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

CASE NO.

5711

APPlication, Transcripts, Small Exhibits,

ETC.

HANSON OIL Det for Hrey 7-7-76

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

AF COASESAVION COWN Santa Fe

CORPORATION

Re: Hanson Oil Corporation - Gutman #7

Dual Completion

810'FNL and 880'FNL 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,

Ray Willis

Vice-President, Production

RW:jmc Enclosure

cc: NMOCC-Hobbs

Mr. John Hendricks cc: Marathon Oil Company cc:

cc: Summit Energy, Inc.

cc: Gult U11 Co.



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N'-, MEAICO OIL COUSE: VATION COMMISSION SANTA FE, NEW MEXICO APPLICATION FOR MULTIPLE COMPLETION

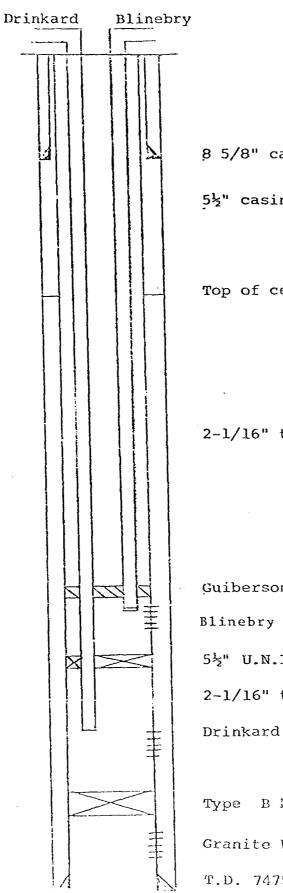
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And the transfer of the second		Laday	100
Hanson Oil Corpor	ration	Lea	5/26/76
P.O. Box 1515, Ro		Max Gutman	#7
The state of the s	19 E	wa.st.i) 22−S	in je
	and the second s	the second secon	38-E
. Has the New Mexico Oil Conservatio	a Commission heretofore at		n of a well in these same pools or in the same
Zones within one mile of the subject	went tes MC-	NO	INCHASE BARRAGO OCT
. If answer is yes, identify one such in		; Operator Lease,	and Well No.: Hanson Oil
Corporation- Max	Gutman #6		
. The following facts are submitted:	Upper	Intermediate	Lower
	Zone	Zone	Zone
a. Name of Pool and Formation	Blinebry-Tubb	S	Drinkard
b. Top and Bottom of			
Pay Section	5606-6014		6270-7135
(Perforations)			
c. Type of production (Oil or Gas)	0i1		0i1
d. Method of Production			
(Flowing or Artificial Lift)	Flow		Flow
i. The following are attached, (Please o	theck YES or NO)		
b. Plat showing the loce of operators of all lea X	ation of all wells on applicates offsetting applicant's of such multiple completions of the applicate well or other acceptable well or other acceptable with log is not available at on which this well is locate 522, Midland, Wall Tower West, P.O. Box 670,	cant's lease, all offset wells on lease. In from each offset operator, or intion.* log with tops and bottoms of prothe time application is filed it stated together with their correct management. Texas 79701 t. Midland, Texas Hobbs, New Mexico	79701 88240
date of such notification	state that I am ris V	ice President athorized by said company to make a are true, correct and complete	ES X NO
		Ray Willes, Vi	ce Président/Production

*Should waivers from all affect 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 nonestandard proration unit in One or more of the soducing zones, then separate application for approval of the same should be filed simultaneously with this application.

DIAG...MMIC SKETCH OF THE MULTIPL 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'

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≈ GPO : 1974 O = 527-893

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" 0 1180' w/ 400 sx. (circ) 5 1/2" 0 7476' w/ 1400 sx.

TOTAL DEPTH:

7475'

DRILL STEM TEST:

DST #1 - 7376-7440'

Initial Hydrostatic 3760# 1st I.F. 47# 47# 1st F.F. 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

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 Drinkard: 6652-54-56, 6661-63, 6674, 6692-94- 1 shot per foot

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 okr. back to 7440'. Pressure tested tby. 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

Duntles	11701
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	50801
Glorieta	5105'
Paddock	5134'
Blinebry	5468'
Middle Blinebry	5570
Lower Blinebry	5854'
Tubb	6045'
Drinkard	6279'
ABO	6560'
Middle Drinkard	6595'
Lower Drinkard	6650'
Granite Wash	73581
o. a oc 114511	, 550

CEMENT TOP:

2000'

HANSON OIL CORPORATION

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

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We	submit	the	following	deviation	survevs	for	vour	information:
""	GUDIII	CIIC	TOTTOME	act action	Cur + Cy G	TOT	A O C. T	THE OF URE PTOTE

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

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, 12½ hrs., dev. ½ @ 490', ½ @ 920', M.W. 9.7, visc. 35.
- 5-18-75 T.D. 1193', drilling in Anhydrite, 93' progress, Bit #2 pulled @ 1193', 270' in 3½ hrs. dev. ½ @ 1193', M.W. 10, visc. 35, Run 1180' of 8 5/8", 24# casing, cemented w/ 250 sx. Halliburton Lite w/ ½ flocel, 10# salt per sx. & 150 sx. Cl. "C", w/ ½# 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 10 @ 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', 16½ hrs., bit #4 pulled @ 3342', 608', 21½ hrs., totco 1½° @ 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', ¾ @ 3742', arilling 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. 3/40 @ 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 0 4062', 75 hrs., 1185', dev. 3/4⁰ @ 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. 1^0 @ 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. 10 @ 6073', drilling w/ brine water 9.9, added 21 sx. paper, 1 gal. #1131 corosion inhibitor.
- 5-30-75 T.N. 6352', drilling in Lime, 275', bit #7, in @ 4062', 167½ hrs., 2290', drilling wy 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.

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- 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', 50½ 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', 10 @ 7049, M.W. 9.7, visc. 36, W.L. 15, added 61 sx. starck 28 bbls. oil, 1 gal. 1131 corosion inhibitor.
- 6-4-75 T.D. 7268', drilling in Lime, 168' progress, bit #8, in @ 6523', 97% 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', l¼ hrs., 6', bit #8 pulle @ 7440', 917', 124-3/4 hrs., totco 2¼0 @ 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 Initial Hyd. 1st. I.F. 1st. F.F. 1st. F.S.I.	3743# 46# 46# 137#	Bottom Chart Initial Hyd. 1st. I.F. 1st. F.F. 1st. F.S.I.	3760# 47# 47# 187#
2nd. I.F.	46#	2nd. I.F.	47#
2nd. F.F.	46#	2nd. F.F.	47#
2nd. F.Ş.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.
- 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.

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- 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.
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- 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.
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- 7-17-75 Waiting on Completion Unit
- 7-18-75 Waiting on Completion Unit

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- 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.
- 2-30-75 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 shots)

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

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Spotted 400 gal., 15% N.E. acid over perfs @ 6852'- 7135' on 7-31-75 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.l 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.

lst 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 CWl, 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.

lst 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, CWl, 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.

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- 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 2" 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" thg. Kept kill truck on location and kept well filled w/ brine water. Ran Guiberson unit pkr. 6 on 2 l/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 thg., 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.

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

During gau-ail 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 0.66.

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

Mall 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) of Production Clerk

(Title)

June 3, 1976

and the same

(Date)

Revised 1-1-65

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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 easing.

Mall 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.

