CASE 5711: HANSON OIL CORP. FOR A DUAL COMPLETION AND DOWNHOLE COMMINGLING, LEA COUNTY, NEW MEXICO

CASE NO.

5711

APPLICATION,

TRANSCRIPTS,

SMALL EXHIBITS,

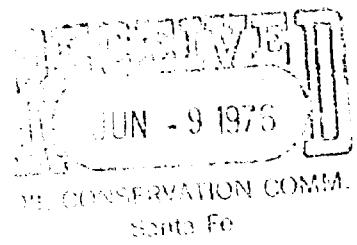
ETC.

Case 5711
Def for Hrg 7-7-76

HANSON OIL CORPORATION

P. O. BOX 1515 ROSWELL, NEW MEXICO 88201 PHONE AC 505-622-7330

June 2, 1976



New Mexico Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Joe D. Ramey
Director

Re: Hanson Oil Corporation - Gutman #7
Dual Completion
810'FNL and 880'FWL Sec. 19,
T. 22 S., R. 38 E.

Dear Sir:

Your administrative approval is requested for an exception to Rule 203-C to permit down-hole commingling of marginal Blinebry and Tubb production in the above captioned well.

The Blinebry-Tubb commingled production would then be dualed with the Drinkard formation as per attached diagrammatic sketch.

The total daily production from the Blinebry-Tubb before commingling does not exceed 40 barrels per day. Both zones are capable of flowing. Neither zone produces water of any consequence (less than 10 BPD total). There is no evidence of fluid incompatibility and we do not expect any waste or reservoir damage due to down-hole commingling in the well bore.

Ownership in the two pools is common and correlative rights will not be violated. Down-hole commingling will allow the recovery of additional hydrocarbons from this well. Should secondary recovery operations become practical in the future, the two zones could be separated at that time without damaging either reservoir.

The value of the commingled production will be the exact value per barrel as if individual zones were produced separately.

Attached please find pertinent data regarding this application as outlined in Rule 203-C(2).

Yours very truly,

HANSON OIL CORPORATION

Ray Willis

Ray Willis
Vice-President, Production

RW:jmc
Enclosure
cc: NMOCC-Hobbs
cc: Mr. John Hendricks
cc: Marathon Oil Company
cc: Summit Energy, Inc.
cc: Gulf Oil Co.

HANSON OIL CORPORATION

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Ray Willis

Ray Willis
Vice-President, Production

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Enclosure
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cc: Mr. John Hendricks
cc: Marathon Oil Company
cc: Summit Energy, Inc.
cc: Gulf Oil Co.

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Form C-107
5-1-61

APPLICATION FOR MULTIPLE COMPLETION

Hanson Oil Corporation	Lea		5/26/76
P.O. Box 1515, Roswell, N.M.	Max Gutman		#7
D	19	22-S	38-E

1. Has the New Mexico Oil Conservation Commission heretofore authorized the multiple completion of a well in these same pools or in the same zones within one mile of the subject well? YES X NO
2. If answer is yes, identify one such instance: Order No. MC-2096 ; Operator Lease, and Well No.: Hanson Oil Corporation- Max Gutman #6

3. The following facts are submitted:	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	Blinebry-Tubbs		Drinkard
b. Top and Bottom of Pay Section (Perforations)	5606-6014		6270-7135
c. Type of production (Oil or Gas)	Oil		Oil
d. Method of Production (Flowing or Artificial Lift)	Flow		Flow

4. The following are attached. (Please check YES or NO)

Yes	No	
X		a. Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralizers and/or turbolizers and location thereof, quantities used and top of cement, perforated intervals, tubing strings, including diameters and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent.
X		b. Plat showing the location of all wells on applicant's lease, all offset wells on offset leases, and the names and addresses of operators of all leases offsetting applicant's lease.
X		c. Waivers consenting to such multiple completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.*
X		d. Electrical log of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation indicated thereon. (If such log is not available at the time application is filed it shall be submitted as provided by Rule 112-A.)

5. List all offset operators to the lease on which this well is located together with their correct mailing address.

Marathon Oil Co., Box 522, Midland, Texas 79701

John H. Hendrix, 403 Wall Tower West, Midland, Texas 79701

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

Summit Energy Inc., 1925 Mercantile Dallas Bldg., Dallas, Texas 5201

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES X NO . If answer is yes, give date of such notification 5/26/76 .

CERTIFICATE: I, the undersigned, state that I am the Vice President of the Hanson Oil Corporation (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

Ray Willis

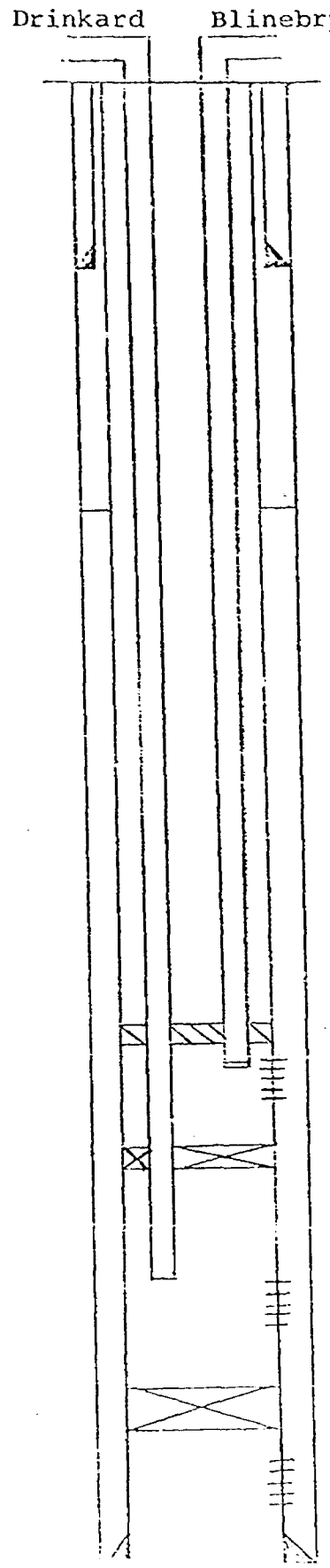
Ray Willis, Vice President/Production

*Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Commission will hold the application for a period of twenty (20) days from date of receipt by the Commission's Santa Fe office. If, after said twenty-day period, no protest nor request for hearing is received by the Santa Fe office, the application will then be processed.

NOTE: If the proposed multiple completion will result in an unorthodox well location and/or a non-standard proration unit in one or more of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

DIAGRAMMIC SKETCH OF THE MULTIPLE COMPLETION

Hanson Oil Corporation - Max Gutman #7



8 5/8" casing @ 1180' w/400 sx. (Cmt. circ. to surf.)

5½" casing @ 7475' w/1400 sx. (Top of cmt. @ 2000')

Top of cement 2000'

2-1/16" tubing set @ 5506' (Blinebry)

Guiberson Tubing Anchor set @ 5506'

Blinebry and Tubb- perfs @ 5606'-6014'

5½" U.N.I. - IV Casing Packer set @ 6190'

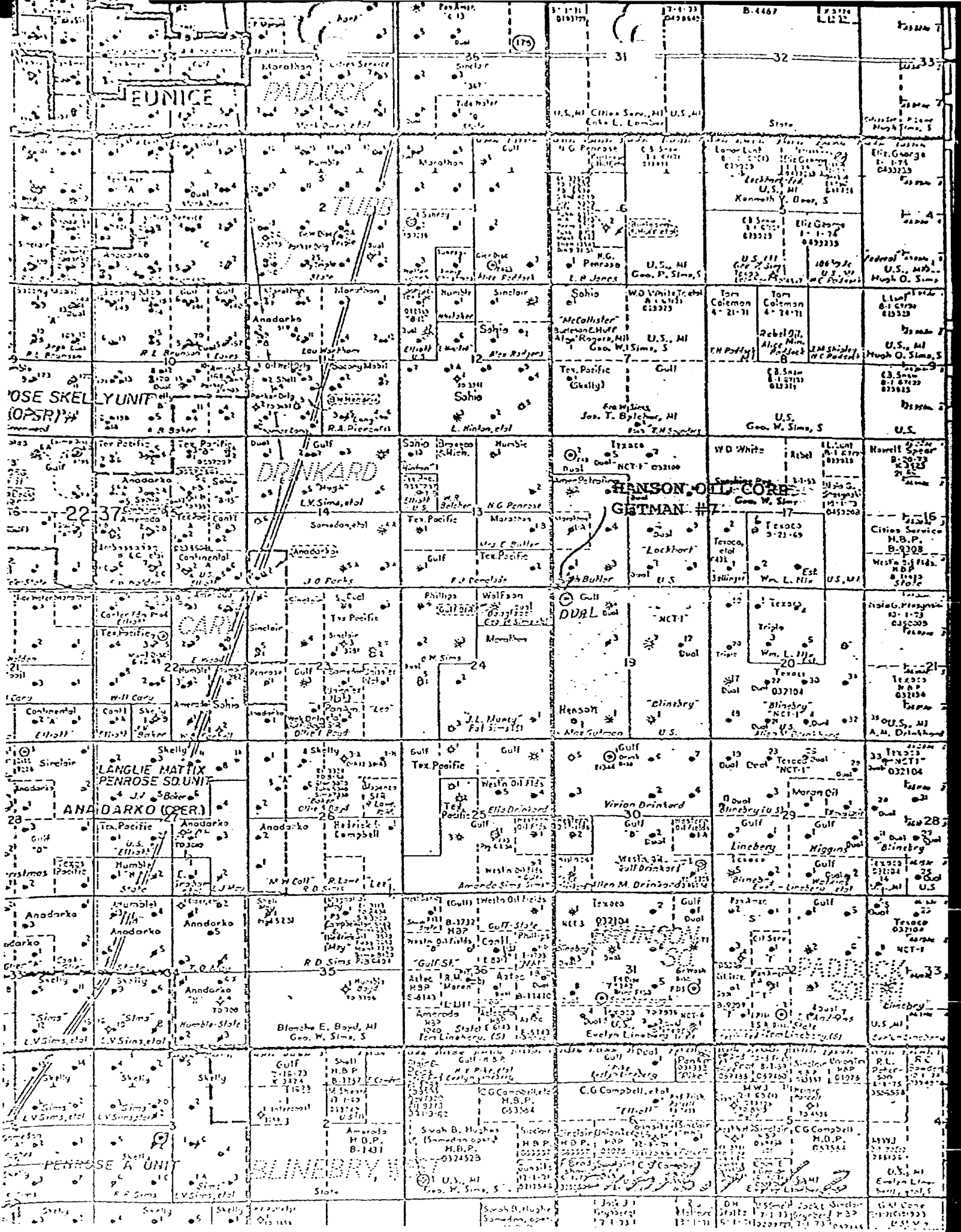
2-1/16" tubing set @ 6190'

Drinkard perfs. @ 6270'- 7135'

Type B Bridge Plug set @ 7300'

Granite Wash perfs. @ 7376'- 7433'

T.D. 7475'


EUNICE
PADDOCK
TURD
ROSE SKELLY UNIT (PENN)
DRINKARD
HANSON OIL CORP.
GETMAN #7
CARY
LANGLIE MATTIX
PENROSE SD. UNIT
ANADARKO (PENN)
PENROSE "A" UNIT
BLINEBRY
DUAL
Texaco
Gulf
Sinclair
Humble
Shell
Skelly
Amerada
Continental
Sohio
Marathon
Cities Service
Tex. Pacific
Anadarko
Phillips
Wolfcamp
Western Oil Fields
Lockhart
Blinebry
Tubb
Drinkard
Abo
Penrose
Lovington
Hobbs
Eunice
Paddock
Monument
Jalmat
Langlie Mattix
Penrose Sd.
Penrose "A"
Anadarko (Penn)
Rose Skelly Unit (Penn)
Getman #7
Hanson Oil Corp.
Cities Service H.B.P. B-9308
Amerada H.B.P. B-1431
Texaco 032104
Gulf-State
Gulf Drinkard
Western Oil Fields "B"
Gulf "B"
Gulf "Lockhart"
Gulf "Blinebry"
Gulf "Tubb"
Gulf "Skelly"
Gulf "Sims"
Gulf "Penrose"
Gulf "Gulf-State"
Gulf "Gulf Drinkard"
Texaco "NCT-1"
Texaco "NCT-6"
Texaco "Triple"
Texaco "Blinebry"
Texaco "Blinebry East"
Texaco "Blinebry Gas"
Texaco "Lineberry"
Texaco "Penrose"
Texaco "Penrose A"
Texaco "Penrose A Sims"
Texaco "Penrose A Skelly"
Texaco "Penrose A Penrose"
Texaco "Penrose A Gulf"
Texaco "Penrose A Amerada"
Texaco "Penrose A Sinclair"
Texaco "Penrose A Humble"
Texaco "Penrose A Anadarko"
Texaco "Penrose A Tex. Pacific"
Texaco "Penrose A Continental"
Texaco "Penrose A Shell"
Texaco "Penrose A Cont'l"
Texaco "Penrose A Elliott"
Texaco "Penrose A Baker"
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Texaco "Penrose A Baker"

PS Form 3811, Nov. 1973

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● SENDER: Complete items 1 and 2.
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).
- ☐ Show to whom and date delivered..... 15¢
- ☐ Show to whom, date, & address of delivery.. 35¢
- ☐ DELIVER ONLY TO ADDRESSEE and show to whom and date delivered..... 65¢
- ☐ DELIVER ONLY TO ADDRESSEE and show to whom, date, and address of delivery ..... 85¢

2. ARTICLE ADDRESSED TO:
Summitt Energy
1925 Merchantile Dallas Bldg.
Dallas, TX 75201

3. ARTICLE DESCRIPTION:

REGISTERED NO.	CERTIFIED NO.	INSURED NO.
	038464	

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE

4. DATE OF DELIVERY: MAY 2 8 1976 — POSTMARK

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: — CLERK'S INITIALS

☆ GPO : 1974 O - 527-803

PS Form 3811, Nov. 1973

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- ☐ DELIVER ONLY TO ADDRESSEE and show to whom and date delivered..... 65¢
- ☐ DELIVER ONLY TO ADDRESSEE and show to whom, date, and address of delivery ..... 85¢

2. ARTICLE ADDRESSED TO:
John Hendrix
403 Wall Tower West
Midland, TX 79701

3. ARTICLE DESCRIPTION:

REGISTERED NO.	CERTIFIED NO.	INSURED NO.
	038462	

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE

4. DATE OF DELIVERY: MAY 24 1976 — POSTMARK: MIDLAND TX MAY 21 1976

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: — CLERK'S INITIALS

☆ GPO : 1974 O - 527-803

PS Form 3811, Nov. 1973

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- ☐ DELIVER ONLY TO ADDRESSEE and show to whom and date delivered..... 65¢
- ☐ DELIVER ONLY TO ADDRESSEE and show to whom, date, and address of delivery ..... 85¢

2. ARTICLE ADDRESSED TO:
Gulf Oil Co.
P. O. Box 670
Hobbs, New Mexico 88240

3. ARTICLE DESCRIPTION:

REGISTERED NO.	CERTIFIED NO.	INSURED NO.
	038463	

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE

4. DATE OF DELIVERY: MAY 27 1976 — POSTMARK: HOBBS, N.M. MAY 27 1976 USPO

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: — CLERK'S INITIALS

☆ GPO : 1974 O - 527-803

PS Form 3811, Nov. 1973

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- ☐ DELIVER ONLY TO ADDRESSEE and show to whom and date delivered..... 65¢
- ☐ DELIVER ONLY TO ADDRESSEE and show to whom, date, and address of delivery ..... 85¢

2. ARTICLE ADDRESSED TO:
Marathon Oil
Box 522
Midland, TX 79701

3. ARTICLE DESCRIPTION:

REGISTERED NO.	CERTIFIED NO.	INSURED NO.
	038461	

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE

4. DATE OF DELIVERY: 5-27-76 — POSTMARK: MIDLAND TEX MAY 27 1976

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE: — CLERK'S INITIALS

☆ GPO : 1974 O - 527-803

WELL HISTORY REPORT

OPERATOR:	Hanson Oil Corporation
NO & LEASE:	Max Gutman #7
LOCATION:	810' FNL & 880' FWL Sec. 19, T-25-S, R-38-E Lea County, New Mexico
FIELD:	Blinebry and Drinkard
ELEVATION:	3328.5 GL
DRILLING CONTRACTOR:	Robinson Brothers Drilling Company 1000 Gihls Tower West Midland, Texas 79701
TYPE RIG:	Rotary
DRILLING COMMENCED:	5-16-75
DRILLING COMPLETED:	6-7-75
WELL COMPLETED:	8-8-75
CASING PROGRAM:	8 5/8" @ 1180' w/ 400 sx. (circ) 5 1/2" @ 7476' w/ 1400 sx.
TOTAL DEPTH:	7475'
DRILL STEM TEST:	DST #1 - 7376-7440'

Initial Hydrostatic	3760#
1st I.F.	47#
1st F.F.	47#
1st F.S.I.	187#
2nd I.F.	47#
2nd F.F.	47#
2nd F.S.I.	234#
Final Hydrostatic	3760#

Recovered 10' of drilling mud

LOGGING PROGRAM:	Dresser Atlas- Densilog, Laterolog, Microlaterolog, Sonic Log Cement Bond Log, Gamma Ray Correlation Log
PERFORATIONS:	Granite Wash: 7376-78-82-85-87-89-91-93-95-97-99, 7401-03-07-12-17-21-27-29-31, 7433- w/ 2 shots per foot.
	Lower Drinkard: 6852-54-58-60-62-64-66, 6890-92-94-98, 6900-02, 52-54-56, 7030-32-34, 7046-47-48, 7088-90-92, 7131-33-35- w/ 2 shots per foot
	Middle Drinkard: 6652-54-56, 6661-63, 6674, 6692-94- 1 shot per foot
	Upper Drinkard: 6270-72-74-76-78-80, 6300-02-04-06-08-12-16, 6324-26-28, 6384-86-88-90, 6442-44-46-48, 6468-70-72, 6508-10-12-16-18-22, 6558-60-88-90, 6442-44-46-48, 6468-70-72, 6508-10-12-16-18-22, 6558-60- 2 shots per foot
	Lower Blinebry: 5944-46-48, 5970-74-76-78, 6008-10-12-14- 2 shots/ft.
	Middle Blinebry: 5606-08-10-12-14-16, 5658-60-62, 5679-81-83-2 shots per foot
TREATMENT:	Run RTTS pkr. to 7440', dropped standing valve, pressured up on tbg., has leak in tbg. @ 1000 PSI. Pulled 54 stands of tbg. out, found hole in tbg., ran tbg. and pkr. back to 7440'. Pressure tested tbg. to 7000 PSI, retrieved standing valve with swab line, rigged up, rigged up to Halliburton, spotted 200 gallons, 15% N.E. acid. B.D.F. @ 2400 PSI. Acidized w/ 1800 gal., 15% N.E. acid @ 2500 PSI @ 5 bbls. per min. Dropped 50- 7/8" NCR Ball Sealers, got ball action to 3400 PSI, S.I.P.

TREATMENT: 12.5 PSI, Fraced well w/ 30000 gal. lease oil, gelled w/ 450# Adomite Aqua and HLX-F-462-A, 300# HYG-3 and 10 gal. Morflo. Fraced in 2 stages of 15000 gal. each w/ 22500 gal. sand using 200# TLC-80, 200# rock salt, blocking agent average rate 11 bbls./min. @ 6800-7100 PSI. I.S.I.P- 2000 PSI, 5 min.- 1900 PSI, 15 min.-1700 PSI.

TOP OF PAY: Blinebry: 5606-6014'
Drinkard: 6270-7135'

POTENTIAL: Blinebry: 35 bbls. oil - 404 MCF Gas
Drinkard: 18 bbls. oil - 167 MCF Gas

GAS PURCHASER: Warren Petroleum Company
P.O. Box 1589
Tulsa, Oklahoma

WELL STATUS: Producing oil well

GEOLOGIST: Dalton Kincheloe

GEOLOGICAL FM. TOPS:

Rustler	1170'
Top Salt	1310'
Base Salt	2500'
Yates	2535'
Queen	3362'
Penrose	3511'
Means	3602'
Grayburg	3714'
Premier	3887'
San Andres	3940'
San Andres Por.	4224'
McKnight	5080'
Glorieta	5105'
Paddock	5134'
Blinebry	5468'
Middle Blinebry	5570'
Lower Blinebry	5854'
Tubb	6045'
Drinkard	6279'
ABO	6560'
Middle Drinkard	6595'
Lower Drinkard	6850'
Granite Wash	7358'

CEMENT TOP: 2000'

HANSON OIL CORPORATION

Ray Willis

Ray Willis
Vice President - Production

Robinson Bros. Drilling Company
1000 Gihls Tower West
Midland, Texas 79701

New Mexico Oil & Gas Commission
P. O. Box 1980
Hobbs, New Mexico 88240

Gentlemen:

We submit the following deviation surveys for your information:

Field Name _____ County Lea State New Mexico

Operator Hanson Oil Corporation Address P. O. Box 1515 City Roswell, New Mexico

Lease Name Gutman Well No. 7 Section 19 Township 22-S

Range 38-E

Depth (feet)	Inclination (degrees)	Displacement (feet)	Accumulative Displacement (feet)
490	1/4	2.14	2.14
920	1/4	1.88	4.02
1193	1/4	1.19	5.21
1750	3/4	7.29	12.50
2258	1/4	2.22	14.72
2714	1	7.96	22.68
3222	1 1/4	11.08	33.76
3342	1	2.09	35.85
3742	1/4	1.75	37.60
4052	3/4	4.06	41.66
4557	3/4	6.61	48.27
5067	3/4	6.68	54.95
5560	1	8.60	63.55
6073	1	8.95	72.50
6523	3/4	5.89	78.39
7049	1	9.18	87.57
7475	1 3/4	13.01	100.58

Total Displacement 100.58

Survey was run in drill pipe.

Certification of Personal Knowledge Inclination Data:

I hereby certify that I have personal knowledge of the data and facts on this form and that such information given above is true and complete.

C. M. Anderson, President

ROBINSON BROS. DRILLING CO.

Sworn and Subscribed to me this the 9th day of June 19 75

My Commission expires 6-1-77.

P. B. Zellmer, Notary in and for
Midland County, Texas

Daily Drilling Report
Hanson Oil Corporation
Max Gutman #7
810' FNL & 880' FWL
Sec.19, T-22-S, R-38-E
Lea County, New Mexico

5-16-75 Moved rig in, rigging up.

