23 A One hundred percent Phillips in all zones.

24 Q And is the royalty ownership the same for all zones?

25 A Yes, it is.

sid morrison reporting service

General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

1 Q In your opinion will approval of this application
2 result in the recovery of additional hydrocarbons from each
3 of the commingled zones which would not otherwise be
4 recovered?

5 A Yes, it would.

6 Q In your opinion will approval of this application
7 be in the best interests of conservation, the prevention of
8 waste and protection of correlative rights?

9 A Yes.

10 Q Were Exhibits One through Eight either prepared by
11 you directly or compiled under your direction and supervision?

12 A Yes, they were.

13 MR. KELLAHIN: If the Examiner please, we move the
14 introduction of Exhibits One through Eight.

15 MR. STAMETS: The exhibits will be admitted.

16 (THEREUPON, Applicant's Exhibits One through
17 Eight were admitted into evidence.)

18 MR. KELLAHIN: That concludes our direct examination.

19
20 CROSS EXAMINATION

21 BY MR. STAMETS:

22 Q Mr. Krieger, looking at the oil production shown
23 on your Exhibit Number Three, it would appear that your
24 percentages are just about right for the oil but it would appear
25 that there is a substantial difference in the gas volume

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

sid morrison reporting service

General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

1 produced in the two zones?

2 A. Yes, this is true. The Drinkard mainly produces all
3 of the gas that is produced out of this well. We would leave
4 that up to the Commission or what we thought was probably
5 eighty percent, ten and ten.

6 Q Do you have any oil production back at all yet?

7 A. Yes, sir, we have stabilized pressure and approxi-
8 mately seventeen barrels of oil right now with very little
9 water. Down there under the commingled data date of 2/11/76
10 and 2/12/76.

11 Q And very little water?

12 A. Yes, sir.

13 Q And you are still seven hundred barrels short?

14 A. No, I'm sorry. I meant to say that we had recovered
15 all of our load.

16 Q You have recovered your load?

17 A. Yes, we feel that we have recovered it.

18 MR. STAMETS: Any other questions of the witness?

19 He may be excused.

20 (THEREUPON, the witness was excused.)

21 MR. STAMETS: Anything further in this case? We
22 will take the case under advisement.

23

24

25

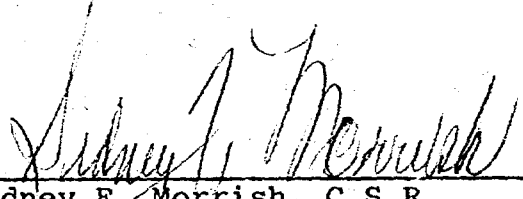
sid morrish reporting service

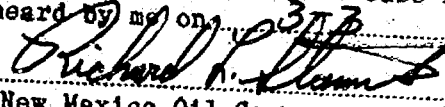
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

Page 10

REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand 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.


Sidney F. Morrish, C.S.R.

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 5640
heard by me on 3/17/76, 1976

Richard R. Stamm, Examiner
New Mexico Oil Conservation Commission.

sid morrish reporting service

General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
March 3, 1976

EXAMINER HEARING

IN THE MATTER OF:

Application of Phillips Petroleum
Company for downhole commingling,
Lea County, New Mexico.

CASE
5640

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

For the Applicant:

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

sid morrish reporting service

General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

Page 2

I N D E X

GARY KRIEGER

Direct Examination by Mr. Kellahin

Cross Examination by Mr. Stamets

Page

3

8

EXHIBIT INDEX

Page

Applicant's Exhibit No. One, Plat

8

Applicant's Exhibit No. Two, Diagrammatic Sketch

8

Applicant's Exhibit No. Three, Data Sheet

8

Applicant's Exhibit No. Four, Production Curve

8

Applicant's Exhibit No. Five, Production Curve

8

Applicant's Exhibit No. Six, Production Curve

8

Applicant's Exhibit No. Seven, Order No. 126

8

Applicant's Exhibit No. Eight, Sonic Log

8

1 MR. STAMETS: We will call the next case 5640.

2 MR. CARR: Case 5640, application of Phillips
3 Petroleum Company for downhole commingling, Lea County,
4 New Mexico.

5 MR. KELLAHIN: Tom Kellahin of Kellahin and Fox,
6 Santa Fe, New Mexico, appearing on behalf of Phillips Petroleum
7 Company and we have one witness.

8 (THEREUPON, the witness was duly sworn.)
9

10 GARY KRIEGER

11 called as a witness, having been first duly sworn, was
12 examined and testified as follows:
13

14 DIRECT EXAMINATION

15 BY MR. KELLAHIN:

16 Q Please state your name, by whom you are employed and
17 in what capacity?

18 A My name is Gary Krieger, I work for Phillips
19 Petroelum and I'm an Associate Reservoir Engineer.

20 Q How do you spell your last name?

21 A K-r-i-e-g-e-r.

22 Q Are you familiar with the application requested by
23 Phillips Petroleum Company in this case?

24 A Yes, I am.

25 Q Have you previously testified before the Commission

1 and had your qualifications as an expert witness accepted and
2 made a matter of record?

3 A. Yes, sir, I have.

4 MR. KELLAHIN: If the Examiner please, are the
5 witness's qualifications acceptable?

6 MR. STAMETS: They are.

7 Q. Please refer to Exhibit Number One, identify it and
8 tell us what Phillips is seeking?

9 A. Our first exhibit is a plat of the Phillips-Sims
10 lease area with our acreage outlined in red and the Sims No. 6
11 Well spotted by the black arrow on the plat. Also included
12 are the offsetting wells and the zones these wells are completed
13 in. Phillips is requesting approval for downhole commingled
14 production from the East Brunson-Ellenburger, East Brunson-
15 McKee and the Drinkard Pool in the Sims No. 6.

16 Q. There is the forty-acre dedication to the Sims Well,
17 is it, for all formations?

18 A. Yes.

19 Q. Please refer to Exhibit Number Two and identify it?

20 A. The second exhibit is a diagrammatic sketch of
21 the proposed downhole completion of this.

22 Q. What is the current status of your well?

23 A. Presently we are testing this well. Our latest test
24 was February 11th and 12th. We have been recovering load for
25 approximately two months. We lost seven hundred to eight

1 hundred barrels of load water and drilling mud when we drilled
2 out the two bridge plugs isolating the Drinkard, McKee and
3 Ellenburger zones.

4 MR. STAMETS: Where did that load water go?

5 A It went into the Lower Drinkard, McKee and Ellenburger.
6 This work was initiated in the early part of November, the 13th,
7 and it was at the request of Commission Inspector, Mr. Clements,
8 that we at that time squeezed our four-and-a-half by eight-and-
9 five-eighths inch casing annulus because we had seven hundred
10 and fifty pounds of pressure and water flow behind the pipe.
11 And at this time we decided to go ahead and drill out the
12 bridge plugs, isolating these other two zones and test the
13 lower zones.

14 MR. STAMETS: The well had been producing only from
15 the Drinkard?

16 A Yes, sir, that is correct.

17 Q (Mr. Kellahin continuing.) Please refer to Exhibit
18 Number Three and identify it?

19 A The third exhibit is a data sheet for wellbore
20 commingling with completion and well testing information on
21 the individual zones.

22 Q In your opinion are all three zones compatible and
23 conducive to commingling?

24 A Yes, sir, they are.

25 Q What is your current production from the Drinkard?

1 A. Okay, prior to this work that we just finished,
2 the Drinkard production was six barrels of oil per day, one
3 barrel of water and a GOR of sixteen thousand, eight hundred
4 and thirty.

5 Q And the McKee and Ellenburger were abandoned?

6 A. Yes, they were temporarily abandoned on May 8th,
7 1974. At this time they were producing approximately nine
8 barrels of oil and four barrels of water with a GOR of one
9 hundred and eleven. At that time the Drinkard was recompleted.

10 Q In your opinion all three zones are of a low marginal
11 production?

12 A. Yes, they are.

13 Q Please refer to Exhibit Number Four and identify it?

14 A. Our fourth exhibit is a production curve for the
15 East Brunson-Ellenburger formation.

16 Q All right. Exhibit Number Five?

17 A. Our fifth exhibit is a production curve for the
18 East Brunson-McKee.

19 Q And Exhibit Number Six?

20 A. The sixth exhibit is a production curve for the
21 Drinkard formation.

22 Q Please refer to what has been marked as Exhibit
23 Number Seven?

24 A. Our seventh exhibit is a copy of the downhole
25 commingle Order No. 126 which was previously issued for the

1 Ellenburger and McKee formations in May of 1973.

2 Q Did you produce the well under this Administrative
3 Order?

4 A Yes, we produced this for approximately one year.

5 Q Do you have a proposal for the Examiner as to how to
6 allocate production between the three zones?

7 A Yes, based on the production tests prior to the
8 abandonment of the McKee and the Ellenburger and production
9 test of the Drinkard formation prior to this workover, we
10 want to allocate to the Drinkard formation, forty percent,
11 McKee thirty percent and the Ellenburger thirty percent.

12 Q In the event that the application is not approved,
13 what, if any, zones will you have to abandon?

14 A We will probably have to abandon the McKee and
15 the Ellenburger again.

16 Q Please refer to Exhibit Number Eight and identify
17 it?

18 A Our last exhibit, our Number Eight, is the sonic
19 log on Sims No. 6 and completion information, formation tops
20 have been marked on the two-and-a-half inch scale.

21 Q What is the nature of the ownership with regards to
22 the proration unit assigned to this well?

23 A One hundred percent Phillips in all zones.

24 Q And is the royalty ownership the same for all zones?

25 A Yes, it is.

1 Q In your opinion will approval of this application
2 result in the recovery of additional hydrocarbons from each
3 of the commingled zones which would not otherwise be
4 recovered?

5 A Yes, it would.

6 Q In your opinion will approval of this application
7 be in the best interests of conservation, the prevention of
8 waste and protection of correlative rights?

9 A Yes.

10 Q Were Exhibits One through Eight either prepared by
11 you directly or compiled under your direction and supervision?

12 A Yes, they were.

13 MR. KELLAHIN: If the Examiner please, we move the
14 introduction of Exhibits One through Eight.

15 MR. STAMETS: The exhibits will be admitted.

16 (THEREUPON, Applicant's Exhibits One through
17 Eight were admitted into evidence.)

18 MR. KELLAHIN: That concludes our direct examination.
19

20 CROSS EXAMINATION

21 BY MR. STAMETS:

22 Q Mr. Krieger, looking at the oil production shown
23 on your Exhibit Number Three, it would appear that your
24 percentages are just about right for the oil but it would appear
25 that there is a substantial difference in the gas volume

1 produced in the two zones?

2 A Yes, this is true. The Drinkard mainly produces all
3 of the gas that is produced out of this well. We would leave
4 that up to the Commission or what we thought was probably
5 eighty percent, ten and ten.

6 Q Do you have any oil production back at all yet?

7 A Yes, sir, we have stabilized pressure and approxi-
8 mately seventeen barrels of oil right now with very little
9 water. Down there under the commingled data date of 2/11/76
10 and 2/12/76.

