Chevron

Chevron U.S.A. Production Company

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November 5, 1992

Administrative Application for Non-Standard Gas Proration Unit and Unorthodox Gas Well Location Tubb Oil and Gas Pool 1830' FSL and 660' FWL Unit L, Section 31, T22S, R38E Lea County, New Mexico

State of New Mexico
Energy, Minerals & Natural Resources Dept.
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87504

Attn: Mr. William J. Lemay

Director

Gentlemen:

Chevron U.S.A. Inc. respectfully requests Administrative Approval for a Non-Standard Gas Proration Unit and Unorthodox Gas Well Location on the Scarborough Estate No. 8 The proposed Non-Standard Gas Proration Unit consists of 160 acres comprising the N/2 of the SW/4, the SE/4 of the NW/4, and the NW/4 of the SE/4 of Section 31, T22S, R38E. In support thereof, Chevron U.S.A. Inc. states the following facts:

- 1. This well was drilled and completed in 1963 as a dual completion in the South Brunson Ellenburger and Blinebry formations. Due to the depletion of hydrocarbon production in these zones, it is proposed to plug and abandon the current completion in the Ellenburger, squeeze off with cement the perforations in the Blinebry and complete the well in the Tubb Gas.
- 2. The proposed Non-Standard Gas Proration Unit will meet the requirements for a Non-Standard Gas Proration Unit as follows:
 - a. The proposed unit consists to 160 contiguous acres.
 - b. The proposed unit lies wholly within a single governmental section in the Tubb Oil & Gas Pool
 - c. The entire proposed unit may be considered to be productive of gas from the Tubb Oil & Gas Pool.
 - d. A copy of this application will be sent by certified mail to all offset operators and shall serve as notification.



The well is located 1830' FSL and 660' FWL of Section 33, T22S, R38E, which equates to 510' from the south Scarborough Estate lease line.

In support of this application, attached is a plat outlining the proposed 160 acre Non-Standard Gas Proration Unit, the location of the subject well, and the ownership of all offset leases.

In view of the facts submitted, Chevron U.S.A. Inc. requests that Administrative Approval for the Non-Standard Gas Proration Unit and Unorthodox Gas Well Location be granted under the provisions of Rule 104.

If you have any questions or require additional information, please contact me at 915/687-7484.

Yours very truly,

Merrick S. Vanderslice

Petroleum Engineer

/tmf 8446.1

Enclosure

cc: N

NMOCD - Hobbs

E. L. Allen - Eunice

A. W. Bohling

O. G. Brown

J. A. Carter

F. S. Godbold

R. E. Green

P. C. Harris

D. C. Heese

J. Howard

M. W. Kamm

W. M. Turnbull

Central Files

Lease & Well Files

PRU File

Chevron U.S.A. Inc.

Scarborough Estate Lease Well No. 8

Non-standard Gas Proration Unit and Unorthodox Location Tubb Oil & Gas Pool 1830 ft. FSL & 660 ft. FWL Unit L, Section 31, T22S, R38E Lea County, New Mexico

Offset Operators

John H. Hendrix Corp. 223 W. Wall, Suite 525 Midland, Texas 79701

Highland Production Company 810 North Dixie, Suite 202 Odessa, Texas 79761

> Oxy U.S.A. Inc. P.O. Box 50250 Midland, Texas 79710

Phillips Petroleum Company P.O. Box 1967 Houston, Texas 77251

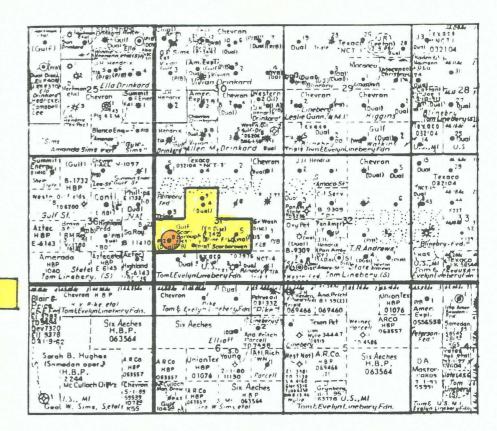
Southland Royalty Company P.O. Box 2726 Midland, Texas 79702