5-17-75 Spudded 12:00 noon 5-16-75, Run 11" hole to 1100', formation Red Bed, bit #2 in @ 923', 3 3/4 hrs., 70' progress, bit #1 pulled @ 923', 923' progress, 12¼ hrs., dev. ¼° @ 490', ¼° @ 920', M.W. 9.7, visc. 35.

5-18-75 T.D. 1193', drilling in Anhydrite, 93' progress, Bit #2 pulled @ 1193' 270' in 8¼ hrs. dev. ¼° @ 1193', M.W. 10, visc. 35, Run 1180' of 8 5/8", 24# casing, cemented w/ 250 sx. Halliburton Lite w/ ¼ flocel, 10# salt per sx. & 150 sx. Cl. "C", w/ ¼# flocel, 2% cal. Chl., circ. 55 sx.. W.O.C. 18 hrs.

5-19-75 W.O.C.

5-20-75 T.D. 3210', drilling in Anhydrite & Salt, 635'progress, bit #4, in @ 2734', 16 3/4 hrs., 476', bit #3 pulled @ 2734', 1531', in 24 3/4 hrs. totco 1° @ 2714', M.W. 10, drlg. w/ brine, 20 sx. paper, 2 gal. corosion inhibitor.

5-21-75 T.D. 3655', drilling in Anhydrite & Lime, 445' progress, bit #5, in @ 3342', 16¼ hrs., bit #4 pulled @ 3342', 608', 21½ hrs., totco 1¼° @ 3222', 1° @ 3342', drilling w/ brine, M.W. 9.9, added 2 gal. #1131 corosion inhibitor, 14 sx. paper.

5-22-75 T.D. 3888', drilling in Lime, 228', w/ bit #6, in @ 3752', 13¼ hrs., 136', ¼° @ 3742', drilling w/ brine 9.9, added 9 sx. paper, 2 gal. chromate.

5-23-75 T.D. 4128', drilling in Lime, 240', bit #7, in @ 4062', 4 3/4 hrs., 66', bit #6 pulled @ 4062', 310', 28 hrs., 3/4° @ 4052', M.W. 9.9 Brine, added 20 sx. paper, 2 gal. 1131 corosion inhibitor.

5-24-75 T.D. 4530', drilling in Lime, 402', bit #7, in @ 4062', 28½ hrs., 468', drilling w/ water 9.9, added 17 sx. paper, 1 gal #1131 corosion inhibitor, 25 gal. condent.

5-25-75 T.D. 4900', drilling in Lime, 370', bit #7, in @ 4062', 51-3/4 hrs., 838', dev. 3/4° @ 4557, drilling w/ water 9.9, added 1 gal. #1131 corosion inhibitor, 15 gals. condent, 9 sx. paper.

5-26-75 T.D. 5247', drilling in Lime, bit #7, in @ 4062', 75 hrs., 1185', dev. 3/4° @ 5067', drilling w/ water 9.9, added 11 sx. paper, 15 gals. condent, 1 gal #1131 corosion inhibitor.

5-27-75 T.D. 5540', drilling in Lime, 293', bit #7, in @ 4062', 98-3/4 hrs., 1478', drilling w/ brine water 9.8, added 15 gals. condent, 3 sx. paper, 1 gal #1131 corosion inhibitor.

5-28-75 T.D. 5828', drilling in Lime, 288', bit #7 in @ 4062', 120 hrs., 1766', dev. 1° @ 5560', drilling w/ brine water 9.9, visc. 22, added 8 sx. gel, 10 flocel, 17 sx. paper, 1 gal. #1131 corosion inhibitor, 5 gals. condent.

5-29-75 T.D. 6077', drilling in Dolomite & Lime, 249', bit #7, in @ 4062', 144 hrs., 2015', dev. 1° @ 6073', drilling w/ brine water 9.9, added 21 sx. paper, 1 gal. #1131 corosion inhibitor.

5-30-75 T.D. 6352', drilling in Lime, 275', bit #7, in @ 4062', 167¼ hrs., 2290', drilling w/ brine water 9.8, added 16 sx. paper, 1 gal #1131 corosion inhibitor.

5-31-75 T.D. 6530', drilling in Lime, 178' progress, bit #8, in @ 6523', 2 hrs 7', bit #7 pulled @ 6523', 2461', 181 3/4 hrs., 3/4° @ 6523', M.W. 9.8 added 14 sx. paper, 1 gal. 1131.

6-1-75 T.D. 6768', drilling in Lime, 238', bit #8, in @ 6523', 26 hrs. 245', M.W. 9.5, added 7 sx. paper, 1 gal. 1131, 24 sx. gel, 8 sx. flocel, 5 sx. perservative.

6-2-75 T.D. 6963', drilling in Lime, 195' progress, Bit #8 in @ 6523', 50¼ hrs., 440', M.W. 10, visc. 35, W.L. 20, added 150 gal gel, 20 gal. flocel, 5 gal perservative, 5 sx. paper, 5 soda ash, 1 gal 1131, 4 gal. defoamer, 28 bbls. oil, 75 sx. impromix.

6-3-75 T.D. 7100', drilling in Lime, 147' progress, bit #8, in @ 6523', 73½ hrs., 577', 1° @ 7049, M.W. 9.7, visc. 36, W.L. 15, added 61 sx. starch 28 bbls. oil, 1 gal. 1131 corosion inhibitor.

6-4-75 T.D. 7268', drilling in Lime, 168' progress, bit #8, in @ 6523', 97¼ hrs., 735', M.W. 9.8, visc. 38, W.L. 19, added 1 gal. 1131 corosion inhibitor.

6-5-75 T.D. 7419', drilling in Lime & Granite Wash, 151' progress, bit #8, in @ 6523', 121 hrs., 996', M.W. 9.7, visc. 38, W.L. 5, added 28 bbls. oil, 2 gal. 1131 corosion inhibitor, 10 sx. starch.

6-6-75 T.D. 7446', Granite Wash, 27' progress, bit #9 in @ 7440', 1¼ hrs., 6', bit #8 pulle @ 7440', 917', 124-3/4 hrs., totco 2¼° @ 7440', M.W. 9.7, visc. 36, W.L. 10, pkr. set @ 7376, tested 7440' for a total of 64'.

Run DST #1 from 7376' to 7440', opened tool, 15 min. first flow, opened w/ weak blow, decreased to 0 press. in 7 min., 2 hrs. I.F.P., Shut tool in for 1 hr. open for F.F.P. ½ hr., weak blow, decreased to poor in 25 min., flow period of 1 hour, F.S.I.P. 2 hrs., Pulled the tools after DST #1. Recovered 10' drilling mu Temperature at bottom of hole was 110°.

Top Chart		Bottom Chart	
Initial Hyd.	3743#	Initial Hyd.	3760#
1st. I.F.	46#	1st. I.F.	47#
1st. F.F.	46#	1st. F.F.	47#
1st. F.S.I.	137#	1st. F.S.I.	187#
2nd. I.F.	46#	2nd. I.F.	47#
2nd. F.F.	46#	2nd. F.F.	47#
2nd. F.S.I.	229#	2nd. F.S.I.	234#
Final Hyd.	3743#	Final Hyd.	3760#

6-7-75 T.D. 7475', circulating to condition hole, pulled out of hole, ran Density Log, Laterolog, Micro Laterolog and Sonic Log.

6-8-75 Completed Logging, run bit in hole, circulated to condition hole, laid down drill pipe and drill collars, run 1,034' of 17# K 5½" L.T. & C, run 6446' of 15.5# L.T.& C set @ 7475' & cemented w/ 700 sx. Halliburton Lite w/ ¼# flocel, .5 of 1% CFR-2 & 700 sx. 50/50 pozmix Cl."C" w/ 7# salt per sx., .5 of 1% CFR-2. Plugged down @ 2:25 a.m. 6-8-75.

6-9-75 Rigging Down, Rig released @ 1:45 p.m. 6-8-75.

6-10-75 Waiting on Completion Unit.

6-11-75 Waiting on Completion Unit.

6-12-75 Waiting on Completion Unit.

6-13-75 Waiting on Completion Unit.

6-14-75 Waiting on Completion Unit.

6-15-75 Waiting on Completion Unit.

6-16-75 Waiting on Completion Unit.

6-17-75 Waiting on Completion Unit.

6-18-75 Waiting on Completion Unit.

6-19-75 Waiting on Completion Unit.

6-20-75 Waiting on Completion Unit.

6-21-75 Waiting on Completion Unit.

6-22-75 Waiting on Completion Unit.

6-23-75 Waiting on Completion Unit.

6-24-75 Waiting on Completion Unit.

6-25-75 Waiting on Completion Unit.

6-26-75 Waiting on Completion Unit.

6-27-75 Waiting on Completion Unit.

6-28-75 Waiting on Completion Unit.

6-29-75 Waiting on Completion Unit.

6-30-75 Waiting on Completion Unit.

7-1-75 Waiting on Completion Unit.

7-2-75 Waiting on Completion Unit.

7-3-75 Waiting on Completion Unit.

7-4-75 Waiting on Completion Unit.

7-5-75 Waiting on Completion Unit.

7-6-75 Waiting on Completion Unit.

7-7-75 Waiting on Completion Unit.

7-8-75 Waiting on Completion Unit.

7-9-75 Waiting on Completion Unit.

7-10-75 Waiting on Completion Unit.

7-11-75 Waiting on Completion Unit.

7-12-75 Waiting on Completion Unit.

7-13-75 Waiting on Completion Unit.

7-14-75 Waiting on Completion Unit.

7-15-75 Waiting on Completion Unit

7-16-75 Waiting on Completion Unit

7-17-75 Waiting on Completion Unit

7-18-75 Waiting on Completion Unit

7-19-75 Waiting on Completion Unit

7-20-75 Waiting on Completion Unit

7-21-75 Waiting on Completion Unit

7-22-75 Moved in completion unit, 2 7/8" frac. tbg. Transferred 750 bbls. of lease oil from stock tank to frac. tank on location. Shut down overnight.

7-23-75 Run Gamma Ray Correlation Log, Cement Bond Log, 7434' up to 2000'. Perforated Granite Wash sec. w/ .41" perf. @ 2 holes per interval @ 7376'-78-82-85-87-89-91-93-95-97-99-7401-03-07-12-17-21-27-29-31-7433', Total 42 holes. Shut down overnight.

7-24-75 Run 4 3/4" bit, picked up 2 7/8" tbg. tagged cement 7435', cleaned out to 7470', circ. hole clean, pulled out of hole, shut down.

7-25-75 Run RTTS packer to 7440', dropped standing valve, pressured up on tbg. Has leak in tbg. @1000 P.S.I.. Pulled 54 stands tbg. out, found hole in tbg., ran tbg. and packer back to 7440'. Pressure tested tbg. to 7000 P.S.I.. Retrieved standing valve w/ swab line, rigged up , rigged up Halliburton, spotted 200 gal. 15% N.E. acid. Broke down formation @ 2400 P.S.I. Acidized w/ 1800 gal. 15% N.E. acid @ 2500 P.S.I. @ 5 bbls. per min. Dropped 50- 7/8" NCR Ball Sealers, got ball action to 3400 P.S.I. Shut down pressure 1200 P.S.I.. Fraced well w/ 30,000 gal of lease oil, gelled w/ 450# Adomite Aqua and HLX-F-462-A, 300# HYG-3 and 10 gal. Morflo. Fraced in 2 stages of 15,000 gal each w/ 22,500 gal. sand using 200# TLC-80, 200# rock salt, blocking agent average rate 11 bbls. per min. @ 6800-7100 P.S.I. Instant shut down pressure 2000P.S.I., 5 min.- 1900 P.S.I., 15 min. 1700 P.S.I.

7-26-75 Tbg. had 1150 P.S.I. Opened up well on 3/4" choke, flowed back 80 bbls. in 8 hrs. Stabilized @ 5 bbls. per hr.. Put well on 3/4" choke, flowed overnight, in 23 hrs. flowed 127 bbls. oil. Leaves 676 bbls. of load to recover.

7-27-75 Had 100 P.S.I. on tbg. on 3/4" choke, flowed 40 bbls. oil in 24 hrs., leaves 637 bbls. to be recovered.

7-28-75 Had zero pressure on tbg., had 19 bbls., 3/4" choke, leaves 618 bbls. to be recovered.

7-29-75 Released packer, let fluid equalize, pulled out of hole, rigged up Western Co., set wire line bridge plug @7300'. Perforated 2 hole per interval @ 6468'-70-72-6508-10-12-16-18-22-58-60. Perforating truck broke down. Shut down.

7-30-75 Perforated Lower Drinkard-2 shots per foot, 6852'-54-58-60-62-64-66, 6890-92-94-98, 6900-02,52-54-56, 7030-32-34,7046-47-48, 7088-90-92,7131-33-35. (56 holes)
Middle Drinkard: 6652-54-56, 6661-63,6674, 6692,94. (16 holes) - 2 shots per foot
Upper Drinkard: 6270-72-74-76-78-80, 6300-02-04-06-08-12-16, 6324-26-28, 6384-86-88-90, 6442-44-46-48, 6468-70-72,6508-10-12-16-18-22, 6558-60. (70 shots) 1 shot per foot.
Lower Blinebry- 5944-46-48, 5970-74-76-78, 6008-10-12-14. (22 shots) 2 shots per foot
Middle Blinebry- 5606-08-10-12-14-16, 5658-60-62, 5679-81-83. 2 shots per foot (26 sh

Ran HOWCO retrievable bridge plug and RTTS pkr. on 2 7/8" tbg. to 7200'. Set bridge plug, pulled pkr. to 7150'. Shut down.

7-31-75 Spotted 400 gal., 15% N.E. acid over perfs @ 6852'- 7135' on Lower Drinkard. Pulled RTTS pkr. @ 6765'. Set pkr., broke down formation 2300 P.S.I. Acidized w/ 1500 gal., 15% N.E. acid @ 6 bbls. per min. @ 2500 P.S.I.. Dropped 50 NCR Ball Sealers, sand fraced w/ 30,000 gal brine water, gelled w/ Adomite Aqua, C.W.1 and 30,000 lbs. of 20-40 in 3 equal stages of 10,000 gal. and 10,000 lbs. sand @ 14 bbls. per min. @ 4200 P.S.I. on first stage. Used TLC-80 and rock salt as divertant. Got 600 lbs. increase to 4800 P.S.I. @ 14 bbls. per min. @ second stage. Dropped TLC-80 and rock salt ahead of third stage, got 200 lb. increase to 5000 P.S.I. @ 14 bbls. per min. I.S.I.P. 2500 P.S.I., 5 min/ 2300 P.S.I., 15 min/ 2200 P.S.I., 1 hr./ 1600 P.S.I.. Left well shut in for 2 hrs., let off pressure, released pkr., retrieved bridge plug. Pulled retrievable bridge plug to 6765'. Set bridge plug, pulled pkr. to 6703' and spotted 5000 gal., 15% N.E. acid over Middle and Upper Drinkard. Perforations @ 6270-6694'. Pulled RTTS pkr. to 6109'. Set pkr, broke down formation @ 2400 P.S.I., acidized w/ 4000 gal. 15% N.E. acid @ 6 bbls. per min., 2400 P.S.I. using 100 ball sealers. Dropped balls off perforations and fraced w/ 40,000 gal. brine water, gelled w/ Adomite Aqua and C.W.1 and 40,000 lbs. 20-40 sand. 4 equal stages of 10,000 gal. and 10,000 lbs. sand using TLC-80 and rock salt as divertant.

1st Stage- 18 bbls. per min., 4700 P.S.I.
2nd Stage- 18 bbls. per min., 5000 P.S.I.
3rd Stage- 18 bbls. per min., 5200 P.S.I.
4th Stage- 18 bbls. per min., 5200 P.S.I.

I.S.I.P., 2500, 5 min./2400, 15 min./2250. Middle and Upper Drinkard total of 1060 bbls. Total load on Lower Drinkard, 786 bbls.

8-1-75 Retrieved pkr and bridge plug, pulled bridge plug to 6109'. Set bridge plug, pulled RTTS pkr. 6107'.Spotted 200 gal 15% N.E. over perforations 5944'- 6008' (Lower Blinebry). Pulled RTTS to 5792' and set packer. Broke down formation @ 1950 P.S.I.. Acidized w/ 1500 gal. 15% N.E. , dropped 35 RCN Ball Sealers. Acidized 6 bbls. per min. @2000 P.S.I.. Balled out perforations to 5000 P.S.I., tbg. and csg. communicated. Dropped ball sealers off perforations. Finished acidizing @ 4bbls. per min., 1500 P.S.I. I.S.I.P. 1300 P.S.I. Discovered leak in valve on frac manifold, replaced valve, fraced w/ 20,000 gal.brine water, gelled w/ Adomite Aqua and CW1, and 20,000 lbs. 20-40 sand in 2 stages, 10,000 gal. and 10,000 lbs. sand, using 8 7/8" RCN Ball Sealers to divert.

1st Stage- 15 bbls. per min., 3800 P.S.I.
2nd Stage- 15 bbls. per min., 4000 P.S.I.

I.S.I.P. 1400, 5 min. 1200, 15 min., 1100 @ 516 bbls. of load to recover. Retrieved bridge plug, pulled to 5792' set bridge plug, pulled RTTS to 5700'. Spotted 200 gal. 15% N.E. over Middle Blinebry perforations to 5606'- 5685'. Pulled RTTS pkr. to 5477', set pkr. broke down formation @ 2400 P.S.I., acidized w/ 1800 gal. w/ 15% N.E. using 35 RCN Ball Sealers. Rate 6 bbls. per min. 2000 P.S.I.. Fraced w/ 16,000 gal. brine water, gelled w/ Adomite Aqua, CW1, 13,000 lbs. 30-40 sand in 2 stages @ 10,000 gal.and 10,000 lbs. sand in 1st stage using TLC-80 and rock salt as divertant,

1st Stage- 13 bbls. per min., 3200 P.S.I.
2nd Stage- 15 bbls. per min., 3200 P.S.I.

2nd stage, 3000 lb. sand, 6000 gal.of gel brine. Blender motor quit running, cut off sand and flushed. I.S.I.P. 1300 P.S.I., 5 min., 1200, 15 min., 1100, 428 bbls. load.

8-2-75 Released RTTS pkr., retrieved bridge plug, reset bridge plug @ 6109', pulled pkr. to 5700'. Swabbed back 113 bbls. load water. Well started flowing, flowed and swabbed total 683 bbls. load water and 31 bbls. oil in 22 hrs.. Flowing on ½" choke, 850 P.S.I. averaging 35 bbls. per hr., leaves 259 bbls. load water to recover.

8-3-75 Tbg. pressure 1500 P.S.I. on ½" choke. Flowed 216 bbls. load water and 71 bbls. oil in 12 hrs. Samples indicate 50% oil in last 4 hrs.of flowing. Shut in well overnight, leaves 45 bbls. load water to recover.

8-4-75 Tbg. had 1750 P.S.I., load well back for 2 hrs., 1300 P.S.I.. Circ. hole w/ 140 bbls. of 9# / gal. brine water. Retrieved bridge plug. Moved bridge plug to 7203'. Set bridge plug, pulled pkr. to 6109'. Set pkr. started swabbing Drinkard Zone, made run w/ swab. Well started flowing, flowed 137 bbls. load water, 107 bbls. oil in 16 hrs. on 3/4" choke. Presently averaging 8 bbls. per hr. @ 30 P.S.I.. Averaging about 90 % oil. Leaves 1686 bbls. load water to recover out of Drinkard.

8-5-75 Well flowed 30 bbls. oil, 10 bbls. water in 6 hrs. on 3/4" choke. Tbg. pressure 30 P.S.I., csg. 1600 P.S.I.. Killed well w/ 140 bbls. brine water. Run tbg. down to retrieve bridge plug @ 7203'. Tbg. started flowing, circ. hole w/ 280 bbls. brine water. Released bridge plug, pulled to 5500'. Loaded hole w/ brine water. shut down.

8-6-75 Killed w/ 50 bbls. brine water, laid down 2 7/8" tbg. Kept kill truck on location and kept well filled w/ brine water. Ran Guiberson unit pkr. 6 on 2 1/16" tbg. and parallel anchor to 4000'. Shut down overnight.

8-7-75 Killed well w/ 50 bbls. brine water. Ran Drinkard tbg., set pkr., @ 6178', 199 jts. of 2 1/16", 3.32 # I.J. . Set Guiberson pkr. Unit 6, set parallel anchor @ 6506'. Ran Blinebry tbg., 196 jts. 2 1/16". Spaced out parallel anchor, took off B O.P. , hooked up well head, rigged up Jerrel Service, knocked out disc out of blank plug on Drinkard side. Had 450# in 5 min.. Was not able to fish plug out of hole. Shut down overnight.

8-8-75 Opened on Blinebry side, tbg, pressure 120#, loaded down and blowed down in 2 min. and closed in. Opened on Drinkard side, tbg. pressure 850#, closed in after 8 hrs., tbg. pressure 25# flowing, 15 bbls.per hr., 2% oil. Flowed back 275 bbls. Opened on Blinebry side and began swabbing. Swabbed back 30 bbls. Well began flowing. Flowed for 1 hr. Shut in well overnight. Covered total of 45 bbls.