Production Clerk

(Ti:le)

June 3, 1976

(Date)

į	SANTA FE		OS VEFOAVBEE		Superiode Old	C-101 and C-
1	U.S.O.S. AND OFFICE I BANSPORTER OIL	ALT. OF ROITASISCJA	AND ISPORT OIL ANE	TURAL GAS	F.14511A+ F-1-22	
1.	OPERATOR PROPRIOS OFFICE Operator					
-	Hanson Oil Co Address P.O. Box 1515	orporation 5, Roswell, New Mexico	0 88201			
	Reason(s) for long (Check proper box)		Ciner (Please			
	New Well Recompletion Change In Ownership	Change in Transporter of: Oil Dry Gos Costaghed Gos Condens	Request 900 bb	t testing Is. for J	allowable (January 1976	of
	If change of ownership give name and address of previous owner			-	· · ·	
	DESCRIPTION OF WELL AND L	Well No. Feel Name, Including For	mation	Kind of Lease		Louse Nu
	Max Gutman	7 Drinkard	1	State, Federal or	Fee Fee	
	Location Unit Letter D : 810	O Feet From The N Line	end <u>880</u>	Feet From The	West	
		mahlp 22-5 Range 3	18-E , NMPM,	· L <u>e</u> a		County
ìli.	DESIGNATION OF TRANSPORT	rer of oil and natural ga	3	_		
	Name of Authorized Transporter of Oil Texaco. Inc.	or Condensute	l Address (Give address t			•
ļ	Name of Authorized Transporter of Cast Warren Petroleum		P.O. Box 151 Address (Give address) P.O. Box 158			
}			Is gas actually connecte	89, IUISA ed? When	, UKIA.	100
	· · · · · · · · · · · · · · · · · · ·	th that from any other lease or pool, g				1
3	Designate Type of Completion		New Well Workover	Derpan	Plug Back Same Res	s'v. Diil. Res
Ì	Date Spuddod	Date Compl. Ready to Prod.	Fotal Depth		P.B.T.D.	
ļ	Elovations (DF, RKB, RT, GR, etc.)	Name of Producing Permetion	Top Ott/Sas Pay		Tubing Depth	
ļ	Perforations	1	i		Depth Casing Shoe	
!		Tubing, Casing, And				
!	HOLE SIZE	CASING & TUBING SIZE	DEPTH S		SACKS CE	MENT
,						

v.	. TEST DATA AND REQUEST FO	able for this de	feer recovery of total value of the feet or be for full 24 hours of Producting Method (Florida)	:s)		ezcad top o
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ı					•	
	GAS WELL Actual Prod. Test-MCF/D	Length of Tost	Ente. Condunacto/MMC	OF	Gravity of Condensat	ite .
:	Teating Mothed (pitot, back pr.)	Tebing Pressumo (Shub-1n)	Country Pressure (Sha	(02-3	Choxo Stav	
VI.	CERTIFICATE OF COMPLIANT		OIL	CONSERVATION !	TION COMMISSIO	ON
			APPROVED	JHIV (_, 19
	Commission have been complied values is true and complete to the	with and that the information given to beat of my knowledge and belief.	TITLE	抱义		2-
	Man	1.11.	This form is t	to be filed in c	compliance with nuc	LZ 1104.
	Kay VV A	nature)	well, this form me	ast be accompan e viell in accord	rable for a newly dri plad by a tubulation danca with RULE I	111. 111.
	Vice President/P	Production	All exctions of the black on new and t	of this form tous recompleted wal	st by filled out comp alle.	plotely for a
	January 19, 197	76)ate)	Fill out only	Sections 1, 11. Ser, or transports	i. III, and VI for chiler, or other auch chart; be filed for each	mge or conc
			The property of the contract o			

HEH MEALL OIL CONSERVATION COMMISSION SANEA FE Form C-164 REQUEST FOR ALLOWABLE Supersedes Old G-104 and G-116 Effective 1-1-55 f L. S. GNA J.S.G.S. AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS AND OFFICE OIL TRANSPORTER POTABOR PROBATION OFFICE Operator Hanson Oil Corporation Address P.O. Box 1515, Reason(s) for filing (Check proper box) Roswell, New Mexico 88201 [X] Request testing allowable 1900 b. New Well Recompletion OIL Dry Gris for month of September 1975. Change in Ownership Condens. If change of ownership give name and address of previous II. DESCRIPTION OF WELL AND LEASE Well No. Feel Name, Including Fernation Kind of Lease Leass No. Max Gutman 7 Blinebry State, Federal or Fee Fee Location 810 D Feet From The N Line and 880 Feet From The 19 22-S 38-E Line of Section Lea NMPM III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL CAS Address (Give address to which approved copy of this form is to be sent) Address (Give address to which approved copy of this form is to be sent) Texaco, Inc. P.O. Box 1510, Midland, Texas 79701 Address (Give address to which approved copy of this form is to be sent) Name of Authorized Transporter of Castnghead Gas [X] or Dry Gas. P.O. Box 1589, Tulsa, Okla. 74100 Warren Petroleum Co. Unit Is gas catually connected? If well produces oil or liquids, give location of tanks. 10 22-S 38-E No If this production is commingled with that from any other lease or pool, give commingling order numbers IV. COMPLETION DATA Oil Well Gas Well New Well Workover Plug Back | Same Resty, Diff. Resty Designate Type of Completion - (X) Date Spudded Date Compl. Ready to Pred. Total Death P.B.T.D. Elevations (DF, RKB, RT, GR, etc., Name of Producting Formation Top Stl/Gas Pay Tubing Depth Perforations Depth Casing Shoe TUBING, CASING, AND CEMENTING RECORD HOLE SIZE CASING & TUBING SIZE SACKS CEMENT V. TEST DATA AND REQUEST FOR ALLOWABLE (Test must be offer 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) Producing Method (Flow, pump, gar lift, etc.) Date of Tost Date First New Oll Run To Tanks Tubing Pressure Casing Pressure Choka Siza Length of Test Woter - Shia. Oll-Bbls. Gas-MCF Actual Prod. During Toot GAS WELL

Longth of Tost Bbla. Condensate/MMCF Gievity of Condensate Actual Prod. Tool-MCF/D Coulty Pressure (Bhat-in) Choke Stay Testing Mothed (pitot, back pr.) Tebing Pressuro (Shut-in)

completed wells.

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.

Vice President/Production August 29, 1975

(Date)

OIL CONSERVATION COMMISSION

County

APPROVED TITLE .

This form in to be fited in compliance with RULE 1104.

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

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

Will out only Sections I. II. III. and VI for changes of ownerell name or number, or transporter, or other such change of condition Separate Forms C-104 must be filed for each pool in multip

20 TO 11 St Superiodes Old Gishs and Gill Elliptive 1-1-55 SANTAFE REQUEST FOR ALLOWABLE 11.2 CAA AUTHURIZATION TO TRANSPORT OIL AND HATURAL GAS LAND OFF TH TRANSPORTER I GAS 3/3 OPERATOR PRORATION 0-FICE Cisciniar Hanson Oil Corporation 88201 Roswell, New Mexico P.O. Box 1515, Other (Please explain) Reason(s) for thing (Check proper box) Request testing allowable New Well Day Gos 1500 bbls. for month of Recompletion Confragte Custopheed Gos September. Change to Ownership If change of ownership give name H. DESCRIPTION OF WELL AND LEASE | Yell No. | Feet Name, Including Femalion Kind of Lease Louss No. State, Federal or Fee Drinkard 7 Fee Max Gutman Location N___ __ Line and ___ _880_ Feet From The Feet From The Unit Letter Township 22-S 19 38-E Lea , NMPM, County Line of Section III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL S | Name of Authorized Transporter of Oil (A) | or Condensate | Address (Give address to which approved copy of this form is to be sent) P.O. Box 1510, Midland, Texas 79701 Texaco, Inc. Address (Give address to which approved copy of this form is to be sent) Name of Authorized Transporter of Castinghead Gas or Dry Gas 74100 P.O. Box 1589, Tulsa, Okla. Warren Petroleum Co. Is gas catually connected? When Unit If well produces oil or liquids, If this production is commingled with that from any other lease or pool, give commingling order numbers IV. COMPLETION DATA Deepen Oil Well Gas Vell New Well | Workover Plug Back | Same Res'v. Dill. Ken Designate Type of Completion - (X) P.B.T.D. Total Depth Date Compl. Recay to Pred. Date Soudded Tubing Depth Name of Producing Parmation Top Sil/Gas Pay Elevations (DF, RKB, RT, GR, etc.; Depth Costng Shoe Perforations TUBING, CASING, AND CEMENTING RECORD DEPTH SET SACKS CEMENT CASING & TUBING SIZE HOLE SIZE (Test must be after recovery of total values of load oil and must be equal to or exceed top of able for this depth or be for full 24 hows) V. TEST DATA AND REQUEST FOR ALLOWABLE Producing Mothed (Flow, pump, sas lift, etc.) Date of Test Date First New Oil Run To Tonks Choka Siza Cosing Pressure Tubing Pressure Longth of Test Weie: - Sbla. Gas-MCF Oil-Bbls. Actual Prod. During Toot GAS WELL Bbla. Condendate/MMCF Gievity of Condensate Longth of Tost Actual Prod. Tool-MCF/D