11 Q And very little water?

12 A Yes, sir.

13 Q And you are still seven hundred barrels short?

14 A No, I'm sorry. I meant to say that we had recovered
15 all of our load.

16 Q You have recovered your load?

17 A Yes, we feel that we have recovered it.

18 MR. STAMETS: Any other questions of the witness?

19 He may be excused.

20 (THEREUPON, the witness was excused.)

21 MR. STAMETS: Anything further in this case? We
22 will take the case under advisement.

23

24

25

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

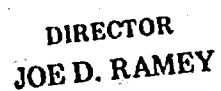
Page 10

REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand 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.

Sidney F. Morrish
Sidney F. Morrish, C.S.R.

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 5640.
heard by me on 3-3-1976.
Richard P. Plant, Examiner
New Mexico Oil Conservation Commission



OIL CONSERVATION COMMISSION
NEW MEXICO

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

LAND COMMISSIONER
PHIL R. LUCERO
March 11, 1976



STATE GEOLOGIST
EMERY C. ARNOLD

Re: CASE NO. 5640
ORDER NO. R-5178

Mr. Tom Kellahin
Kellahin & Fox
Attorneys at Law
Post Office Box 1769
Santa Fe, New Mexico 87501

Applicant:

Phillips Petroleum Company

Dear Sir:

Dear Sir:

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

Yours very truly,

JOE D. RAMEY
Director

JDR/ fd

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. 5640
Order No. R-5178

APPLICATION OF PHILLIPS PETROLEUM
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 March 3, 1976,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 10th day of March, 1976, 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, Phillips Petroleum Company, is the
owner and operator of the Sims Well No. 6, located in Unit M of
Section 24, Township 22 South, Range 37 East, NMPM, Lea County,
New Mexico.

(3) That the applicant seeks authority to commingle East
Brunson-Ellenburger, East Brunson-McKee and Drinkard oil produc-
tion within the wellbore of the above-described well.

(4) That from the East Brunson-Ellenburger zone, the
subject well is capable of low marginal production only.

(5) That from the East Brunson-McKee zone, the subject
well is capable of low marginal production only.

(6) That from the Drinkard zone, the subject well is cap-
able 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.

-2-

Case No. 5640
Order No. R-5178

(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, 30 percent and 10 percent of the commingled oil and gas production, respectively, should be allocated to the East Brunson-Ellenburger zone, 30 percent and 10 percent of the commingled oil and gas production, respectively, to the East Brunson-McKee zone, and 40 percent and 80 percent of the commingled oil and gas production, respectively, to the Drinkard zone.

(11) That the Commission's Administrative Order DHC-126 should be superseded.

IT IS THEREFORE ORDERED:

(1) That the applicant, Phillips Petroleum Company, is hereby authorized to commingle East Brunson-Ellenburger, East Brunson-McKee and Drinkard oil production within the wellbore of the Sims Well No. 6, located in Unit M of Section 24, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico.

(2) That the commingled oil and gas production shall be allocated to the various zones in accordance with the percentages set out in Finding (10) above.

(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.

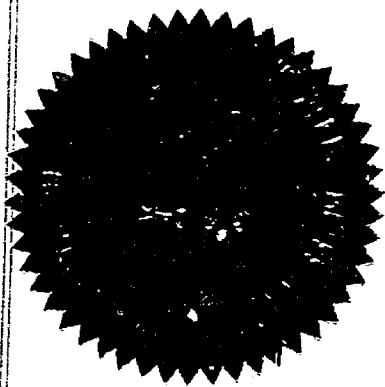
(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

-3-

Case No. 5640

Order No. R-5178

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



STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Phil R. Lucero

PHIL R. LUCERO, Chairman

Emery C. Arnold

EMERY C. ARNOLD, Member

Joe D. Ramey

JOE D. RAMEY, Member & Secretary

S E A L

jr/

Production String:
2-3/8" O.D. EUE
tubing at 7,497'

8-5/8", 214#, J-55, at
1,137' cemented w/460
sacks. Circulated.

*T.O.C. at 2,405'

Tubing anchor at 6,330'

Seating nipple at 7,466'

4-1/2", 11.6#, J-55, at
7,627' cemented w/1,050
sacks.

* T.O.C. by Temperature Survey.

*T.O.C. at 500'

Squeezed 4-1/2" x 8-5/8" casing annulus
w/250 sacks. Pressured 36 sacks into
formation, left 214 sacks in annulus.

*T.O.C. at 1,150'



BEFORE EXAMINER STAMETS
OIL CONSERVATION COMMISSION
Phillips EXHIBIT NO. 2
CASE NO. 5640
Submitted by KRUGER
Hearing Date 3 MAR 76

Drinkard Perfs:
6,387-7,227' (1 JSPF, 102 holes)

McKee Perfs:
7,328-7,342' (2 JSPF, 28 holes)

Ellenburger Perfs:
7,469-7,592' (2 JSPF, 106 holes)

PBTD at 7,592'

NO.	REVISION	BY	DATE	CHKD	APP'D
FOR BIDS	 PHILLIPS PETROLEUM COMPANY BARTLESVILLE, OKLAHOMA 	AFE NO.		FILE CODE	
FOR APPR					
FOR CONST		SCALE None			
DESIGN		UNLESS OTHERWISE NOTED			
DRAWN GK		DWG NO.			
CHECKED	SH NO.				
APP'D	SIMS NO. 6 M, Section 24, T-22-S, R-37-E Lea County, New Mexico Proposed Downhole Commingle Completion				

DATA SHEET FOR WELL BORE COMMINGLING

OPERATOR: Phillips Petroleum Company

ADDRESS: 4th & Washington, Odessa, Texas 79761

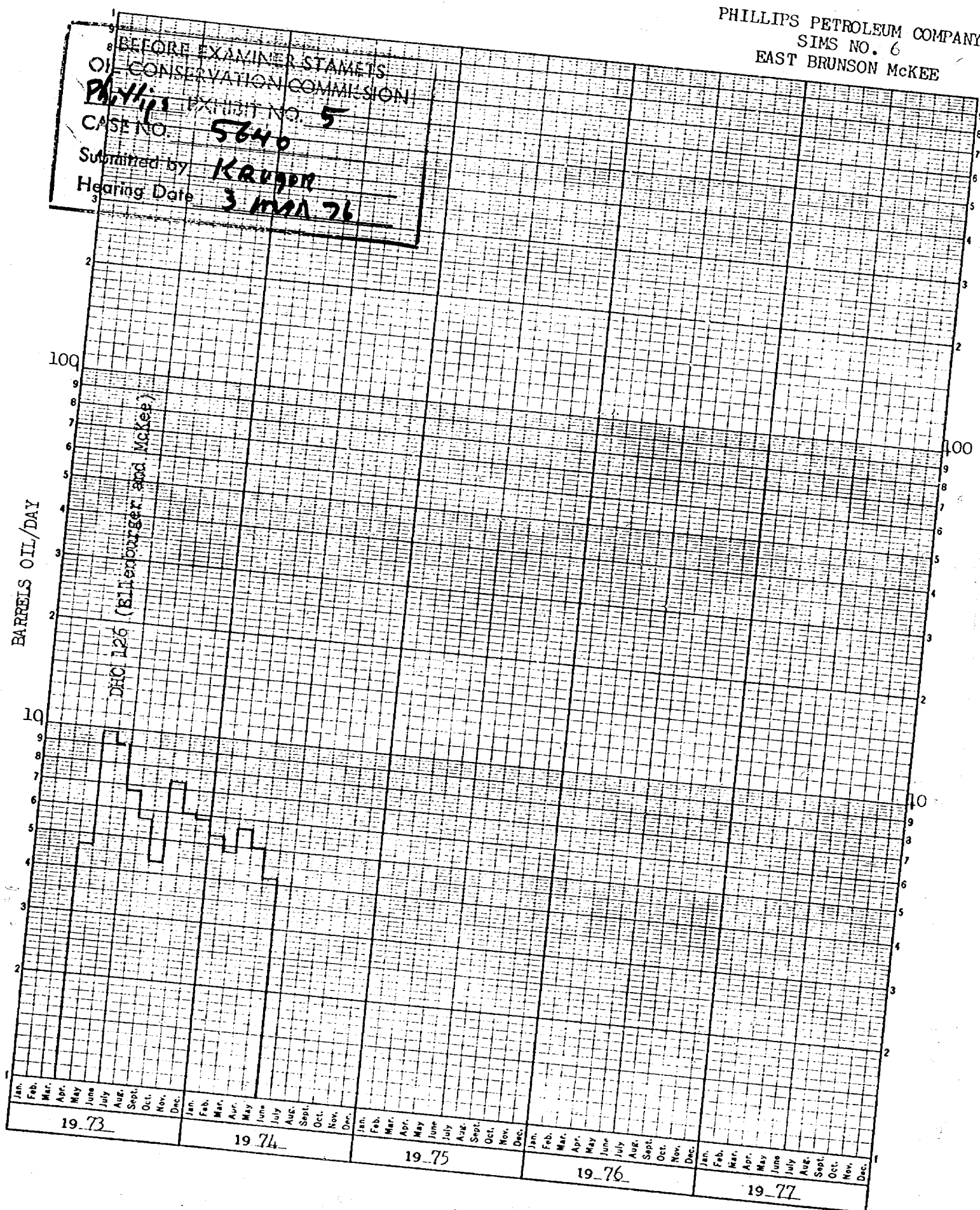
LEASE & WELL NO: Sims #6

LOCATION: 370' FS & 330' FWL, Section 24, T22S-R37E, Lea County, New Mexico.

<u>WELL DATA</u>	<u>POOL</u>	<u>POOL</u>	<u>POOL</u>
Name of Pool	Drinkard	East Brunson McKee	East Brunson Ellenburger
Producing Method	Pump	Pump	Pump
BHP	775 (est.)	600 (est.)	450 (est.)
Type of Crude	Sweet	Sweet	Sweet
Gravity	40.8°	47°	42.8°
Completion Interval	6387-7227	7328-7342	7469-7592
Stimulation	5000 gal. 28% HCL 1500 gal. 15% HCL	1500 gal. HF MA	4000 gal. 28% HCL 2500 gal. 15% HCL 30000 gal. MOD Brine
Initial Potential--Date	5-8-74 6 1/4 %	4-8-73 3 0 %	4-30-68 3 0 %
Oil	25	13	14
Water	20	0	5
GOR	12,700	775	1049
Current Test Date	Nov. 1975 (avg.)	4-16-74 (prior to T.A; Commingled DHC-126)	
Oil	6		9
Water	1 6 80 %		4 10 %
GOR	16,830	10 %	111
Selling Price (\$/bbl.)	\$11.28	\$11.28	\$11.28
Daily Income	\$67.68	-	-
<u>COMMINGLED DATA</u>			
Gravity of Commingled Crude	41.2°		
Selling Price (\$/bbl.)	\$11.28		
Commingled Production Test Date.	1-15-76	2-11-76	2-12-76
Oil	24	17	17
Water	18	0	2
GOR	1709	2412	2412
Daily Income (\$/day)	\$191.76		
Net Gain from Wellbore Commingling Based on Test Data			(\$/day) \$124.08

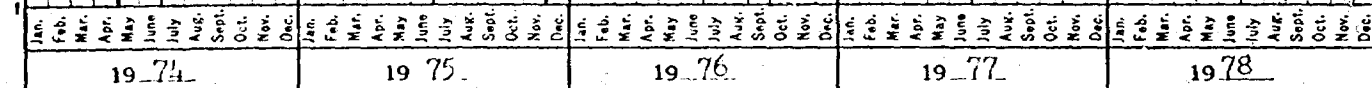
K-E 5 YEARS BY MONTHS 46 6693
X 3 LOG CYCLES
MADE IN U.S.A.
KEUFFEL & ESSER CO.

