

CASE No.

5083

Application,

Transcripts,

Small Exhibits

ETC.

dearnley, meier & associates

209 SIMMS BLDG. • P.O. BOX 1092 • PHONE 243-0691 • ALBUQUERQUE, NEW MEXICO 87103
1216 FIRST NATIONAL BANK BLDG. EAST • ALBUQUERQUE, NEW MEXICO 87108

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BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
CONFERENCE ROOM, STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO
October 17, 1973

EXAMINER HEARING

IN THE MATTER OF:

Application of Texaco, Inc.
for downhole commingling,
Lea County, New Mexico.

Case No. 5083

BEFORE: DANIEL S. NUTTER,
Examiner

TRANSCRIPT OF HEARING

1 MR. NUTTER: We'll call Case Number 5083.

2 MR. CARR: Case 5083, Application of Texaco, Inc.
3 for downhole commingling, Lea County, New Mexico.

4 MR. KELLEY: Let the record show the same appearances
5 of Booker Kelley of White, Koch, Kelley and McCarthy.

6 MR. CARR: And also that the witness has been
7 previously sworn?

8 MR. KELLEY: Yes.
9

10
11 EUGENE CRAIG HINRICHS,
12 being called as a witness and being previously sworn,
13 testified as follows:

14 DIRECT EXAMINATION

15 BY MR. KELLEY:

16 Q For the record, state your name, position and employment?

17 A My name is Craig Hinrichs, I'm the District Production
18 Engineer for Texaco in Hobbs.

19 Q And you have previously qualified as an expert in the
20 field of petroleum engineering?

21 A Yes, I have.

22 Q Referring to Exhibit 1, the Plat, briefly state what
23 Texaco seeks by this application.

24 A Texaco seeks authority to commingle Blinobry-Paddock
25 and Tubb production in the well bore of C. H. Lockhart
Federal Well Number 3.

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1 The plat shows the location of this well located
2 660 feet from the south line and 1980 feet from the
3 east line of Section 18, Township 22 South, Range 38
4 east of Lea County, New Mexico.

5 The subject lease is outlined in yellow with the
6 subject well designated by the red arrow.

7 Also shown on this plat are surrounding producing
8 zones and wells with the abbreviations explained in the
9 legend below.

10 MR. KELLEY: Mr. Examiner, I'm not sure I gave you
11 all the Exhibits. Do you have the diagrammatic sketch
12 of the present and proposed completions?

13 MR. NUTTER: No, sir, I don't have those.

14 Q (By Mr. Kelley) Now, you have located the subject well.
15 What is the present status of that well?

16 A Well, it's currently producing from the Tubb zone below
17 a special Model "D" Packer with the Paddock and Blinebry
18 zone shut in and the Drinkard zone has been abandoned.

19 Q Now, as I understand it, the Paddock and Blinebry are
20 presently approved and are commingled but shut in, is
21 that correct?

22 A That's right.

23 Q Do you have the order number on that?

24 A That was Order Number R-3526 issued October 22, 1968.

25 Q And that's for the commingling?

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- 1 A That's for the commingling.
- 2 Q It's also an approved multiple completion?
- 3 A Yes, it is. It's approved by Order R-4345 issued
- 4 July 12, 1972.
- 5 Q The two commingled zones of Paddock and Blinebry had
- 6 production prior to being shut in, didn't they?
- 7 A Yes, sir.
- 8 Q When were they shut in?
- 9 A They were shut in the last part of March of 1973.
- 10 Q What was their daily production at that time?
- 11 A Total production was eight barrels of oil per day and
- 12 two barrels of water per day.
- 13 Q You have the current production figures for the Tubb,
- 14 also?
- 15 A Yes, I do.
- 16 Q What is that?
- 17 A It's currently flowing four barrels of oil per day and
- 18 two barrels of water per day.
- 19 Q And you have, as part of this application, submitted
- 20 C-116's, is that correct?
- 21 A Yes, sir.
- 22 Q For the three zones, is that correct?
- 23 A Yes, sir.
- 24 Q What did you do, have to break out the Paddock and
- 25 Blinebry?