DATE	TIME	CUM. HRS./MIN.		PSIG @ 6011 FEET
6-4-76	12:30 pm	00 Hrs.	00 Min.	1763 Gage reached 6011'
		01	00	1752
		02	00	1737
		03	00	1726
		04	00	1719
		06	00	1705
		08	00	1696
6-4-76	10:30 pm	10	00	1689
6-5-76	12:30 am	12	00	1686
		16	00	1678
		20	00	1674
6-5-76	11:45 am	23 Hrs.	15 Min.	1672 Gauge out, end test

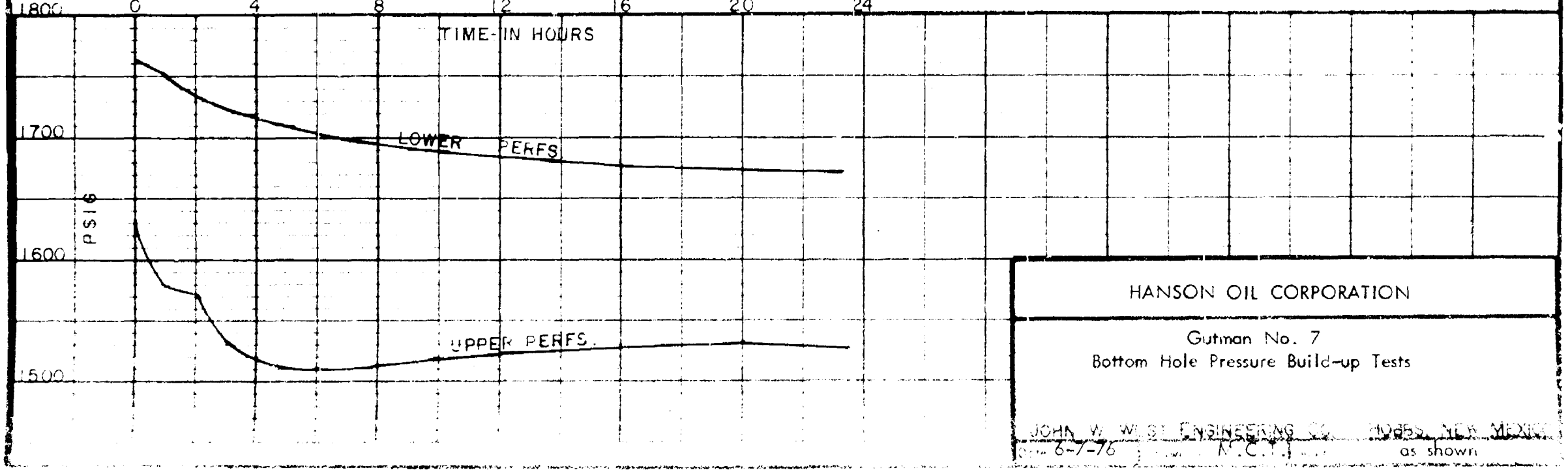
Lower Perforations @ 6,008' to 6014'
Test depth: 6, 011 feet

Element No.: 9156-BN
Range: 0-2900 psi
Clock No.: 11782
Range: 0-24 Hour

DATE	TIME	CUM. HRS./MIN.		PSIG @ 5792 FEET
6-5-76	1:30 pm	00 Hrs.	00 Min.	1633 Gage reached 5792'
		01	00	1579
		02	00	1572
		03	00	1531
		04	00	1519
		06	00	1510
		08	00	1513
6-5-76	11:30 pm	10	00	1519
6-6-76	1:30 am	12	00	1524
		16	00	1528
	9:30 am	20	00	1533
6-6-76	1:00 pm	23 Hrs.	30 Min.	1528 Gage out, end test

Upper Perforations @ 5606' to 5978'
Test depth: 5,792 feet

Element No.: 9156-BN
Range: 0-2900 psi
Clock No.: 11782
Range: 0-24 Hour



HANSON OIL CORPORATION

Gutman No. 7
Bottom Hole Pressure Build-up Tests

JOHN W. WEST ENGINEERING CO. HOBBS, NEW MEXICO
Date 6-7-76 Engr. M.C.T. as shown

NEW MEXICO OIL CONSERVATION COMMISSION

GAS – OIL RATIO TESTS

Revised 1-1-65

Operator	Pool	County
Hanson Oil Corporation	Blinebry-Tubbs	Lea County

Address	TYPE OF TEST – (X)	Scheduled ☐	Completion ☐	Special ☒
P.O. Box 1515, Roswell, New Mexico 88201				

LEASE NAME	WELL NO.	LOCATION U	S	T	R	DATE OF TEST	STATUS	CHOKE SIZE	TBG. PRESS.	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST WATER BBLS.	GRAV. OIL	OIL BBLS.	GAS M.C.F.	GAS – OIL RATIO CU.FT/BBL
Max Gutman	7	D	19	22S	38E	5/19/76		14/64	600	*40	24	0	39	35	404	11/54/1

*Testing allowable

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

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

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

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

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

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

(Signature)

Production Clerk

(Title)

June 3, 1976

(Date)

NEW MEXICO OIL CONSERVATION COMMISSION

GAS–OIL RATIO TESTS

C-116
Revised 1-1-65

Operator	Pool	County
Hanson Oil Corporation	Drinkard	Lea County

Address	TYPE OF TEST – (X)	Scheduled ☐	Completion ☐	Special ☒
P.O. Box 1515, Roswell, New Mexico 88201				

LEASE NAME	WELL NO.	LOCATION U	S	T	R	DATE OF TEST	STATUS	CHOKE SIZE	TBG. PRESS.	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST WATER BBLS.	GRAV. OIL	OIL BBLS.	GAS M.C.F.	GAS – OIL RATIO CU.FT/BBL.
Max Gutman	7	D	19	22S	38E	5/19/76		14/64	480	*30	24	0	42	18	167	9.28/1

* Testing allowable

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

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

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

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

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

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

Brenda R. Dudley
(Signature)

Production Clerk
(Title)

June 3, 1976
(Date)

SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
TRANSPORTER OIL	
TRANSPORTER GAS	
OPERATOR	
PRORATION OFFICE	

REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Supersedes Old C-104 and C-110 Effective 1-1-65

I. Operator: Hanson Oil Corporation

Address: P.O. Box 1515, Roswell, New Mexico 88201

Reason(s) for filing (Check proper box)

- New Well [X]
- Recompletion [ ]
- Change in Ownership [ ]
- Change to Transporter of: Oil [ ] Dry Gas [ ] Casinghead Gas [ ] Condensate [ ]

Other (Please explain): Request allowable for testing of 1200 bbls. for January 1976.

If change of ownership give name and address of previous owner _____

II. DESCRIPTION OF WELL AND LEASE

Lease Name	Well No.	Pool Name, Including Formation	Kind of Lease	Lease No.
Max Gutman	7	Blinebry	State, Federal or Fee Fee	

Location: Unit Letter D : 810 Feet From The N Line and 880 Feet From The West

Line of Section 19 Township 22-S Range 38-E , NMPM, Lea County

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil [X] or Condensate [ ]	Address (Give address to which approved copy of this form is to be sent): P.O. Box 1510, Midland, Texas 79701
Name of Authorized Transporter of Casinghead Gas [X] or Dry Gas [ ]	Address (Give address to which approved copy of this form is to be sent): P.O. Box 1589, Tulsa, Okla. 74100

If well produces oil or liquids, give location of tanks.	Unit	Sec.	Twp.	Rge.	Is gas actually connected?	When

If this production is commingled with that from any other lease or pool, give commingling order number: _____

IV. COMPLETION DATA

Designate Type of Completion – (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Resv.	Diff. Resv.

Date Spudded	Date Compl. Ready to Prod.	Total Depth	P.B.T.D.
Elevations (DF, RKB, RT, GR, etc.)	Name of Producing Formation	Top Oil/Gas Pay	Tubing Depth
Perforations			Depth Casing Shoe

TUBING, CASING, AND CEMENTING RECORD

HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT

V. TEST DATA AND REQUEST FOR ALLOWABLE (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

OIL WELL

Date First New Oil Run To Tanks	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil-Bbls.	Water-Bbls.	Gas-MCF

GAS WELL

Actual Prod. Test-MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pitot, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

VI. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Commission have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Ray Webb
(Signature)

Vice President/Production
(Title)

January 19, 1976
(Date)

OIL CONSERVATION COMMISSION

APPROVED JAN 20 1976, 19

BY _____

TITLE _____

This form is to be filed in compliance with RULE 1104.

If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 111.

All sections of this form must be filled out completely for allowable on new and recompleted wells.

Fill out only Sections I, II, III, and VI for changes of operator, well name or number, or transporter, or other such changes of condition.

Separate Forms C-104 must be filed for each pool in multiply completed wells.

SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
TRANSPORTER — OIL	
TRANSPORTER — GAS	
OPERATOR	
PRORATION OFFICE	

REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Supersedes Old C-104 and C-1
Effective 1-1-65

I. Operator: Hanson Oil Corporation

Address: P.O. Box 1515, Roswell, New Mexico 88201

Reason(s) for filing (Check proper box)

- New Well [XX]
- Recompletion [ ]
- Change in Ownership [ ]
- Change in Transporter of: Oil [ ] Dry Gas [ ] Casinghead Gas [ ] Condensate [ ]
- Other (Please explain): Request testing allowable of 900 bbls. for January 1976.

If change of ownership give name and address of previous owner _____

II. DESCRIPTION OF WELL AND LEASE

Lease Name	Well No.	Pool Name, Including Formation	Kind of Lease	Lease No.
Max Gutman	7	Drinkard	State, Federal or Fee Fee	

Location: Unit Letter D ; 810 Feet From The N Line and 880 Feet From The West

Line of Section 19 Township 22-S Range 38-E , NMPM, Lea County

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil [XX] or Condensate [ ]	Address (Give address to which approved copy of this form is to be sent)
Texaco, Inc.	P.O. Box 1510, Midland, Texas 79701
Name of Authorized Transporter of Casinghead Gas [X] or Dry Gas [ ]	Address (Give address to which approved copy of this form is to be sent)
Warren Petroleum Co.	P.O. Box 1589, Tulsa, Okla. 74100

If well produces oil or liquids, give location of tanks.	Unit	Sec.	Twp.	Rge.	Is gas actually connected?	When

If this production is commingled with that from any other lease or pool, give commingling order number: _____

IV. COMPLETION DATA

Designate Type of Completion – (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Resv.	Diff. Res.

Date Spudded	Date Compl. Ready to Prod.	Total Depth	P.B.T.D.
Elevations (DF, RKB, RT, GR, etc.)	Name of Producing Formation	Top Oil/Gas Pay	Tubing Depth
Perforations			Depth Casing Shoe

TUBING, CASING, AND CEMENTING RECORD

HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT

V. TEST DATA AND REQUEST FOR ALLOWABLE (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

OIL WELL

Date First New Oil Run To Tanks	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil-Bbls.	Water-Bbls.	Gas-MCF

GAS WELL

Actual Prod. Test-MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pitot, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

VI. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Commission have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Ray Wills
(Signature)

Vice President/Production
(Title)

January 19, 1976
(Date)

OIL CONSERVATION COMMISSION

APPROVED JAN 22 1976, 19

BY _____

TITLE SUPERVISOR, DISTRICT II

This form is to be filed in compliance with RULE 1104.

If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 111.

All sections of this form must be filled out completely for allowable on new and recompleted wells.

Fill out only Sections I, II, III, and VI for changes of operator, well name or number, or transporter, or other such change of condition.

Separate Forms C-104 must be filed for each pool in multiply completed wells.

SANTA FE		
FILE		
U.S.G.S.		
LAND OFFICE		
TRANSPORTER	OIL	
	GAS	
OPERATOR		
PRORATION OFFICE		

NEW MEXICO OIL CONSERVATION COMMISSION

REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Form C-104
Supersedes Old C-104 and C-11
Effective 1-1-55

I.

Operator: Hanson Oil Corporation

Address: P.O. Box 1515, Roswell, New Mexico 88201

Reason(s) for filing (Check proper box)

- New Well [X]
- Recompletion [ ]
- Change in Ownership [ ]
- Change in Transporter of: Oil [ ] Dry Gas [ ] Casinghead Gas [ ] Condensate [ ]

Other (Please explain): Request testing allowable 1900 b[bls] for month of September 1975.

If change of ownership give name and address of previous owner _____

II. DESCRIPTION OF WELL AND LEASE

Lease Name	Well No.	Pool Name, Including Formation	Kind of Lease	Lease No.
Max Gutman	7	Blinebry	State, Federal or Fee Fee	

Location

Unit Letter D : 810 Feet From The N Line and 880 Feet From The W

Line of Section 19 Township 22-S Range 38-E , NMPM, Lea County

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil [X] or Condensate [ ]	Address (Give address to which approved copy of this form is to be sent)
Texaco, Inc.	P.O. Box 1510, Midland, Texas 79701
Name of Authorized Transporter of Casinghead Gas [X] or Dry Gas [ ]	Address (Give address to which approved copy of this form is to be sent)
Warren Petroleum Co.	P.O. Box 1589, Tulsa, Okla. 74100

If well produces oil or liquids, give location of tanks.	Unit	Sec.	Twp.	Rge.	Is gas actually connected?	When
	K	10	22-S	38-E	No	

If this production is commingled with that from any other lease or pool, give commingling order number: _____

IV. COMPLETION DATA

Designate Type of Completion – (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v.	Diff. Res'v

Date Spudded	Date Compl. Ready to Prod.	Total Depth	P.B.T.D.
Elevations (DF, RKB, RT, GR, etc.)	Name of Producing Formation	Top Oil/Gas Pay	Tubing Depth
Perforations			Depth Casing Shoe

TUBING, CASING, AND CEMENTING RECORD

HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT

V. TEST DATA AND REQUEST FOR ALLOWABLE (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

OIL WELL

Date First New Oil Run To Tanks	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil-Bbls.	Water-Bbls.	Gas-MCF

GAS WELL

Actual Prod. Test-MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pitot, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

VI. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Commission have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

(Signature)

Vice President/Production
(Title)

August 29, 1975
(Date)

OIL CONSERVATION COMMISSION

APPROVED _____, 19 _____

BY John W. Runyan

TITLE _____

This form is to be filed in compliance with RULE 1104.

If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 111.

All sections of this form must be filled out completely for allowable on new and recompleted wells.

Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter, or other such change of condition.

Separate Forms C-104 must be filed for each pool in multiply completed wells.

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-104
Supersedes Old C-104s and C-1
Effective 1-1-65

SANTA FE		
FILE		
U.S.G.S.		
LAND OFFICE		
TRANSPORTER	OIL	
	GAS	
OPERATOR		
PRORATION OFFICE		

REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

I.

Operator: Hanson Oil Corporation

Address: P.O. Box 1515, Roswell, New Mexico 88201

Reason(s) for filing (Check proper box)

- New Well [X]
- Recompletion [ ]
- Change in Ownership [ ]
- Change in Transporter of: Oil [ ] Dry Gas [ ] Casinghead Gas [ ] Condensate [ ]

Other (Please explain): Request testing allowable 1500 bbls. for month of September.

If change of ownership give name and address of previous owner _____

II. DESCRIPTION OF WELL AND LEASE

Lease Name	Well No.	Pool Name, Including Formation	Kind of Lease	Lease No.
Max Gutman	7	Drinkard	State, Federal or Fee Fee	

Location: Unit Letter D : 810 Feet From The N Line and 880 Feet From The W.

Line of Section 19 Township 22-S Range 38-E , NMPM, Lea County

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil [X] or Condensate [ ]	Address (Give address to which approved copy of this form is to be sent)
Texaco, Inc.	P.O. Box 1510, Midland, Texas 79701
Name of Authorized Transporter of Casinghead Gas [X] or Dry Gas [ ]	Address (Give address to which approved copy of this form is to be sent)
Warren Petroleum Co.	P.O. Box 1589, Tulsa, Okla. 74100

If well produces oil or liquids, give location of tanks.	Unit	Sec.	Twp.	Rge.	Is gas actually connected?	When

If this production is commingled with that from any other lease or pool, give commingling order number: _____

IV. COMPLETION DATA

Designate Type of Completion – (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Resv.	Diff. Res'v.

Date Spudded	Date Compl. Ready to Prod.	Total Depth	P.B.T.D.
Elevations (DF, RKB, RT, GR, etc.)	Name of Producing Formation	Top Oil/Gas Pay	Tubing Depth
Perforations			Depth Casing Shoe

TUBING, CASING, AND CEMENTING RECORD

HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT

V. TEST DATA AND REQUEST FOR ALLOWABLE (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

OIL WELL

Date First New Oil Run To Tanks	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil-Bbls.	Water-Bbls.	Gas-MCF

GAS WELL

Actual Prod. Test-MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pitot, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

VI. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Commission have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

(Signature)

Vice President/Production
(Title)

August 29, 1975
(Date)

OIL CONSERVATION COMMISSION

APPROVED SEP 1975, 19

BY John W. Runyan

TITLE _____

This form is to be filed in compliance with RULE 1104.

If this is a request for allowable for a newly drilled or deep well, this form must be accompanied by a tabulation of the devi tests taken on the well in accordance with RULE 111.

All sections of this form must be filled out completely for a able on new and recompleted wells.

Fill out only Sections I, II, III, and VI for changes of o well name or number, or transporter, or other such change of cond

Separate Forms C-104 must be filed for each pool in mul completed wells.

NO. OF COPIES RECEIVED		
DISTRIBUTION		
SANTA FE		
FILE		
U.S.G.S.		
LAND OFFICE		
OPERATOR		

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-103
Supersedes Old C-102 and C-103
Effective 1-1-65

5a. Indicate Type of Lease
State [ ] Fee [X]

5. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT —" (FORM C-101) FOR SUCH PROPOSALS.)

1. OIL WELL [XX] GAS WELL [ ] OTHER-

7. Unit Agreement Name

2. Name of Operator
Hanson Oil Corporation

8. Farm or Lease Name
Max Gutman

3. Address of Operator
P.O. Box 1515, Roswell, New Mexico

9. Well No.
7

4. Location of Well
UNIT LETTER D , 810 FEET FROM THE North LINE AND 880 FEET FROM THE West LINE, SECTION 19 TOWNSHIP 22 South RANGE 38 East NMPM.

10. Field and Pool, or Wildcat
Brunson-Granite Wash

15. Elevation (Show whether DF, RT, GR, etc.)
3328.5 G.L.

12. County
Lea

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK [ ]	PLUG AND ABANDON [ ]	REMEDIAL WORK [ ]	ALTERING CASING [ ]
TEMPORARILY ABANDON [ ]		COMMENCE DRILLING OPNS. [X]	PLUG AND ABANDONMENT [ ]
PULL OR ALTER CASING [ ]	CHANGE PLANS [ ]	CASING TEST AND CEMENT JOB [X]	
OTHER [ ]		OTHER [ ]	

17. Describe Proposed or Completed Operations (*Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work*) SEE RULE 1103.

5-16-75 Spudded well 12:00 noon.

5-17-75 T.D. 1193'. Run 1180' of 8-5/8" 24# csg., cemented w/ 250 sx. Halliburton Lite w/ 1/4# flocel, 10# salt per sx. & 150 sx. cl. "c" w/ 1/4# flocel, 2% ca. cl., circ. 55 sx., WOC 18 hrs., tested cement to 1000 psi, held ok.

6-7-75 T.D. 7475'. Run 1034' of 17# K-5½" L.T.&C., run 6440' of 15.5 L.T.&C. set @ 7475' & cem. w/ 700 sx. Hall. Lite w/ ¼# flocel, .5 of 1% cfr-2 & 700 sx. 50/50 pozmix cl "c" w/ 7# salt per sx., .5 of 1% cfr-2. Plug down @ 2:25 a.m. 6-8-75, tested to 1500 psi, held ok.

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

SIGNED Roy W Wells TITLE Vice President - Production DATE June 24, 1975

Geologist

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

NO. OF COPIES RECEIVED		
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SANTA FE		
FILE		
U.S.G.S.		
LAND OFFICE		
OPERATOR		

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-103
Supersedes Old C-102 and C-103
Effective 1-1-65

5a. Indicate Type of Lease
State ☐ Fee ☒

5. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT —" (FORM C-101) FOR SUCH PROPOSALS.)

7. Unit Agreement Name

1. OIL WELL ☐ GAS WELL ☐ OTHER-

2. Name of Operator
HANSON OIL CORPORATION

8. Farm or Lease Name
MAX GUTMAN

3. Address of Operator

9. Well No.
NO. 7

4. Location of Well
UNIT LETTER D, 810 FEET FROM THE North LINE AND 880 FEET FROM THE West LINE, SECTION 19 TOWNSHIP 22-S RANGE 38-E NMPM.

10. Field and Pool, or Wildcat
Brunson-Granite Wash

15. Elevation (Show whether DF, RT, GR, etc.)
3328.5 G.L.

12. County
Lea

16. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐		COMMENCE DRILLING OPNS. ☐	PLUG AND ABANDONMENT ☐
PULL OR ALTER CASING ☐	CHANGE PLANS ☐	CASING TEST AND CEMENT JOB ☒	
OTHER ☐		OTHER ☐	

17. Describe Proposed or Completed Operations *(Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work)* SEE RULE 1103.

5-16-75 Spudded well @ 12:00 noon.
Drilled 11" hole to 1100'.

5-17-75 T.D. 1193', Run 1180' of 8-5/8", 24# casing, cem. w/ 250 sx. Halliburton Lite w/ .4# flocel per sx., 10# salt per sx. & 150 sx. cl. "c" w/ .4# flocel, 2% cal. cl., circ. 55 sx. W.O.C. 18 hrs. Tested casing to 800 PSI for 30 min. Held OK.

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

SIGNED Ray Wills TITLE Vice President - Production DATE May 21, 1975

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

File

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-101
Revised 1-1-65

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work:
b. Type of Well: DRILL [X] DEEPEN [ ] PLUG BACK [ ]
GAS WELL [ ] OTHER SINGLE ZONE [ ] MULTIPLE ZONE [X]

2. Name of Operator: Hanson Oil Corporation

3. Address of Operator: P.O. Box 1515 Roswell, New Mexico 88201

4. Location of Well: UNIT LETTER D 810 FEET FROM THE North LINE
AND 880 FEET FROM THE West LINE OF SEC. 19 TWP. 22 S RGE. 38 E NMPM

5a. Type of Lease: STATE [ ] FEE [X]
5b. Lease No.

6. Unit Agreement Name: None
7. Farm or Lease Name: Max Gutman
8. Well No.: #7
9. Field and Pool, or Wildcat: Brunson-Granite Wash
10. County: Lea

11. Proposed Depth: 7500'
12. Formation: Granite Wash
13. Rotary or C.T.: Rotary
14. Elevations (Show whether DF, RT, etc.): 3328.5 G.L.
15. Drilling Contractor: Blanket
16. Approx. Date Work will start: Robinson Brothers 5-12-75

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
11"	8 5/8"	24#	1200'	250 sx.	circ.
7 7/8"	5 ½ "	17# & 15.5#	7500	800 sx.	4000'

It is proposed to drill the above captioned well w/ rotary to an approximate depth of 7500' to test the Granite Wash formation. If commercial oil and gas is encountered, the above casing program will be followed. The well will be perforated and stimulated as conditions require. Blowout prevention will be used.