BARRELS OIL/DAY



PHILLIPS PETROLEUM COMPANY
SIMS NO. 6
EAST BRUNSON McKEE

DRINKA RD

Hearing Date 3/1/2024



OIL CONSERVATION COMMISSION

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

May 7, 1973

Phillips Petroleum Company
Phillips Building
Odessa, Texas 79760

Attention: Mr. F. F. Lovering

Administrative Order No. DHC-126
Sims Well No. 6, Unit M of Section
24, Township 22 South, Range 37
East, NMPM, East Brunson-McKee
and East Brunson-Ellenburger

Gentlemen:

Reference is made to your recent application for an exception to Rule 303-A of the Commission Rules and Regulations for the subject dually completed well to permit the removal of the down-hole separation equipment and to commingle the production from both pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303-C, and that reservoir damage or waste will not result from such down-hole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above.

In accordance with the provisions of Rule 303-C, total commingled oil production from the subject well shall not exceed 50 barrels per day, and total water production from the well shall not exceed 100 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by multiplying 2,000 by top unit allowable for the East Brunson-Ellenburger Pool.

GOVERNOR
BRUCE KING
CHAIRMAN
LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER
STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

BEFORE EXAMINER STATES	
OIL CONSERVATION COMMISSION	
Phillips	EXHIBIT NO. 7
CASE NO. 5640	
Submitted by KRUGER	
Hearing Date 3/11/76	

Phillips Petroleum Co.

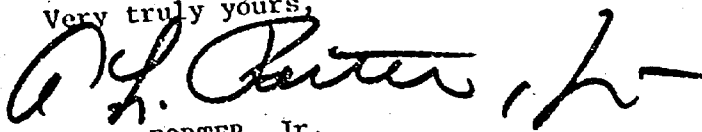
-2-

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

Upper Pool: 50%
Lower Pool: 50%

Pursuant to Rule 303-C 5, the commingling authority granted by this order may be rescinded by the Secretary-Director if, in his opinion, conservation is not being best served by such commingling.

Very truly yours,



A. L. PORTER, Jr.
Secretary-Director

ALP/JEK/og

cc: Oil Conservation Commission - Hobbs
Oil & Gas Engineering Committee - Hobbs

Production String:
2-3/8" O.D. EUE
tubing at 7,497'

*T.O.C. at 500'

Squeezed 4-1/2" x 8-5/8" casing annulus
w/250 sacks. Pressured 36 sacks into
formation, left 214 sacks in annulus.

8-5/8", 214#, J-55, at
1,137' cemented w/460
sacks. Circulated.

*T.O.C. at 1,150'

*T.O.C. at 2,405'

Tubing anchor at 6,330'

Drinkard Perfs:
6,387-7,227' (1 JSPF, 102 holes)

McKee Perfs:
7,328-7,342' (2 JSPF, 28 holes)

Ellenburger Perfs:
7,469-7,592' (2 JSPF, 106 holes)

Seating nipple at 7,466'

4-1/2", 11.6#, J-55, at
7,627' cemented w/1,050
sacks.

PBTD at 7,592'

* T.O.C. by Temperature Survey.

Exhibit 2
Case 5640

NO.	REVISION	BY	DATE	CHKD	APP'D
FOR BIDS		PHILLIPS PETROLEUM COMPANY		AFE NO.	
FOR APPR		BARTLESVILLE, OKLAHOMA		FILE CODE	
FOR CONST		SIMS NO. 6		SCALE None	
DESIGN		M, Section 24, T-22-S, R-37-E Lea County, New Mexico Proposed Downhole Commingle Completion		UNLESS OTHERWISE NOTED	
DRAWN GK				OWG NO.	
CHECKED				SH NO.	
APP'D					

DATA SHEET FOR WELL BORE COMMINGLING

OPERATOR: Phillips Petroleum Company

ADDRESS: 4th & Washington, Odessa, Texas 79761

LEASE & WELL NO: Sims #6

LOCATION: 370' FS & 330' FWL, Section 24, T22S-R37E, Lea County, New Mexico.

<u>WELL DATA</u>	<u>POOL</u>	<u>POOL</u>	<u>POOL</u>
Name of Pool	Drinkard	East Brunson McKee	East Brunson Ellenburger
Producing Method	Pump	Pump	Pump
BHP	775 (est.)	600 (est.)	450 (est.)
Type of Crude	Sweet	Sweet	Sweet
Gravity	40.8°	47°	42.8°
Completion Interval	6387-7227	7328-7342	7469-7592
Stimulation	5000 gal. 28% HCL 1500 gal. 15% HCL	1500 gal. HF MA	4000 gal. 28% HCL 2500 gal. 15% HCL 30000 gal. MOD Brine
Initial Potential--Date	5-8-74	4-8-73	4-30-68
Oil	25	13	14
Water	20	0	5
GOR	12,700	775	1049
Current Test Date	Nov. 1975 (avg.)	4-16-74 (prior to T.A; Commingled DHC-126)	9
Oil	6		4
Water	1		111
GOR	16,830		
Selling Price (\$/bbl.)	\$11.28	\$11.28	\$11.28
Daily Income	\$67.68		
<u>COMMINGLED DATA</u>			
Gravity of Commingled Crude	41.2°		
Selling Price (\$/bbl.)	\$11.28		
Commingled Production Test			
Date.	1-15-76	2-11-76	2-12-76
Oil	24	17	17
Water	18	0	2
GOR	1709	2412	2412

Daily Income (\$/day)

\$191.76

Net Gain from Wellbore Commingling Based on Test Data

Exhibit 3
Case 5640

(\$/day) \$124.08

Exhibit 5
Case 5640

PHILLIPS PETROLEUM COMPANY
SIMS NO. 6
EAST BRUNSON MCKEE

46 6693
MADE IN U.S.A.

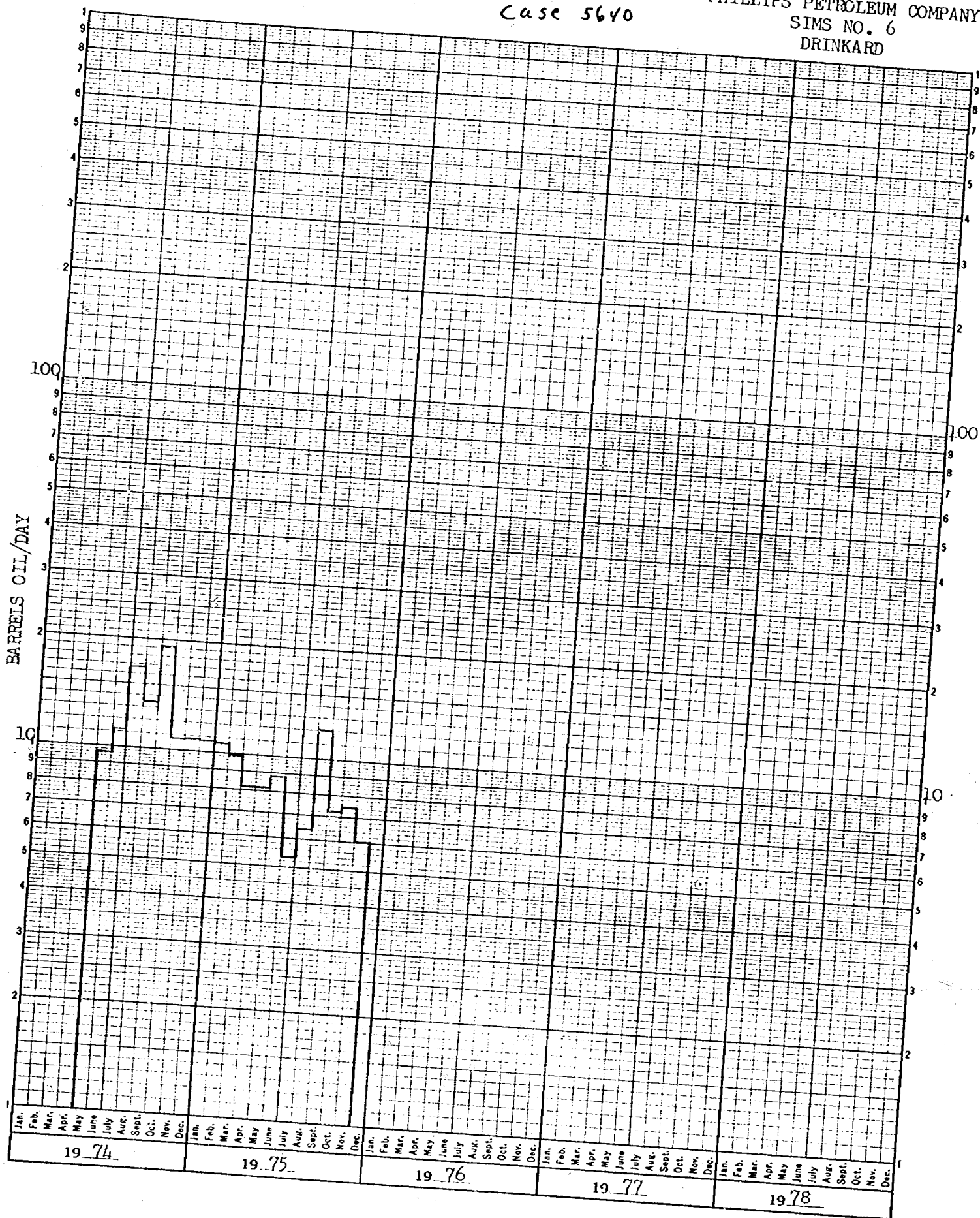
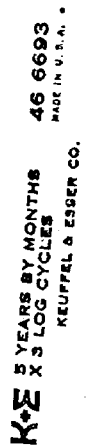
K-E 5 YEARS BY MONTHS
X 3 LOG CYCLES
KEUFFEL & ESSER CO.

BARRELS OIL/DAY

DHC 126 (Ellenburger and McKee)

19 73	19 74	19 75	19 76	19 77
Jan. Feb. Mar. Apr. May June July Aug. Sept. Oct. Nov. Dec.	Jan. Feb. Mar. Apr. May June July Aug. Sept. Oct. Nov. Dec.	Jan. Feb. Mar. Apr. May June July Aug. Sept. Oct. Nov. Dec.	Jan. Feb. Mar. Apr. May June July Aug. Sept. Oct. Nov. Dec.	Jan. Feb. Mar. Apr. May June July Aug. Sept. Oct. Nov. Dec.