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- 1 A Yes, we did.
- 2 Q Based on the commission's own figures, I assume?
- 3 A Yes.
- 4 Q Referring to Exhibit Number 2, your data sheet, would you
5 go through the important characteristics there?
- 6 A This shows that the Paddock and Blinebry zones, as they
7 are commingled, they're rod pumped. The Tubb is shown
8 to be flowing here; however, it's begun dying and is in
9 need of artifical lifts which will be installed, so it
10 will be on rod pump shortly.
- 11 Also shows estimated bottom hole pressure for the
12 Paddock and Blinebry zones and a measured bottom hole
13 pressure for the Tubb.
- 14 This well will be able to pump it off, pump it
15 down so there will be no cross flow from zone to zone
16 and the crudes will be compatible. The Paddock and
17 Blinebry are currently commingled with no detrimental
18 results and the Blinebry and Tubb are similar type crudes,
19 so there will be no trouble commingling the three.
- 20 Q How about the fact you've got sour and sweet crude? Are
21 you having any problem selling that now?
- 22 A No, we contacted a pipeline company and they said more
23 than likely it will be sold as a sweet crude considering
24 we will get 15 barrels a day from the Tubb after it's put
25 on rod pump, based on previous production before it began

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- 1 dying. And the small volume of Paddock that we're making
- 2 will have to get Wolfe Labs in Odessa to analyze the
- 3 crude, but they indicate they think it will be sold as
- 4 sweet crude.
- 5 Q So, you feel that the commingling here will not have any
- 6 adverse effect on the quality of the oil?
- 7 A No, it will not.
- 8 Q Now, Exhibit 3, 4 and 5 are separate decline curves for
- 9 each of the proposed commingled zones, is that correct?
- 10 A Yes, it is.
- 11 Q And again, the figures from '69 to March '72 are broken
- 12 out from your commingled production, is that right?
- 13 A That's right.
- 14 Q What is the economic limit, in your estimation, of these
- 15 three zones?
- 16 A For the Paddock and Blinebry combined is three barrels
- 17 per day and from the Tubb, three barrels per day.
- 18 Q And do you feel -- do you have an estimate of the
- 19 increased production that you will be able to get as a
- 20 result of commingling?
- 21 A Yes, sir, it will be 6,200 barrels.
- 22 Q Do you have a recommendation to the Examiner as far as
- 23 breaking out production on these three zones?
- 24 A Yes, we would recommend that production be broken out
- 25 65% allocated to the Tubb zone, 22% to the Paddock and

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1 13% to the Blinbry.

2 Q And that's on the expectation that your Tubb production
3 will increase when you start pumping?

4 A That's right.

5 Q Now, you have Exhibits 6 and 7, which are your sketches
6 showing your present and proposed completion. Anything
7 you want to say about those?

8 A What we will do, if we get the downhole commingling with
9 the Tubb will be to drill out the Baker Model "D" Packer
10 that's located at 5913 shown on Exhibit 6 and we'll run
11 a cubic string back down to 5913, approximately, and
12 we'll vent the gas out the annulus and pump the oil up
13 2 3/8 inch tubing string.

14 Q So, this well will no longer be multiply completed at
15 that time?

16 A No, it will not.

17 Q In your opinion, will the granting of this application
18 allow you to produce hydrocarbons that would otherwise
19 be left in place thereby preventing waste?

20 A Yes.

21 Q And were all offset operators notified of this application
22 by Texaco?

23 A Yes, they were.

24 Q And that is shown on your application, also?

25 A Yes.

1 Q Were Exhibits 1 through 7 prepared by you or under
2 your supervision?

3 A Yes, they were.

4 MR. KELLEY: At this time, I would move the
5 introduction of Texaco Exhibits 1 through 7.

6 MR. NUTTER: Texaco Exhibits 1 through 7 will be
7 admitted in evidence.

8 MR. KELLEY: We have no further direct testimony,
9 Mr. Examiner.

10
11 CROSS EXAMINATION

12 BY MR. NUTTER:

13 Q Mr. Hinrichs, even if you didn't have this proposed
14 downhole commingling and pumped all three, you'd have to
15 pump the Tubb by itself if you kept it as a separate
16 completion?

17 A Yes, sir.

18 Q And you anticipate that as a single completion by putting
19 it on the pump, it will come back up to 15 barrels a day?

20 A Yes.

21 Q And as a commingled zone, it would contribute 15 of
22 approximately 23 barrels?

23 A 15 of 23, right.

24 Q For 65% allocation?

25 A Right.

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1 Q I notice there is considerable difference in the GOR of the
2 Tubb and the other two zones, about twice what the other
3 two zones are.

4 That would indicate that probably this GOR is based
5 on the four barrels of oil. Do you have any ideas as to
6 what the GOR would be if you went up to 15 barrels of
7 oil production?