APPROVAL VALID
FOR 90 DAYS UNLESS
DRILLING COMMENCED,
EXPIRES 8-8-75

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

Signed Roy Wills Title Vice President - Production Date 5-2-75

(This space for State Use)

APPROVED BY [signature] TITLE DISTRICT I SUPERVISOR DATE

CONDITIONS OF APPROVAL, IF ANY:

NEW MEXICO OIL CONSERVATION COMMISSION

WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

Operator	Lease	Well No.
HANSON OIL CORP.	MAX GUTMAN	7

Unit Letter	Section	Township	Range	County
A	19	22 SOUTH	38 EAST	LEA

Actual Footage Location of Well			
810 feet from the NORTH line and	880	feet from the	WEST line

Ground Level Elev.	Producing Formation	Pool	Dedicated Acreage
3328.9			Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

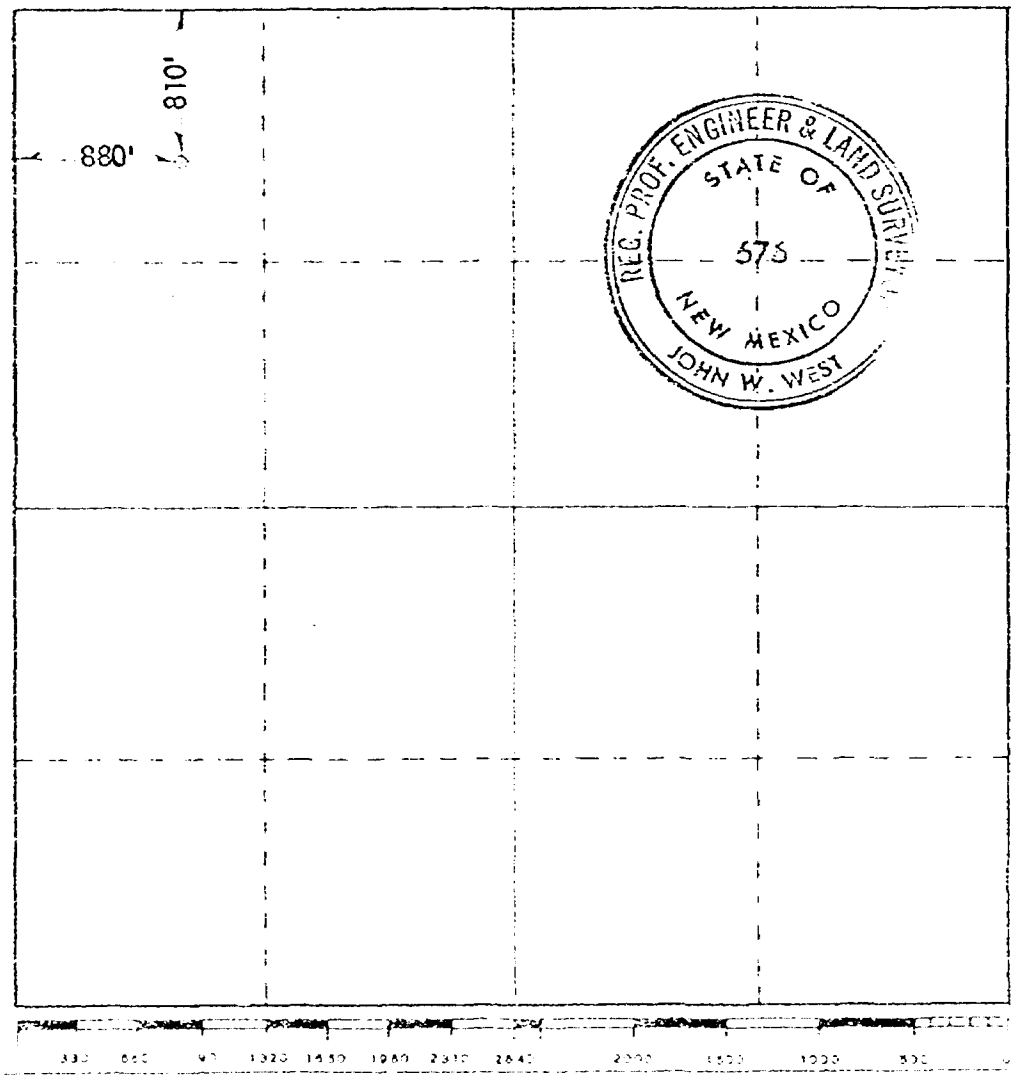
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

Ray Willis

Name: Ray Willis

Title: Vice Pres. Production

Company: Hanson Oil Corporation

Date: 8/15/74

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed: AUGUST 16, 1974

Registered Professional Engineer and/or Land Surveyor

John W. West

Certificate No. 676

DRAFT

dr/

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 5711

Order No. R- 5240

APPLICATION OF HANSON OIL CORPORATION
FOR A DUAL COMPLETION AND DOWNHOLE
COMMINGLING, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on July 7, 19 76, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this _____ day of July, 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, Hanson Oil Corporation, seeks authority to complete its Max Gutman Well No. 7, located in Unit D of Section 19, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico, as a dual completion (conventional), completing said well in such a manner as to commingle Blinebry and Tubb oil and gas production and to dually complete said zones with the Drinkard Pool.

(3) That from both the Blinebry and Tubb zones, said well is capable of low marginal production.

(4) That the proposed commingling may result in the production of additional hydrocarbons from each of said pools, thereby preventing waste, and will not violate correlative rights.

(5) That the reservoir characteristics of each of the aforesaid pools are such that underground waste would not be caused by the proposed commingling.

(6) That in order to determine the production from each of the commingled zones in the subject well, 40 percent of the commingled gas and oil production should be allocated to the Blinebry zone and 60 percent to the of the commingled gas and oil production should be allocated to the Tubb zone.

(7) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.

(8) That approval of the subject application will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Hanson Oil Corporation, is hereby authorized to commingle Blinebry and Tubb production in the wellbore of its Max Gutman Well No. 7, located in Unit D of Section 19, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico.

(2) That 40 percent of the commingled gas and oil production shall be allocated to the Blinebry zone and 60 percent of the commingled gas and oil production shall be allocated to the Tubb zone.

(3) That the applicant is hereby authorized to complete said Max Gutman Well No. 7 as a dual completion (conventional) in such a manner as to produce the commingled Blinebry and Tubb production through a string of 2 1/16-inch tubing and the Drinkard production through a parallel string of 2 1/16-inch tubing, with separation of the commingled zones to be achieved by means of a packer set at approximately 6190 feet.

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take packer-leakage tests upon completion and annually thereafter during the Annual Gas-Oil Ratio Test Period for the Drinkard Pool.

(2) 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.

Case 5711

OIL CONSERVATION COMMISSION
~~HOBBS~~ DISTRICT

OIL CONSERVATION COMMISSION
BOX 2088
SANTA FE, NEW MEXICO

DATE June 11, 1976

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

Gentlemen:

I have examined the application dated June 2, 1976

for the Hanson Oil Corporation Max Gutman #7-D 19-22-38
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

O.K. -- Jerry Sexton

Yours very truly,

Jerry Sexton

DATE	TIME	CUM. HRS./MIN.		PSIG @ 6011 FEET
6-4-76	12:30 pm	00 Hrs.	00 Min.	1763 Gage reached 6011'
		01	00	1752
		02	00	1737
		03	00	1726
		04	00	1719
		06	00	1705
		08	00	1696
6-4-76	10:30 pm	10	00	1689
6-5-76	12:30 am	12	00	1686
		16	00	1678
		20	00	1674
6-5-76	11:45 am	23 Hrs.	15 Min.	1672 Gauge out, end test

Lower Perforations @ 6,008' to 6014'
Test depth: 6, 011 feet

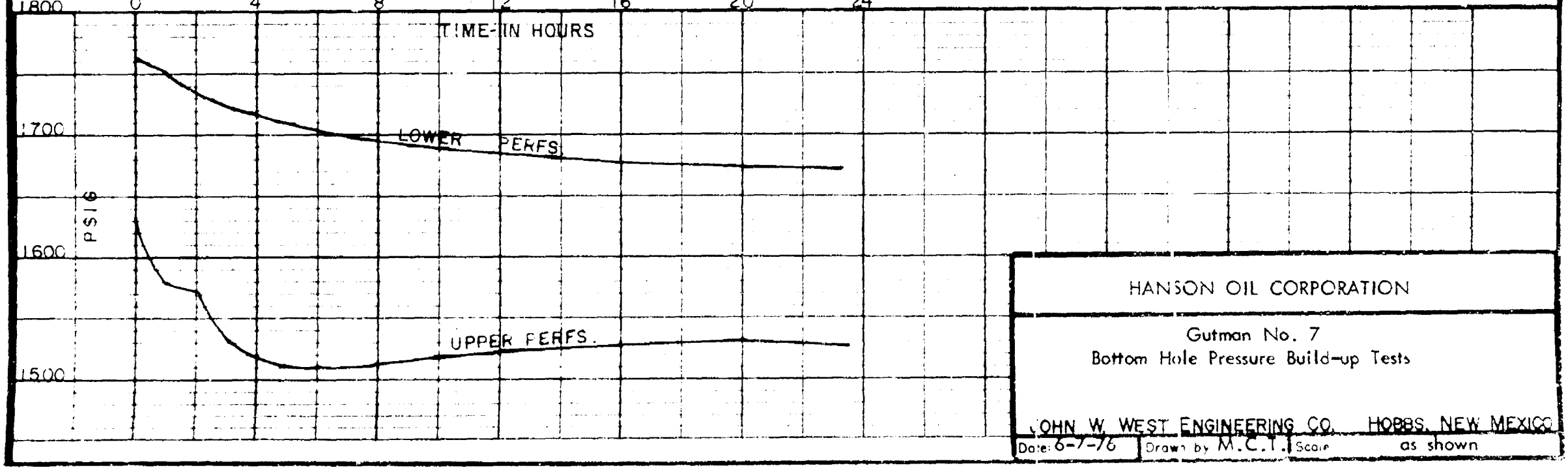
Element No.: 9156-BN
Range: 0-2900 psi
Clock No.: 11782
Range: 0-24 Hour

DATE	TIME	CUM. HRS./MIN.		PSIG @ 5792 FEET
6-5-76	1:30 pm	00 Hrs.	00 Min.	1633 Gage reached 5792'
		01	00	1579
		02	00	1572
		03	00	1531
		04	00	1519
		06	00	1510
		08	00	1513
6-5-76	11:30 pm	10	00	1519
6-6-76	1:30 am	12	00	1524
		16	00	1528
	9:30 am	20	00	1533
6-6-76	1:00 pm	23 Hrs.	30 Min.	1528 Gage out, end test

Upper Perforations @ 5606' to 5978'
Test depth: 5,792 feet

Element No.: 9156-BN
Range: 0-2 00 psi
Clock No.: 117 ^
Range: 0-2 Hour

BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
EXHIBIT NO. 1-D
CASE NO. 5711



HANSON OIL CORPORATION

Gutman No. 7
Bottom Hole Pressure Build-up Tests

JOHN W. WEST ENGINEERING CO. HOBBS, NEW MEXICO

Date: 6-7-76 | Drawn by M.C.T. | Scale as shown

#4

DATE	TIME	CUM. HRS./MIN.		PSIG @ 6011 FEET
6-4-76	12:30 pm	00 Hrs.	00 Min.	1763 Gage reached 6011'
		01	00	1752
		02	00	1737
		03	00	1726
		04	00	1719
		06	00	1705
		08	00	1696
6-4-76	10:30 pm	10	00	1689
6-5-76	12:30 am	12	00	1686
		16	00	1678
		20	00	1674
6-5-76	11:45 am	23 Hrs.	15 Min.	1672 Gauge out, end test

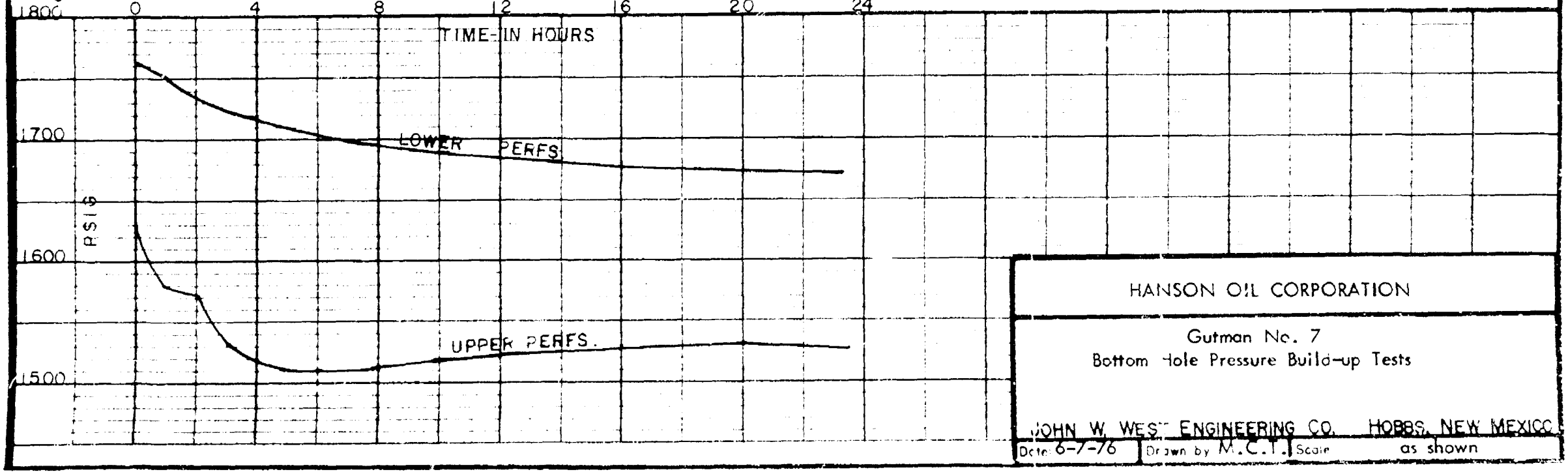
Lower Perforations @ 6,008' to 6014'
Test depth: 6, 011 feet

Element No.: 9156-BN
Range: 0-2900 psi
Clock No.: 11782
Range: 0-24 Hour

DATE	TIME	CUM. HRS./MIN.		PSIG @ 5792 FEET
6-5-76	1:30 pm	00 Hrs.	00 Min.	1633 Gage reached 5792'
		01	00	1579
		02	00	1572
		03	00	1531
		04	00	1519
		06	00	1510
		08	00	1513
6-5-76	11:30 pm	10	00	1519
6-6-76	1:30 am	12	00	1524
		16	00	1528
	9:30 am	20	00	1533
6-6-76	1:00 pm	23 Hrs.	30 Min.	1528 Gage out, end test

Upper Perforations @ 5606' to 5978'
Test depth: 5,792 feet

Element No.: 9156-BN
Range: 0-2900 psi
Clock No.: 11782
Range: 0-24 Hour



HANSON OIL CORPORATION

Gutman No. 7
Bottom Hole Pressure Build-up Tests

JOHN W. WEST ENGINEERING CO. HOBBS, NEW MEXICO

Date: 6-7-76 | Drawn by M.C.T. | Scale as shown

DATE	TIME	CUM. HRS./MIN.		PSIG @ 6011 FEET
6-4-76	12:30 pm	00 Hrs.	00 Min.	1763 Gage reached 6011'
		01	00	1752
		02	00	1737
		03	00	1726
		04	00	1719
		06	00	1705
		08	00	1696
6-4-76	10:30 pm	10	00	1689
6-5-76	12:30 am	12	00	1686
		16	00	1678
		20	00	1674
6-5-76	11:45 am	23 Hrs.	15 Min.	1672 Gauge out, end test

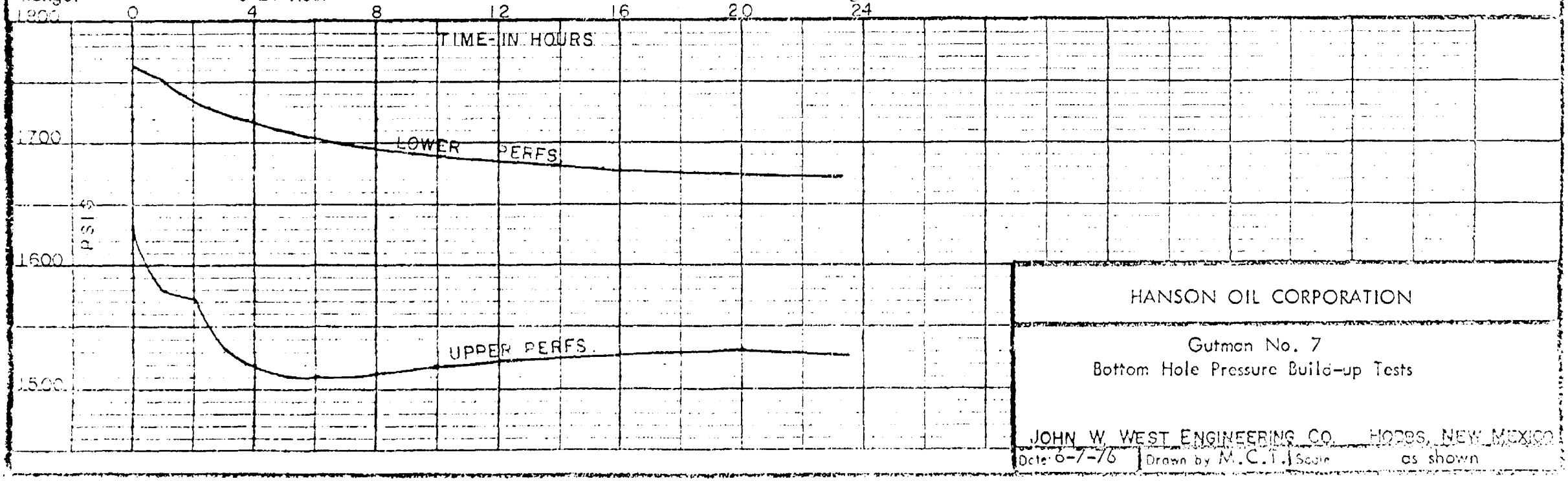
Lower Perforations @ 6,008' to 6014'
Test depth: 6, 011 feet

Element No.: 9156-BN
Range: 0-2900 psi
Clock No.: 11782
Range: 0-24 Hour

DATE	TIME	CUM. HRS./MIN.		PSIG @ 5792 FEET
6-5-76	1:30 pm	00 Hrs.	00 Min.	1633 Gage reached 5792'
		01	00	1579
		02	00	1572
		03	00	1531
		04	00	1519
		06	00	1510
		08	00	1513
6-5-76	11:30 pm	10	00	1519
6-6-76	1:30 am	12	00	1524
		16	00	1528
	9:30 am	20	00	1533
6-6-76	1:00 pm	23 Hrs.	30 Min.	1528 Gage out, end test

Upper Perforations @ 5606' to 5978'
Test depth: 5,792 feet

Element No.: 9156-BN
Range: 0-2900 psi
Clock No.: 11782
Range: 0-24 Hour



HANSON OIL CORPORATION

Gutman No. 7
Bottom Hole Pressure Build-up Tests

JOHN W. WEST ENGINEERING CO. HOBBS, NEW MEXICO
Date: 6-7-76 | Drawn by M.C.T. | Scale as shown

CASE 5703: Application of Cities Service Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Tubb Gas Pool and Drinkard Oil Pool production in the welltore of its State "S" Well No. 2, located in Unit F of Section 15, Township 21 South, Range 37 East, Lea County, New Mexico.

CASE 5692: (Reopened & Readvertised)

Application of Cities Service Oil Company for a dual completion and downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Owen "A" Well No. 1 located in Unit P of Section 35, Township 21 South, Range 37 East, Lea County, New Mexico, completing said well in such a manner as to commingle Blinebry and Drinkard oil production and to dually complete said zones with the Wantz-Granite Wash Pool.

CASE 5711: Application of Hanson Oil Corporation for a dual completion and downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Max Gutman Well No. 7 located in Unit D of Section 19, Township 22 South, Range 38 East, Lea County, New Mexico, in such a manner as to commingle Blinebry and Tubb Pool oil and gas production and to dually complete said zones with the Drinkard Pool.

Docket No. 20-76

Dockets Nos. 21-76 and 22-76 are tentatively set for hearing on August 4 and August 18, 1976. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - WEDNESDAY - JULY 14, 1976

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

CASE 5712: In the matter of the hearing called by the Oil Conservation Commission upon its own motion to permit all interested parties to appear and show cause why the San Juan 30-4 Unit Area in Townships 30 and 31 North, Range 4 West, Rio Arriba County, New Mexico, should not be contracted by the deletion of all lands not presently within an approved participating area or which cannot be expected to be in such participating area within the reasonably foreseeable future as the result of commercial production being developed thereon.

CASE 5713: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Agua, Inc., and all other interested parties to appear and show cause why Agua, Inc. should be authorized to resume salt water disposal into the San Andres formation in its SWD Well No. H-35 located in Unit H of Section 35, Township 22 South, Range 37 East, Lea County, New Mexico.

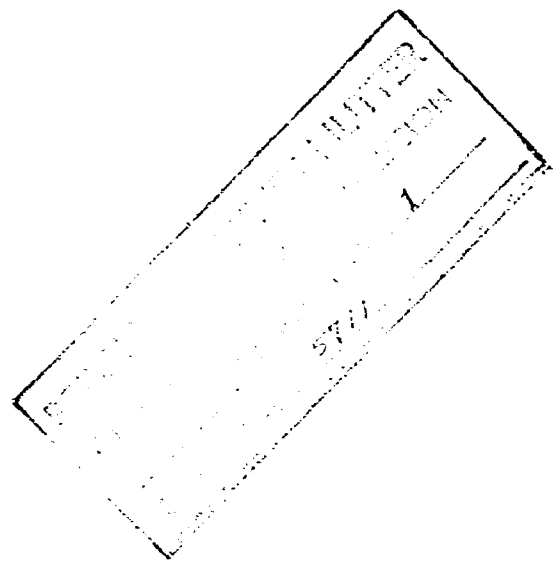
CASE 5714: Application of Agua, Inc. for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks permanent authority to dispose of produced salt water into the San Andres formation through the perforated interval from 4230 feet to 4320 feet below the surface and into the open-hole interval from 4400 feet to 5000 feet in its SWD Well No. C-2 located in Unit C of Section 2, Township 22 South, Range 37 East, Lea County, New Mexico.

HANSON OIL CORPORATION

NEW MEXICO OIL CONSERVATION COMMISSION
HEARING

CASE # 5711 - JULY 7, 1976

APPLICATION TO COMMINGLE
BLINEBRY - TUBB OIL AND
DUAL COMPLETE WITH DRINKARD



Index

Exhibits

1. Cross section and lease map showing zones to be commingled. A-A'

2. Cross section B-B' showing other wells with commingled pays. Limit on Tubb producing zone.

3. Hanson #7 Gutman. Density Neutron Log with Geological Tops, Lithology, Oil and gas shows, Water Saturations, Casing, packers, perforations, Requested pressure Test data Requested by OCC.