PHILLIPS PETROLEUM COMPANY
SIMS NO. 6
DRINKARD





OIL CONSERVATION COMMISSION

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

May 7, 1973

Exhibit 7
Case 5640

GOVERNOR
BRUCE KING
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

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

Phillips Petroleum Company
Phillips Building
Odessa, Texas 79760

Attention: Mr. F. F. Lovering

Administrative Order No. DHC-126
Sims Well No. 6, Unit M of Section
24, Township 22 South, Range 37
East, NMPM, East Brunson-McKee
and East Brunson-Ellenburger

Gentlemen:

Reference is made to your recent application for an exception to Rule 303-A of the Commission Rules and Regulations for the subject dually completed well to permit the removal of the down-hole separation equipment and to commingle the production from both pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303-C, and that reservoir damage or waste will not result from such down-hole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above.

In accordance with the provisions of Rule 303-C, total commingled oil production from the subject well shall not exceed 50 barrels per day, and total water production from the well shall not exceed 100 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by multiplying 2,000 by top unit allowable for the East Brunson-Ellenburger Pool.

Phillips Petroleum Co.

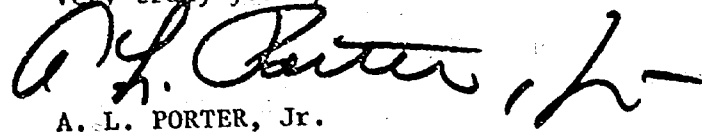
-2-

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

Upper Pool: 50%
Lower Pool: 50%

Pursuant to Rule 303-C 5, the commingling authority granted by this order may be rescinded by the Secretary-Director if, in his opinion, conservation is not being best served by such commingling.

Very truly yours,


A. L. PORTER, Jr.
Secretary-Director

ALP/JEK/og

cc: Oil Conservation Commission - Hobbs
Oil & Gas Engineering Committee - Hobbs

Exhibit 2
Case 5640

Production String:
2-3/8" O.D. EUE
tubing at 7,497'

8-5/8", 21#, J-55, at
1,137' cemented w/460
sacks. Circulated.

*T.O.C. at 2,405'

Tubing anchor at 6,330'

Seating nipple at 7,466'
4-1/2", 11.6#, J-55, at
7,627' cemented w/1,050
sacks.

* T.O.C. by Temperature Survey.

*T.O.C. at 500'

Squeezed 4-1/2" x 8-5/8" casing annulus
w/250 sacks. Pressured 36 sacks into
formation, left 214 sacks in annulus.

*T.O.C. at 1,150'

Drinkard Perfs:
6,387-7,227' (1 JSPF, 102 holes)

McKee Perfs:
7,328-7,342' (2 JSPF, 28 holes)

Ellenburger Perfs:
7,469-7,592' (2 JSPF, 106 holes)

PBTD at 7,592'

NO.		REVISION		BY	DATE	CHKD	APP'D
FOR BIDS		PHILLIPS PETROLEUM COMPANY		66		AFE NO.	
FOR APPR		BARTLESVILLE, OKLAHOMA				FILE CODE	
FOR CONST		SIMS NO. 6				SCALE None	
DESIGN		M, Section 24, T-22-S, R-37-E				UNLESS OTHERWISE NOTED	
DRAWN GK		Lea County, New Mexico				DWG NO.	
CHECKED		Proposed Downhole Commingle Completion				SH NO.	
APP'D							

FORM 1778 10-73

PRINTED IN U.S.A.

DATA SHEET FOR WELL BORE COMMINGLING

OPERATOR: Phillips Petroleum Company

ADDRESS: 4th & Washington, Odessa, Texas 79761

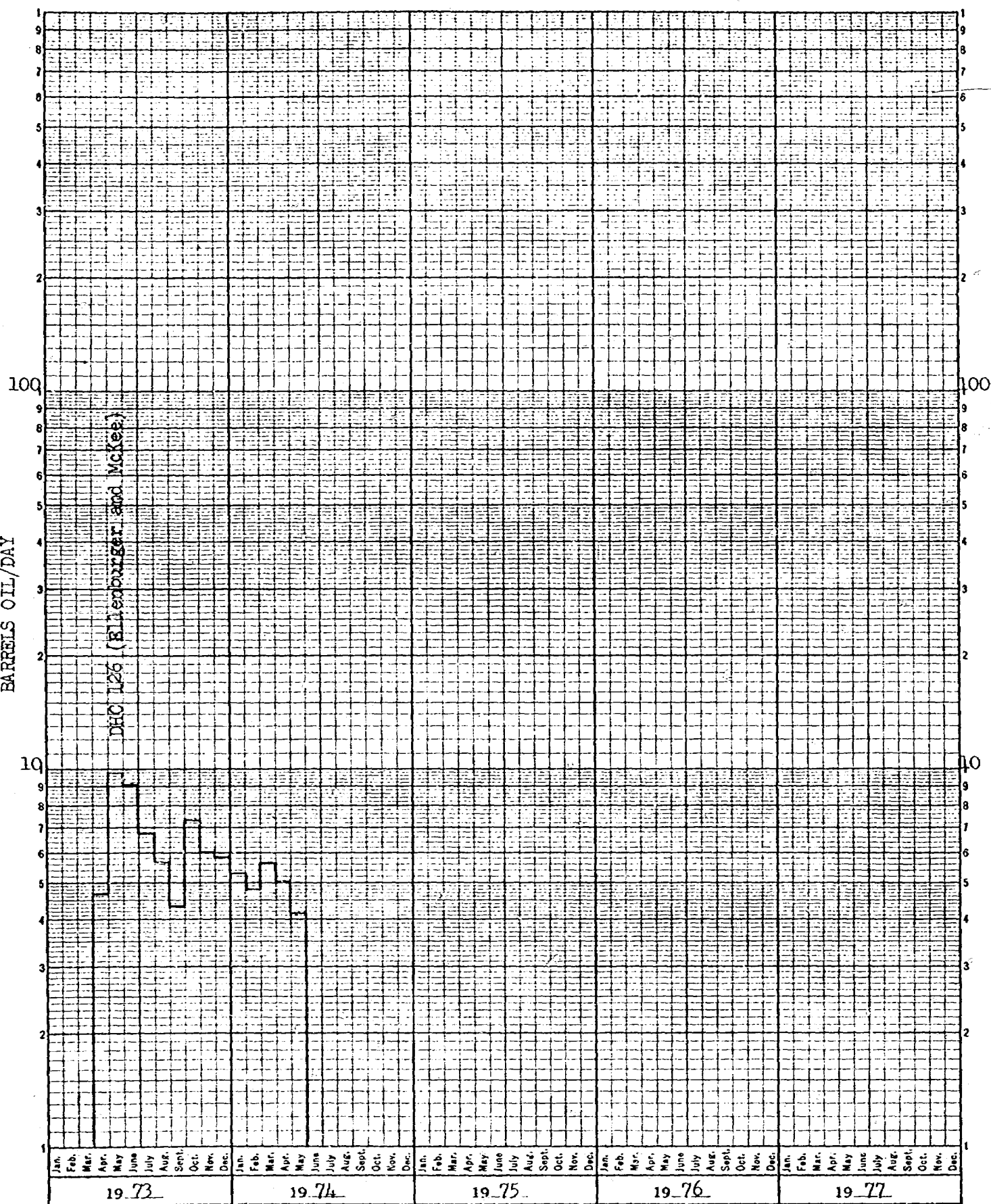
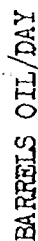
LEASE & WELL NO: Sims #6

LOCATION: 370' FS & 330' FWL, Section 24, T22S-R37E, Lea County, New Mexico.

