CASE 6531: GETTY OIL COMPANY FOR AN UNORTHODOX GAS WELL LOCATION AND SIMULTANEOUS DEDICATION, LEA COUNTY, NEW MEX.

CASE NO.

653/

APPlication, Transcripts, Small Exhibits,

ETC.

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION State Land Office Building Santa Fe, New Mexico 25 April 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Getty Oil Company for) an unorthodox gas well location and simultaneous dedication, Lea County, New Mexico.

CASE 6531

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

APPEARANCES

For the Oil Conservation Division:

Ernest L. Padilla, Esq. Legal Counsel for the Division State Land Office Bldg. Santa Fe, New Mexico 87503

For the Applicant:

Chester Blodget, Esq. Getty Oil Company

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I N D E X

MOHAMMED YAMIN MERCHANT

Direct Examination by Mr. Blodget Cross Examination by Mr. Stamets

EXHIBITS

Applicant Exhibit One, Plat Applicant Exhibit Two, Applicant Exhibit Three, C-102 Applicant Exhibit Four, Production Data Applicant Exhibit Five, C-115

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MR. PADILLA: Application of Getty Oil Company for an unorthodox gas well location and simultaneous dedication, Lea County, New Mexico.

MR. STAMETS: Call for appearances in this case.

MR. BLODGET: Mr. Examiner, I'm Chester
Blodget, attorney for Getty Oil Company, and I believe Bill
Carr has entered an appearance as local attorney, but he
had to go back to the office.

MR. STAMETS: Let's see if he did.

MR. BLODGET: Well, I have a copy of it.

MR. STAMETS: Yes. Mr. Carr has entered his

appearance.

MR. BLODGET: And we have one witness to be

sworn.

MR. STAMETS: Are there any other appearances in this case?

I'd like to have the witness stand and be sworn at this time, please.

(Witness sworn.)

MOHAMMED YAMIN MERCHANT

being called as a witness and having been duly sworn upon his oath, testified as follows, to-wit:

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DIRECT EXAMINATION

BY MR. BLODGET:

Would you please state your name, by whom you're employed, and in what capacity?

My name is Mohammed Yamin Merchant. I'm employed with Getty Oil Company since January of 1975 as a petroleum engineer.

And have you previously testified before this Commission and your qualifications accepted as an engineer?

Yes, sir, I have testified before the Commission before and my qualifications were accepted.

MR. BLODGET: Do you still consider him qualified?

MR. STAMETS: Yes, I do, and, Mr. Merchant, would you spell your middle name?

Y-A-M-I-N.

MR. STAMETS: Good, that's the way I spelled it; I'll get it right next time.

(Mr. Blodget continuing.) Now, Mr. Merchant, are you familiar with this application and the properties involved?

Yes, sir, I am.

All right. What is Getty seeking in this application?

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A. Getty Oil Company is seeking authority to complete our well, Baker "B" Well No. 6 in the Blinebry gas zone and simultaneously dedicate the allowable to another presently producing well in the Blinebry gas zone, to the Baker "B" Well No. 15, located in Section 10, Township 22 South, Range 37 East, Lea County, New Mexico.

Q. Do you have an exhibit that shows the location of these particular wells?

A. Yes, sir, I do. I'd like to refer to Exhibit
Two.

Q. Well, do you have an Exhibit One, too?

A. And Exhibit One, along with Exhibit Two, which shows Well No. 6 and Well No. 15, which are in question.

Q. What are the reasons for this application?

A. The reason for this application is the Baker "B" No. 15 is not producing at its top allowable rate. The top allowable in the Blinebry gas zone for this lease is 1600 Mcf a day and we are only producing about 560 Mcf a day.

So we propose to complete Baker "B" Well No. 6, which is presently producing from the Drinkard gas zone, Drinkard zone, and make up for the deficit in allowable from that well.

Q. All right, do you -- have you got any other

SALLY WALTON BOY!
ERTIFIED SHORTHAND REPORTE
20Plaza Blanca (805) 471-24
Santa Fe, New Mexico 87501

exhibits that you want to introduce at this time?

Mell location and acreage dedication plat, which shows the location -- legal location of Well No. 6 and Well No. 15.