4. Copy of Bottomhole pressure survey.

5. Blinebry Pressure results, Tubb Pressure results, Blinebry Oil and Gas production Gulf Gutman #1 and 2.

6. Tubb Gas and Oil production Gulf Gutman # 1 and 2, Hanson # 6 and 7 Production Blinebry-Tubb, Hanson # 7 Bottom Hole Build-up Test.

7. American Petrofina # 1 Butler A Production Blinebry-Drinkard, Marathon # 4 Muncy Production Blinebry-Drinkard.

8. Texas # 5 Lockhart Tripple Completion, Blinebry (Tubb-Drinkard Commingled) Production.

9. Diagram Sketch of Multiple Completion Hanson # 7 Gutman.

10. Decline curve Hanson # 6 and 7 Blinebry, Blinebry-Tubb.

11. Decline curve Gulf # 1 Gutman Blinebry Gas and Pressure Survey.

12. Decline curve Gulf # 2 Gutman Blinebry Gas and Pressure Survey.

13. Decline curve Gulf # 1 Gutman Tubb gas and Pressure Survey.

14. Decline Curve Gulf # 2 Gutman Tubb gas and Pressure Survey.

15. Basis for allocation, Packer leakage test, Cost of single completion Tubb oil well to depth of 6050 feet, Fluid characteristics.

Blinebry

	Gulf # 1 Gutman N-19-22-38 SI Pressures	Gulf # 2 Gutman C-19-22-38 SI Pressures
1955		1696 (72-5) May
1956		1708 August
1968	1222.4 Sept.	739.5 Sept.
1969	1174.3 April	738.7 April
1970	1017.6	949.7 June
1971	943.0 May	905.5
1972	981.0 April	850.0 April
1973	833.2 May	220.2 Aug.
1974	800.2 July	Dead
1975	765.2 Jan.	Dead

SI Pressures

Gulf #1 & 2 Gutman W½ Sec. 19 T 22S R 38E.

Year	Tubb Gas Gutman # 1-N	BHP Gutman # 2-C
1955		2254
1956	2437	2036
1967	No Test	No Test
1968	1258.9	1305.2
1969	1302.2	1226.5
1970	1073.8	1153.9
1971	973.9	1068.9
1972	959.4	946.2
1973	891.6	909.0
1974	216.2	807.7
1975	Dead	324.2

Blinebry Gas & Oil Production

	Gulf # 1 Gutman Through 1967		Gulf # 2 Gutman Through 1967	
	1,859,373 MCF	36,834 B.O.	2,740,783 MCF	31,242 B. Oil
1967	(111,850)	(2,880)	(94,827)	(1,324)
1968	166,704	3,106	85,890	1,179
1969	127,717	2,883	98,925	1,063
1970	157,224	2,459	243,763	1,019
1971	148,712	1,882	274,618	878
1972	157,647	1,853	192,941	549
1973	271,841	1,573	43,360	409
1974	317,275	1,522	Dead	-
1975	106,330	631	Dead	-
	3,312,823 MCF	52,723 B. Oil	3,680,780 MCF	36,339 B. Oil

Tubb Gas and Oil Production
Gulf # 1 Gutman
Through 1967

	1,547,467 MCF	19,971 B. Oil
1967	(92,999)	(816)
1968	180,503	1,011
1969	159,992	617
1970	206,836	672
1971	184,858	703
1972	228,046	783
1973	101,060	796
1974	31,326	696
1975	2,163	69
	2,642,181 MCF	25,329 B. Oil

Gulf # 2 Gutman
Through 1967

	1,631,322 MCF	23,762 B. Oil
	(99,890)	(791)
	148,360	957
	138,741	950
	181,695	670
	174,283	717
	251,198	764
	207,678	780
	206,326	685
	177,189	311
	3,120,362 MCF	29,626 B. Oil

Hanson Oil Corp. # 6 Gutman Production
Blinebry Gas and Oil

	1974		1975	
Jan.	-	-	7,735 MCF	698
Feb.	-	-	6,704	528
March	8,332, MCF	929 B. Oil	7,822	442
April	8,717	1,151	7,345	565
May	9,086	727	8,375	570
June	8,757	626	8,348	613
July	8,004	522	8,406	535
Aug.	8,564	627	11,299	892
Sept	7,554	593	17,618	460
Oct.	7,544	585	8,406	606
Nov.	7,314	739	8,980	599
Dec.	7,583	532	9,427	650
	81,455 MCF	7,031 B. Oil	110,465 MCF	7,135 B. Oil

	1976	
Jan.	7,399 MCF	548 B. Oil
Feb.	6,803	318
March	9,074	360
April	10,402	312
	33,678 MCF	1,538 B. Oil

Total Gas 225,598 MCF Total Oil 15,704 BBls. Oil

Hanson Oil Corp. # 7 Gutman Production
Blinebry-Tubb Gas and Oil

	1975		1976		
Aug.	- MCF	328 B. Oil	Jan.	9,184 MCF	680 B. Oil
Sept.	-	605	Feb.	8,495	841
Oct.	10,870	1,071	March	11,263	953
Nov.	11,147	744	April	12,912	827
Dec.	11,704	807		41,854	3,301 B. Oil
	33,721 MCF	3,555 B. Oil			

Total Gas 75,526 MCF Total Oil 6,856 BBls. Oil

Hanson # 7 Gutman Bottom Hole Build-up Test requested by OCC
Tubb Zone
Date: 6-4-76 Thru 6-5-76 Perf. 6008-6014'
Test Depth 6011' 23Hrs. 15 Mins. 1672#

Blinebry-Tubb Zones
Date: 6-5-76 Thru 6-6-76
Test Depth 5792' Perf. 5606-5978'
23½ hrs. 1528#

American Petrofina Co.
#1 Butler "A"
M-18-22-38
1975 Production

Month	Blinebry		Drinkard	
	Oil	Gas	Oil	Gas
Jan.	219	51	16	708
Feb.	91	114	89	780
March	17	68	102	807
April	99	183	81	836
May	25	37	56	1056
June	91	176	105	994
July	8		66	1043
Aug.			63	1313
Sept.			44	1441
Oct.		108	28	764
Nov.	568	917	212	234
Dec.	768	2070	254	624
	1947	3727	1159	10600
Total/Acc.	12,292		58,152	

Marathon Oil Co.
4 Muncy
H-24-22-37
1975 Production

Month	Blinebry			Drinkard	
	Oil	Gas	Wtr	Oil	Gas
Jan.	336	6765	88	112	33,261
Feb.	321	11255	51	128	26,359
March	112	7282	78	320	31,065
April	220	7343	42	227	4,038
May	30	7621	6	283	17,650
June	289	8521	66	252	1,941
July	268	7929	62	224	2,816
Aug.	366	6126	81	192	1,655
Sept.	277	5888	51	245	1,862
Oct.	303	5121	51	168	1,842
Nov.	266	6088	29	200	1,204
Dec.	180	5727	26	160	912
	3300	86,666	631	3141	124,605
Total	44,659			30,899	

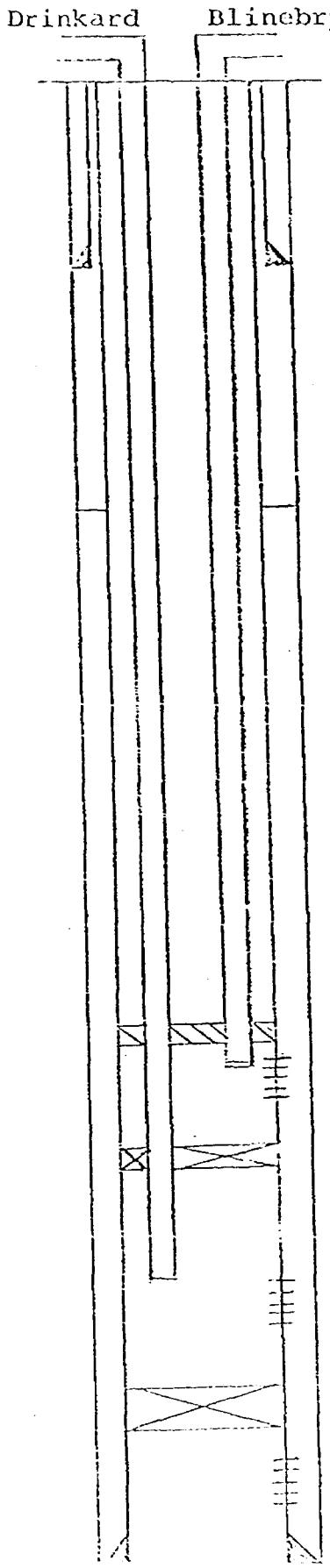
Texaco Inc.
5 Lockhart
C-18-22-38

1975 Production

Month	Blinebry			Tubb			Drinkard		
	Oil	Gas	Wtr	Oil	Gas	Wtr	Oil	Gas	Wtr
Jan.	920	3647	477	95	377	47	43	1709	21
Feb.	835	4300		87	448		39	201	
March	847	4942		88	513		39	227	
April	781	4761		81	493		36	228	
May	791	4669		82	484		36	215	
June	646	4760	164	67	494	17	30	219	
July	580	3304		60	350		27	158	
Aug.	481	3000		50	310		22	140	
Sept.	565	3256	212	59	337	59	26	152	53
Oct.	553	3038	226	56	294	56	26	122	26
Nov.	470	3806	160	49	397	25	22	178	11
Dec.	461	3209	94	48	334	24	21	146	
Total	7930	46772	1363	822	4831	228	367	3687	119
Total	7930		46,491			69,815			

DIAGRAMMIC SKETCH OF THE MULTIPLE COMPLETION

Hanson Oil Corporation - Max Gutman #7



8 5/8" casing @ 1180' w/400 sx. (Cmt. circ. to surf.)

5½" casing @ 7475' w/1400 sx. (Top of cmt. @ 2000')

Top of cement 2000'

2-1/16" tubing set @ 5506' (Blinebry)

Guiberson Tubing Anchor set @ 5506'

Blinebry and Tubb- perfs @ 5606'-6014'

5½" U.N.I. - IV Casing Packer set @ 6190'

2-1/16" tubing set @ 6190'.

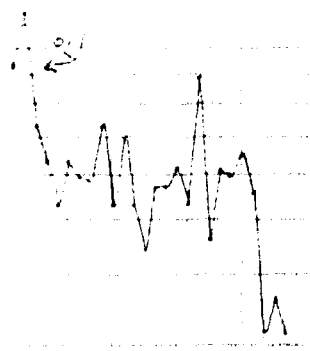
Drinkard perfs. @ 6270'- 7135'

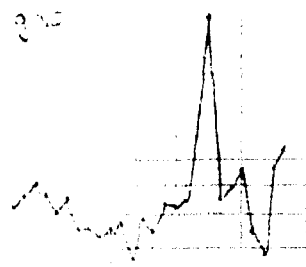
Type B Bridge Plug set @ 7300'

Granite Wash perfs. @ 7376'- 7433'

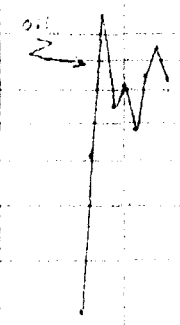
T.D. 7475'

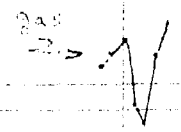
Hanson #6 Gutman
Kinsley oil
K-19-22-38





Hanson #7 Gutman
Kinsley-Tank oil
D-19-22-38

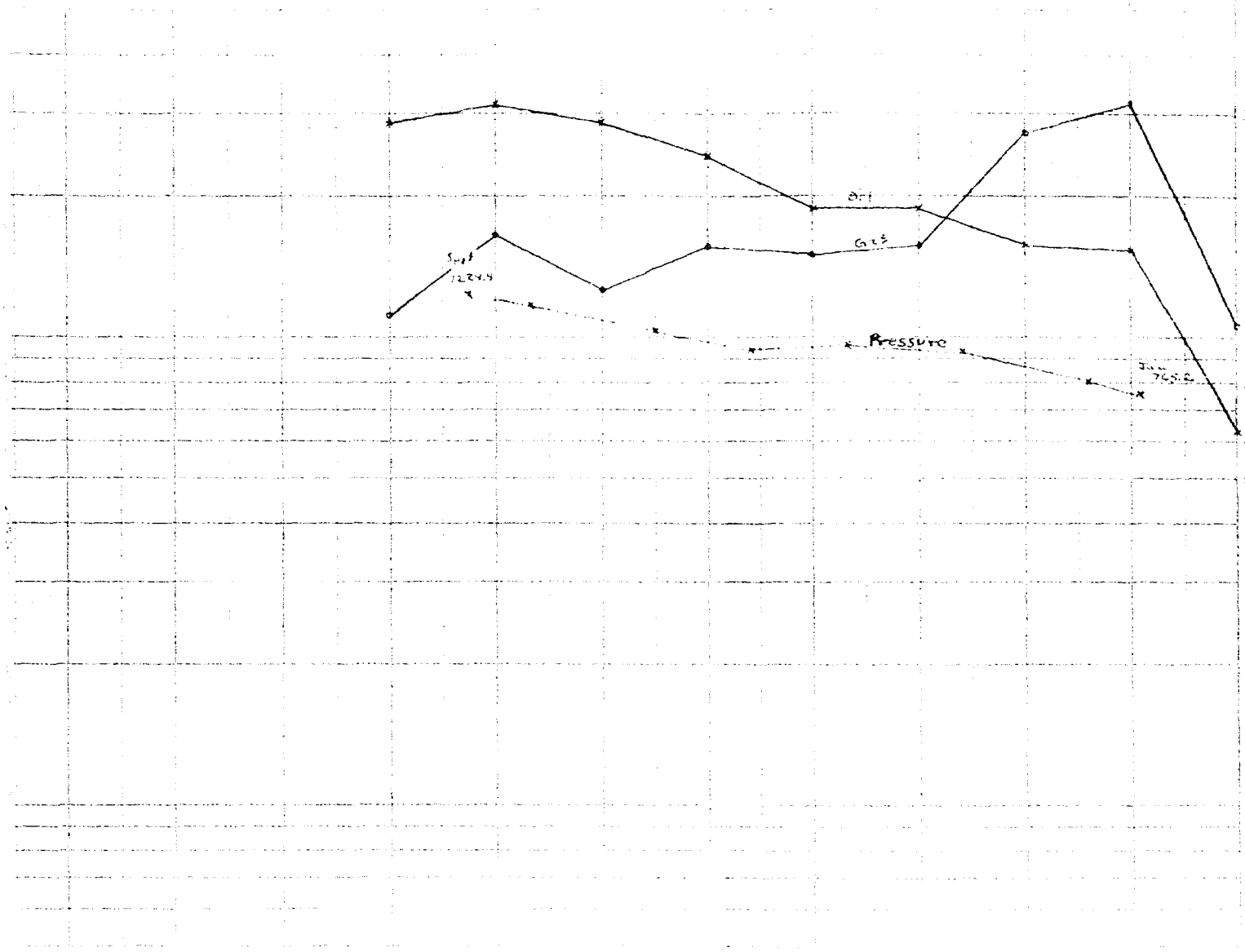


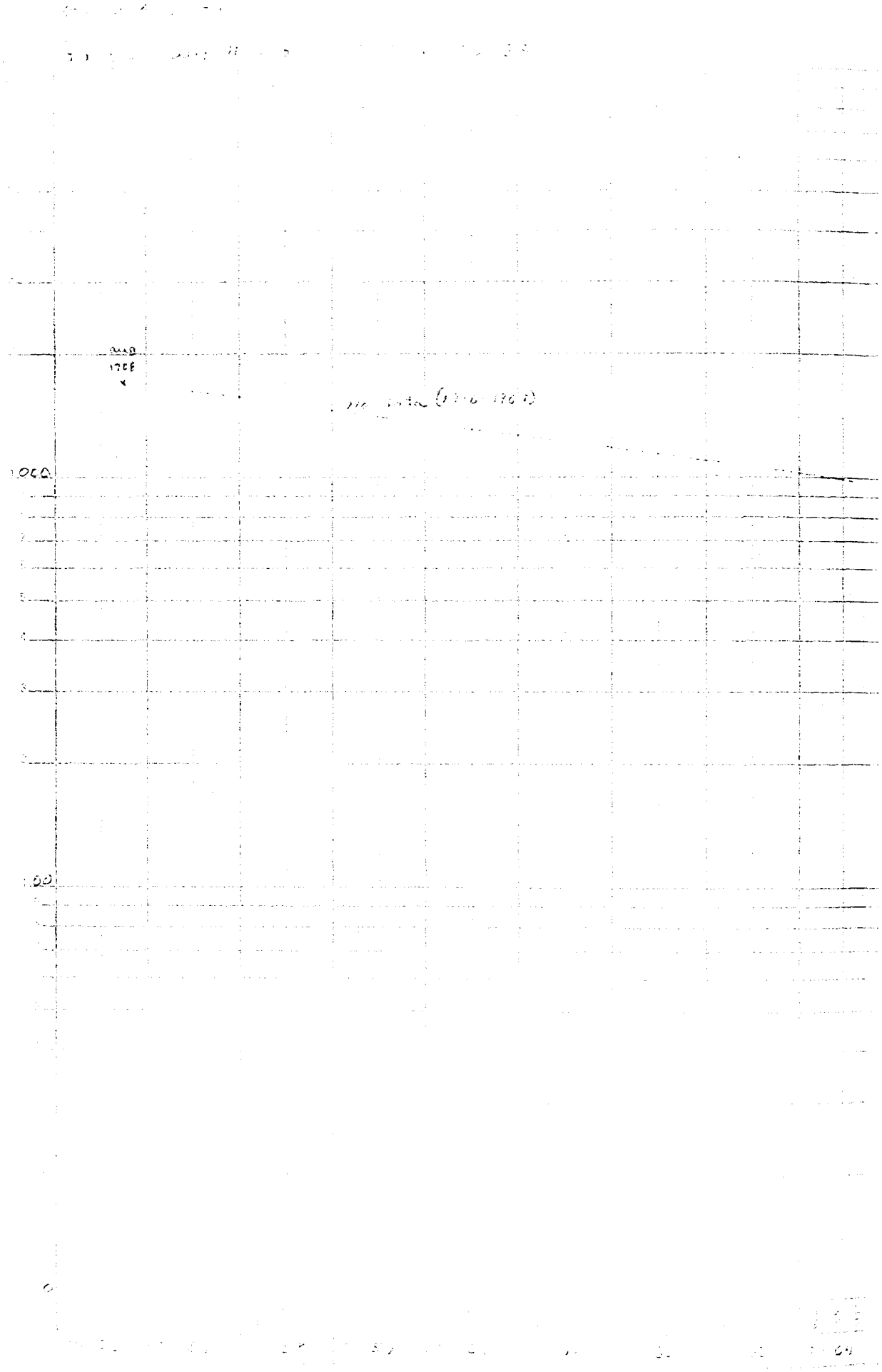


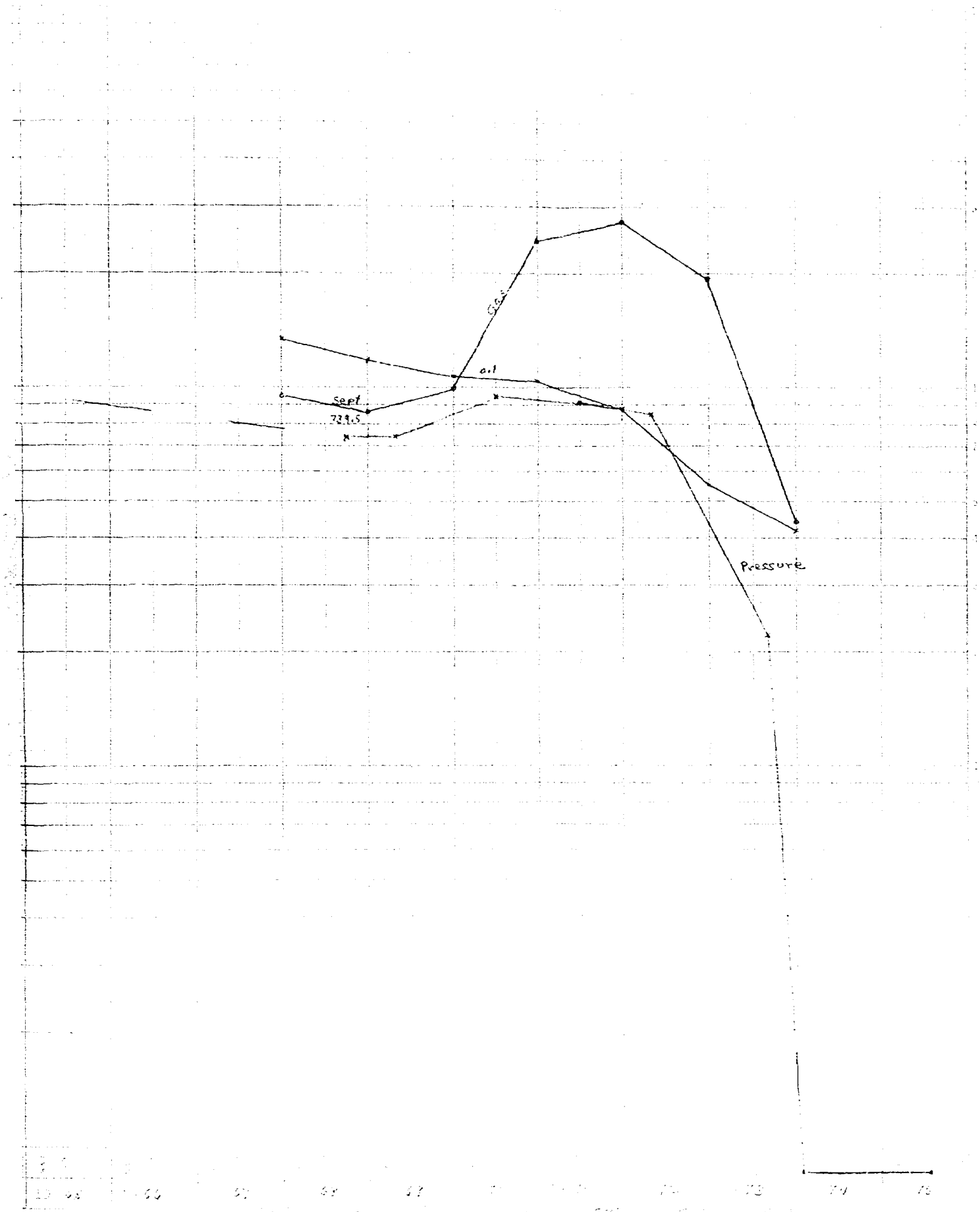
19 74	19 75	19 76	19 77	1978	19 79	19 80	19	19 82	19 83	19	19	19	19	19
7031 oil	7135 oil	1588 oil						3555 oil	3301 oil					
21,455 gas	110,465 gas	31,678 gas						3372 gas	41,805 MCF					
		15,704 oil							6656 oil					
		225,598 MCF							75,526 MCF					