8 A Well --

9 Q Would you produce about the same amount of gas?

10 A About the same amount of gas, I feel like.

11 Q That would lower the GOR?

12 A Lower the GOR. Be about one-third, probably.

13 MR. NUTTER: Are there any other questions of
14 Mr. Hinrichs?

15 (No Response)

16 MR. NUTTER: You may be excused.

17 (Witness Excused)

18 MR. NUTTER: Anything further, Mr. Kelley?

19 MR. KELLEY: Nothing further.

20 MR. NUTTER: Does anyone have anything to offer
21 in Case 5083?

22 (No Response)

23 MR. NUTTER: We'll take the case under advisement.
24
25

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STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, Donna Keith, a Certified Shorthand Reporter, in and for
the County of Bernalillo, State of New Mexico, do hereby
certify that the foregoing and attached Transcript of Hearing
before the New Mexico Oil Conservation Commission was reported
by me; and that the same is a true and correct record of said
proceedings to the best of my knowledge, skill and ability.

Donna Keith
CERTIFIED SHORTHAND REPORTER

I do hereby certify that the foregoing is
a complete and correct transcript of the proceedings in
the case of *5083*
heard on *10/17* *2173*
[Signature] Examiner
New Mexico Oil Conservation Commission

dearnley, meier & associates

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1216 FIRST NATIONAL BANK BLDG. EAST • ALBUQUERQUE, NEW MEXICO 87108I N D E XWITNESSPAGE

EUGENE CRAIG HINRICHS

Direct Examination by Mr. Kelley

3

Cross Examination by Mr. Nutter

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E X H I B I T SAPPLICANT'SOFFEREDADMITTED

Exhibit 1

Plat

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Exhibit 2

Data Sheet

9

9

Exhibit 3, 4 & 5

Decline Curves

9

9

Exhibit 6 & 7

Present and Proposed
Completion

9

9



OIL CONSERVATION COMMISSION

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

I. R. TRUJILLO
CHAIRMAN
LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

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

November 16, 1973

Mr. Booker Kelly
White, Koch, Kelly & McCarthy
Attorneys at Law
Post Office Box 787
Santa Fe, New Mexico

Re: CASE NO. 5083
ORDER NO. R-4659
Applicant:
Texaco Inc.

Dear Sir:

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

Very truly yours,

A. L. Porter, Jr.

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

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. 5083
Order No. R-4659

APPLICATION OF TEXACO INC.
FOR DOWNHOLE COMMINGLING, LEA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 17, 1973, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 16th day of November, 1973, 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, Texaco Inc., is the owner and operator of the C. H. Lockhart Federal Well No. 3, located in Unit 0 of Section 18, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico.

(3) That the applicant seeks authority to commingle Blinebry, Paddock and Tubb production within the wellbore of the above-described well.

(4) That the subject well is currently completed in such a manner as to permit the commingling in the wellbore of the Paddock and Blinebry production and the production of these hydrocarbons and hydrocarbons from the Tubb zone through parallel strings of tubing, with separation of the zones by a packer set at approximately 6,000 feet.

(5) That from the commingled Paddock and Blinebry zones, the subject well is capable of low marginal production only.

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

(7) That the proposed triple commingling may result in the recovery of additional hydrocarbons from each of the subject pools, thereby preventing waste, and will not violate correlative rights.

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CASE NO. 5083
Order No. R-4659

(8) That the reservoir characteristics of each of the subject zones are such that underground waste would not be caused by the proposed commingling provided that the well is not shut-in for an extended period.

(9) That to afford the Commission the opportunity to assess the potential for waste and to expeditiously order appropriate remedial action, the operator should notify the Hobbs district office of the Commission any time the subject well is shut-in for 7 consecutive days.

(10) That in order to allocate the commingled production to each of the commingled zones in the subject well, one-third of the commingled oil production should be allocated to the Blinebry zone, one-third of the commingled oil production to the Paddock zone and that one-third of the commingled oil production should be allocated to the Tubb zone.

IT IS THEREFORE ORDERED:

(1) That the applicant, Texaco Inc., is hereby authorized to commingle oil production within the wellbore of the C. H. Lockhart Federal Well No. 3, located in Unit 0 of Section 18, Township 22 South, Range 38 East, NMPM, Blinebry, Paddock and Tubb Pools, Lea County, New Mexico.

(2) That one-third of the commingled oil production shall be allocated to the Blinebry zone, one-third of the commingled oil production shall be allocated to the Paddock zone and one-third of the commingled oil production shall be allocated to the Tubb zone.

(3) That the operator of the subject well shall immediately notify the Commission's Hobbs district office any time the well has been shut-in for 7 consecutive days and shall concurrently present, to the Commission, a plan for remedial action.

(4) That Commission Orders Nos. R-3526 and R-4345, which relate to the previous multiple completion and downhole commingling of the subject well, are hereby superseded.