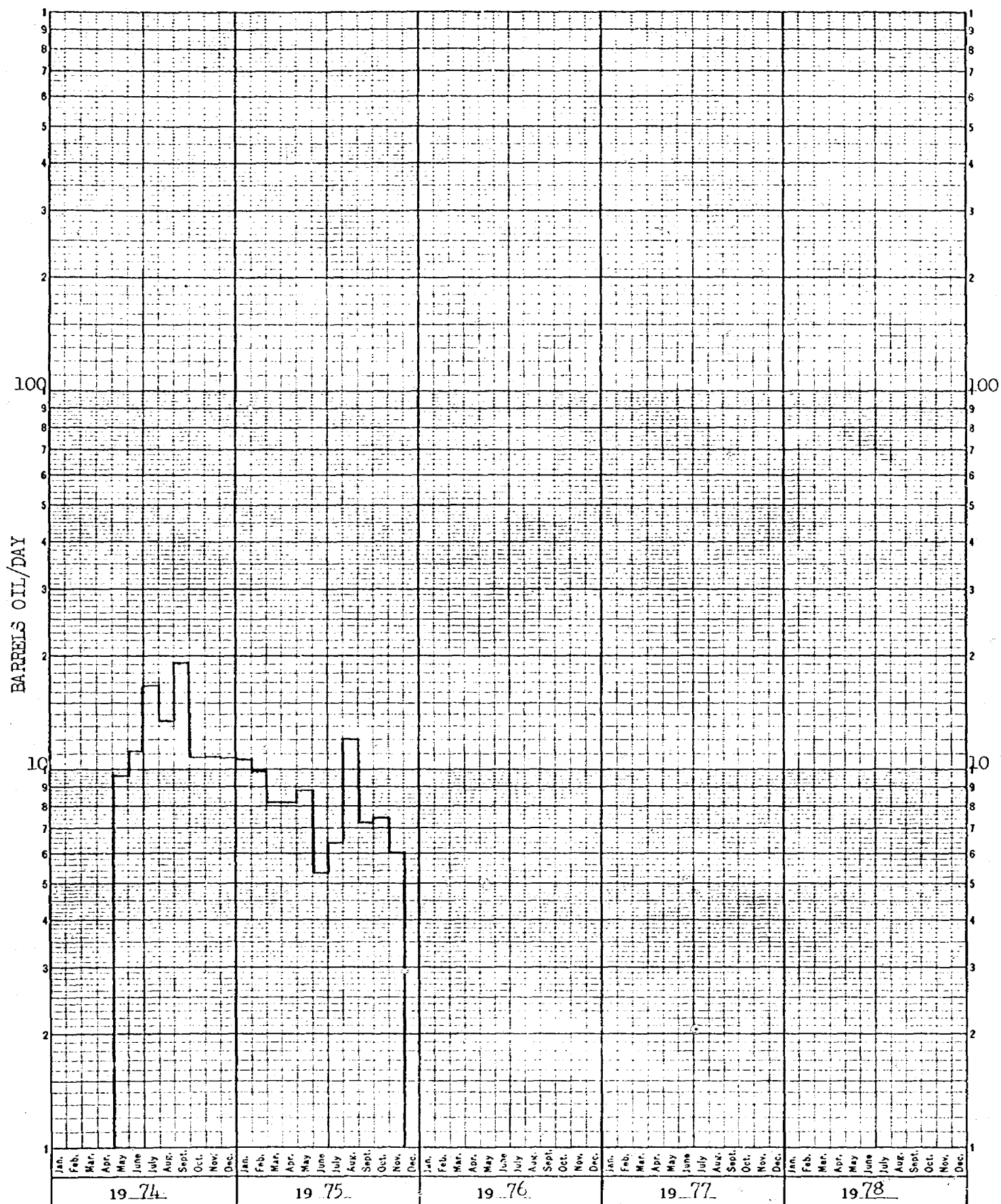
*Exhibit 3
Case 5640*

<u>WELL DATA</u>	<u>POOL</u>	<u>POOL</u>	<u>POOL</u>
Name of Pool	Drinkard	East Brunson McKee	East Brunson Ellenburger
Producing Method	Pump	Pump	Pump
BHP	775 (est.)	600 (est.)	450 (est.)
Type of Crude	Sweet	Sweet	Sweet
Gravity	40.8°	47°	42.8°
Completion Interval	6387-7227	7328-7342	7469-7592
Stimulation	5000 gal. 28% HCL 1500 gal. 15% HCL	1500 gal. HF MA	4000 gal. 28% HCL 2500 gal. 15% HCL 30000 gal. MOD Brine
Initial Potential--Date	5-8-74	4-8-73	4-30-68
Oil	25	13	14
Water	20	0	5
GOR	12,700	775	1049
Current Test Date	Nov. 1975 (avg.)	4-16-74 (prior to T.A; Commingled DHC-126)	
Oil	6		9
Water	1		4
GOR	16,830		111
Selling Price (\$/bbl.)	\$11.28	\$11.28	\$11.28
Daily Income	<u>\$67.68</u>	-	-
<u>COMMINGLED DATA</u>			
Gravity of Commingled Crude	41.2°		
Selling Price (\$/bbl.)	\$11.28		
Commingled Production Test Date.	1-15-76	2-11-76	2-12-76
Oil	24	17	17
Water	18	0	2
GOR	1709	2412	2412
Daily Income (\$/day)	<u>\$191.76</u>		
Net Gain from Wellbore Commingling Based on Test Data			(\$/day) <u>\$124.08</u>

PHILLIPS PETROLEUM COMPANY
SIMS NO. 6
EAST BRUNSON McKEE



PHILLIPS PETROLEUM COMPANY
SIMS NO. 6
DRINKARD





OIL CONSERVATION COMMISSION

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

May 7, 1973

Exhibit 7
Case 5640

GOVERNOR
BRUCE KING
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

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

Phillips Petroleum Company
Phillips Building
Odessa, Texas 79760

Attention: Mr. F. F. Lovering

Administrative Order No. DHC-126
Sims Well No. 6, Unit M of Section
24, Township 22 South, Range 37
East, NMPM, East Brunson-McKee
and East Brunson-Ellenburger

Gentlemen:

Reference is made to your recent application for an exception to Rule 303-A of the Commission Rules and Regulations for the subject dually completed well to permit the removal of the down-hole separation equipment and to commingle the production from both pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303-C, and that reservoir damage or waste will not result from such down-hole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above.

In accordance with the provisions of Rule 303-C, total commingled oil production from the subject well shall not exceed 50 barrels per day, and total water production from the well shall not exceed 100 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by multiplying 2,000 by top unit allowable for the East Brunson-Ellenburger Pool.

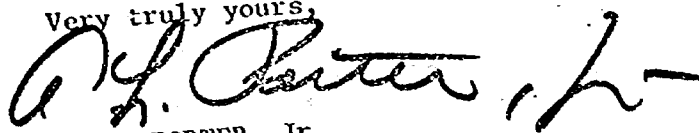
Phillips Petroleum Co.
-2-

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

Upper Pool: 50%
Lower Pool: 50%

Pursuant to Rule 303-C 5, the commingling authority granted by this order may be rescinded by the Secretary-Director if, in his opinion, conservation is not being best served by such commingling.

Very truly yours,



A. L. PORTER, Jr.
Secretary-Director

ALP/JEK/og

cc: Oil Conservation Commission - Hobbs
Oil & Gas Engineering Committee - Hobbs

Production String:
2-3/8" O.D. EUE
tubing at 7,497'

*T.O.C. at 500'

Squeezed 4-1/2" x 8-5/8" casing annulus
w/250 sacks. Pressured 36 sacks into
formation, left 214 sacks in annulus.

8-5/8", 214#, J-55, at
1,137' cemented w/460
sacks. Circulated.

*T.O.C. at 1,150'

*T.O.C. at 2,405'

Tubing anchor at 6,330'

Drinkard Perfs:
6,387-7,227' (1 JSPF, 102 holes)

McKee Perfs:
7,328-7,342' (2 JSPF, 28 holes)

Ellenburger Perfs:
7,469-7,592' (2 JSPF, 106 holes)



Seating nipple at 7,466'

4-1/2", 11.6#, J-55, at
7,627' cemented w/1,050
sacks.

PBTD at 7,592'

*Exhibit 2
Case 5640*

* T.O.C. by Temperature Survey.

NO.	REVISION	BY	DATE	CHKD	APP'D
FOR BIOS	 PHILLIPS PETROLEUM COMPANY BARTLESVILLE, OKLAHOMA		AFE NO.	FILE CODE	
FOR APPR			SCALE None		
FOR CONST			UNLESS OTHERWISE NOTED		
DESIGN			DWG NO.		
DRAWN GK	SIMS NO. 6 M, Section 24, T-22-S, R-37-E Lea County, New Mexico Proposed Downhole Commingle Completion		SH NO.		
CHECKED					
APP'D					

DATA SHEET FOR WELL BORE COMMINGLING

OPERATOR: Phillips Petroleum Company
 ADDRESS: 4th & Washington, Odessa, Texas 79761
 LEASE & WELL NO: Sims #6
 LOCATION: 370' FS & 330' FWL, Section 24, T22S-R37E, Lea County, New Mexico.

WELL DATA

	<u>POOL</u>	<u>POOL</u>	<u>POOL</u>
Name of Pool	Drinkard	East Brunson McKee	East Brunson Ellenburger
Producing Method	Pump	Pump	Pump
BHP	775 (est.)	600 (est.)	450 (est.)
Type of Crude	Sweet	Sweet	Sweet
Gravity	40.8°	47°	42.8°
Completion Interval	6387-7227	7328-7342	7469-7592
Stimulation	5000 gal. 28% HCL 1500 gal. 15% HCL	1500 gal. HF MA	4000 gal. 28% HCL 2500 gal. 15% HCL 30000 gal. MOD Brine
Initial Potential--Date	5-8-74	4-8-73	4-30-68
Oil	25	13	14
Water	20	0	5
GOR	12,700	775	1049
Current Test Date	Nov. 1975 (avg.)	4-16-74 (prior to T.A; Commingled DHC-126)	
Oil	6	9	
Water	1	4	
GOR	16,830	111	
Selling Price (\$/bbl.)	\$11.28	\$11.28	\$11.28
Daily Income	\$67.68		

COMMINGLED DATA

Gravity of Commingled Crude	41.2°		
Selling Price (\$/bbl.)	\$11.28		
Commingled Production Test Date.	1-15-76	2-11-76	2-12-76
Oil	24	17	17
Water	18	0	2
GOR	1709	2412	2412
Daily Income (\$/day)	\$191.76		
Net Gain from Wellbore Commingling Based on Test Data			