ave ratio = 14366/1

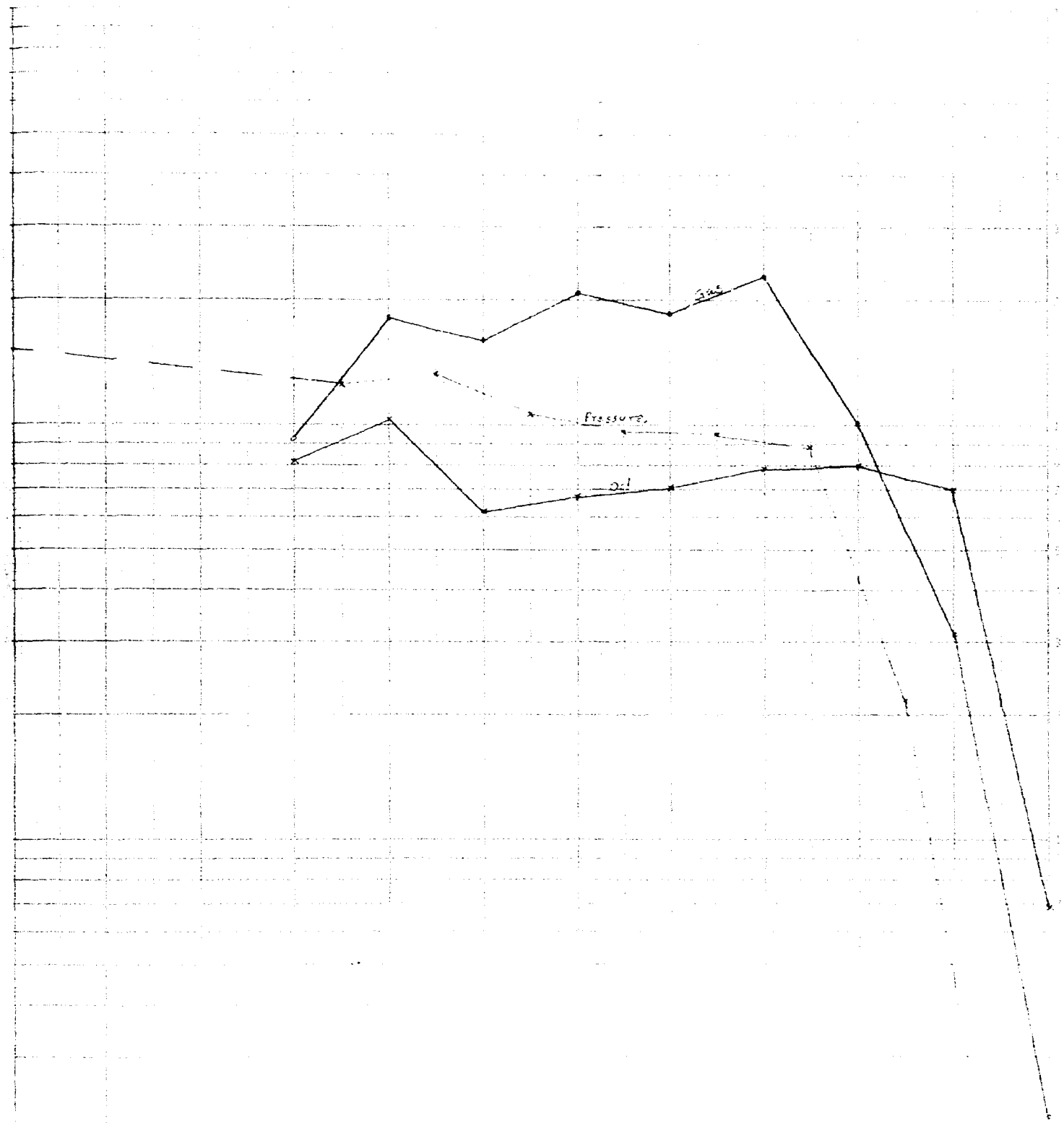
ave ratio = 11013 to 1

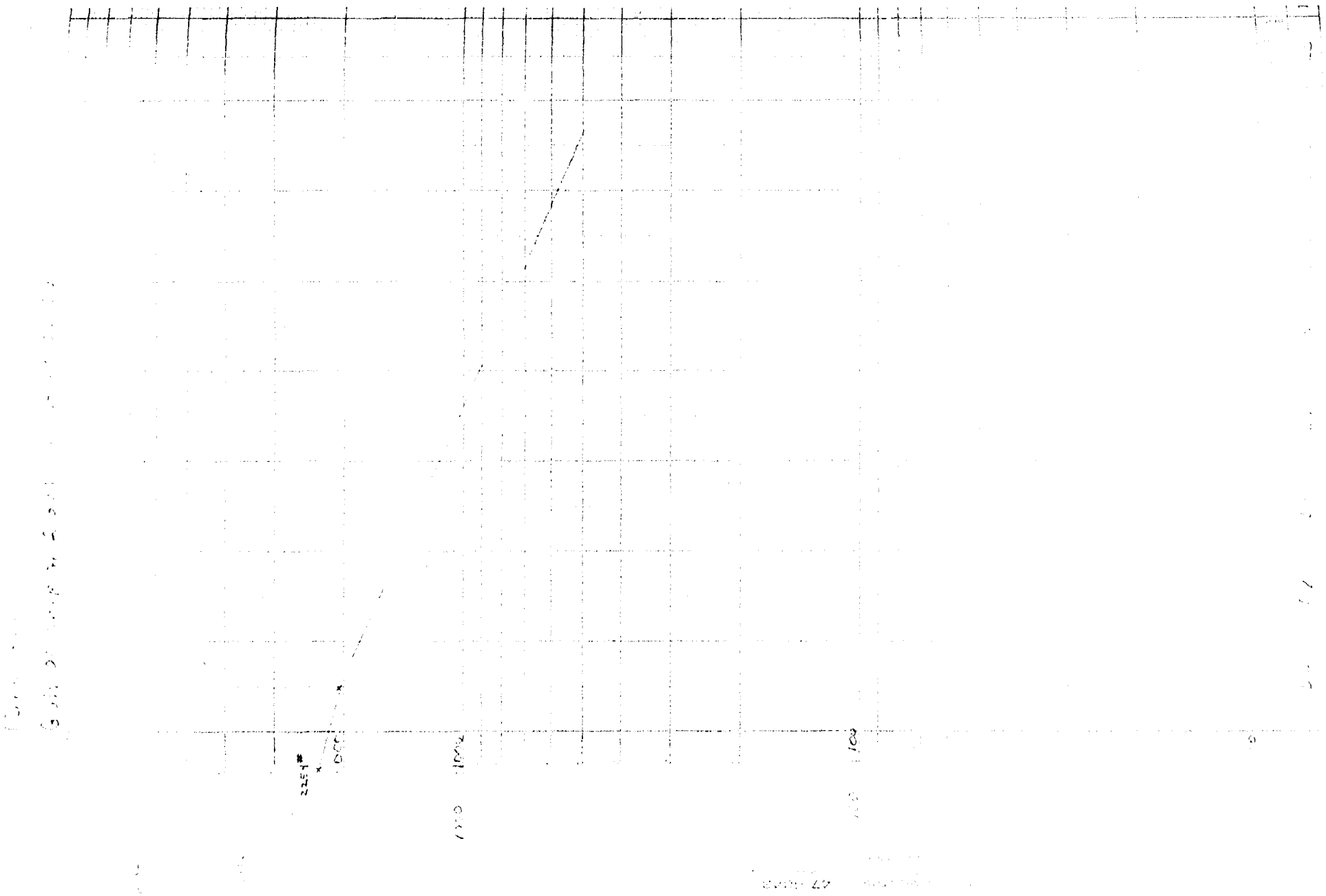

Oil
Gas
Pressure
100,000MCF
10,000MCF



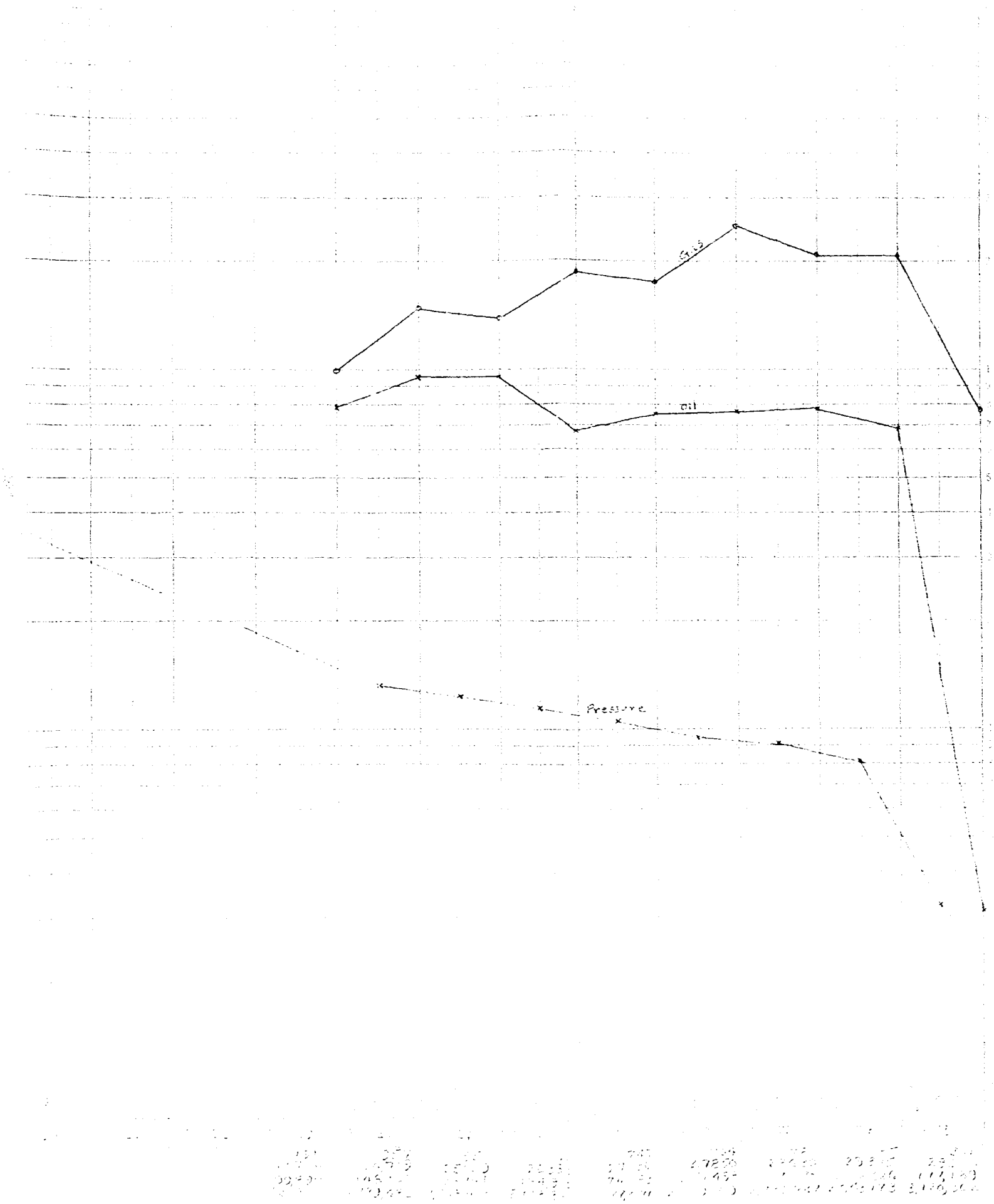

Sept
729.5
Pressure

1-M





1-N



Basis For Allocation:

Both Zones produce oil and Hanson beleives well is producing 40% of the oil from the Blinebry and 60% from the Tubb oil zone. Propose that oil be allocated 40% Blinebry and 60% Tubb. Ownership is the same for both zones and the well is not producing above 35 barrels of oil from both zones.

Packer Leakage Test: Tests have not been completed on this well as of hearing date.

Cost of new well drilled to Tubb oil Zone at a depth of 6050 feet: $ 171,250.00 including seperate tank battery and flowlines.

Fluid Characteristics:

	Blinebry	Tubb
Gravity	39 Sweet	39 Sweet
GOR	1154:1	

KELLAHIN AND FOX
ATTORNEYS AT LAW
500 DON GASPAR AVENUE
POST OFFICE BOX 1769
SANTA FE, NEW MEXICO 87501

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

TELEPHONE 982-4315
AREA CODE 505

June 18, 1976

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

Gentlemen:

Enclosed is the application of Hanson Oil Corporation for commingling of production and the dual completion of its Gutman Well No. 7, Lea County, New Mexico.

It is requested that this application be set for the July 7, 1976 examiner hearing.

Yours very truly,

Jason W. Kellahin

JWK/ma

Enclosure

cc: Mr. Dalton Kincheloc

BEFORE THE

OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF HANSON OIL CORPORATION FOR
COMMINGLING OF PRODUCTION AND
A DUAL COMPLETION, LEA COUNTY,
NEW MEXICO

A P P L I C A T I O N

Comes now Hanson Oil Corporation and applies to the Oil Conservation Commission of New Mexico for authority to commingle oil production from the Blinebry Oil Pool and the Tubb Gas Pool, and for dual completion of the commingled zones with the Drinkard Pool, Lea County, New Mexico, and in support thereof would show the Commission:

1. Hanson Oil Corporation is the operator of the Hanson Oil Corporation Gutman Well No. 7, located in Unit D, Section 19, Township 22 South, Range 38 East, N.M.P.M., Lea County, New Mexico.

2. Applicant proposes to complete the well in such manner as to commingle the oil production from the Blinebry zone with oil produced from the Tubb zone, and to dually complete the well to produce from the Drinkard oil pool. Production will be through parallel strings of 2 1/16 inch tubing, with a packer set at approximately 6190 feet.

3. It is not economically feasible to complete the well for separate production from the Blinebry and Tubb zones. The well is nearing the end of its economic life, and completion of the well is the manner proposed will prolong production,

resulting in the recovery of oil that would not otherwise be recovered, thus preventing waste and insuring the greatest ultimate recovery of oil. No damage to any of the reservoirs will occur , and the correlative rights of all owners, including offsetting owners, will be fully protected.

WHEREFORE applicant prays that this matter 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 enter its order approving the well completion as proposed by applicant.

Respectfully submitted,

HANSON OIL CORPORATION

By Jason W. Kellahin

KELLAHIN & FOX
P. O. Box 1769
Santa Fe, New Mexico 87501

ATTORNEYS FOR APPLICANT

BEFORE THE

OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF HANSON OIL CORPORATION FOR
COMMINGLING OF PRODUCTION AND
A DUAL COMPLETION, LEA COUNTY,
NEW MEXICO

A P P L I C A T I O N

Comes now Hanson Oil Corporation and applies to the Oil Conservation Commission of New Mexico for authority to commingle oil production from the Blinebry Oil Pool and the Tubb Gas Pool, and for dual completion of the commingled zones with the Drinkard Pool, Lea County, New Mexico, and in support thereof would show the Commission:

1. Hanson Oil Corporation is the operator of the Hanson Oil Corporation Gutman Well No. 7, located in Unit D, Section 19, Township 22 South, Range 38 East, N.M.P.M., Lea County, New Mexico.

2. Applicant proposes to complete the well in such manner as to commingle the oil production from the Blinebry zone with oil produced from the Tubb zone, and to dually complete the well to produce from the Drinkard oil pool. Production will be through parallel strings of 2 1/16 inch tubing, with a packer set at approximately 6190 feet.

3. It is not economically feasible to complete the well for separate production from the Blinebry and Tubb zones. The well is nearing the end of its economic life, and completion of the well is the manner proposed will prolong production,

resulting in the recovery of oil that would not otherwise be recovered, thus preventing waste and insuring the greatest ultimate recovery of oil. No damage to any of the reservoirs will occur, and the correlative rights of all owners, including offsetting owners, will be fully protected.

WHEREFORE applicant prays that this matter 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 enter its order approving the well completion as proposed by applicant.

Respectfully submitted,

HANSON OIL CORPORATION

By Jason W. Kellahin

KELLAHIN & FOX
P. O. Box 1769
Santa Fe, New Mexico 87501

ATTORNEYS FOR APPLICANT

BEFORE THE

OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF HANSON OIL CORPORATION FOR
COMMINGLING OF PRODUCTION AND
A DUAL COMPLETION, LEA COUNTY,
NEW MEXICO

A P P L I C A T I O N

Comes now Hanson Oil Corporation and applies to the Oil Conservation Commission of New Mexico for authority to commingle oil production from the Blinebry Oil Pool and the Tubb Gas Pool, and for dual completion of the commingled zones with the Drinkard Pool, Lea County, New Mexico, and in support thereof would show the Commission:

1. Hanson Oil Corporation is the operator of the Hanson Oil Corporation Gutman Well No. 7, located in Unit D, Section 19, Township 22 South, Range 38 East, N.M.P.M., Lea County, New Mexico.

2. Applicant proposes to complete the well in such manner as to commingle the oil production from the Blinebry zone with oil produced from the Tubb zone, and to dually complete the well to produce from the Drinkard oil pool. Production will be through parallel strings of 2 1/16 inch tubing, with a packer set at approximately 6190 feet.

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WHEREFORE applicant prays that this matter 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 enter its order approving the well completion as proposed by applicant.

Respectfully submitted,

HANSON OIL CORPORATION

By Jason W. Kellahin

KELLAHIN & FOX
P. O. Box 1769
Santa Fe, New Mexico 87501

ATTORNEYS FOR APPLICANT

DAN NUTTER

Wanted ... [illegible]

	Bl. oil		Dr. oil	
Aug	325		442	
Sept	605		534	
Oct	1071	10870	779	7175
Nov	744	11147	785	6119
Dec	807	11704	677	5811
Jan	680	"	726	
Feb	841	"	496	"
Mar	953		385	

Allen assigns

Bl: 1900 Bbls test ... Sept OK ...

Dr: 1500 " " " " " " "

Bl: 1200 " " " " Jan " Feb

CARL ULVOG

5/20/76 (re. tele. call - Willis)

Gulf and Hanson are still hung up on Blinebry-Tubb argument. Hanson did not intend to downhole comingle. They still want just a plain Blinebry-Drinkard dual. I told Willis we can't give adm. approval to a combination MC and DHC but if they want to try for that on hearing, have at it.

DAN NUTTER

Cal. 3380 Case # 5108

Exxon State SH 20
E 2 22 37

Bl 75' above the Bl marker to 100' above the Tb marker

Bl marker 5457
-2077

Tb marker 5921
-2541

Gulf Energy and Minerals Company-U.S.

PRODUCTION DEPARTMENT

MIDLAND DISTRICT

P. O. Drawer 1150
Midland, Texas 79701

17 February 1976

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

Attention: Mr. Joe D. Ramey

Re: Multiple Completion Application
Blinebry and Drinkard Zones
Hanson Oil Corporation's
Gutman Well No. 7
Lea County, New Mexico

Gentlemen:

In our letter of December 8, 1975 Gulf Oil Corporation gave notice of objection to the subject multiple completion application dated September 12, 1975. This objection was based on the fact that the lower set of so called Blinebry perforations (5944' to 6014') were actually within the limits of the Tubb Pool as recognized by the Commission.

Gulf is prepared to withdraw its objection to the multiple completion application provided Hanson Oil Corporation applies for authority to commingle production between the Blinebry and Tubb Pools and the Commission approves same. We do not, however, condone the practice of commingling production from two or more fields before authority has been obtained from the Commission.

Yours very truly,

R. F. Ward, Jr.

R. F. WARD, JR.

CFK: jm

cc: Hanson Oil Corporation
P. O. Box 1515
Roswell, New Mexico 88201

Gulf

A DIVISION OF GULF OIL CORPORATION

CARL ULVOG

[illegible]

[illegible]

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

Form C-107
5-1-61

APPLICATION FOR MULTIPLE COMPLETION

Operator: Hanson Oil Corporation		County: Lea	Date: 9-12-75
Address: P.O. Box 1515, Roswell, New Mex.		Lease: Gutman	Well No.: #7
Location of Well: Unit D	Section 19	Township 22-S	Range 38-E

1. Has the New Mexico Oil Conservation Commission heretofore authorized the multiple completion of a well in these same pools or in the same zones within one mile of the subject well? YES X NO ____

2. If answer is yes, identify one such instance: Order No. MC-2096 ; Operator Lease, and Well No.: Hanson Oil Corporation- Max Gutman #6

3. The following facts are submitted:	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	Blinebry		Drinkard
b. Top and Bottom of Pay Section (Perforations)	5606'- 6014'		6270'- 7135'
c. Type of production (Oil or Gas)	Oil		Oil
d. Method of Production (Flowing or Artificial Lift)	Flow		Flow

4. The following are attached. (Please check YES or NO)

Yes	No	
☒	☐	a. Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralizers and/or turbolizers and location thereof, quantities used and top of cement, perforated intervals, tubing strings, including diameters and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent.
☒	☐	b. Plat showing the location of all wells on applicant's lease, all offset wells on offset leases, and the names and addresses of operators of all leases offsetting applicant's lease.
☒	☐	c. Waivers consenting to such multiple completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.*
☒	☐	d. Electrical log of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation indicated thereon. (If such log is not available at the time application is filed it shall be submitted as provided by Rule 112-A.

5. List all offset operators to the lease on which this well is located together with their correct mailing address.

Marathon Oil, Co., Box 522, Midland, Texas 79701

John H. Hendrix, 403 Wall Tower West, Midland, Texas 79701

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

Summit Energy Inc., 1925 Mercantile Dallas Bldg., Dallas, Texas 75201

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES X NO ____. If answer is yes, give date of such notification 9-12-75.