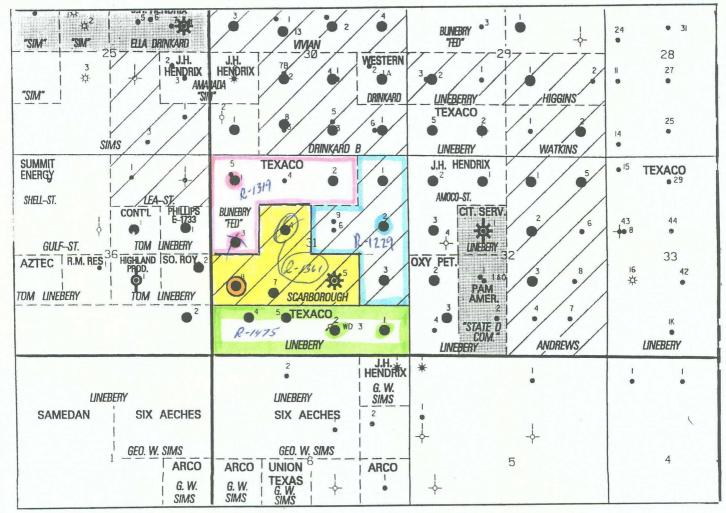
Texaco E. & P. Inc. P.O. Box 3109 Midland, Texas 79702 Chevron U.S.A. Inc. Scarborough Estate Lease Well No. 8

Non-standard Gas Proration Unit and Unorthodox Location Tubb Oil & Gas Pool 1830 ft. FSL & 660 ft. FWL Unit L, Section 31, T22S, R38E Lea County, New Mexico

Proposed Gas Proration Unit

Subject Well





Schmit (*) Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico Energy, Minerais and Natural Resources Department

Form C-102 Revised 1-1-89

OIL CONSERVATION DIVISION

DISTRICT I P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT III 1000 Rio Brazos Rd., Aziec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator		Lesse					Well No.			
CHEVRON	SCARBOROUGH ESTATE					8				
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or until a	non-mandard unit, e	liminating such interest, l	nas been app	roved by the Divis	ion.			·		
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GOVERNOR

STATE OF NEW MEXICO

OIL CONSERVE OUN DIVISION RECEIVED

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT 12 AM 9 59

OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

11-10-92

POST OFFICE BOX 1980 HOBBS, NEW MEXICO 88241-1980 (505) 393-6161

OIL CONSERVATION DIVISION P. O. BOX 2088 SANTA FE, NEW MEXICO 87501 RE: Proposed: MC DHC NSL NSP SWD WFX PMX Gentlemen: I have examined the application for the: Scarbarough Estate #8-L 31-22-38
se & Well No. Whit S-T-R and my recommendations are as follows: yøûrs very trulyr

Super√isor, District 1

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. 1484 Order No. R-1229

APPLICATION OF GULF OIL CORPORATION FOR THE ESTABLISHMENT OF A 160-ACRE NON-STANDARD GAS PRORATION UNIT IN THE TUBB GAS POOL, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 24, 1958, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 6th day of August, 1958, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

- (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 applicant, Gulf Oil Corporation, is the owner of the Scarborough Estate Lease which includes the NE/4 SE/4, NE/4 NE/4, and the S/2 NE/4 of Section 31, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico.
- (3) That applicant is the owner and operator of the Scarborough Estate Well No. 2, located 1880 feet from the North line and 660 feet from the East line of said Section 31, and dually completed in the Tubb Gas Pool and Drinkard Pool.
- (4) That by Administrative Order NSP-425 applicant was granted a 120-acre non-standard gas proration unit in the Tubb Gas Pool for the above-described Scarborough Estate Well No. 2, said unit consisting of the NE/4 NE/4 and the S/2 NE/4 of said Section 31.
- (5) That the applicant seeks the establishment of a 160-acre non-standard gas proration unit in the Tubb Gas Pool, such unit to consist of the NE/4 SE/4, NE/4

-2-CASE NO. 1484 Order No. R-1229

NE/4, and the S/2 NE/4 of said Section 31 and to be dedicated to the aforementioned Scarborough Estate Well No. 2.

- (6) That approval of the subject application will not cause waste nor impair correlative rights.
 - (7) That the subject application should be granted.

IT IS THEREFORE ORDERED:

- (1) That Administrative Order NSP-425 be and the same is hereby superseded.
- (2) That the application of Gulf Oil Corporation for the establishment of a 160-acre non-standard gas proration unit in the Tubb Gas Pool, consisting of the NE/4 SE/4, NE/4 NE/4, and the S/2 NE/4 of Section 31, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico, be and the same is hereby granted. Said unit is to be dedicated to the applicant's Scarborough Estate Well No. 2, located 1880 feet from the North line and 660 feet from the East line of said Section 31.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

MURRAY E. MORGAN, Member

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

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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. 1695 Order No. R-1475

APPLICATION OF TEXACO, INC. FOR AN OIL-GAS-OIL TRIPLE COMPLETION IN THE BLINEBRY OIL POOL, THE TUBB GAS POOL, AND THE DRINKARD POOL, AND FOR PER-MISSION TO COMMINGLE THE PRODUCTION FROM THREE SEPARATE POOLS, AND FOR A NON-STANDARD GAS PRORATION UNIT IN LEA COUNTY, NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on August 5, 1959, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 3rd day of September, 1959, the Commission, a quorum being present, having considered the application the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