Coulty Prosour (Sheb-in) Choka Stra Tubing Pressure (Shut-in) Testing Mothad (pitot, back pr.) OIL CONSERVATION COMMISSION

VI. CERTIFICATE OF COMPLIANCE

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

Vice President/Production (Title) August 29, 1975

(Date)

1313 JE. APPROVED

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 deviter taken on the well in accordance with RUCE 111.

All acctions 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 or well name or number, or transporter or other auch change of cond.

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

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DISTRIBUT SANTA FE FILE		REW MEXICO OIL CO	DHSERVA FION COMMISSION		• Old C-103 1-1-65
U.3.G.S. LAND OFFICE OPERATOR				Sa. Indicate Ty State S. State Oil 6	ypa of Lease Fon [X] Gas Louise No.
1.	USE THIS FORM FOR PROPOSALS OF USE TAPPLICATION FOR		ON WELLS ON WELLS OF PERFERENT RESERVOI SUCH FROPOSALS.)	7. Unit Agreen	ment Name
Well XX 2. None of Operation	WELL L. OTH	HER-		8, Faym or Lea	ase Name
-	on Oil Corporation	n		Max Gui	
3. Address of Oper	rator	_		9, Well No.	
		11, New Mexico		7	
4. Location of Wel		FEET FROM THE North	~ 880	i '	n-Granite Wash
UNIC LETTER _	<u> </u>				J-PLANITE WASH
THE Wes	t LINE, SECTION	19 TOWNSHIP 22	South RANGE 38 East	нарм.	HIIIIIII
		15, Elevation (Show wher	ther DF, RT, GR, etc.)	12. County	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
AHIIIII	:HHHHHH		G.L	Lea	MIIIII.
PERFCOM PEMEDIA	NOTICE OF INTENT	=	e Nature of Notice, Reposite Sub	SEQUENT REPORT O	OF:
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PULL OR ALTER CA	TEING [CHANGE PLANS	CASING TEST AND CEMENT J	nde X	
OTHER		[OTHER		L
17. Describe Prop work) SEE Ru		ns (Clearly state all pertinent	details, and give pertinent date	os, including estimated date	of starting any propose
5-16-75	Spudded well 12:0				
5-17-75	w/ 1/4# flocel.	10# salt per sx. 8	24# csg., cemented v & 150 sx. cl. "c" w cement to 1000 psi	// 1/4# flocel, 2%	urton Lite 6 ca. cl.,
6-7-75	& cem. w/ 700 sx	x. Hall. Lite w/ ૠ lt per sx., .5 of l	½" L.T.âû., run 6440 # flocel, .5 of 1% o 1% cfr-2. Plug down	cfr-2 & 700 sx. 5	50/50 pozmix
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18. I hereby certif	fy that the information above	the true and complete to the b	best of my knowledge and belief.	•	
,	Non W/11/	•	······································	- ' ' ' ' - ' ' ' ' ' ' ' ' ' ' ' ' ' '	04 1075
\$15463	My // news		Vice President - P	roduction DATE UL	me 24, 19/5
model and profit is designed in the color of the second of		and the state of t	Geologist		j (j. 394 C
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CONDITIONS OF APPROVAL, IF ARY:

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NO. OF COPIES RECE		• • • • • • • • • • • • • • • • • • •	,		Form C-103 Supersedee Old C-102 and C-103	
SANTA FE		EW MEXICO OIL CONSE	RVATION COMMISSIO	N	Effective 1-1-85	
FILE				-		
u.s.g.s.				50.	Indicate Type of L	
LAND OFFICE					State	Fce X
OPERATOR				5. 5	State Oil & Gas Le	od eeu
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(CO NOT USE	SUNDRY NOTICES THIS FORM FOR PAOPOSALS TO DRIV	AND REPORTS ON I	ELLS EK TO A DIFFERENT RESERVED PROPOSALS.)	<i>\</i> _________		
1.	GAS OTHER-				Unit Agraement Na	
2. Name of Operator				"	Latu or Feuse Har	
HANSON OI	L CORPORATION				MAX GUTMAN	
3. Address of Operat	ot			["	NO. 7	•
				10	, Field and Pool, a	r Wildcat
4. Lecation of Well	. 010	Manth	920		Brunson-Gra	inite Wash
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mmmm	21 ////////////////////////////////////	. Elevation (Show whether		1:	. County	
		3328.5 G.l		<u>:</u>	Lea [
16.	Check Appropriat	e Box To Indicate N TO:	ature of Notice, R	eport or Other UBSEQUENT R	Data EPORT OF:	•
				(-)		۳
PERFORM REMEDIAL	WORK	PLUG AND ABANDON	REMEDIAL WORK	- 片	ALTERING	
TEMPORARILY ABANO	он	\Box	COMMERCE DRILLING OP	755	PLUS AND	ABANDONMENT L
PULL OR ALTER CASI	ис []	CHANGE PLANS	CASING TEST AND CEME	ய கூ ஸ்		.
			OTHER			
OTHER						
17 Describe Propos	sed or Completed Operations (Cla	early state all pertinent dete	ills, and give portinent	iates, including es	timated date of star	ting any propose
work) SEE RUL	E 1703.					
5-16-75	Spudded well @ 12:0	O noon.			-	
·	Drilled 11" hole to	1100'.				-
5-17-75	T.D. 1193', Run 118 w/ .4# flocel per s 2% cal. ci., circ. Held OK.	0' of 8-5/8", 24 x., 10# salt per 55 sx. W.O.C. 1	# casing, cem. sx. & 150 sx. 8 hrs. Tested	w/ 250 sx. cl. "c" w/ casing to 8	Halliburton .4# flocel, 300 PSI for	Lite 3L min.
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	y that the information above is tre	ie and complete to the best	of my knowledge and be	lief.		
18. I hereby certify	that the information above is the					
-9	In Mill	. W	ice President -	Production	DATE May	21, 1975
SISHED	UY IEALL	TITLE Y		The second second second		
					DATE DATE	25 智用

CONDITIONS OF APPROVAL, IF ANY:

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State of Fig.	NEW WEXTOO OIL CONS		ł	Form 77-161 Box Lord 1915 57. Pen Jahr 57An [S
APPLICATION FOR PER	est 10 Caul, pickets	, oe to be back	***********	N. Grat Agen	
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			manite	i i	26, honery or C.E. Rotany
3328.5 G.L.	TIAL EDG COLDING PROPERTY.	Robinson Brot	hers	5-12-	. Pate Work will at ut = -75.
It is proposed to dr depth of 7500' to te	CASING WEIGHT PERFOCE 1 24# 17# & 15.5# ill the above cap st the Granite Wa	ptioned well wash formation.	/ rotal If co	ry to a	al oil and
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and the second s	SEAMS OF PROPERTY IS TO DEEPEN		N PRESENT PR	DOUCTIVE ZONE	AND PROPOSED NEW PACE
hereby certify that the information above is tre		resident - Pro	oductio	Duc 5-2	-75
menovers av Miller	WATER AND THE STREET	, and a second second and the		DATE.	
ONDERVOUS OF A PROPAL, PART	,				

NEL LOCATION AND ACREAGE DEDICATION AT

Frem C-192 Supersedes G-129

HANSON OIL CORP. MAX GUTMAN 19 22 SOUTH 38 EAST **LEA** 810 NORTH Smoon's Lyvel Elev 3328.9 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 toyalty) 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? If answer is "ves." type of consolidation _ If answer is "no," list the owners and tract descriptions which have actually been consolidated. It so reverse side of this form if necessary.)_ No allowable will be assigned to the well until all interests have been consolidated the communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commis-I hereby certify that the information con-- 880' -Say dillia **3/34/74** AUGUST 16, 1974

₹300 (800 **100**0

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 Blinchry 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 gasandoi/production should be allocated to the Blinebry zone and 60 percent to the of the commingled gasandoi/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.
- production shall be allocated to the Blinebry zone and 60 percent of the commingled 100 production shall be allocated to the Tubb zone.