CERTIFICATE: I, the undersigned, state that I am the Vice President of the Hanson Oil Corp. (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

Ray Willis

Signature

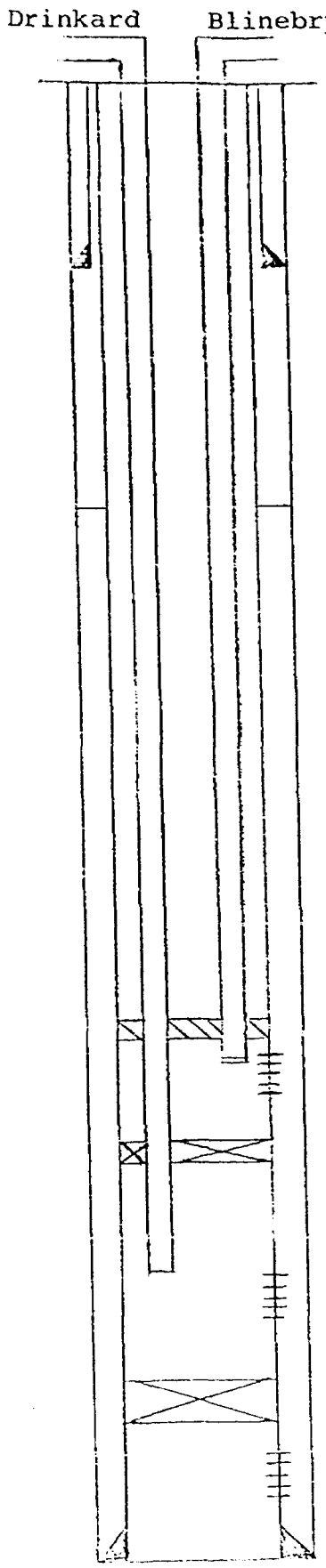
Ray Willis, Vice President/Production

*Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Commission will hold the application for a period of twenty (20) days from date of receipt by the Commission's Santa Fe office. If, after said twenty-day period, no protest nor request for hearing is received by the Santa Fe office, the application will then be processed.

NOTE: If the proposed multiple completion will result in an unorthodox well location and/or a non-standard proration unit in one or more of the pools, then separate application for approval of the same should be filed simultaneously with this application.

DIAGRAMMIC SKETCH OF THE MULTIPLE COMPLETION

Hanson Oil Corporation - Max Gutman #7



8 5/8" casing @ 1180' w/400 sx. (Cmt. circ. to surf.)

5½" casing @ 7475' w/1400 sx. (Top of cmt. @ 2000')

Top of cement 2000'

2-1/16" tubing set @ 5506' (Blinebry)

Guiberson Tubing Anchor set @ 5506'

Blinebry perfs. @ 5606'- 6014'

5½" U.N.I. - IV Casing Packer set @ 6190'

2-1/16" tubing set @ 6190'

Drinkard perfs. @ 6270'- 7135'

Type B Bridge Plug set @ 6400'

Granite Wash perfs. @ 7376'- 7433'

T.D. 7475'

SENDER: Be sure to follow instructions on other side

PLEASE FURNISH SERVICE(S) INDICATED BY CHECKED BLOCK(S)
(Additional charges required for these services)

☒ Show to whom, date and address where delivered ☐ Deliver ONLY to addressee

RECEIPT
Received the numbered article described below

REGISTERED NO. 618725
CERTIFIED NO.
INSURED NO.
DATE DELIVERED 9-15-75

SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)
Marathon Oil Company
SIGNATURE OF ADDRESSEE'S AGENT, IF ANY
Deborah K. Reese
SHOW WHERE DELIVERED (Only if requested, and include ZIP Code)
P.O. Box 552, Midland, Tx 79701

SENDER: Be sure to follow instructions on other side

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RECEIPT
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REGISTERED NO. 618723
CERTIFIED NO.
INSURED NO.
DATE DELIVERED SEP 15 1975

SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)
W E Kuhlaturk
SIGNATURE OF ADDRESSEE'S AGENT, IF ANY
SHOW WHERE DELIVERED (Only if requested, and include ZIP Code)
RECEIVED SEP 1 1975
Box 670

SENDER: Be sure to follow instructions on other side

PLEASE FURNISH SERVICE(S) INDICATED BY CHECKED BLOCK(S)
(Additional charges required for these services)

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RECEIPT
Received the numbered article described below

REGISTERED NO. 618722
CERTIFIED NO.
INSURED NO.
DATE DELIVERED SEP 15 1975

SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)
Teresa Wright
SIGNATURE OF ADDRESSEE'S AGENT, IF ANY
SHOW WHERE DELIVERED (Only if requested, and include ZIP Code)
525 Midland Towers

SENDER: Be sure to follow instructions on other side

PLEASE FURNISH SERVICE(S) INDICATED BY CHECKED BLOCK(S)
(Additional charges required for these services)

FEE PAID NOT ☒ Show to whom, date and address where delivered ☐ Deliver ONLY to addressee

RECEIPT
Received the numbered article described below

REGISTERED NO. 618719
CERTIFIED NO.
INSURED NO.
DATE DELIVERED AUG 15 19

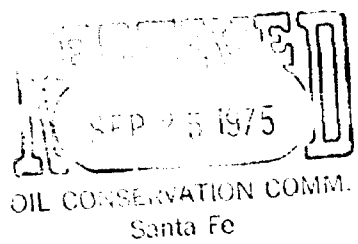
SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)
Summit
SIGNATURE OF ADDRESSEE'S AGENT, IF ANY
Paula Mylan
SHOW WHERE DELIVERED (Only if requested, and include ZIP Code)

OIL CONSERVATION COMMISSION
Hobbs DISTRICT

OIL CONSERVATION COMMISSION
BOX 2088
SANTA FE, NEW MEXICO

DATE Sept. 24, 1975

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



Gentlemen:

I have examined the application dated _____

for the Hanson Oil Corp. Max Gutman #7-D 19-22-38
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

O.K.---J.W.R.

Yours very truly,

John W. Runyan

Gulf Energy and Minerals Company-U.S.

PRODUCTION DEPARTMENT

MIDLAND DISTRICT

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

P. O. Drawer 1150
Midland, Texas 79701

December 8, 1975

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

Attention: Mr. Joe D. Ramey

Re: Multiple Completion Application
Blinebry and Drinkard Zones
Hanson Oil Corporation's
Gutman Well No. 7
Lea County, New Mexico

Gentlemen:

By our letter of September 5, 1975, Gulf gave notice of objection to the subject application as submitted on Form C-107, dated August 20, 1975. Our objection to this application was based on the fact that the proposed perforations of the Blinebry zone, i.e., 5606-6014, would actually extend into the Tubb gas zone. We interpret the top of the Tubb gas zone to be at 5892 feet in Hanson's Gutman Well No. 7. This point is 100 feet above the Oil Conservation Commission's Tubb marker.

As requested by your C. G. Ulvog, this letter will serve as formal notice of our objection to Hanson Oil Corporation's revised application for multiple completion submitted on Form C-107, dated September 12, 1975. The proposed Blinebry perforations were unchanged from the original application.

Yours very truly,

R. F. Ward, Jr.

R. F. WARD, JR.

CFK:ka

cc: Hanson Oil Corporation
P. O. Box 1515
Roswell, New Mexico 88201

Gulf

A DIVISION OF GULF OIL CORPORATION

CARL ULVOG

9/2: Called Hanson Oil Willis out; talked to Fred Typer. He will give Willis message.

9/3: Willis called. Said they did not intend to complete Granite Wash at present time. Will resubmit application with corrected C-107 and schematic.

12/4: [illegible]

CARL ULVOG

9/4: Kenyan says proposed Drinkard perfs. go too low - get into the Wantz-Abo pay. Says max. depth for Dr. should be about 6750'. (Location not in Wantz-Abo Pool).

9/5: Gulf called. Object to Blinebry perfs. because they extend into Tubb, which rights were retained by Gulf in farmout to Hanson. Blinebry perfs should go no lower than 5950' (Kenyan's T/Tubb)

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
APPLICATION FOR MULTIPLE COMPLETION

Form C-107
5-1-61

Operator		County	Date
Hanson Oil Corporation		Lea	8-20-75
Address		**Lease**	**Well No.**
P.O. Box 1515, Roswell, N.M. 88201		Gutman	#7
Location of Well Unit: D	Section: 19	Township: 22-S	Range: 38-E

1. Has the New Mexico Oil Conservation Commission heretofore authorized the multiple completion of a well in these same pools or in the same zones within one mile of the subject well? YES X NO ____

2. If answer is yes, identify one such instance: Order No. MC-2096 ; Operator Lease, and Well No.: Hanson Oil Corporation- Max Gutman #6

3. The following facts are submitted:	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	Blinebry	Drinkard	Granite Wash
b. Top and Bottom of Pay Section (Perforations)	5606'-6014'	6270'- 7135'	7376'-7433'
c. Type of production (Oil or Gas)	Oil	Oil	Oil
d. Method of Production (Flowing or Artificial Lift)	Flow	Flow	Flow

4. The following are attached. (Please check YES or NO)

Yes	No	
☒	☐	a. Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralizers and/or turbolizers and location thereof, quantities used and top of cement, perforated intervals, tubing strings, including diameters and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent.
☒	☐	b. Plat showing the location of all wells on applicant's lease, all offset wells on offset leases, and the names and addresses of operators of all leases offsetting applicant's lease.
☒	☐	c. Waivers consenting to such multiple completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.*
☒	☐	d. Electrical log of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation indicated thereon. (If such log is not available at the time application is filed it shall be submitted as provided by Rule 112-A.)

5. List all offset operators to the lease on which this well is located together with their correct mailing address.

Marathon Oil Co., Box 522 Midland, Texas 79701

John H. Hendrix, 403 Wall Tower West, Midland, Texas 79701

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

Summit Energy Inc., 1925 Mercantile Dallas Bldg., Dallas, Texas 75201

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES X NO ____. If answer is yes, give date of such notification 8-21-75.

CERTIFICATE: I, the undersigned, state that I am the Vice President/Production of Hanson Oil Corp. (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

Ray Willis, Vice President/Production
Signature

*Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Commission will hold the application for a period of twenty (20) days from date of receipt by the Commission's Santa Fe office. If, after said twenty-day period, no protest nor request for hearing is received by the Santa Fe office, the application will then be processed.

NOTE: If the proposed multiple completion will result in an unorthodox well location and/or a non-standard proration unit in one or more of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
APPLICATION FOR MULTIPLE COMPLETION

Form C-107
5-1-61

Operator's Copy

Operator		County	Date
Hanson Oil Corporation		Lea	8-20-75
Address		Lease	Well No.
P.O. Box 1515, Roswell, N.M. 88201		Gutman	#7
Location of Well	Unit	Section	Township	Range
	D	19	22-S	38-E

1. Has the New Mexico Oil Conservation Commission heretofore authorized the multiple completion of a well in these same pools or in the same zones within one mile of the subject well? YES X NO
2. If answer is yes, identify one such instance: Order No. MC-2096 ; Operator Lease, and Well No.: Hanson Oil Corporation- Max Gutman #6

3. The following facts are submitted:	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	Blinebry	Drinkard	Granite Wash
b. Top and Bottom of Pay Section (Perforations)	5606'-6014'	6270'- 7135'	7376'-7433'
c. Type of production (Oil or Gas)	Oil	Oil	Oil
d. Method of Production (Flowing or Artificial Lift)	Flow	Flow	Flow

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5. List all offset operators to the lease on which this well is located together with their correct mailing address.

Marathon Oil Co., Box 522 Midland, Texas 79701

John H. Hendrix, 403 Wall Tower West, Midland, Texas 79701

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

Summit Energy Inc., 1925 Mercantile Dallas Bldg., Dallas, Texas 75201

6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES X NO . If answer is yes, give date of such notification 8-21-75 .

CERTIFICATE: I, the undersigned, state that I am the Vice President/Production Hanson Oil Corp. (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

Signature
Ray Willis, Vice President/Production

*Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Commission will hold the application for a period of twenty (20) days from date of receipt by the Commission's Santa Fe office. If, after said twenty-day period, no protest nor request for hearing is received by the Santa Fe office, the application will then be processed.

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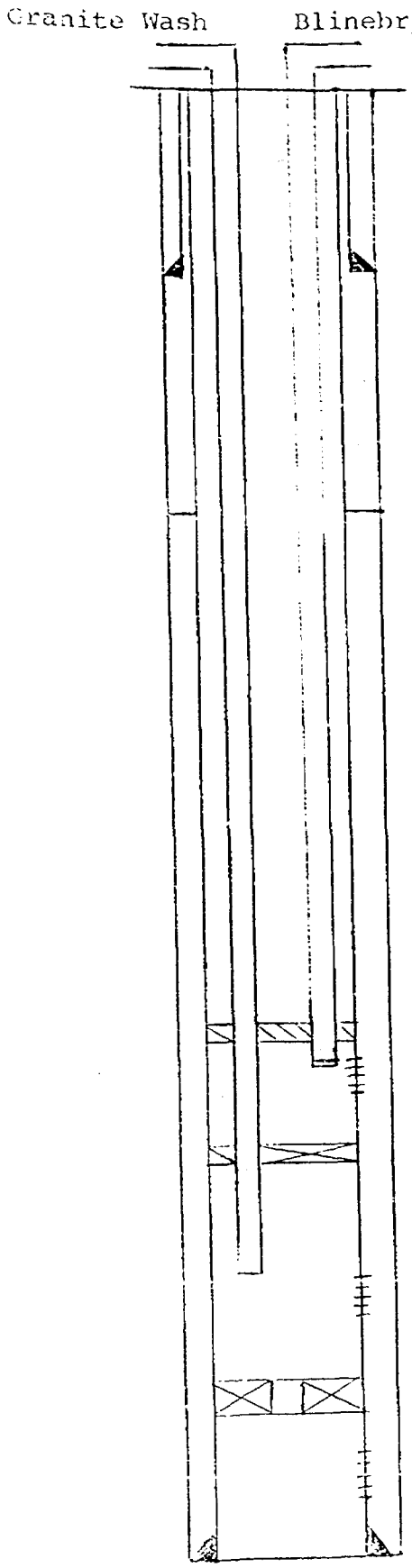
DIAGRAMMIC SKETCH OF THE MULTIPLE COMPLETION

Hanson Oil Corporation - #7 Max Gutman



8 5/8" casing @ 1180' w/400 sx. (Cmt. circ. to surf.)

5½" casing @ 7475' w/1400 sx. (Top of cmt. @ 2000')

Top of cement 2000'

2-1/6" tubing set @ 5506' (Blinebry)

Guiberson Tubing Anchor set @ 5506'

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Type B Bridge Plug set @ 6400'

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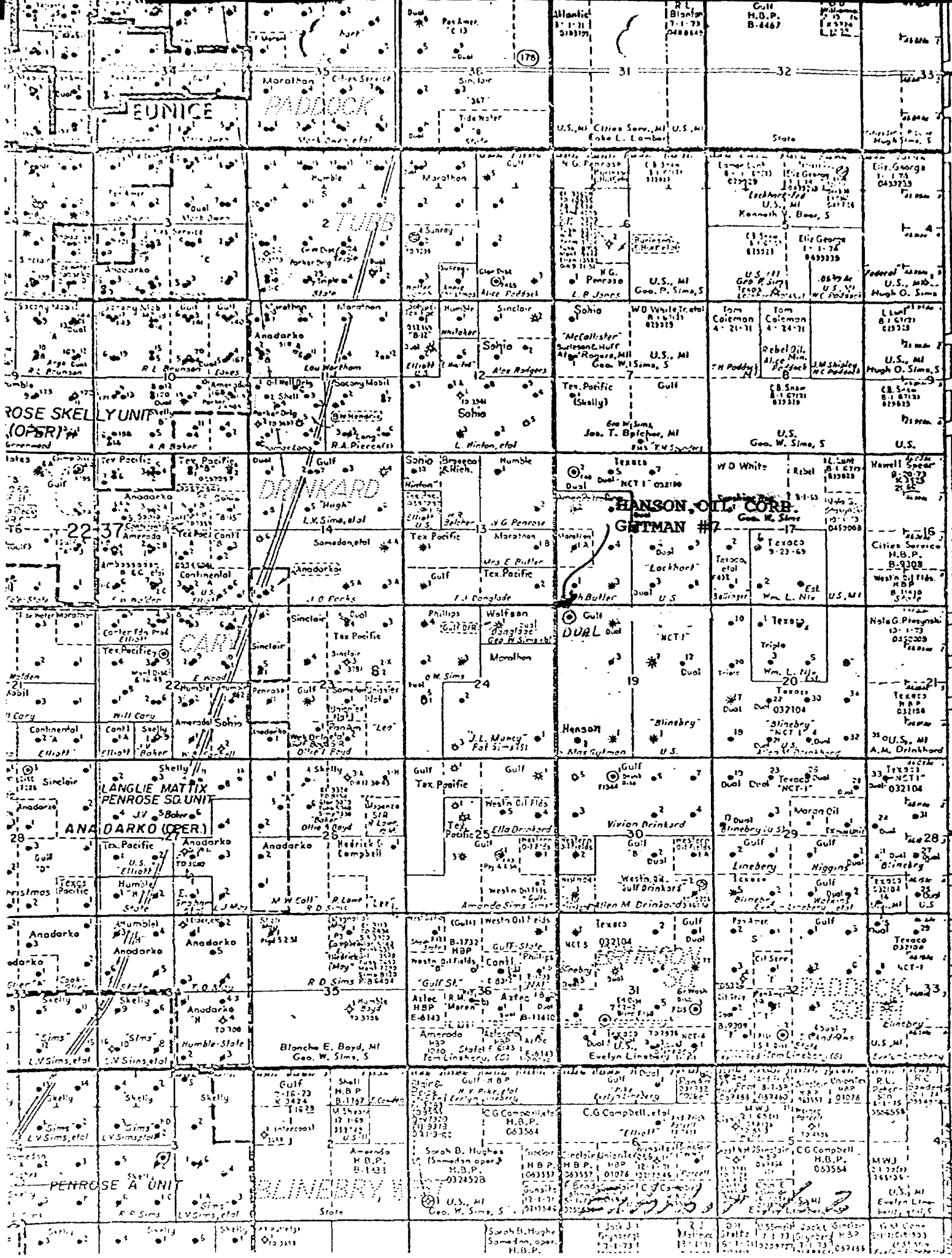
T.D. 7475'


EUNICE
PADDOCK
ROSE SKELLY UNIT (OPER.)
DRINKARD
HANSON OIL CORP. GETMAN #7
CARY
LANGLIE MATTIX PENROSE SD. UNIT
ANADARKO (OPER.)
PENROSE "A" UNIT
BLINEBRY
Humble
Marathon
Sinclair
Gulf
Texaco
Tex Pacific
Amerada
Continental
Anadarko
Skelly
Sohio
Socony Mobil
Cities Service
Phillips
Wolfson
Shell
Hanson
Getman
Lockhart
Blinebry
Eunice
Paddock
State
U.S.
Federal
Texas-New Mexico
Lea County

SENDER: Be sure to follow instructions on other side

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RECEIPT
Received the numbered article described below

REGISTERED NO. 618716
CERTIFIED NO.
INSURED NO.
DATE DELIVERED AUG 22 1975

SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)
Monsanto Co
SIGNATURE OF ADDRESSEE'S AGENT, IF ANY
J. J. Jones
SHOW WHERE DELIVERED (Only if requested, and include ZIP Code)

SENDER: Be sure to follow instructions on other side

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(Additional charges required for these services)

FEE NOT ☒ Show to whom, date and address where delivered ☐ Deliver ONLY to addressee

RECEIPT
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REGISTERED NO.
CERTIFIED NO. 618713
INSURED NO.
DATE DELIVERED AUG 25 1975

SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)
Sunmit Energy Inc
SIGNATURE OF ADDRESSEE'S AGENT, IF ANY
Sue Lightner
SHOW WHERE DELIVERED (Only if requested, and include ZIP Code)

SENDER: Be sure to follow instructions on other side

PLEASE FURNISH SERVICE(S) INDICATED BY CHECKED BLOCK(S)
(Additional charges required for these services)

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RECEIPT
Received the numbered article described below

REGISTERED NO. 618718
CERTIFIED NO.
INSURED NO.
DATE DELIVERED AUG 22 1975

SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)
W. E. Kirkpatrick
SIGNATURE OF ADDRESSEE'S AGENT, IF ANY
SHOW WHERE DELIVERED (Only if requested, and include ZIP Code)
Box 670

SENDER: Be sure to follow instructions on other side

PLEASE FURNISH SERVICE(S) INDICATED BY CHECKED BLOCK(S)
(Additional charges required for these services)

☒ Show to whom, date and address where delivered ☐ Deliver ONLY to addressee

RECEIPT
Received the numbered article described below

REGISTERED NO. 618717
CERTIFIED NO.
INSURED NO.
DATE DELIVERED AUG 22 1975

SIGNATURE OR NAME OF ADDRESSEE (Must always be filled in)
John H. Hendrix
SIGNATURE OF ADDRESSEE'S AGENT, IF ANY
J. M. Jones
SHOW WHERE DELIVERED (Only if requested, and include ZIP Code)
525 Midland Tower

SENDER: Be sure to follow instructions on other side

PLEASE FURNISH SERVICE(S) INDICATED BY CHECKED BLOCK(S)
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John H. Hendrix
SIGNATURE OF ADDRESSEE'S AGENT, IF ANY
[illegible] Jones
SHOW WHERE DELIVERED (Only if requested, and include ZIP Code)
525 Midland Tower

OIL CONSERVATION COMMISSION
HOBBS DISTRICT

OIL CONSERVATION COMMISSION
BOX 2088
SANTA FE, NEW MEXICO

DATE Sept. 2, 1975

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

Gentlemen:

I have examined the application dated

for the Hanson Oil Corp. Gutman #7-D 19-22-38
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

This well has Drinkard completion open in Drinkard and all of Abo. The Drinkard consists of the Vivian (Drinkard) and Andrews (Abo), the Andrews being the upper 200' of the Abo-not the entire Abo. Recommend that this be corrected.

Yours very truly,

John W. Runyan

Gulf Oil Company - U.S.

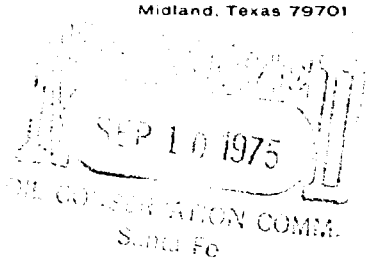
PRODUCTION DEPARTMENT

MIDLAND DISTRICT

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

5 September 1975

P. O. Drawer 1150
Midland, Texas 79701



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

Attention: Joe D. Ramey

Re: Multiple Completion Application
Hanson Oil Corporation's
Gutman Well No. 7
Lea County, New Mexico

Gentlemen:

Gulf Oil Corporation has received notice of Hanson Oil Corporation's application for multiple completion of their Gutman Well No. 7 in their Blinebry, Drinkard and Granite Wash zones.

This letter will serve as formal notice of our objection to the application as submitted on Form C-107 dated August 20, 1975.