Q. Now, --

A. I would like to go ahead and introduce this Exhibit Four and Exhibit Five.

Q. I call your attention to Exhibit Four and Exhibit Five. Now, what do they indicate?

A. Okay, Exhibit Four is production data for the last two years, the year 1977 and 1978, which shows the monthly cumulative production from the Blinebry gas zone from Baker "B" 15 or the Baker "B" lease, because this is the only well in production from the Blinebry zone.

Q. All right, now Exhibit Six?

A. Exhibit Six -- or Exhibit Five, that was Exhibit Four earlier.

Q. All right.

A. Exhibit Five is a Commission Form C-115 and it shows the latest gas production -- latest production from the Baker "B" Well No. 6, and it shows that we are only making 4500 Mcf a month, like we did in the month of February, 1979.

Q All right, then you've got Exhibit Number Six.
Or do you have? No, that's all the --

That's all the exhibits that we have.

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All right. All right, now, you did make re-

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ference to the fact that you wanted to convert your Drinkard well to a Blinebry well, correct?

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That's right. Baker "B" Well No. 6 is pre-A.

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Blinebry.

Now, why do you want to do that?

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SALLY WALTON BOYD CERTIFIED SHORTHAND REPORTER 3020 Plaza Blanca (505) 411-2462 Sanda Pe, New Mexico 811501

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Baker "B" lease, we have several Drinkard completions on this lease and from our experience in the area, any time you go in and you have the Blinebry oil zone open -- or Drinkard oil zone open at the same time you have the gas zone open, and you try to stimulate the zone, or frac it, in other words, we have been unable to get effective treatment, which shows up in your production data later on, and that's why we propose that we go back and -- go back and complete Baker "B" No. 6 in the Blinebry and complete another well on the lease in the Drinkard, to make up the lose in production in the Drinkard zone on that lease. This way we will not be losing any Drinkard reserves on that lease and will still be recovering Blinebry gas, or Blinebry reserves.

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That's right. Baker "B" Well No. 6 is an unorthodox gas -- unorthodox well location, the reason being Well No. 6 was drilled and completed back in 1937 as an Ellenberger oil producer, and as an oil producer it's a standard -- it's not an unorthodox location, but since we will complete it as a gas well, it will be an unorthodox location.

Would that well -- in your opinion, would that well just drain gas from under this particular proration unit, or are there adequate offsets, in your opinion, that would prevent this particular well from draining from offsetting acreage?

This well, Baker "B" 6, and 15, together, would effectively drain the Blinebry gas reservoir on this lease.

Well No. 6 is possibly drained by the offsetting wells, which we feel like it has been draining our reserves in that well. That's the reason we want to complete it in the Blinebry gas zone.

Were all the offsetting operators notified of this application by certified mail?

Yes, sir, all the offset operators were notified by certified mail and I have a copy of the receipts we got from the post office.

Q And it is Getty's request, then, now that allowable be assigned to those two wells and they want a nonstandard proration unit with production from each well in any proportion, is that correct?

A. Yes. We request the Commission that the Commission allow us to produce both the wells to make up for the -- to make up 1600 Mcf a day, the top allowable, for a 240 acre nonstandard proration unit.

We will be -- we will be producing gas, most of the gas from Baker "B" 15, and until it depletes itself, and once we do that, we'll go back to No. 6 and try to make up the allowable from it.

Q. Were Exhibits One through Five prepared by you or under your direction and supervision?

A. Yes, they were.

MR. BLODGET: We tender those exhibits into evidence.

MR. STAMETS: These exhibits will be admitted.

MR. BLODGET: And pass the witness.

CROSS EXAMINATION

BY MR. STAMETS:

Q. Mr. Merchant, do you recall the order number that authorized a nonstandard proration unit for the Well No. 15?

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A. No, sir, I don't.

O. That's all right, we can find that in the Division's records.

MR. STAMETS: Any other questions of the witness? He may be excused.

Anything further in this case?

MR. BLODGET: We have nothing further.

MR. STAMETS: We'll take the case under ad-

visement.

(Hearing concluded.)

time of the hearing.

REPORTER'S CERTIFICATE

I, SALLY WALTON BOYD, a Court Reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation Division was reported by me; that said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability, knowledge, and skill, from my notes taken at the

Sally W. Boyd, C.S.R.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 653/2 heard by me on 19.79.