Pool.

(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 production
through a string of 276-inch tubing
and the wash production through a parallel string of 2/16-in
tuking, 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

(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.

OIL	CONSERVATION	COMMISSION
110	BBS	DISTRICT

OIL CONSERVATION COMMISSION BOX 2088	DATE June 11, 1976
SANTA FE, NEW MEXICO	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	
Cperator Lease an	d Well No. Unit, S-T-R
and my recommendations are as follows:	
O.K Jerry Sexton	

Janus Septan

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	UPPER FERFS.			PEKES		TIME-IN HOURS	!\			1737 1726 1719 1705 1686	1763 Gage reached
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W WEST ENGINEERING	Gutman No. n Hole Pressure B	ANSON OIL		-			کر کو:	e v	00 30 Min.	888888	00 Hrs. 00 Min.
RING CO. HOBBS, NEW MEXIC	Gutman No. 7 Bottom Hale Pressure Build-up Tests	HANSON OIL CORPORATION					OIL CONTROLLER	REFORE MY 12 10 VC	1528 1533 1528 Gage out, end test	1572 1531 1519 1510 1513 1519	1633 Gage reached 57921

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	500	7	60 00 P\$13	,	1700		Element No.: Ronge: Clock No.: Range: 0	Lower Perfo	6-5-76	6-4-76 6-5-76			
						7	76::	Lower Perforations @ 6,008' to 6014' Test depth: 6, 011 feet	11:45 om	10:30 pm 12:30 am			
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							Element No.: Range: Clock No.: Range: 24	Upper Perforations Test depth:	6-6-76	6-5-76			
					-		0.:	orations @	9:30 am 1:00 pm	11:30 pm 1:30 am			
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W WEST ENGINEERING	Gutman No. 7 Hole Pressure Build-up Tests	HANSON OIL CORPORATION	: '					7	30 Min.	388	88	88	888
ING CO.	No. 7 re Build-up	CORPORA							1533 1528 G	1519 1524 1520	1510 1513	1531	1572
HOBBS, NEW MEXICO	Tests	TION							Gage out, end test				

76 Drawn by M. C.1. Scole	and section で Table は アンプレンル・ストル・カード (Order Spelest) (1) - Landel A.C. 1997 (1) - Landel	Min. of Wilds. Like Darke in Min. Safe And Andreas and Min. Safe Andreas. For a safe from the Control of Min.
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Ronge: 0-24 Hour 24	12 16 20	Range: 0-24 Hour 8
Z		Z
Upper Perforations @ 5606' to 5978' Test depth: 5,792 feet		Lower Perferations @ 6,008' to 6014' Test depth: 6, 011 feet
Min.		Ha.
	1678	16 20 00
1:30 cm 12 00	1686	12
00	1689	pm 10
	1705	08 00
00	1719	
00 00	1726	
01 00 1579	1752	
00 Min. 1633 Gai	1763 Gage rea	31 OC Hrs.
TIME CUM.	N PSIG @ 6011 FFFT	TIME CIM H

- CASE 5703: Application of Cities Service Oil Company for downhole cormingling, Lea County, New Mexico.

 Applicant, in the above-styled cause, seeks authority to commingle Tubb Gas Pool and Drinkard
 Oil Pool production in the welltere of its State "S" Well No. 2, located in Unit F of Section 15,
 Township 21 South, Harge 37 Hast, 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 Fast, 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 Fool.

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

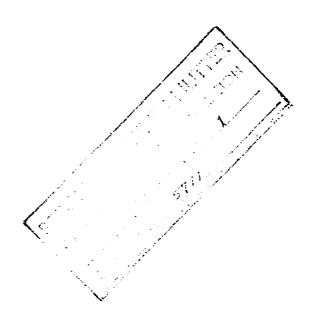
- CASE 5712: In the matter of the hearing called by the Oil Conservation Commission upon its own motion to permit all interested parties to appear and show cause why the San Juan 30-4 Unit Area in Townships 30 and 31 North, Range 4 West, Rio Arriba County, New Mexico, should not be contracted by the 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, Hange 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 Couth, 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



Exhibits

- 1. Cross section and lease man 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 $\frac{2}{2}$ 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.
- 1. 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 # L 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 $\frac{\pi}{6}$ 6 and 7 Blinebry, Blinebry-Tubb.
- 11. Decline curve Gulf # 1 Gutman Blinebry Gas and Pressure Survey.
- 12. Decline curve Gulf $\frac{\#}{\pi}$ 2 Gutman Blinebry Gas and Pressure Survey.
- 13. Decline curve Gulf # | Gutman Tubb gas and Pressure Survey.
- IL. 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.

Bilnebry

Gulf ∮ | Gutman N-19-22-38 | Gulf ∮ 2 Gutman C-19-22-38

	SI Pressures	SI Pressures		
1955 1956 1968 1969 1970 1971 1972 1973 1974	1222.4 > Sept. 1174.3 April 1017.6 943.0 May 981.0 April 833.2 May 600.2 July 765.2 Jan.	1696 (72-5) May 1708 August 739.5 Sept. 738.7 April 949.7 June 905.5 850.0 April 220.2 Aug. Dead		

SI Pressures

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

Year	Tubb Gas	BHP
	Gutman 🐇 I-N	Gutman # 2-C
1955		2251.
1956	2L:37 ·	2036
1967	No Test	No Test
1968	1258.9	1305.2
1969	1302.2	1226.5
1970	1073.8	1153.9
1971	9 7 3•9	1068.9
1972	959.4	9L6.2
1973	891.6	909.0
1974	216.2	807.7
1975	Dead √	324.2 ✔