Yours very truly,

R. F. Ward, Jr.

R. F. WARD, JR.

CFK:jm

cc: Hanson Oil Corporation
P. O. Box 1515
Roswell, New Mexico 88201

A DIVISION OF GULF OIL CORPORATION

OIL CONSERVATION COMMISSION

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

DIRECTOR
JOE D. RAMEY

LAND COMMISSIONER
PHIL R. LUCERO

STATE GEOLOGIST
EMERY C. ARNOLD

July 16, 1976

Re: CASE NO. 5711
ORDER NO. R-5240

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

Applicant:

Hanson Oil Corporation

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.5711
Order No. R-5240

APPLICATION OF HANSON OIL CORPORATION
FOR A DUAL COMPLETION AND DOWNHOLE
COMMINGLING, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on July 7, 1976, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 14th day of July, 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, Hanson Oil Corporation, seeks authority to complete its Max Gutman Well No. 7, located in Unit D of Section 19, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico, as a dual completion (conventional), completing said well in such a manner as to commingle Blinebry and Tubb oil and gas production and to dually complete said zones with the Drinkard Pool.

(3) That from both the Blinebry and Tubb zones, said well is capable of low marginal production.

(4) That the proposed commingling may result in the production of additional hydrocarbons from each of said pools, thereby preventing waste, and will not violate correlative rights.

(5) That the reservoir characteristics of each of the aforesaid pools are such that underground waste would not be caused by the proposed commingling.

(6) That in order to determine the production from each of the commingled zones in the subject well, 40 percent of the commingled gas and oil production should be allocated to the Blinebry zone and 60 percent of the commingled gas and oil production should be allocated to the Tubb zone.

(7) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.

(8) That approval of the subject application will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Hanson Oil Corporation, is hereby authorized to commingle Blinebry and Tubb production in the wellbore of its Max Gutman Well No. 7, located in Unit D of Section 19, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico.

(2) That 40 percent of the commingled gas and oil production shall be allocated to the Blinebry zone and 60 percent of the commingled gas and oil production shall be allocated to the Tubb zone.

(3) That the applicant is hereby authorized to complete said Max Gutman Well No. 7 as a dual completion (conventional) in such a manner as to produce the commingled Blinebry and Tubb production through a string of 2 1/16-inch tubing and the Drinkard production through a parallel string of 2 1/16-inch tubing, with separation of the commingled zones to be achieved by means of a packer set at approximately 6190 feet.

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take packer-leakage tests upon completion and annually thereafter during the Annual Gas-Oil Ratio Test Period for the Drinkard Pool.

(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.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member

JOE D. RAMEY, Member & Secretary

S E A L
jr/

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
July 7, 1976

EXAMINER HEARING

IN THE MATTER OF:

Application of Hanson Oil Corporation for a dual completion and downhole commingling, Lea County, New Mexico. CASE 5711

BEFORE: Daniel S. Nutter, 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: Jason W. Kellahin, Esq.
KELLAHIN & FOX
Attorneys at Law
500 Don Gaspar
Santa Fe, New Mexico

I N D E X

EXHIBIT INDEX

MR. NUTTER: We will call Case Number 5711.

MR. CARR: Case 5711, application of Hanson Oil Corporation for a dual completion and downhole commingling, Lea County, New Mexico.

MR. KELLAHIN: If the Examiner please, Jason Kellahin, Kellahin and Fox, appearing for the applicant. We have one witness.

(THEREUPON, the witness was duly sworn.)

DALTON KINCHELOE

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

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q. Would you state your name, please?

A. Dalton Kincheloe.

Q. Would you spell that, please?

A. K-i-n-c-h-e-l-o-e.

Q. Where do you reside, Mr. Kincheloe?

A. Roswell.

Q. And what business are you engaged in?

A. I'm an independent consultant.

Q. In connection with your work as an independent consultant have you been employed by Hanson Oil Corporation

to represent them in Case 5711?

A. Yes, sir.

Q. Have you made a study of the proposed application and the information surrounding it?

A. Yes, sir.

Q. What is proposed by the applicant in this case?

A. The applicant proposes to dually complete the Drinkard with the Blinebry and Tubb commingled in the Hanson Gutman No. 7 Well.

Q. Now, what zones do they propose to dual and what zones to commingle?

A. They would commingle the Blinebry and the Tubb.

Q. And then make a dual completion of those two zones with the Drinkard?

A. Right, which is on below.

Q. Now, referring to a book of exhibits marked as Applicant's Exhibits Number One, would you go through those exhibits, please?

A. Well, sir, I have prepared several exhibits. Number One is the area map and the cross section dealing with the Humble No. 20 southeastward to the Hanson Gutman No. 6, which is beyond the well line strictly to show the zones of interest in the Tubb and the Blinebry and also the top of the Drinkard there.

Q. Would you comment on the information that is shown

as to the particular formations involved here?

A. The information shown, of course, is completions I had record of on all of the wells and the zones they were producing from and how they fit in the stratigraphic section.

Q. Do you have anything else to add to that?

A. Basically that those beds are correlative and that the Humble correlates back to the Gutman 6 and geographically locating what we think is the area.

A. Now, the area map also shows a BB Prime, is that another exhibit you have?

A. That is the second cross section which goes diagonally from the southwest to the northeast, it includes the Marathon No. 4 Muncie on the southwest to the Hanson No. 7 Gutman. The American Petrofina No. 1-A Butler and extends on over to the Texas Lockhart No. 10. It has a stick diagram showing the Texas Lockhart No. 5 which is listed as a triple completion and currently commingled Tubb and Blinebry.

Q. Now, there is no log available on that well?

A. There is not a log available so I used the perforations that were recorded and the geological top on the Tubb and then the datum to position it along the stick so a person could see where it is perforated.

Q. Now, turning to Exhibit Number Three, would you identify that exhibit?

A. Exhibit Number Three or C-One, I guess it is, is a

sample description superimposed upon an electric log, a density neutron log. It shows the water saturations of the various zones, it shows the schematics of how the tubing is set and the packers for the completion as we are now producing with the Blinebry and Tubb zone open to one set, the packer immediately below it at sixty-one,ninety showing the Tubb zones there. It has got an error on the thing right now, the tubing going down, instead of being six thousand, ninety, should be extended down to sixty-one, ninety.

Anyway the tubing goes for the Drinkard pay, down to sixty-one, ninety. The well is opened in the Blinebry from fifty-six, oh, eight to about fifty-six, eighty-two and in the Tubb zone from fifty-nine, forty-five to six thousand, fourteen and the Drinkard from sixty-two, seventy down to seventy-one, thirty-five.

MR. NUTTER: Those little dots along that are those the perforations?

A. That is the perforations, yes, sir.

The section also shows the tops, the geological tops, and the OCC top. It shows our pressure test required by the OCC out of Hobbs for this hearing, the interval on the pressure tests.

Q. That is shown on what exhibit number?

A. That would be on Exhibit One-D, sir, or maybe I'm getting ahead of the game here.

Q. Exhibit One-D is the results of the pressure tests on those wells?

A. Yes, sir.

Q. And that is the information that is shown on the log?

A. Yes, sir, on the log here.

Q. Referring now to Exhibit One-D, what information is shown on there?

A. It shows a twenty-four hour shut-in test on two separate sections. The first test was taken on 6-5-76. It tested from six thousand and eight to six thousand and fourteen with a test datum of six thousand and eleven. The final pressure when the gauge was removed was sixteen hundred and seventy-two pounds.

The second test was through the interval of fifty-six, oh, six to fifty-nine, seventy-eight. The test depth at fifty seven, ninety-two, a twenty-four hour test. Well, actually it was twenty-three hours and thirty minutes. The final pressure was fifteen, twenty-eight at the end of the test.

Q. What zones did this cover?

A. Well, this covers the Blinebry and the Tubb, the Upper Tubb section.

Q. Which test is which?

A. Well, the first test covers the lower perforations which is basically the bottom part of the Tubb. Let me say

here that it's not the bottom of the Tubb, it is the bottom of the Tubb zone that we are dealing with, the better part of the test pay, of course, is on below us.

Q. And the upper perforations covered the Blinebry?

A. They covered the Blinebry and part of the Tubb.

Q. So, the pressure differential would be sixteen, seventy-two as compared to fifteen, twenty-eight, is that right?

A. Yes, sir, and the engineer calculated about ninety pounds different than normal because of the difference in the setting of the test tool but there is a little bit more pressure difference than that.

Q. On the basis of these pressures would you think that the commingling of the production from those two zones would cause any damage to either zone?

A. No, sir, I do not.

Q. Referring now to what has been marked as One-E would you identify that exhibit?

A. One-E was the, going back to Exhibit One, the map, Number One-E covers the Blinebry pressures as reported in the Oil and Gas Commission's annual reports from 1956 to 1975 dealing with the Max Gutman No. 1 which is a Gulf well located in N, Section 19, 22, 38 and the Gutman No. 2 which is in C. Now, this is the direct offset to the Hanson No. 7 Well and these pressures show that in 1968 the Gutman No. 1 had a

Blinebry pressure of twelve hundred and twenty-two pounds. In 1975 it had seven hundred and sixty-five pounds. The No. 2 Gutman we have records back to 1955, we have a pressure of sixteen, ninety-six but by 1968 it was down to seven hundred and thirty-nine, point, five pounds in September. The well from the pressure was dead through '74 and '75 indicating that the Blinebry in that section had gone.

The second item in that area is the shut-in pressures on the Gulf No. 1 and No. 2 Gutman in the Tubb gas zone. In 1956 the Gutman No. 1 had twenty-four hundred and thirty-seven pounds, in 1974 it was down to two hundred and sixteen pounds, in 1975 it was dead.

The Gutman No. 2 in 1955 had twenty-two hundred and fifty-four pounds and in 1975 it was down to three hundred and twenty-four pounds and the production has done the same thing, it is essentially gone.

MR. NUTTER: These are surface pressures, aren't they, Mr. Kincheloe?

A. Yes, sir, these are taken out of the back of your book there, the Oil and Gas Commission books. They are bottom-hole pressures.

MR. NUTTER: Are they bottom-hole pressures?

A. Yes, sir, it's BHP on there. They've gotten pretty sick on it.

Q. (Mr. Kellahin continuing.) Would this indicate that

the Blinebry is essentially depleted in this area?

A. Yes, sir, I think the Blinebry in that proration unit is pretty well gone. It would certainly take some reworking or something to get it going.

Q. At the bottom of the exhibit there is some information on production, is there not?

A. Yes, sir, this is the gas and oil production on the Gutman No. 1 and Gutman No. 2 from the Blinebry formation. I started with 1967 because this was the year of Hanson's farmout from Gulf and this shows what the wells were making there. To 1967 the Gutman No. 1 had a billion, eight hundred and fifty-nine thousand, three hundred and seventy-three cubic feet of gas, thirty-six thousand, eight hundred and thirty-four barrels of oil. The production in 1967 was a hundred and eleven million, eight hundred and fifty thousand gas and twenty-eight hundred and eighty barrels of oil. In '75 the well had decreased in production to a hundred and six million, three hundred and thirty thousand cubic feet of gas and six hundred and thirty-one barrels of oil. The total cumulative at the end of '75 the gas was three billion, three hundred and twelve million, eight hundred and twenty-three cubic feet of gas and fifty-two thousand, seven hundred and twenty-three barrels of oil.

MR. NUTTER: I think the record ought to say that was MCF rather than cubic feet on that last figure.

That was through '74. Through '75 we picked up another hundred and ten million cubic feet of gas and seventy-one hundred and thirty-five barrels of oil for a total up to date in '76, as of April, of two hundred and twenty-five million, five hundred and ninety-eight cubic feet of gas, fifteen thousand, seven hundred and four barrels of oil.

The Hanson No. 7 Gutman was put on production in August of 1975 and we called this thing Blinebry at the time but it should have been Blinebry-Tubb. From August and the production through December thirty-three million cubic feet of gas, three thousand, five hundred and fifty-five barrels of oil. Total to date on the well is seventy-five million, five hundred and twenty-six cubic feet of gas and six thousand, eight hundred and fifty-six barrels of oil.

The data immediately under that is the pressure survey. We've already had it on the exhibit.

Q. (Mr. Kellahin continuing.) Exhibit One-G is that some information on some additional wells?

Q. This is on an American Petrofina well which is in Section 18, the southwest-southwest and it is their Blinebry oil and Drinkard production through 1975 and the second part is on a Marathon well which is diagonally southwest of the Gulf Gutman No. 7 and it shows their production through the same period.

Q. Now, Exhibit One-H, is that some additional informa-

tion?

A. This is additional information, this is on the Texaco Lockhart No. 5. This is the one that has been commingled in the Blinebry and Tubb and the Drinkard is dualled.

Now, I have no record of this being commingled or a hearing or anything but I find it on our geological cards so I'm on safe ground on that. Apparently they do produce the Tubb and the Blinebry together.

Q. Now, Exhibit One-I, would you discuss that exhibit, please?

A. That is our schematic diagram of the Hanson No. 7 Gutman with the casing set, the tubing anchored, the Blinebry-Tubb perforations and the packer at sixty-one, ninety and the tubing which is set at sixty-one, ninety to take the Drinkard oil. We have a bridge plug set below there at seventy-three hundred and this bridge plug has the Granite Wash perforation blocked off at this time. We did test it, we got a little bit of oil but it was not commercial.

Q. In the event this application is approved would there be any change in well completion?

A. No, sir, the way the well is set now is the way we will continue producing.

Q. Actually it was completed that way because of the difference in locating the Blinebry and Tubb horizons, is this correct?

A. Well, yes, sir, and partially because I have another log here which showed that this Tubb gas zone had made about ten thousand barrels of oil. We knew that we had a marginal well on the Blinebry and was an area that had been drained already and we felt like it was necessary to get every drop of oil we could to make the well commercial, so knowing that the well had been completed in this Tubb-Blinebry section in Section 18 and had made ten thousand barrels of oil prior to abandonment, we felt like we better go get those zones and perforate it and we obviously added some.

Q. Now, referring to Exhibits One-J, One-K, One-L and One-M, would you discuss those exhibits?

A. These are decline curves. We start out with the Hanson No. 6 Gutman in the Blinebry and in the Tubb and on the Blinebry-Tubb on the No. 7. We see that on the No. 6 we start out here with about nine hundred barrels of oil a month and it has now declined down to about three hundred and ten barrels of oil a month. On the well that is completed with the Tubb section open and the Blinebry, we start out at about three hundred and went to about eleven hundred and are still producing between eight or nine hundred barrels a month of oil out of that and the gas pattern is very similar.

All of these decline curves are strictly to show what is happening.

The second one is on the Gulf No. 1 Gutman, the

Blinebry gas, it shows the oil, the pressure and the gas. I have no comment about it. We've already talked about it on the other part there.

On the Gutman No. 2 there is a very obvious drop in pressure between '71 and '72 and by '74 the well was dead and that, of course, is the well that we are offsetting with the No. 7 Well.

The Tubb gas zones show pressure declines. The No. 1 Gutman is virtually dead, well, it is dead now and that was in the middle of '75 the last pressure reading on it and the No. 2 in the middle of '75 had three hundred and twenty-four pounds of pressure on it with the production gone pretty badly.

So, actually these wells were pretty well gone before we came into this particular location to drill our well.

Q. Is the ownership of the different formations, at least as to the Blinebry and Tubb, common throughout?

A. Yes, sir, they are.

Q. Both working interest, royalty interest, overriding interest?

A. Everything, yes.

Q. In the event this application is approved, how would you propose to allocate the production between the two zones, the Blinebry and the Tubb?

A. It's a little bit hard to say but I would say based on the decline curve on the Gutman No. 6, we can see that we

can make about three hundred barrels of oil out of the Blinebry,we will make about eight hundred out of the other well. They were both looked at very carefully when we perforated, taking only sections that looked like they were commercial. It looks to me like about a forty-sixty split, about forty percent out of the Blinebry and sixty percent out of the Tubb.

Q. Now, that is as to the oil zones?

A. That is to the Blinebry and the Tubb.

Q. What about the gas in the two zones, would you allocate it the same way?

A. I think it would be the same way. It seems like they are producing about the same amount.

Q. So, you would recommend a forty percent allocation for the Blinebry for both oil and gas?

A. Right.

Q. And sixty percent for the Tubb?

A. Yes.

Q. In your opinion will the commingling of these two zones cause any damage to the reservoir?

A. No, sir, I'm not so sure about the pressure data but with the well being open and flowing I can't see a zone that has any pressure at all, taking pressure whenever we are letting everything come to the surface that will so I don't believe there is going to be any damage from it.

Q. Would it result in the recovery of oil and gas that

would not otherwise be recovered?

A. Yes, sir, it sure would.

Q. And would the dual completion of the well result in the recovery of oil and gas that would not otherwise be recovered?

A. The commingled and dual?

Q. Yes, sir.

A. Yes, sir.

Q. And would the dual completion in any way cause any damage to either one of the reservoirs?

A. No, sir.

Q. Were Exhibits One through One-O prepared by you or under your supervision?

A. Yes, sir.

MR. KELLAHIN: At this time I would like to offer into evidence Exhibits One through One-O.

MR. NUTTER: Exhibits One through One-O will be admitted into evidence.

(THEREUPON, Applicant's Exhibits One through One-O were admitted into evidence.)

CROSS EXAMINATION

BY MR. NUTTER:

Q. Mr. Kincheloe, these pressure tests that you were talking about awhile ago, Exhibit Number One-D, now, the

interval that was pressure tested in the upper interval is from fifty-six, oh, six to fifty-nine, seventy-eight?

A. Yes, sir.

Q. Now, if we look at your Exhibit Number One-C, which has the perforations marked on here, apparently up here in the Blinebry formation you have got three sets of perforations from approximately fifty-six hundred to fifty-seven hundred, roughly?

A. Yes, sir.

Q. Now, those are in the Blinebry?

A. Those are real Blinebry, we all agree on that.

Q. And then down here in the neighborhood of fifty-nine fifty to sixty, twenty-five, I'm giving these very roughly, you've got another group of three sets of perforations?

A. Yes, sir.

Q. Now, the pressure tests on Exhibit Number One-D goes from fifty-six, oh, six to fifty-nine, seventy-eight, so that is the pressure of these top three perforations and the next two sets of perforations?

A. Perforations in the Tubb, right.

Q. So that is a combination Blinebry-Tubb pressure test?

A. It sure is.

Q. And the other pressure on Exhibit One-D is from six, oh, oh, eight to six, oh, one, four, so that is this one

little group of perforations in the Tubb formation?

A. Yes, sir.

Q. So we don't know what the differential pressure is from these exhibits between the Blinebry and the Tubb Pools?

A. That is exactly my feeling on it, Mr. Nutter, these tests were run and the packer set at the direction of your representative in Hobbs and I looked at the thing and I said, "Well, I don't really know what happened," you know, when they showed me the results of it and why we ran it this way.

Q. Now, I'm wondering what the purpose is and what they have accomplished with this?

A. I think about all we have accomplished on it is establishing that there is approximately sixteen hundred pounds in the Tubb section and something less in the Blinebry. I would like to say though on this, with the offset well there being abandoned out of this Tubb section, that is the old American Petrofina Gutman, after ten thousand barrels of oil, it looked like a very marginal zone and, of course, the gas that is being taken in this area doesn't come from this interval of the hole but immediately below the other Tubb marker which you call the main Tubb marker on Exhibit C here. I would also say that the lithology from the top of the Blinebry down to the main Tubb marker is almost the same. You are dealing with interbedded thin sands, dolomitics and some of them are not so dolomitic but generally dolomitic sands and

dolomite with porosity in the dolomite and in the sand and the real change in the two sections comes below the main Tubb marker in the locale right here, where in this particular well it is basically shale and they get their gas a little bit below that section. But the rock itself is very similar to the Blinebry, what has been designated as Blinebry and so I think it is all comparatively the same thing. I think that this Max Gutman No. 7 would be a very marginal well in the Blinebry by itself. We found out that in an offset. well, you can see it designated here as the No. 4 Gulf and 3 Hanson, this well was a Blinebry attempt. Gulf abandoned it after awhile, Hanson came in and tried it, they both ended up with a water well so there are sections in the Blinebry that you've got to be very careful with in order to get the maximum amount of oil out of the formation. You've just about got to take every good zone and leave those high-risk zones alone and that is kind of why we got into this thing.

Q. Now, when this thing was perforated, there weren't any separate tests made in the upper three sets of perforations or the lower three sets of perforations?

A. I didn't anticipate that happening. I gave them the perforations and when they got ready to treat the well they perforated all of the Drinkard section simultaneously, stage completed it and then put a packer on it and graveled it and came back up and perforated the Tubb and the Blinebry together.

I hadn't intended for it to happen that way but that's the way it turned out.

Q. So we really have no concrete way of determining how much production there is from either one of those two zones?

A. Just on the basis of what the other wells have been in the area.

Q. I mean, nothing concrete on this well?

A. No, sir, it's not concrete as to exactly what is coming out of there. I would like to point out that this little thing here cost us eight thousand dollars, which I don't understand and we didn't really arrive at much with it.

Q. I was wondering what to do with it.

A. Well, this well is making about eight hundred barrels a month now, which is not a big well but it is a commercial well and I doubt very seriously that it will maintain that over another year. I think that if we go in and squeeze off one section and try to go back to it, we are going to spend a heck of a lot of money and we very possibly wouldn't recover the oil we are trying to get out of her now.

Q. Now, on your Exhibit One-O, the last page in your exhibit, you say that the fluid characteristics here, the gravity of the Blinebry is thirty-nine and the gravity of the Tubb is thirty-nine?

A. That was because this one section, that's all we had was this one sample, so we can't say which is which. It was sweet and the gas-oil ratio on the thing was eleven, fifty-four.

Q. Now, that ratio is a combined ratio of the two zones?

A. Of the two zones just like the oil. Also you would expect it to if it was a gas zone there to be a lot higher than that, forty-five or above and, of course, here it is and I know darn well we're not getting that much more oil out of the Blinebry to add to this section, so it is probably just about a thirty-nine gravity oil.

MR. NUTTER: Are there any further questions of Mr. Kincheloe? He may be excused.

(THEREUPON, the witness was excused.)

MR. NUTTER: Do you have anything further, Mr. Kellahin?

MR. KELLAHIN: That's all, Mr. Nutter, thank you.

MR. NUTTER: Does anyone have anything they wish to offer in Case Number 5711?

We will take the case under advisement and the hearing is adjourned.

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. 5711, heard by me on 7/7, 1976.

Examiner
New Mexico Oil Conservation Commission