Oil Conservation Division

SALLY WALTON BOY SERTIFIED SHORTHAND REPORT 020 Plara Banca (605) 411-24 Santa Po, New Moxico 8770

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STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OTE CONSERVATION DIVISION State Land Office Building Santa Fe, New Mexico 25 April 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Gatty Oil Company for) an unorthodox gas well location and) simultaneous dedication, Lea County,) New Mexico.

CASE 6531

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

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For the Oil Conservation Division:

Ernest L. Padilla, Esq. Legal Counsel for the Division State Land Office Bldg. Santa Fe, New Mexico 87503

For the Applicant:

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MR. BLODGET: Mr. Examiner, I'm Chester Blodget, attorney for Getty Oil Company, and I believe Bill Carr has entered an appearance as local attorney, but he had to go back to the office.

MR. STAMETS: Let's see if he did.

MR. BLODGET: Well, I have a copy of it.

MR. STAMETS: Yes. Mr. Carr has entered his

appearance.

MR. BLODGET: And we have one witness to be

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MR. STAMETS: Are there any other appearances in this case?

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(Witness sworn.)

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SALLY WALTON BO
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3020 Plaza Blanca (605) 471-5
Santa Fe; New Mexico 875

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BENCE (505) 471-3462
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SALLY WALTON CERTIFIED SHORTHAND 3020Plaza Blanca (505) Santa Pe, New Mexic

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MR. STAMETS: These exhibits will be admitted.

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CROSS EXAMINATION

BY MR. STAMETS:

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Anything further in this case?

MR. BLODGET: We have nothing further.

MR. STAMETS: We'll take the case under ad-

(Hearing concluded.)

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REPORTER'S CERTIFICATE

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I, SALLY WALTON BOYD, a Court Reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation Division was reported by me; that said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability, knowledge, and skill, from my notes taken at the time of the hearing.

Sally W. Boyd, C.S.R.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. heard by me on

, Examiner

Oll Conservation Division

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

JERRY APODACA

NICK FRANKLIN BECRETARY

Other

May 2, 1979

POST OFFICE BOX 2008 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501 (505) 827-2434

Mr. William F. Carr	: CASE NO. 6531
Campbell & Black	ORDER NO. R-6003
Attorneys at Law	
Post Office Box 2208	Applicant:
Santa Fe, New Mexico	
	Getty Oil Company
Dear Sir:	
	copies of the above-referenced entered in the subject case.
Yours very truly,	
JOE D. RAMEY Director	
•	
JDR/fd	
Copy of order also sent to	o:
Hobbs OCC x	•
Artesia OCC ×	•
Aztec OCC	
Other Chester Blodget	

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

CASE NO. 6531 Order No. R-6003

APPLICATION OF GETTY OIL COMPANY
FOR AN UNORTHODOX GAS WELL LOCATION
AND SIMULTANEOUS DEDICATION, LEA
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on April 25, 1979, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 2nd day of May, 1979, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Getty Oil Company, seeks approval of an unorthodox gas well location for its Baker B Well No. 6 510 feet from the South line and 510 feet from the West line of Section 10, Township 22 South, Range 37 East, NMPM, to test the Blinebry formation, Blinebry Oil and Gas Pool, Lea County, New Mexico.
- (3) That applicant further seeks to simultaneously dedicate the aforesaid Baker B Well No. 6 and its Baker B Well No. 15 located in Unit J of said Section 10, the current unit well, to an existing 240-acre non-standard proration unit.
- (4) That a well at said unorthodox location will better enable applicant to produce the gas underlying the proration unit.

-2-Case No. 6531 Order No. R-6003

- That no offset operator objected to the proposed unorthodox location.
- That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED: .

- (1) That an unorthodox gas well location for the Blinebry formation is hereby approved for the Getty Oil Company Baker B Well No. 6 located at a point 510 feet from the South line and 510 feet from the West line of Section 10, Township 22 South, Range 37 East, NMPM, Blinebry Oil and Gas Pool, Lea County, New Mexico.
- (2) That approval is hereby given to simultaneously dedicate the aforesaid Baker B Well No. 6 and the Baker B Well No. 15 located in Unit J of said Section 10, the current unit well, to an existing 240-acre non-standard proration unit and to produce the unit allowable from either well in any proportion.
- (3) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