Blinet	ory Gas & Oil	Production			
Gulf 🛊	Gutman		Gulf ∰ 2 Gutman		
Throug	jh 1967 📝		Through 1967	j	
	1,859,373 MCF	36,834 B.O.	2,740,783 MCF	31,2L2 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,L59	2 <u>1</u> 3,763	1,019	
1971	148,712	1,882	274,618	878	
1972	157,427	i,053	192,91:1	549	
1973	271,8/1	1,573	L3,960	L:09	
1971	317,275	1,522	Dead 🗸		
1975	106,330 /	6311	Dead 🗸	-	
	3,312,823,MCF	52,723 B. Oil	3,680,780 MCF	36,339 B. 011	#EFF

```
Through 1967
                                       Through 1967
      1,547,467 YOF 19,971 B. OFF
                                             1,631,322 MCF
                                                              23,762 8. 011
1967
                      (818)
        (92,999)
                                                (99,890)
                                                               (791)
                       1,011
1968
                                                148,360
        180,503
                                                                  957
1969
                        617
                                                138,741
        159,992
                                                                  950
                        672
1970
        206,836
                                                                  670
                                                181,695
1971
        10L,858
                         703
                                                174,283
                                                                  71:7
        228,016
                         783
1972
                                                251,198
                                                                  76L
        101,060
                         796
1973
                                                207,678
                                                                  780
         31,326
197L:
                         696
                                                206,326
                                                                  685
          2,163
                         69
1975
                                                177, 189
                                                                  311
      2,642,181 MCF
                     2<del>5,329 B.</del> 011
                                              3,120,362 MCF
                                                              29,626 B. 011
Hanson Oil Corp. # 6 Gutman Production
Blinebry Gas and Oil
            197L:
                                       7,735 MCF
                                                       698
Jan.
                                       6,70L
                                                       521
Feb.
March 8,332, MCF 929 B. 011
                                       7,822
                                                       142
                 1, 151
April 8,717
                                       7,345
                                                       565
May
       9,086
                   727
                                       8,375
                                                       570
                                                       613
June
       8,757
                    626
                                       8,348
July
       8,004
                    522
                                       8,L06
                                                       535
                                      11,299
Aug.
       8,56L
                    627
                                                       892
       7,554
Sept
                    593
                                       17,618
                                                       460
       7,541.
Oct.
                    585
                                       8,406
                                                       606
Nov.
       7,3比
                   739
                                       8,980
                                                       599
       7,583
                    532
                                       9,427
                                                       650
Dec.
      81,455 MCF 7,031 B. 011
                                     110,465 MCF
                                                     7,135 B. 011
             1976
                   548 B. 011
       7,399 MCF
Jan.
Feb.
       6,803
                    318
                    360
March 9,074
April 10,402
                    312
      33,678 MCF 1,538 B. Oil
                                        Total Cas 225,598 MCF Total Oil 15,706 BBIs. Oil
Hanson Oil Corp. 🕺 7 Gutman Production
Blinebry-Tubb Gas and Oil
          1975
                                                  1976
        - MCF
                    328 B. 011
                                                  9, 18L
                                                         MCF
                                                                  680 B. 011
Aug.
                                        Jan.
                   605
                                                  8,495
                                       Feb.
                                                                  8L+
Sept.
                  1,071
                                                  1,263
Oct. 10,870
                                                                  953
                                       March
                   7L:L
                                                 12,912
                                                                  827
Nov. 11,147
                                        April
Dec. 11,700
33,721 MCF
                                                                 3,301 B. Oil
                    807
                                                 11,805
```

Total Gas

Gulf + 2 Gutman

Hanson # 7 Gutman Bottom Hole Build-up Test requested by OCC Tubb Zone Date: 6-1,-76 Thru 6-5-76 Perf. 6008-6011! Test Depth 6011! 23Hrs. 15 Mins. 1672#

3,555 B. Oil

Tubb Gas and Oil Production

Gulf & | Gulman

Blinebry-Tubb Zones Date: 6-5-76 Thru 6-6-76 Test Dooth 5792! Perf. 5606-5978! 23号 hrs. 1528代

75,526 MCF Total 011 6,856 BBIs. 011

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

000011011				
Month	6.1	inetry	Drin	kard
	Oil	Gas	Oil	Gas
Jan.	શ્રે 9	5L	1:6	7 06
Feb.	9L:	114	89	780
March	1.7	68	102	807
April	99	183	8L1	836
May	25	3 7	56	1056
June	9L:	176	105	9 94
July	8		66	101:3
Aug.			63	1313
Sept.			L ₁ L ₁	144.1
Oct.		108	28	764
Nov.	568	917	212	234
Dec.	768	2070	254	624
	1947	3727	HL9	10600
Total/Acc.	12,292		58, 152	

Marathon Oil Co. # 4 Muncy H-21-22-37 1975 Production

975 Produc	:fion				
Month		Blinebry		Dri	nkard
	011	Gas	Wtr	Oil	Gas
Jan.	336	6765	88	11:2	33,261
Feb.	321	11255	51	<i>l:2</i> 8	26,359
March	1475	7282	78	320	31,065
April	220	731:3	<u>L</u> 2	227	L,038
May	30	7621	6	283	17,650
June	289	852+	66	252	1,941
July	268	7929	62	22L	2,816
Aug.	366	6126	81	192	1,655
Sept.	277	5888	51	21:5	1,862
Oct.	303	5121	51	168	1,8L;2
Nov.	266	6088	29	200	1,204
Dec.	180	5 727	26	160	912
	3300	86,666	631	3141	121:,605
Total	山,659			30,899	

Texaco Inc. 7 5 Lockhart C-18-92-38

			Ŭ.	- 10-6.	-20				
1975 F	Productio	n							
Nonth	1.8	inebry		Tul	ab		Orin	kard	
	0:1	Gas	Wtr	Oil	Gas	With	Oil	Gas	Wtr
Jan.	920	36L7	L77	95	377	4:7	1:3	: 7 09	21
Feb.	835	1.300		87	1:1:8		39	201	
March	81:7	1:91:2		38	513		39	227	
April	781	1.76		4.8	193		36	228	
May	791	1.669		82	L:8L		36	215	
June	6L6	1:760	16L	67	Li9li	17	30	219	
July	580	3304		60	350		27	158	
Aug.	Ĺ8 i	3000		50	310		22	ιŲο	
Sept.	565	3256	21:2	59	337	59	26	152	53
Oct.	553	3938	226	56	29L	56	26	122	26
Nov.	L70	3806	160	Ĺ9	397	25	22	178	!!
Dec.	461	3209	94	L8	33L	21,	21	1 <u>L</u> 6	
Total Total	7 930 7 930	L6772	1363 46,491	822	4831	228 69,815	367	3687	119

DIAGLAMMIC SKETCH OF THE MULTIPL. COMPLETION Hanson Oil Corporation - Max Gutman #7

Blinebry Drinkard

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'

19 74 19 75 15-19-22-38 HOUSON # 6 Got MON 19....6 19_77 ane ratio = 14366/1 1978 19.72 19 80 MAR. 19 355551 330 21 355551 330 21 3372 845 41,805 mc: 6856 51 75,526 MCF ane vatio = 11013 to 1

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Basis For Allocation:

Both Zones produce oil and Hanson believes—well is producing $\pm0\%$ of the oil from the Blinebry and $\pm0\%$ from the Tubb oil zone. Propose that oil be allocated $\pm0\%$ Blinebry and $\pm0\%$ 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 $% \left(1\right) =\left(1\right) +\left(1$

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	Sweet	115年:1	Succi		

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

NEW TERMIN WAS A CONTROL OF THE SECOND TO THE SECOND TH

TELEPHONE 982-4315 AREA CODE 505

June 18, 1976

New Mexico

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

APPLICATION

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

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

APPLICATION

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- 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,

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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 ason W. Kellahii 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, WEW MEXICO

APPLICATION

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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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

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

ATTORNEYS FOR APPLICANT

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CARL ULVOG

5/20/76 (re, tile, call-Willie)

hung up on Blinebry-Tubb argument. However lid not intend to downhole comingle. They still want just a plain Blinebry Evin hard dual. I told Willie we can't give adm approval to a combination MC and DHC but if they want to try for that in huning, however it.

Gulf Energy and Minerals Company-U.S.

PRODUCTION DEPARTMENT

MIDLAND DISTRICT

17 February 1976

P. O. Drawer 1150 Midiand, Texas 79701

B. L. Choate

CONTROL PRODUCTION MANAGEN
R. F. Ward, Jr.