- (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, Texaco, Inc., is the owner and operator of the A. H. Blinebry NCT-4 Well No. 1, located in the SE/4 SE/4 of Section 31, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico.
- (3) That the applicant proposes to triple complete the above-described A. H. Blinebry NCT-4 Well No. 1 in such a manner as to permit the production of oil from the Blinebry Oil Pool through tubing, the production of gas from the Tubb Gas Pool through the tubing-tubing annulus to a triple flow tube at 5497 feet, thence through the casing-tubing annulus to the surface, and the production of oil from the Drinkard Pool through tubing.

-2-Case No. 1695 Order No. R-1475

- (4) That with the exception of the proposal that the Tubb gas be produced through the casing-tubing annulus, the mechanics of the proposed triple completion are feasible and in accord with good conservation practices.
- (5) That the evidence adduced indicates that the Tubb gas zone of the triple completion is capable of producing relatively large amounts of liquid, and should, therefore, in the interest of more efficient flow, be produced through tubing.
- (6) That the subject well should be so equipped that each of the three zones can be artificially lifted if necessary.
- (7) That the applicant further proposes to commingle the liquids produced from the Blinebry, Tubb, and Drinkard formations from the above-described A. H. Blinebry NCT-4 Well No. 1 after separately metering the production from each pool.
- (8) That the applicant further proposes the establishment of a non-standard gas proration unit in the Tubb Gas Pool consisting of the S/2 S/2 of Section 31, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico, said unit to be dedicated to the above-described A. H. Blinebry NCT-4 Well No. 1.
- (9) That approval of the subject application will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Texaco, Inc., be and the same is hereby authorized to triple complete its A. H. Blinebry NCT-4 Well No. 1, located in the SE/4 SE/4 of Section 31, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico, in such a manner as to permit the production of Oil from the Blinebry Oil Pool through tubing, the production of gas from the Tubb Gas Pool through the tubing-tubing annulus to a triple flow tube at 5497 feet, thence through 1½ inch Hydrill tubing set in the triple flow tube to the surface, and the production of oil from the Drinkard Pool through tubing.

PROVIDED HOWEVER, That the above-described well shall be so equipped that each of the three zones can be artificially lifted if necessary.

PROVIDED FURTHER, That applicant shall complete, operate, and produce said well in accordance with the provisions of Section V, Rule 112-A.

-3-Case No. 1695 Order No. R-1475

PROVIDED FURTHER, That applicant shall take packer-leakage tests upon completion and annually thereafter during the gas-oil ratio test period for the Drinkard Pool. Applicant shall also take packer-leakage tests semiannually midway between the aforementioned gas-oil ratio test periods.

IT IS FURTHER ORDERED: That jurisdiction of this cause is hereby retained by the Commission for such further order or orders as may seem necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of applicant to comply with any requirement of this order, after proper notice and hearing the Commission may terminate the authority hereby granted and require applicant or its successors and assigns to limit its activities to single zone or dual-zone production in the interests of conservation.

(2) That the applicant be and the same is hereby authorized to commingle the liquids produced from the Blinebry, Tubb, and Drinkard formations from said A. H. Blinebry NCT-4 Well No. 1, provided the production from each of said pools is separately metered prior to being commingled.

PROVIDED HOWEVER, That meters shall be operated, treated, and maintained in such a manner as to prevent corrosion and to ensure an accurate measurement of the production at all times.

for accuracy at least once each month until further direction by the Secretary-Director. Meters shall be calibrated against a master meter or against a test tank of measured volume and the results of such calibration filed with the Commission on the Commission form entitled "Meter Test Report."

(3) That a 160-acre non-standard gas proration unit in the Tubb Gas Pool consisting of the S/2 S/2 of Section 31, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico, be and the same is hereby established, said unit to be dedicated to the above-described A. H. Blinebry NCT-4 Well No. 1.

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

-4-Case No. 1695 Order No. R-1475

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

JOHN BURROUGHS, Chairman

MURRAY E. MORGAN, Member

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

SEAL

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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. 6296 Order No. R-1475-A

APPLICATION OF TEXACO INC. FOR AN UNORTHODOX 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 August 16, 1978, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this $20 \, {\rm th}$ day of September, 1978, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

- (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, Texaco Inc., seeks approval of an unorthodox gas well location for its A. H. Blinebry Fed. (NCT-4) Well No. 3 located 700 feet from the South line and 2100 feet from the East line of Section 31, Township 22 South, Range 38 East, NMPM, Tubb Gas Pool, Lea County, New Mexico.
- (3) That the S/2 S/2 of said Section 31, a previously approved non-standard proration unit, is to be simultaneously dedicated to the aforesaid well and to applicant's A. H. Blinebry Fed. (NCT-4) Well No. 1 located in Unit P of said Section 31.
- (4) That a well at said unorthodox location will better enable applicant to produce the gas underlying the proration unit.
- (5) That no offset operator objected to the proposed unorthodox location.