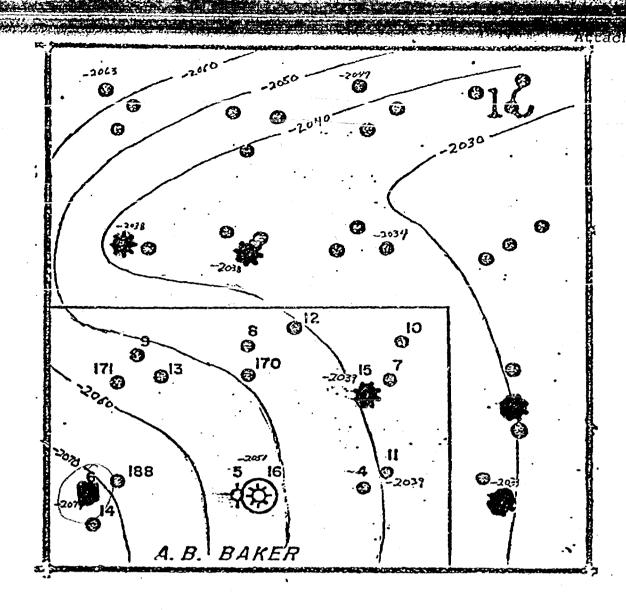
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

> STATE OF NEW MEXICO OIL CONSERVATION DIVISION

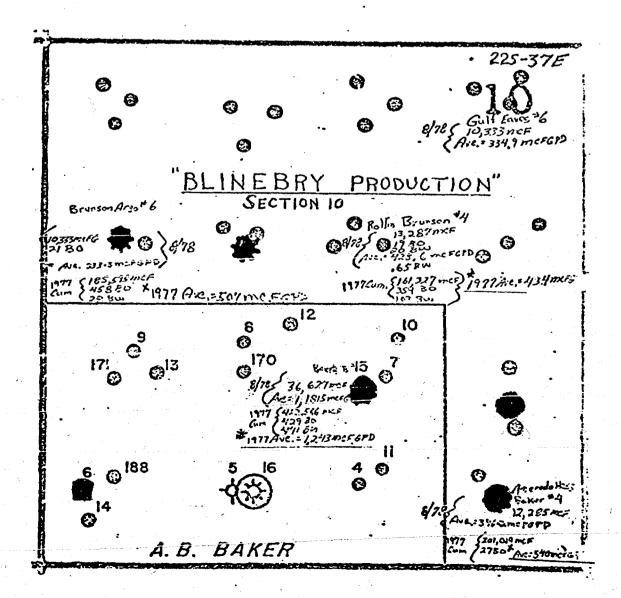
RAMEY JOE D. Director

dr/

SEAL



STRUCTURAL MAP ON TOP BLINEBRY GAS ZONE



NEW MEXICO OIL CONSERVATION COMMISSION WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102 Supersedes C-128 Effective 1-1-55

All distances must be from the outer boundaries of the Section Operate: Least Wall the Baker Getty Oil Company Unit Letter Township 1:41) 225 10 37E Lea Actual Footage Loration of Wells 53.0 South West test from the 1:೧೯ ತಾಚ line De heated Accoupes Ground Lovel Elev. Producing Formitien Paci Blinebry 3411' DF 240 1. Outline the acreage dedicated to the subject well by colored pencil or his bute marks on the plat below. 240 acre Proration Unit 2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty). 3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling. etc? Yes No If answer is "yes," type of consolidation If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.). No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, climinating such interests, has been approved by the Commission. CERTIFICATION I hereby certify that the information conrained herein is nuc on complete to the best of my knowledge and belief. Mohammed Yamin Merchant : ... :: Petroleum Engineer Getty Oil Company March 27, 1979 bricky certify that the well location shows on this plan was planted from field 15 ters of actual surveys made by me or miles we surresisten, and that the same is the and corner to the boat of my too. ledge and helief. The state of the time t in the secretary