DISTRICT OFFICIATIONS MANAGER
C. E. Fields

STRICT SERVICES MANAGER

A. J. Evans, Jr.

DISTRICT ENGRONMENTAL, SAFETY,
AND JOINT OPERATIONS MANAGER

J. C. Howard DISTRICT EMPLOYEE RELATIONS MANAGER

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,

RHUND,,

CFK: jm

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



A DIVISION OF GULF OIL CORPORATION

CARL ULVOG

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

		e engliggen (1.51)		· · ressere	
Hanson Oil Corp	oration	Cennty	Lea	Date	9-12 -75
P.O. Box 1515,		Mex.	Gutman	Well to	
Constinut Sect of Well D	19	i Ownship	22-S	runge	38-E
. Has the New Mexico Oil Conservation zones within one mile of the subject of the	well? YES X stance: Order No. Me	authorized NO C-2096			these samé pools or in the same
. 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'- 601	4'			6270'- 7135'
c. Type of production (Oil or Gas)	Oil				Oil
d. Method of Production (Flowing or Artificial Lift)	Flow				Flow
b. Plat showing the loce of operators of all least tors have been furnis	of the Multiple Completers and location thereof, depth, location and typation of all wells on applicant of such multiple complete thed copies of the applicant well or other acceptablish log is not available	quantities e of packers blicant's leave. 's leave. ion from each cation.' e leg with at the time	used and top of cements and side door chokes, a use, all offset wells on the offset operator, or in the open and bottoms of properties and bottoms of properties in the open application is filed it	t, perforated and such other offset least lieu thereo othering zone shall be sub-	neters and setting depths, central intervals, tubing strings, inclusion r information as may be perficed ess, and the names and addresse f, evidence that said offset opera- ess and intervals of perforance in mitted as provided by Rule 111-, ss.
Marathon Oil, Co., Bo John H. Hendrix, 403 Gulf Oil Corporation	Wall Tower We	est, Mi	dland, Texas	7970 5 882	
Summit Energy Inc.,					exas 75201

Ray Willis, Vice President/Production

*Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Constitution will hold the application for a period of twenty (20) days from date of receipt by the Commission's Santa Fe office. If, after suit the santa Fe office, the application will then be processed.

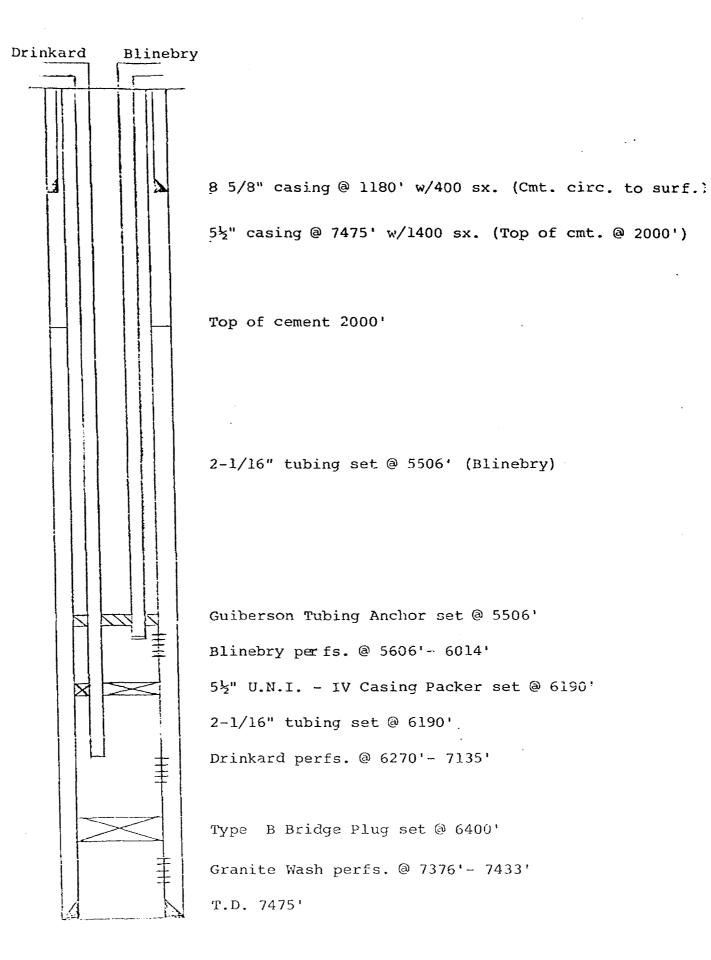
CERTIFICATE: I, the undersigned, state that I am the Vice President of the Hanson Oil Corp.

(company), and that I am authorized by said company to make this report; and that this report was present under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

9-12-75

date of such notification___

NOTE: If the proposed multiple completion will result in an unorthodox well location and/or a non-standard protation unit in Que or received to the same should be filed simultaneously with this application.



DATE DELIVERED MSURED NO. DATE DELIVERED INSURED NO. CERTIFICO NO. SEP 1 5 1975 9-15-75 PLEASE FURNISH SERVICE(S) INDICATED BY CHECKED BLOCK(S)
(Additional charges required for these services) PLEASE FURNISH SERVICE(S) INDICATED BY CHECKED BLOCK(S)
(Additional charges required for these services) Show to whom, date and address where delivered Show to whom date and address where delivered SENDER: Be sure to follow instructions on other side SENDER: Be sure to follow instructions on other side RECEIPT
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SHOW WHERE DELIVERED fonly if requested, and include ZLP Code)		SIGNATURE OF ADDRESSEE'S KGENT, IF MY	SIGNATURE OR NAME OF REDARDS IN CALLET GLOSS'S 64 Juice way	Received the numbered article described below	Show to whom, date and address Deliver ONLY where delivered	PLEASE FURNISH SERVICE(S) INDICATED BY CHECKED BLOCK(S) (Additional charges required for these services)	SLINDER: d., sure to willow instructions on other side

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OIL CONSERVATION COMMISSION Hobbs DISTRICT

OIL CONS	SERVATION COMMIS	SSION	DATE	Sept.	24,	1975
	, NEW MEXICO	OIL CONSERVATION COMM. Santa Fe	RE:	Proposed Proposed Proposed Proposed Proposed	DHC NSL SWD WFX	
Gentleme	en:					
I h	nave examined th	he application dated				
or the	Hanson Oil Co	orp. Max Gutman		#7-D	1	9-22-38
	Operator	Lease and Wei	11 No.	U	nit,	S-T-R
0.K	J.W.R.		7.7			
			Your	s very tr	uly,	

Gulf Energy and Minerals Company-U.S.

PRODUCTION DEPARTMENT

MIDLAND DISTRICT

P. O. Drawer 1150

B. L. Choate POTE PRODUCTION MANAGER R. F. Ward, Jr.

COSTA IS CECRATIONS MANAGER C. E. Fields

0 STA CT SERVICES MANASER

10 STA CT SERVICES MANASER

DISTRICT SERVICES MANAGER
A. J. EVANS, Ur.
COTRICT ENCACHMENTAL & SAFETY MANAGER
J. C. HOWARD
DISTRICT EMPLOYEE PELATIONS MANAGER

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,

CFK:ka

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

A DIVISION OF GULF OIL CORPORATION

1/3: 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: 2. Perf Quel (Hellis)
Con the letter ottalia. Printed (Contract Contract Contr

CARL ULVOG

9/4: Runyan says proposed Drinkard perfe. go too lowget into the Wantz- also pay.
Says max depth for Dr.
should be about 6750'.
(Location not in Wantz- also
Pool).

9/5: Gulf called. Object to
Blindary perfe. because they
extend into Tubb; which
rights were retained by
Sulf in farmout to Hanson.
Blindary perfe should go no
lower than 5950' (Runyan's
1/1 ubb).