(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 Tubb Gas Pool is hereby approved for the Texaco Inc. A. H. Blinebry Fed. (NCT-4) Well No. 3 located at a point 700 feet from the South line and 2100 feet from the East line of Section 31, Township 22 South, Range 38 East, NMPM, Tubb Gas Pool, Lea County, New Mexico.
- (2) That the S/2 S/2 of said Section 31 shall be simul-taneously dedicated to the above-described well and to applicant's A. H. Blinebry Fed. (NCT-4) Well No. 1 located in Unit P of said Section 31.
- (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

JOE D. RAMEY

Director

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. 1574 Order No. R-1319

APPLICATION OF THE TEXAS COMPANY FOR ESTABLISHMENT OF A 160-ACRE NON-STANDARD GAS PRORATION UNIT IN THE TUBB GAS POOL, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on January 7, 1959, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this <u>l4th</u>, day of January, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

- (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, The Texas Company, is the owner and operator of the W/2 NW/4, NE/4 NW/4, and the NW/4 NE/4 of Section 31, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico.
- (3) That the applicant is the owner and operator of the A. H. Blinebry NCT-3 Well No. 1, located 660 feet from the North line and 660 feet from the West line of said Section 31.
- (4) That the applicant proposes that the above-described acreage be established as a 160-acre non-standard gas proration unit in the Tubb Gas Pool and that said unit be dedicated to the aforementioned A. H. Blinebry NCT-3 Well No. 1.
- (5) That approval of the subject application will not cause waste nor impair correlative rights.

SELECTION OF THE PROPERTY OF T Case No. 1574 Order No. R-1319

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IT IS THEREFORE ORDERED:

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That the application of The Texas Company for the establishment of a 160-acre non-standard gas proration unit in the Tubb Gas Pool, consisting of the W/2 NW/4, NE/4 NW/4, and the NW/4 NE/4 of Section 31, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico, be and the same is hereby granted. Said unit is to be dedicated to the applicant's A. H. Blinebry NCT-3 Well No. 1, located 660 feet from the North line and 660 feet from the West line of said Section 31.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

JOHN BURROUGHS, Chairman

MURRAY E. MORGAN, Member

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

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

Order No. R-1991

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING: METABLES AND MORE BELLEVINGER BOOK AND MORE BOOK AND

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APPLICATION OF GULF OIL CORPORATION

FOR A 160-ACRE NON-STANDARD GAS

PRORATION UNIT IN THE TUBB GAS POOL

AND FOR A 160-ACRE NON-STANDARD GAS

PRORATION UNIT IN THE BLINEBRY GAS POOL

LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

STATE OF THE COMMISSION

ORDER OF THE COMMISSION

ORDER OF THE COMMISSION

This cause came on for hearing at 9 o'clock a.m. on March 25, 1959, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 2nd., day of April, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises.

FINDS: SETTING ENDOCATES MICH.

- (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, Gulf Oil Corporation, is the owner and operator of the SE/4 NW/4, the NW/4 SE/4 and the N/2 SW/4 of Section 31, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico.
- (3) That the applicant is the owner and operator of the dually completed Scarborough Estate Well No. 4, located 1980 feet from the North line and 1980 feet from the West line of said Section 31.
- (4) That the applicant proposes the establishment of two 160-acre non-standard gas proration units consisting of the above-described acreage, one for the Tubb Gas Pool, the other for the Blinebry Gas Pool, with the said Scarborough Estate Well No. 4 as the unit well for each of such non-standard units.

- (5) That the entire acreage in the proposed non-standard gas proration units may reasonably be presumed to be productive of gas from the Tubb Gas Pool and the Blinebry Gas Pool.
- (6) That approval of the subject application will not cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

- (1) That a 160-acre non-standard gas proration unit in the Tubb Gas Pool and a 160-acre non-standard gas proration unit in the Blinebry Gas Pool, each consisting of the SE/4 NW/4, the NW/4 SE/4 and the N/2 SW/4 of Section 31, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico, be and the same are hereby established. Said units are to be dedicated to the applicant's Scarborough Estate Well No. 4, located 1980 feet from the North line and 1980 feet from the West line of said Section 31.
- (2) That Administrative Orders NSP-471 and 472 are hereby cancelled.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

JOHN BURROUGHS, Chairman

MURRAY E. MORGAN, Member

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