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Area Superintendent

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'EHHAY GETTY OIL COMPANY umm, P.O. Box 730 Hobbs, New Mexico 88240 DISPOSITION OF GAS DISPOSITION OF OIL INJECTION TOTAL LIQUIDS PRODUCED POOL NAME (Underline) OIL ON BARRELS THANS TO BEG. OF TRANS-PORTER CAS PRODUCED (MCF) ACTUAL BARRELS MONTHLY 78455 208= 164 *Lease Name HA! OIL GARRELS OF WATER ALLOWABLE PRODUCED PRODUCED VOLUNC -OTHER WELL RO UNIT SEC THP ANG West Dollarhide Drinkard Unit - Continued 86 F 4 25 38 15600 1700 86 F 4 25 0 5 25 38 336 116 700 28 3230 U Lease Total 26096 20,096 32188 3121 3/8,500 6351 EPG 1257 20047 TNM]3 DRINKARD Baker "B" 194 4541 196 140 28 М 22 37 10 9AS 196 28 Ó 12519 28 164. 298 2899 Р K 28 F 28 28 308 252 305 gas 30,983 876 BHL Lease Total 728 691 348 693 56,016 54016 Baker "B" " 31 10 22 37 13633 13633 NNG 16 N 9AS J. V. Baker. 9 N 22 12 37 Ö 77 28 854 28 854 ĢŢY ЬHL p 56 135 J. V. Baker T.B. 1/2 44 56 28 7 35 27 22 37 p 15.68. 28 A ... P 223 .7. GTY Battery Total 1085. 7.06. 285 *70*2 I HERVOY CERTIFY THAT THE INFORMATION GIVEN IS TRUE AND COMPLETE TO THE BEST OF MY XKOYLEBGS STATUS COOL "DTHER" CAS DISPOSITION CODE "OTHER" OIL DISPOSITION CODE X.... USED OFF LEASE DETAIL OF FOIR COLL F....FLOWING C.... CIRCULATING OIL L....LOST
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PROPOSED TESTIMONY

APPLICATION FOR SIMULTANEOUS DEDICATION AND AN UN-ORTHODOX LOCATION

BAKER "B" WELLS NO. 6 AND 15
BLIMEBRY FIELD
LEA COUNTY, NEW MEXICO

Getty Oil Company seeks authority to simultaneously dedicate its Baker "B" Well No. 6 at an un-orthodox location, 510 feet from the south and west lines, Sec. 10, T-22-S, R-37-E, Lea County, New Mexico, and its Baker "B" Well No. 15 located in Unit L, Sec. 10, the current unit well to the existing proration unit. The above two wells and their offsets are shown in Attachments I and II. A well location plat is shown in Attachment III.

All Blinebry gas production for the subject 240-acre gas proration unit has been from Well No. 15 which is located in NW/4, SW/4 of Sec. 10. This well was a top allowable gas producer from its completion date in January, 1955, until mid 1973. A treatment in December, 1973, increased production rate from 998 MCFPD to 2054 MCFPD. The present rate is 1067 MCFPD (average) as shown in Attachment IV.

In order to offset the present deficit of 533 MCFPD, and possible greater future deficits and effectively drain, the reservoir, another completion is needed in the Blinebry zone. Well No. 6, located in SW/4, SW/4, of the above mentioned section, is the best candidate for recompletion.

Well No. 6 was originally drilled and completed as an Ellenburger producer in March, 1947. In May, 1950, the production had declined to 6 BOPD. The well was plugged back and completed in the Drinkard pay, 6480-6540', at a top allowable of 75 BOPD. In March, 1974, additional Drinkard zone, 6415-6460', was perforated and frac'd. The production from the old and new perforations was 24 BO and 181 MCFPD. The present average daily production is 162 MCFPD as shown in Attachment V.

It is, therefore, requested that an allowable be assigned to two wells on this non-standard proration unit with production from each well in any proportion.

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN THE MATTER OF THE APPLICATION OF GETTY OIL COMPANY FOR AN UNORTHODOX GAS WELL LOCATION AND SIMULTANEOUS DEDICATION, LEA COUNTY, NEW MEXICO.

CASE NO. 6531

ENTRY OF APPEARANCE

Comes now CAMPBELL AND BLACK, P.A., and hereby enters their appearance in the above captioned cause for GETTY OIL COMPANY.

CAMPBELL AND BLACK, P.A.

William R Carr

Dockets Nos. 18-79 and 20-79 are tentatively set for hearing on May 9 and 23, 1979. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMISER HEARING - WEDNESDAY - APRIL 25, 1979

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM, SMATE LAND OFFICE BUILDING, SANTA FE, NEW MEATON

- The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:
- CASE 6525: In the matter of the hearing called by the Oil Conservation Division on its own motion to amend the Special Rules for the Tubb Gas Pool in Lea County, New Mexico, to provide for the classification of wells as oil wells and gas wells on the basis of gas-oil ratios rather than on the basis of liquid gravity as at present.
- CASE 6526: In the matter of the hearing called by the Oil Conservation Division on its cum motion to consider a procedure for the adoption of findings, when applicable and pursuant to the Federal Natural Gas Policy Act, that another well is necessary to effectively and efficiently drain that portion of its provation unit which cannot be so drained by any existing well, and that existing well spacing requirements are waived. The proposed procedure would provide a system whereby such findings could be issued administratively without the necessity for public hearing.
- CASE 6527: Application of Tenneco Oil Company for two non-standard oil proration units, Lea County, New Mexico.