Exhibit 3
 Case 5640
 (\$/day) \$124.08

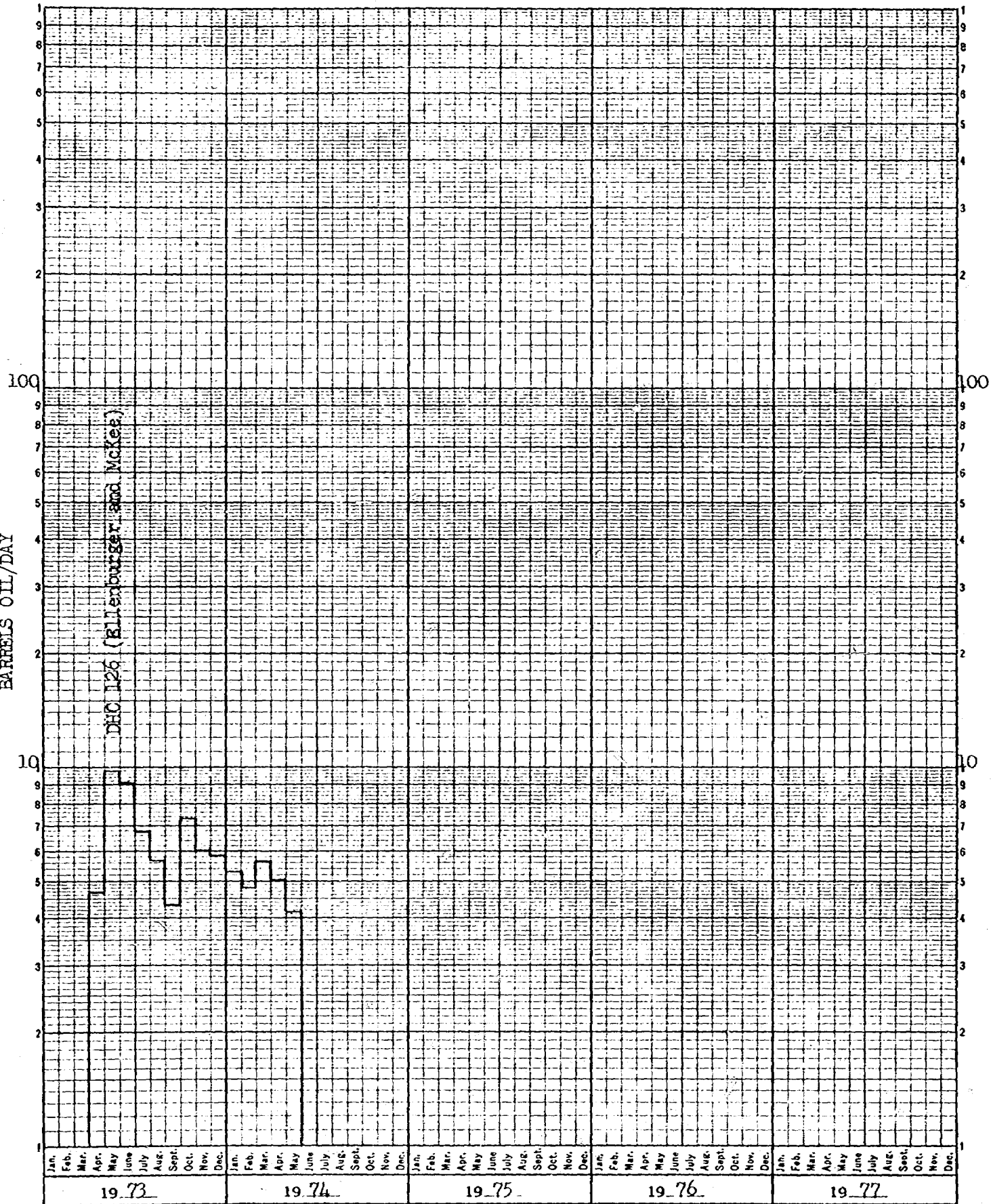
Exhibit 5
Case 5640

PHILLIPS PETROLEUM COMPANY
SIMS NO. 6
EAST BRUNSON McKEE

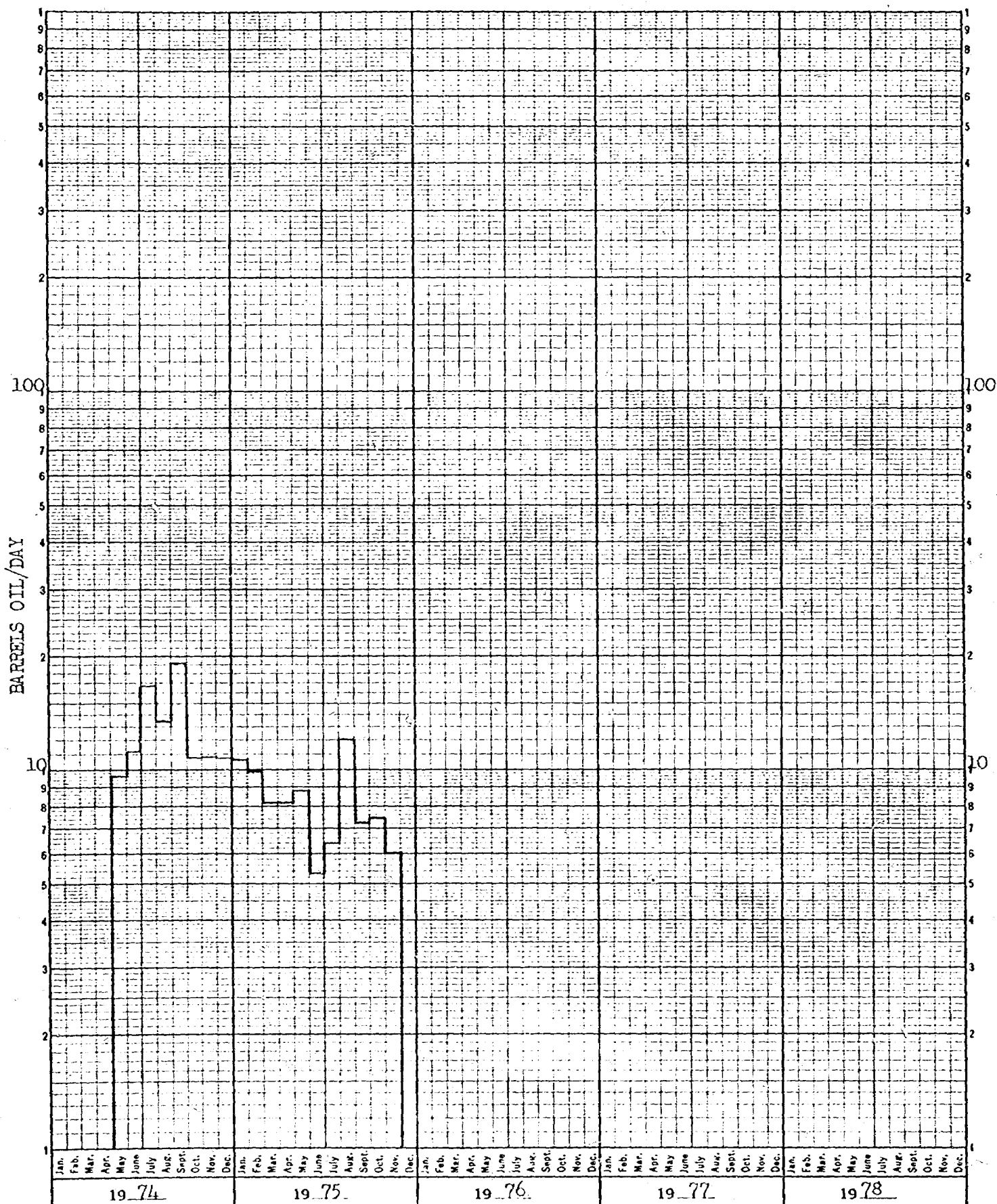
PHILLIPS PETROLEUM COMPANY
SIMS NO. 6
EAST BRUNSON McKEE

K-E 3 YEARS BY MONTHS
X 3 LOG CYCLES
46 6693
MADE IN U. S. A. •
KEUFFEL & ESSER CO.

BARRELS OIL/DAY



PHILLIPS PETROLEUM COMPANY
SIMS NO. 6
DRINKARD





OIL CONSERVATION COMMISSION

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

May 7, 1973

GOVERNOR
BRUCE KING
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

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

Phillips Petroleum Company
Phillips Building
Odessa, Texas 79760

Attention: Mr. F. F. Lovering

Administrative Order No. DHC-126
Sims Well No. 6, Unit M of Section
24, Township 22 South, Range 37
East, NMPM, East Brunson-McKee
and East Brunson-Ellenburger

Gentlemen:

Reference is made to your recent application for an exception to Rule 303-A of the Commission Rules and Regulations for the subject dually completed well to permit the removal of the down-hole separation equipment and to commingle the production from both pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303-C, and that reservoir damage or waste will not result from such down-hole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above.

In accordance with the provisions of Rule 303-C, total commingled oil production from the subject well shall not exceed 50 barrels per day, and total water production from the well shall not exceed 100 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by multiplying 2,000 by top unit allowable for the East Brunson-Ellenburger Pool.

Exhibit 7
Case 5640

Phillips Petroleum Co.

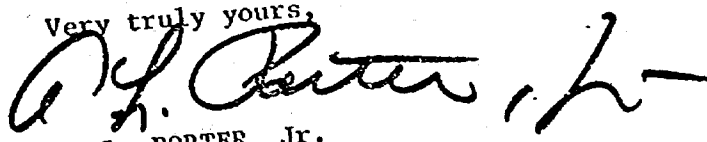
-2-

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

Upper Pool: 50%
Lower Pool: 50%

Pursuant to Rule 303-C 5, the commingling authority granted by this order may be rescinded by the Secretary-Director if, in his opinion, conservation is not being best served by such commingling.

Very truly yours,



A. L. PORTER, Jr.
Secretary-Director

ALP/JEK/og

cc: Oil Conservation Commission - Hobbs
Oil & Gas Engineering Committee - Hobbs

Exhibit 2
Case 5640

Production String:
2-3/8" O.D. EUE
tubing at 7,497'

*T.O.C. at 500'

Squeezed 4-1/2" x 8-5/8" casing annulus
w/250 sacks. Pressured 36 sacks into
formation, left 214 sacks in annulus.

8-5/8", 24#, J-55, at
1,137' cemented w/460
sacks. Circulated.

*T.O.C. at 1,150'

*T.O.C. at 2,405'

Tubing anchor at 6,330'

Drinkard Perfs:
6,387-7,227' (1 JSPF, 102 holes)

McKee Perfs:
7,328-7,342' (2 JSPF, 28 holes)

Seating nipple at 7,466'

Ellenburger Perfs:
7,469-7,592' (2 JSPF, 106 holes)

4-1/2", 11.6#, J-55, at
7,627' cemented w/1,050
sacks.

PBTD at 7,592'

* T.O.C. by Temperature Survey.

NO.	REVISION	BY	DATE	CHKD	APP'D
FOR BIDS	PHILLIPS PETROLEUM COMPANY			AFE NO.	FILE CODE
FOR APPR	BARTLESVILLE, OKLAHOMA				
FOR CONST	SIMS NO. 6			SCALE None	
DESIGN	M, Section 24, T-22-S, R-37-E			UNLESS OTHERWISE NOTED	
DRAWN GK	Lea County, New Mexico			DWG NO.	
CHECKED	Proposed Downhole Commingle Completion			SH NO.	
APP'D					

DATA SHEET FOR WELL BORE COMMINGLING

Exhibit 3
Case 5640

OPERATOR: Phillips Petroleum Company

ADDRESS: 4th & Washington, Odessa, Texas 79761

LEASE & WELL NO: Sims #6

LOCATION: 370' FS & 330' FWL, Section 24, T22S-R37E, Lea County, New Mexico.

<u>WELL DATA</u>	<u>POOL</u>	<u>POOL</u>	<u>POOL</u>
Name of Pool	Drinkard	East Brunson McKee	East Brunson Ellenburger
Producing Method	Pump	Pump	Pump
BHP	775 (est.)	600 (est.)	450 (est.)
Type of Crude	Sweet	Sweet	Sweet
Gravity	40.8°	47°	42.8°
Completion Interval	6387-7227	7328-7342	7469-7592
Stimulation	5000 gal. 28% HCL 1500 gal. 15% HCL	1500 gal. HF MA	4000 gal. 28% HCL 2500 gal. 15% HCL 30000 gal. MOD Brine
Initial Potential--Date	5-8-74	4-8-73	4-30-68
Oil	25	13	14
Water	20	0	5
GOR	12,700	775	1049
Current Test Date	Nov. 1975 (avg.)	4-16-74 (prior to T.A; Commingled DHC-126)	
Oil	6		9
Water	1		4
GOR	16,830		111
Selling Price (\$/bbl.)	\$11.28	\$11.28	\$11.28
Daily Income	<u>\$67.68</u>	-	-
<u>COMMINGLED DATA</u>			
Gravity of Commingled Crude	41.2°		
Selling Price (\$/bbl.)	\$11.28		
Commingled Production Test Date.	1-15-76	2-11-76	2-12-76
Oil	24	17	17
Water	18	0	2
GOR	1709	2412	2412
Daily Income (\$/day)	<u>\$191.76</u>		
Net Gain from Wellbore Commingling Based on Test Data			(\$/day) <u>\$124.03</u>

Exhibit 5
Case 5640

PHILLIPS PETROLEUM COMPANY
SIMS NO. 6
EAST BRUNSON MCKEE

K-E
5 YEARS BY MONTHS
X 3 LOG CYCLES
KEUFFEL & ESSER CO.
46 6693
MADE IN U.S.A.