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

Hansen Oil Corporation P.O. Box 1515, Roswell, N.M. 8820) Gutman H7	Spermer	A Commence of the State of the Commence of the	County		Date	
P.O. Box 1515, Roswell, N.M. 88201 Gutman #7 P.O. Box 1515, Roswell, N.M. 88201 Gutman #7 P.O. Box 1515, Roswell, N.M. 88201 Gutman #7 P.O. Box 1515, Roswell, N.M. 88201 Gutman #7 P.O. Box 1515, Roswell, N.M. 88201 Gutman #7 P.O. Box 1515, Roswell, N.M. 8201 Gutman #7 P.O. Box 1515, Roswell, N.M. 8201 Gutman #7 P.O. Box 1515, Roswell, N.M. 8201 Gutman #8 P.O. Box 1515, Roswell, N.M. 8201 Gutman #8 P.O. Box 1515, Roswell, N.M. 8201 Gutman #8 P.O. Box 1515, Roswell,	Hansen Oil Corporation			Lea	8-20-75	
Sortion 19 19 22-8 38-E	Alicess					
Sortion 19 19 22-8 38-E	P.O. Box 1515, Rosy	vell, N.M. 88	3201	Gutman	#7	
1. Has the New Mexico Oil Conservation Commission heretofore authorized the multiple completion of a well in these same pools or in the zones within one mile of the subject well; YES X NO C. 16 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 Zone Zone Zone A. Name of Pool and Formation Blinebry Drinkard Granite Wash b. Top and Bottom of Pay Section (Perforations) c. Tyee of production (Oil or Gas) Oil Oil Oil Oil Oil Oil Oil Oil Oil Oil						
1. Has the New Mexico Oil Conservation Commission heretofore authorized the multiple completion of a well in these same pools or in the 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 2. If answer is yes, identify one such instance: Order No. MC-2096 ; Operator Lease, and Well No.: Manson Oil 3. The following facts are submitted: Upper	of Well D	19	2	2-S	38-E	
2. If answer is yes, identify one such instances: Order No. MC-2096 ; Operator Lease, and Well No.: Hanson Oil Corporation—Max Gutman #6 3. The following facts are submitted:	1. Has the New Mexico Oil Conservation	n Commission heretofo	ore authorized	the multiple completion of	- d	
2. If answer is yes, identify one such instance: Order No. MC-2096 Corporation— Max Gutman #6 3. The following facts are submitted: Zone Zone Zone Zone A. Name of Pool and Formation BIInebry Drinkard Granite Wash b. Top and Bottom of Pay Section (Perforations) C. Type of production (Oil or Gas) Oil Oil Oil Oil Oil Oil Oil Oi				a the maniple completion of	a well in these same poors of in the same	
Zone Zone	2. If answer is yes, identify one such in	stance: Order No. N		; Operator Lease, and	d Well No.: Hanson Oil	
Zone Zone	3. The following facts are submitted:	Lipper		Intermediate	Lower	
b. Top and Bottom of Pay Section (Perforations) c. Type of production (Oil or Gas) d. Method of Production (Piolog or Artificial Lift) f. The following are attached. (Please check YES or NO) A. Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, ceriers and/or turbolizers and location thereof, quantities used and top of cement, perforated intervals, tuking strings, including diameters and setting depths, ceriers and/or turbolizers and location and type of packers and side door chokes, auch other information, as may be pettion of operators of all leases offsetting applicant's lease, all offset wells on offset leases, and the names and addre of operators of all leases offsetting applicant's lease. b. Plat showing the location of all wells on ap, licant's lease, all offset wells on offset leases, and the names and addre 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 of the application of the deplication. 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 1 If answer is yes, date of such notification (company), and that I am surhorized by said company to make this report; and that this report was pre under my supervision and direction and that the lates stated therein are true, correct and complete to the best of my knawledge.	-					
b. Top and Bottom of Pay Section (Perforations) c. Type of production (Oil or Gas) d. Method of Production (Flowing or Artificial Lift) d. 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, cerisers and/or turbolizers and location thereof, quantities used and top of cement, perforated intervals, tuling strings, including diameters and setting depths, location diameters and setting depths, location and type of packers and side door chokes, auch other information as may be petting diameters and setting depths, location and type of packers and side door chokes, and such other information as may be petting diameters and setting depths, location and type of packers and side door chokes, and such other information as may be petting diameters and setting depths, location and type of packers and side door chokes, and such other information as may be petting to such multiple completion from each offset operator, or in lice thereof, evidence that said offset of the sharp of packers and side and the such location of application. Lectrical log of the well or other acceptable log with tops and hottoms of producing zones and intervals of perforation dicated thereon. (If such log is not available at the time application is filed it shall be submitted as provided by Rule 11 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 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 G. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES X NO, If answer is yes, date of such notification	a. Name of Pool and Formation	Blinebry	,	Drinkard	Granite Wash	
Pay Section (Perforations) c. Type of production (Oil or Gas) Oil Oil Oil d. Method of Production (Flowing are Artificial Lift) Flow		F CO C 1 CO 3		60701 73351	22261 24201	
(Perforations) c. Type of production (Oil or Gas) d. Method of Production (Flowing or Artificial Lift) Flow F		26066015	.	62/0 /135.	7376'-7433'	
c. Type of production (Oil or Gas) d. Method of Production (Flow) Flow Flo						
d. Method of Production (Flowing or Artificial Lift) Flow Flow Flow Flow Flow Flow Flow Flo		Oil		Oil	Oil	
(Flowing or Artificial Lift) Flow 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, certificates 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 packets and side door chokes, and such other information as may be pertificated by the property of packets and side door chokes, and such other information as may be pertificated by the property of operators of all leases offsetting applicant's lease, all offset wells on offset leases, and the names and address of operators of all leases offsetting application. C. Waivers consenting to such multiple completion from each offset operator, or in lieu thereof, evidence that said offset of operators of all leases of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation dicated thereon. (If such log is not available at the time application is filed it shall be submitted as provided by Rule 11 of the product of 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, date of such notification 8-21-75 CERTIFICATE, 1, the undersigned, state that I am the Vice President / Product ions Hanson Oil Corp. Cempany), and that I am authorized by said company to make this report and that this report was pre under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.						
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, cer izers 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 packets and side door chockes, and such other information as may be pertiple to be plat showing the location of all wells on applicant's lease, all offset wells on offset leases, and the names and addre of operators of all leases offsetting applicant's lease. C. Wnivers consenting to such multiple completion from each offset operator, or in lieu thereof, evidence that said offset of tors 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 perforating dicated thereon. (If such log is not available at the time application is filed it shall be submitted as provided by Rule 11. 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, date of such notification 8-21-75 CERTIFICATE: 1, the undersigned, state that I am the Vice President/Product Aone Hanson Oil Corp. (company), and that I am authorized by said company to make this report and that this report was pre under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.		Flow		Flow	Flow	
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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						
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CERTIFICATE: 1, the undersigned, state that I am the Vice President/Productions Hanson Oil Corp. (company), and that I am authorized by said company to make this report; and that this report was preunder my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.	Summit Energy Inc.	, 1925 Merca	ntile Da	allas Bldg., Dal	las, Texas 75201	
(company), and that I am authorized by said company to make this report; and that this report was pre under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.	date of such notification 8-21	-75	•			
Hay11:14	t i	company) and that I :	am authorized	l by said company to make th	is report; and that this report was prepared	
					//·	

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 protation 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, MEW MEXICO