 Applicant, in the above-styled cause, seeks approval of two 80-acre non-standard oil proration units, the first comprising the N/2 NW/4, the other the N/2 NE/4, of Section 12, Township 9 South, Range 34 East, Vada-Pennsylvanian Pool, Lea County, New Mexico, said units to be dedicated to applicant's Ward Insall Wells Nos. 1 and 2, respectively, located in Units D and A of said Section 12.
- CASE 6528: Application of Bass Enterprises Production Co. for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox Morrow test well location to be drilled 660 feet from the North and West lines of Section 10, Township 21 South, Range 32 East, Lea County, New Mexico, the W/2 of said Section 10 to be dedicated to the well.
- Application of Amoco Production Company for compulsory pooling, Eddy County, New Mexico.
 Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the S/2 of Section 22, Township 23 South, Range 28 East, Eddy County, New Mexico, to be dedicated to its Brantley Gas Com. Well No. 1 located in Unit K of said Section 22. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 6530: Application of Amoco Production Company for unorthodox gas well locations, temporary injection of produced gas, and to vent gas, Union and Harding Counties, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox locations in the Tubb formation of its State FI Well No. 3, located 1315 feet from the South line and 1980 feet from the East line of Section 36, Township 20 North, Range 34 East, Union County, and its Heimann Well No. 5, located 660 feet from the South line and 1315 feet from the West line of Section 3, Township 19 North, Range 33 East, Harding County. Applicant further seeks authority to conduct pressure interference tests, including authority to vent gas produced from the State FI Well No. 1 for a period not to exceed 45 days and to inject produced gas into its Heimann Well No. 4 located in Unit K of Section 34, Township 20 North, Range 33 East, for a period not to exceed six months.
- CASE 6531: Application of Cetty Oil Company for an unorthodox gas well location and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to simultaneously dedicate its Baker B Well No. 6 at an unorthodox location 510 feet from the South and West lines of Section 10, Township 22 South, Range 37 East, Lea County, New Mexico, and its Baker B Well No. 15 located in Unit L of said Section 10, the current unit well, to the existing proration unit.
 - CASE 6532: Application of Northwest Production Corporation for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Tapacito-Pictured Cliffs and Blanco Mesaverde production in the wellbore of its Jicarilla 117E Well No. 5 located in Unit M of Section 28, Township 26 North, Range 3 West, Rio Arriba County, New Mexico.
- . CASE 6072: (Continued from March 28, 1979, Examiner Hearing)

In the matter of Case 6072 being reopened pursuant to the provisions of Order No. R-5643 which order created the Travis-Upper Pennsylvanian Pool, Eddy County, New Mexico, with provisions for 80-acre spacing. All interested parties may appear and show cause why the Travis-Upper Pennsylvanian Pool should not be developed on 40-acre spacing units.

R 6900-A





Getty Oil Company

Central Exploration and Production Division P. O. Box 730 Hobbs, New Mexico 88240

March 29, 1979

OIL CONSERVATION DIVISION OF SANTALE DIVISION OF SANTALE SUN STANDARD STAND

OIL CONSERVATION DIVISION

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

Attn: Mr. Joe Ramey

Baker "B" Lease, Nonstandard Blinebry Gas Proration Unit Subject:

Sec. 10, T-22-S, R-37-E, Lea County, New Mexico

Gentlemen:

Getty Oil Company respectfully requests for a 240-acre nonstandard Blinebry gas proration unit, same being SW/4 and the W/2 of SE/4 of Section 10, T-22-S, R-37-E, Lea County, New Mexico. 58/4

All Blinebry gas production for this 240-agre gas proration unit has been from Well No. 15 which is located in NW/4 (SW/4) of the above mentioned section. This well was a top allowable gas producer from its completion date in January, 1955, until mid 1973. A treatment in December, 1973, increased production rate from 998 MCFPD to 2054 MCFPD. The present rate is 1050 MCFPD.