BARRELS OIL/DAY

126 (Ellenburger and McKee)

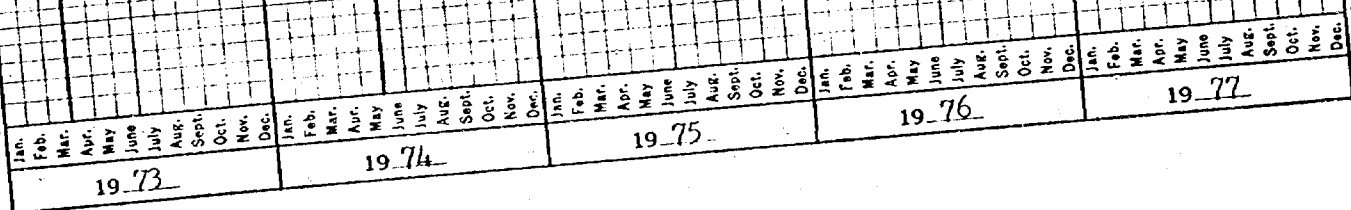
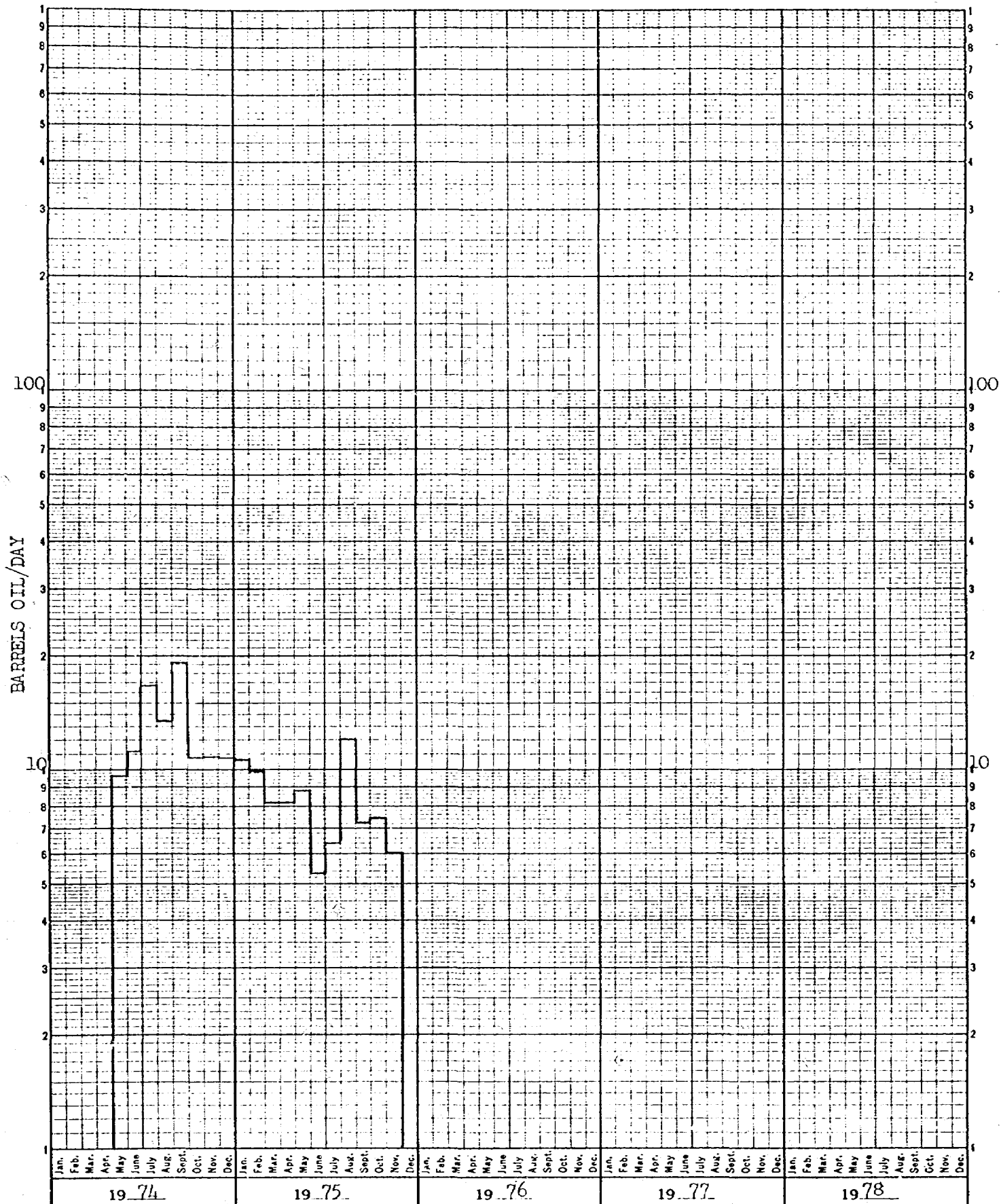


Exhibit 6
Case 5640

PHILLIPS PETROLEUM COMPANY
SIMS NO. 6
DRINKARD

K+E 5 YEARS BY MONTHS
X 3 LOG CYCLES
46-6693
MADE IN U. S. A. •
KEUFFEL & ESSER CO.





OIL CONSERVATION COMMISSION

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

May 7, 1973

Exhibit 7
Case 5640

GOVERNOR
BRUCE KING
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMJO
MEMBER

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

Phillips Petroleum Company
Phillips Building
Odessa, Texas 79760

Attention: Mr. F. F. Lovering

Administrative Order No. DHC-126
Sims Well No. 6, Unit M of Section
24, Township 22 South, Range 37
East, NMPM, East Brunson-McKee
and East Brunson-Ellenburger

Gentlemen:

Reference is made to your recent application for an exception to Rule 303-A of the Commission Rules and Regulations for the subject dually completed well to permit the removal of the down-hole separation equipment and to commingle the production from both pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303-C, and that reservoir damage or waste will not result from such down-hole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above.

In accordance with the provisions of Rule 303-C, total commingled oil production from the subject well shall not exceed 50 barrels per day, and total water production from the well shall not exceed 100 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by multiplying 2,000 by top unit allowable for the East Brunson-Ellenburger Pool.

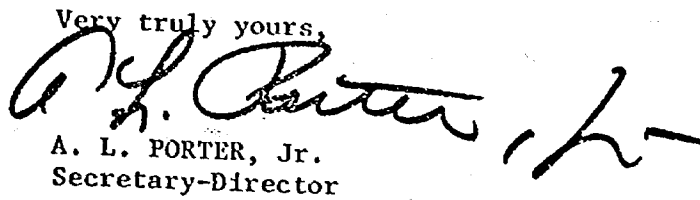
Phillips Petroleum Co.
-2-

Assignment of allowable to the well and allocation of production
from the well shall be on the following basis:

Upper Pool: 50%
Lower Pool: 50%

Pursuant to Rule 303-C 5, the commingling authority granted
by this order may be rescinded by the Secretary-Director if, in his
opinion, conservation is not being best served by such commingling.

Very truly yours,


A. L. PORTER, Jr.
Secretary-Director

ALP/JEK/og

cc: Oil Conservation Commission - Hobbs
Oil & Gas Engineering Committee - Hobbs

Dockets Nos. 9-76 and 10-76 are tentatively set for hearing on March 17 and March 31, 1976. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 3, 1976

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. Stanets, Examiner, or Daniel S. Nutter, Alternate Examiner:

CASE 5621: (Continued and Readvertised)

Application of El Paso Natural Gas Company, as agent for Northwest Production Corporation, for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval to commingle Basin-Dakota and Blanco-Mesaverde gas production in the wellbore of the Northwest Production Corporation Jicarilla 119N Well No. 4, located in Unit H of Section 6, Township 26 North, Range 4 West, Rio Arriba County, New Mexico.

CASE 5631: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider the amendment of the Special Rules for the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico, to permit the drilling of wells in said pool at any point within a 40-acre tract not closer than 330 feet to the outer boundary thereof.

CASE 5632: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider the amendment of the Special Rules for the Devils Fork-Gallup Pool, Rio Arriba County, New Mexico, to delete therefrom the provisions for a volumetric withdrawal formula and substitute therefor a casinghead gas equivalent formula similar to that in effect for the Angels Peak-Gallup Pool, as promulgated by Order No. R-1410-C.

CASE 5633: Application of Shell Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Blinbry, Tubb-Drinkard and Devonian production in the wellbore of its J. P. No. 1 Well located in Unit C of Section 2, Township 25 South, Range 37 East, Justis Field, Lea County, New Mexico.

CASE 5634: Application of Yates Petroleum Corporation for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Duncan Dome Unit Area comprising 7,641 acres, more or less, of State lands in Township 17 South, Ranges 17 and 18 East, Chaves County, New Mexico.

CASE 5635: Application of Sundance Oil Company for salt water disposal, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced water by injection into the San Andres formation through the perforated interval from approximately 3852 to 3858 feet in its Ingram Federal Well No. 2 located in Unit I of Section 5, Township 8 South, Range 31 East, Tom Tom-San Andres Pool, Chaves County, New Mexico.

CASE 5636: Application of Julian Ard for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled in the center of the SW/4 SE/4 of Section 32, Township 9 South, Range 37 East, West Sawyer-San Andres Pool, Lea County, New Mexico, in exception to the provisions of Rule 4, Order No. R-3850.

CASE 5637: Application of R. C. Bennett & J. C. Ryan for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the dual completion (conventional) of its Exxon-State Well No. 2, located in Unit F of Section 25, Township 19 South, Range 28 East, Eddy County, New Mexico, to produce gas from the Upper Pennsylvanian formation through the casing-tubing annulus and gas from the Morrow formation through tubing.

CASE 5638: Application of Belco Petroleum Corporation for Amendment of Order No. R-5111, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Commission Order No. R-5111, which order pooled all mineral interests in the Pennsylvanian formation underlying the W/2 of Section 5, Township 22 South, Range 27 East, to be dedicated to a well drilled at an unorthodox location 660 feet from the South line and 1980 feet from the West line of said Section 5. Applicant proposes the amendment of said order to pool all such mineral interests in the formations of Mississippian and Siluro-Devonian age underlying the W/2 of said Section 5 and to approve the unorthodox location of the well for said formations.

CASE 5639: Application of Franklin, Aston & Fair for pool creation and special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new oil pool for Strawn production for its Aztec State No. 3 Well located 710 feet from the North line and 2110 feet from the East line of Section 36, Township 17 South, Range 32 East, Lea County, New Mexico, and for the promulgation of special rules therefor, including a provision for 160-acre spacing units.

CASE 5640: Application of Phillips Petroleum Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of East Brunson-Ellenburger, East Brunson-McKee and Drinkard oil production in the wellbore of its Sims No. 6 Well located in Unit M of Section 24, Township 22 South, Range 37 East, Lea County, New Mexico.

CASE 5641: Application of John Yuronka for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced water by injection into the Queen formation through the open-hole interval from approximately 3800 to 3975 feet in his State JC "1" Well No. 1 located in Unit B of Section 16, Township 23 South, Range 33 East, Leslie-Pattix Pool, Lea County, New Mexico.

CASE 5642: Application of Penroe Oil Corporation for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Canyon and Morrow production in the wellbore of its JCW-State Well No. 1, located in Unit O of Section 2, Township 20 South, Range 28 East, Eddy County, New Mexico.

CASE 5643: Southeastern New Mexico nomenclature case calling for an order for the creation and extension of certain pools in Eddy and Lea Counties, New Mexico.