APPLICATION FOR MULTIPLE COMPLETION

Operator's Copy

A tratter	e a management of the second of the second	County	,	Date	
Hanson Oil Corporation		Lease	Lea	8-20-75	
P.O. Box 1515, Rosw	ell, N.M. 88	201	Gutman	#7	
Leanton Mail Sec		Township		Range	
of Well D	19	2	22-S	38-E	
1. Has the New Mexico Oil Conservatio	n Commission heretofo	re authorize	d 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			
 If answer is yes, identify one such in Corporation – Max Gu 	istance: Order No. M	C-2096	; Operator Lease, and	d Well No.: Hanson Oil	
3. The following facts are submitted:	Upper		Intermediate	Lower	
•	Zone		Zone	Zone	
a. Name of Pool and Formation	Blinebry		Drinkard	Granite Wash	
b. Top and Bottom of	5606'-6014	1	62701 21251	72761 74221	
Pay Section	3000 -6014	•	6270'- 7135'	7376'-7433'	
(Perforations)					
c. Type of production (Oil or Gas)	Oil		Oil	Oil	
d. Method of Production	Flow		Flow	D1	
(Flowing or Artificial Life)	T TOW		Flow	Flow	
4. The following are attached. (Please	check YES or NO)				
izers and/or turbolize diameters and setting b. Plat showing the loce of operators of all lease c. Waivers consenting to tots have been furnis d. Electrical log of the dicated thereon. (If s.) List all offset operators to the lease Marathon Oil Co., I	ers and location thereogy depth, location and ty ation of all wells on a asses offsetting applica o such multiple complished copies of the applica well or other accepta uch log is not available on which this well is	of, quantitie to the property of packet of packet on the property of the prope	s used and top of cement, peers and side door chokes, and sease, all offset wells on offsach offset operator, or in lies tops and bottoms of produce application is filed it shale ther with their correct mailineather with their correct mailiness.		
John H. Hendrix, 40				79701	
Gulf Oil Corporation	on, P.U. BOX	0/0,	nouds, New Mexic	88240	
Summit Energy Inc.	, 1925 Mercan	tile D	allas Bldg., Dal	las, Texas 75201	
date of such notification 8-21-	state that I am the V3	cc Pro	sident/Production	X NO	
				psignature de la Production	
		_	777337	Signature ont /Production	

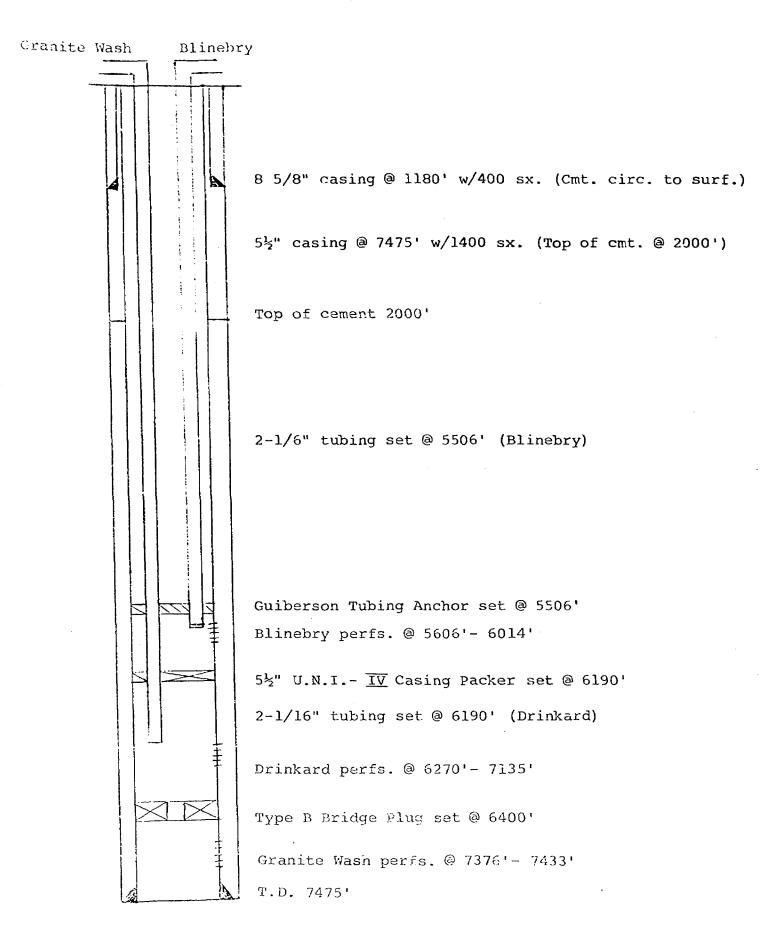
Ray Willis, Vice President/Production

*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 - #7 Max Gutman



SENDER: Be sure to follow instructions on other side

CERTYIED NO. 1 DATE DELIVERED REGISTERED IN. INSURED NO. AUG 22 1975 PLEASE FURNISH SERVICE(S) INDICATED BY CHECKED DLOCK(S)
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OIL CONSERVATION COMMISSION HOBBS DISTRICT

OP - 4 1975 (1), OW ASERVATION COLLIA.
Stitut Fe

OIL CONSERVATION COMMISSION BOX 2088 SANTA FE, NEW MEXICO RE: Proposed MC X
Proposed DHC
Proposed NSL
Proposed SWD
Proposed WFX
Proposed PMX

Gentlemen:

I nave exa	amined the app	lication dat	ea							
for the Hanso	on Oil Corp.	Gutman	#7-D		19-22-	-38				
Оре	erator	Lease	and We	ell No.	Unit,	S-T-R				
nd my recommendations are as follows: This well has Drinkard completion open in Drinkard and all of Abo. The										
Drinkard com	nsists of the '	Vivian (Drin	ard) a	nd Andrev	ws (Abo), the	Andrews				
being the up	oper 200' of th	he Abo-not tl	e enti	re Abo.	Recommend th	at this				
be corrected	1.									

Yours very truly,

John w. Runyan

Litter f

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

C. E. FIBIDS

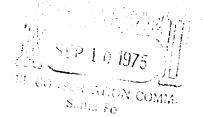
DISTRICT SERVICES MANAGER

A. J. EVAINS, Jr.

DISTRICT ENVIRONMENTAL & SALETY MANAGER

J. C. Howard DISTRICT EMPLOYEE RELATIONS MANAGER 5 September 1975

P. O. Drawer 1150



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.

CFK: jm

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

10/4: Only But Belling Then will her ber minist ever and made fiel administration of the worth.



A DIVISION OF GULF OIL CORPORATION



DIRECTOR JOE D. RAMEY

OIL CONSERVATION COMMISSION

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

LAND COMMISSIONER PHIL R. LUCERO



EMERY C. ARNOLD

July 16, 1976

Re: Tr. Jason Kellahin Tellahin & Fox	CASE NO. 5711 ORDER NO. R-5240
ttorneys at Law Post Office Box 1769 Santa Fe, New Mexico	Applicant:
	Hanson Oil Corporation
Dear Sir:	
Enclosed herewith are two commission order recently e	opies of the above-referenced ntered 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 yas 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.

-2-Case No. 5711 Order No. R-5240

- (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 packerleakage 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 herein-above designated.

SEAL jr/

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman

EMERY E. ARNOLD, Member

JOE D. RAMEY, Member & Secretary

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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)	CASE
for a dual completion and downhole)	5711
commingling, Lea County, New Mexico.	}	
)	

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

APPEARANCES

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

the Applicant:

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

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

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Applicant's Exhibit One-N

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

MR. NUTTER: We will call Case Number 5711.

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:

- Would you state your name, please? Q.
- Dalton Kincheloe. À.
- Would you spell that, please? Q.
- K-i-n-c-h-e-l-o-e. A.
- Where do you reside, Mr. Kincheloe? Q.
- A. Roswell.
- Q. And what business are you engaged in?
- I'm an independent consultant.
- In connection with your work as an independent consultant have you been employed by Hanson Oil Corporation

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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

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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.

- That is shown on what exhibit number?
- 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.

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- 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 fourteer 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

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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.
- 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

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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

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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?

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 cight to say that was MCF rather than cubic feet on unat last figure.

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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-

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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 BlinebryTubb 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-chree
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?

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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

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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.
- 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

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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.
- 0. 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.
 - 0. Would it result in the recovery of oil and gas that

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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 &dmitted 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

inter	val	t hat	was	press	sure	tested	in	the	upper	interval	is
from	fift	ty-siz	x, ol	n, six	to	fifty-	nine	e, se	eventy-	-eight?	

A. Yes, sir.

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

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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 wny 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

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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.

- O. 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.
- 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?

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A. Th	at was becau	se this one	section, tha	it's all we had
was this one	sample, so	we can't say	y which is wh	nich. It was
sweet and th	e gas-oil ra	tio on the	thing was ele	even, 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.

New Mexico Oil Conservation Commission

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Phone (505) 982-9212