In order to offset the present deficit of 550 MCFPD and effectively drain the reservoir, another completion is needed in the Blinebry zone. Well No. 6, located in the SW/4, SW/4, of the above mentioned section is the best candidate for recompletion. It is, therefore, requested that an allowable be assigned to two wells on this nonstandard proration unit with production from each well in any proportion.

The offset operators have been furnished with copies of this letter with attachments.

Well Carlet

MYM/de

Attachments

Operato: Getty Oil Company Unit Letter Section Township $R \approx pr$ 22S 37E М Lea Actual Footage Location of Well: 510 South West feet from the line and line Ground Level Elev. Producing Forgation De licated Acréage: Blinebry 3411' DF <u>Blinebry</u> Actes 240 1. Outline the acreage dedicated to the subject well by colored pencil or hardene marks on the plat below. 240 acre Proration Unit 2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty). 3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling.etc? ☐ No If answer is "yes," type of consolidation _____ Yes If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.). No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, climinating such interests. has been approved by the Commis-CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Mohammed Yamin Merchant Petroleum Engineer Getty Oil Company March 27, 1979 i hereby certify that the well location shown on this plot was plotted from field 15 notes of actual surveys made by me or OIL CONSERVATION DIVISION under my supervision, and that the same is true and correct to the best of my Lanvledge and belief. Lungurye. La a. thei Professional Engineer area familiarveyer

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Anadarko Production Co. Box 806 Eunice, New Mexico 88231

Exxon Company - U.S.A. 1700 W. Broadway Andrews, Texas 79714

Gulf Engergy & Minerals Co. Box 670 Hobbs, New Mexico 88240

MKA Oil Properties Box 806 Eunice, New Mexico 88231

Mobil Oil Corp. Box 1800 Hobbs, New Mexico 88240

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

Sohio Petroleum Co. Box 3000 Midland, Texas 79701

Texas Pacific Oil Co. Box 4067 Midland, Texas 79701

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

20

TN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

CASE NO. 6531
ORDER NO. R- 6003
APPLICATION OF GETTY OIL COMPANY
FOR AN UNORTHODOX GAS WELL LOCATION, AND SIMULTANEOUS DEDICATION,
LEA COUNTY, NEW MEXICO.
ORDER OF THE D1 1 . ON BY THE DIVISION:
This cause came on for hearing at 9 a.m. on April 25
19 79 , at Santa Fe, New Mexico, before Examiner Richard L. Stamet
NOW, on this day of he day, 1979, the Division
Director, 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 Division has jurisdiction of this cause and the subject
matter thereof.
(2) That the applicant, Getty Oil Company
seeks approval of an unorthodox gas well location/ 510
feet from the South line and 510 feet from the
West line of Section 10 , Township 22 South
Range 37 East , NMPM, to test the Bline bra
formation, Blinebry Ciland Gras Pool, Lea
County, New Mexico.

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(3) That applicant further seeks to simultaneously dedicate the aforesaid Baker B Well No. 6 and its Baker B Well No. 15 located in Unit J of said Section 10, the current unit well, an 240-acre non standard to the existing/proration unit.

-2- Case No Order No. R
(6) That approval of the subject application will afford the applicant
the opportunity to produce its just and equitable share of the gas in the
subject pool, will prevent the economic loss caused by the drilling of
unnecessary wells, avoid the augmentation of risk arising from the drilling
of an excessive number of wells, and will otherwise prevent waste and protect
correlative rights.
IT IS THEREFORE ORDERED:
(1) That an unorthodox gas well location for the Blaibing the Getty Oil Company Baker B Well No. 6 formation is hereby approved for axwell to be located at a point 510
feet from the <u>South</u> line and <u>510</u> feet from the <u>West</u>
ine of Section 10 , Township 22 South , Range 37 East
IMPM, Blinebry Oil and bros Pool, Lea County
lew Mexico.
he above-described well.
(3) (3) That jurisdiction of this cause is retained for the entry of such
urther orders as the Division may deem necessary.
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated
(2) That approval is hereby given to simultaneously
dedicate the aforesaid Baker B Well No. 6 and the Baker B Well
io. 15 located in Unit J of said Section 10, the current unit and 140-acm nm standard vell, to the existing provation unit. and to produce the
proportion.
proportion.