(a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for San Andres production and designated as the West Arkansas Junction-San Andres Pool. The discovery well is the Coquina Oil Corporation State KKN Well No. 1, located in Unit J of Section 20, Township 18 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 36 EAST, NMPM
Section 20: SE/4

(b) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the Cabin Lake-Atoka Gas Pool. The discovery well is the Corinne Grace Livingston Ridge Unit Well No. 1Y, located in Unit L of Section 36, Township 21 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 30 EAST, NMPM
Section 36: W/2

(c) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Grayburg-San Andres production and designated as the Cemetery-Grayburg San Andres Pool. The discovery well is the Gulf Oil Corporation Jones Federal NCT-A Well No. 1, located in Unit L of Section 14, Township 20 South, Range 25 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM
Section 14: SW/4

(d) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the North Cemetery-Wolfcamp Gas Pool. The discovery well is the David Fasken Seven Rivers Federal Well No. 1, located in Unit C of Section 17, Township 20 South, Range 25 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM
Section 17: N/2

(e) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the West Henshaw-Wolfcamp Pool. The discovery well is the Yates Petroleum Corporation Marco Polo EA State Well No. 1, located in Unit H of Section 32, Township 16 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 30 EAST, NMPM
Section 32: NE/4

(f) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Queen-Grayburg and San Andres production and designated as the South Loco Hills Queen-Grayburg-San Andres Pool. The discovery well is the Gene A. Snow Alscott Well No. 1, located in Unit I of Section 31, Township 18 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 31: SE/4 NE/4 & NE/4 SE/4
Section 32: S/2 NW/4, N/2 SW/4, W/2 NE/4 and SE/4 NE/4

(g) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the West Lusk-Morrow Gas Pool. The discovery well is the Adobe Oil Company Hannifin State Com Well No. 1, located in Unit P of Section 16, Township 19 South, Range 31 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 31 EAST, NMPM
Section 16: S/2

(h) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Otis-Morrow Gas Pool. The discovery well is the Apexco Inc. Walterschied Com Well No. 1, located in Unit G of Section 35, Township 22 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM
Section 26: E/2
Section 35: All

(i) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the Penasco Draw-Atoka Gas Pool. The discovery well is the Yates Petroleum Corporation Scout EH Federal Com Well No. 2, located in Unit I of Section 27, Township 18 South, Range 25 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM
Section 27: E/2

(j) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Scanlon-Morrow Gas Pool. The discovery well is the Harvey E. Yates Fannie Lou Federal Well No. 1, located in Unit G of Section 31, Township 20 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 29 EAST, NMPM
Section 31: N/2

(k) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Queen production and designated as the Square Lake-Queen Gas Pool. The discovery well is the Corpening Enterprises Exxon State Well No. 1, located in Unit M of Section 16, Township 16 South, Range 31 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM
Section 16: SW/4

(l) EXTEND the Atoka-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 21: S/2 SE/4 & E/2 SW/4
Section 28: N/2 NE/4

(m) EXTEND the North Burton Flat-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 13: N/2
Section 14: All

(n) EXTEND the Cabin Lake-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 30 EAST, NMPM
Section 35: E/2
Section 36: W/2

(o) EXTEND the Cruz-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 33 EAST, NMPM
Section 19: NE/4

(p) EXTEND the Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 25: SE/4

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 30: SW/4

- (q) EXTEND the La Rica-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM
Section 3: All

- (r) EXTEND the Paddock Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 21: SW/4

- (s) EXTEND the Red Lake-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 24: E/2

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM
Section 19: W/2

- (t) EXTEND the Tonto (Seven Rivers) Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 13: SW/4
Section 14: S/2

- (u) EXTEND the Townsend-Strawn Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
Section 4: Lots 1, 2, 7, 8, 9, 10, 15, & 16, and SE/4

- (v) EXTEND the White City-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMPM
Section 16: All
Section 34: All

TOWNSHIP 25 SOUTH, RANGE 26 EAST, NMPM
Section 3: All

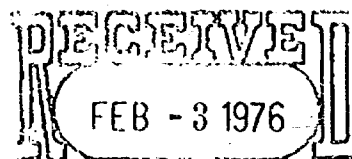
~~Case 5098~~ CASE-5098: (Reopened) (Continued from February 18, 1976 Examiner Hearing)

In the matter of Case 5098 being reopened pursuant to the provisions of Order No. R-4682, which order established special rules for the Red Tank-Morrow Gas Pool, Lea County, New Mexico, including a provision for 640-acre spacing. All interested parties may appear and show cause why said pool should not be developed on 320-acre spacing.

JASON W. KELLAHIN
ROBERT E. FOX
W. THOMAS KELLAHIN

KELLAHIN AND FOX
ATTORNEYS AT LAW
500 DON GASPAR AVENUE
POST OFFICE BOX 1789
SANTA FE, NEW MEXICO 87501

February 2, 1976



OIL CONSERVATION COMM.

Santa Fe
TELEPHONE 982-4315
AREA CODE 505

Case 5640

Mr. Joe Ramey, Secretary-Director
New Mexico Oil Conservation Commission
P. O. Box 2008
Santa Fe, New Mexico 87501

Dear Joe:

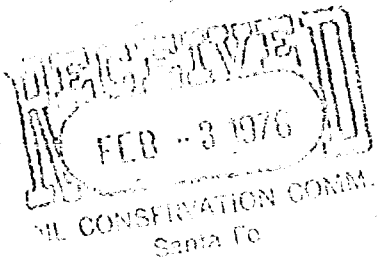
Enclosed for filing are the original and two copies
of the application of Phillips Petroleum Company for
approval of down-hole commingling, Lea County, New Mexico.
We would appreciate this application being set for
hearing on March 3.

Yours very truly,

Jason W. Kellahin

JWK:kjf

Enclosure



Case 5640

BEFORE THE

OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF PHILLIPS PETROLEUM COMPANY
FOR APPROVAL OF DOWN-HOLE
COMMINGLING, LEA COUNTY, NEW MEXICO

A P P L I C A T I O N

Comes now Phillips Petroleum Company and applies to the Oil Conservation Commission of New Mexico for approval of down-hole comingling of production in its Sims No. 6 well, located in Unit M. Section 24, Township 22 South, Range 37 East, N.M.P.M., Lea County, New Mexico, and in support thereof would show the Commission:

1. Applicant seeks approval of the Commission for comingling oil production from the East Brunson Ellenburger, East Brunson McKee, and Drinkard Pools in the well bore in the above well, which is located 370 feet from the South line and 330 feet from the West line of Section 24.

2. Approval of the comingling as requested will not cause damage to the reservoirs involved, will result in a greater ultimate recovery of oil and will prevent waste. The correlative rights of owners underlying the well, and those offsetting the well will be fully protected.

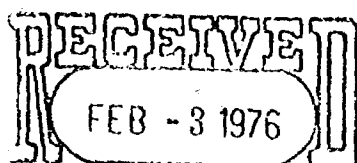
WHEREFORE applicant prays that this application be set for hearing before the Commission or the Commission's duly appointed Examiner, and that after notice and hearing as required by law, the Commission approve the comingling as requested.

Respectfully submitted,

PHILLIPS PETROLEUM COMPANY

By Jason Kullahin
Kullahin & Fox
P. O. Box 1769
Santa Fe, New Mexico 87501

Attorneys for Applicant



OIL CONSERVATION COMM.
Santa Fe

Case 5640

BEFORE THE

OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF PHILLIPS PETROLEUM COMPANY
FOR APPROVAL OF DOWN-HOLE
COMMINGLING, LEA COUNTY, NEW MEXICO

A P P L I C A T I O N

Comes now Phillips Petroleum Company and applies to the Oil Conservation Commission of New Mexico for approval of down-hole comingling of production in its Sims No. 6 well, located in Unit M. Section 24, Township 22 South, Range 37 East, N.M.P.M., Lea County, New Mexico, and in support thereof would show the Commission:

1. Applicant seeks approval of the Commission for comingling oil production from the East Brunson Ellenburger, East Brunson McKee, and Drinkard Pools in the well bore in the above well, which is located 370 feet from the South line and 330 feet from the West line of Section 24.

2. Approval of the comingling as requested will not cause damage to the reservoirs involved, will result in a greater ultimate recovery of oil and will prevent waste. The correlative rights of owners underlying the well, and those offsetting the well will be fully protected.

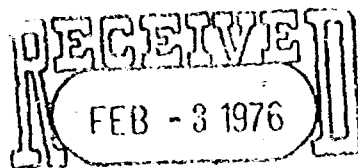
WHEREFORE applicant prays that this application be set for hearing before the Commission or the Commission's duly appointed Examiner, and that after notice and hearing as required by law, the Commission approve the comingling as requested.

Respectfully submitted,

PHILLIPS PETROLEUM COMPANY

By Jason Kellahin
Kellahin & Fox
P. O. Box 1769
Santa Fe, New Mexico 87501

Attorneys for Applicant



OIL CONSERVATION COMM.
Santa Fe

Case 5640

BEFORE THE

OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF PHILLIPS PETROLEUM COMPANY
FOR APPROVAL OF DOWN-HOLE
COMMINGLING, LEA COUNTY, NEW MEXICO

A P P L I C A T I O N

Comes now Phillips Petroleum Company and applies to the Oil Conservation Commission of New Mexico for approval of down-hole comingling of production in its Sims No. 6 well, located in Unit M. Section 24, Township 22 South, Range 37 East, N.M.P.M., Lea County, New Mexico, and in support thereof would show the Commission:

1. Applicant seeks approval of the Commission for comingling oil production from the East Brunson Ellenburger, East Brunson McKee, and Drinkard Pools in the well bore in the above well, which is located 370 feet from the South line and 330 feet from the West line of Section 24.

2. Approval of the comingling as requested will not cause damage to the reservoirs involved, will result in a greater ultimate recovery of oil and will prevent waste. The correlative rights of owners underlying the well, and those offsetting the well will be fully protected.

WHEREFORE applicant prays that this application be set for hearing before the Commission or the Commission's duly appointed Examiner, and that after notice and hearing as required by law, the Commisison approve the comingling as requested.

Respectfully submitted,

PHILLIPS PETROLEUM COMPANY

By Jason Kellahin
Kellahin & Fox
P. O. Box 1769
Santa Fe, New Mexico 87501

Attorneys for Applicant

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. 5640

Order No. R- 5178

APPLICATION OF PHILLIPS PETROLEUM 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 March 3,
1976, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this March day of March, 1976, 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, Phillips Petroleum Company, is the
owner and operator of the Sims Well No. 6, located
in Unit M of Section 24, Township 22 South, Range
37 East, NMPM, Lea County, New Mexico.

(3) That the applicant seeks authority to commingle
East Brunson-Ellenburger, East Brunson-McKee and Drinkard oil production
within the wellbore of the above-described well.

(4) That from the East Brunson-Ellenburger zone, the
subject well is capable of low marginal production only.

(5) That from the East Brunson-McKee zone, the
subject well is capable of low marginal production only.

(6)*
(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.

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

-2-

Case No. _____

Order No. R- _____

(7) 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.

(8) 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.

(9) That in order to allocate the commingled production to each of the commingled zones in the subject well, 30 percent and 10 percent of the commingled oil and gas production, ^{respectively,} should be allocated to the East Brunson-Ellenburger zone, 30 percent and 10 percent of the commingled oil and gas production, ^{respectively,} to the East Brunson-McKee zone, and 10 percent and 80 percent of the commingled oil and gas production, ^{respectively,} to the Drinkard zone.

IT IS THEREFORE ORDERED:

(1) That the applicant, Phillips Petroleum Company, is hereby authorized to commingle East Brunson-Ellenburger, East Brunson-McKee and Drinkard oil production within the wellbore of the Sims Well No. 6, located in Unit M of Section 24, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico.

(2) That the commingled oil and gas production shall be allocated to the various zones in accordance with the percentages set out in Finding (9) above.

notify the Commission.

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.

(19) That the Commission's Administrative Order DHC-126 should be superseded.