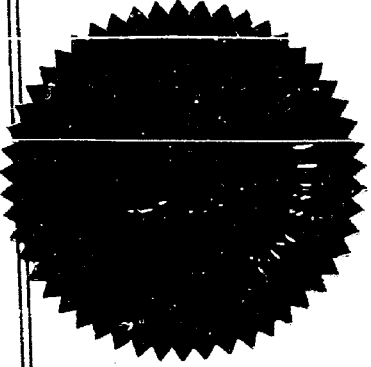
(5) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.


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

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CASE NO. 5083
Order No. R-4659

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

I. R. TRUJILLO, Chairman


ALEX J. ARMIJO, Member


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

S E A L

jr/

- CASE 5079: Application of May Petroleum Inc. for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a proposed well to be drilled at a point 1650 feet from the South line and 1129 feet from the East line of Section 31, Township 11 South, Range 38 East, North Gladiola-Devonian Pool, Lea County, New Mexico.
- CASE 5080: Application of Horizon Oil & Gas Company of Texas for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its State 28 Well No. 2 located in Unit K of Section 28, Township 17 South, Range 29 East, Eddy County, New Mexico, in such a manner as to permit the production of gas from the Grayburg-Morrow Gas Pool and an undesignated Atoka Gas Pool through parallel strings of tubing.
- CASE 5081: Application of Mesa Petroleum Company for a dual completion and special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Skelly State Well No. 1 located in Unit I of Section 14, Township 16 South, Range 35 East, in such a manner as to produce oil from the North Shoe Bar-Wolfcamp Pool and gas from an undesignated Morrow gas pool through parallel strings of tubing. Applicant further seeks the promulgation of temporary special rules for said North Shoe Bar-Wolfcamp Pool, including a provision for 160-acre drilling and proration units.
- CASE 5082: Application of Mesa Petroleum Company for a dual completion, creation of a new oil pool, assignment of a discovery allowable, and special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of the North Shoe Bar-Strawn Pool for its Hillburn Well No. 1 located in Unit E of Section 13, Township 16 South, Range 35 East, Lea County, New Mexico, and the assignment of approximately 56,440 barrels of oil discovery allowable to said well; applicant also seeks approval for the dual completion of said well in such a manner as to permit the production of oil from the North Shoe Bar-Wolfcamp Pool and the North Shoe Bar-Strawn Pool through parallel strings of tubing; applicant further seeks the promulgation of temporary special rules for said pool, including a provision for 160-acre drilling and proration units.
- CASE 5083: Application of Texaco Inc. for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Blinebry-Paddock and Tubb production in the well-bore of its C. H. Lockhart Federal Well No. 3 located in Unit O of Section 18, Township 22 South, Range 38 East, Lea County, New Mexico.
- CASE 5084: Southeastern nomenclature case calling for the extension of certain pools in Lea and Roosevelt Counties, New Mexico:

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 17, 1973

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

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

ALLOWABLE: (Continued from October 3, 1973, Examiner Hearing)

- (1) Consideration of the allowable production of gas for November, 1973, from seventeen prorated pools in Lea, Eddy, Roosevelt and Chaves Counties, New Mexico;
- (2) Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for November, 1973.

CASE 5075: Application of Hillin Production Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its JCW State Com. Well No. 1 located in Unit C of Section 2, Township 20 South, Range 28 East, Eddy County, New Mexico, in such a manner as to produce gas from an undesignated Strawn gas pool and from the Winchester-Morrow Gas Pool through the casing-tubing annulus and tubing, respectively.

CASE 5076: Application of David Fasken for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill a well at an unorthodox location 1980 feet from the North line and 660 feet from the West line of Section 7, Township 18 South, Range 26 East, West Atoka-Morrow Gas Pool, Eddy County, New Mexico, the N/2 of said Section 7 to be dedicated to the well.

CASE 5077: Application of Texaco Inc. for downhole commingling and a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle in the wellbore production from the Skaggs-Glorieta and East Weir-Blinbry Pools in its C. H. Weir "B" Well No. 4 located in Unit I of Section 11, Township 20 South, Range 37 East, Lea County, New Mexico, and to dually complete said well in such a manner as to permit the production of the aforesaid commingled fluids and hydrocarbons from the East Weir-Tubb Oil Pool through parallel strings of tubing.

CASE 5078: Application of Franklin, Aston & Fair for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to re-enter its McIntyre Well No. 6-A, an old hole located 990 feet from the South line and 1650 feet from the East line of Section 20, Township 17 South, Range 30 East, Eddy County, New Mexico, in order to complete same as a Morrow gas well, the E/2 of said Section 20 to be dedicated to the well.

(Case 5084 continued from page 2)

(a) Extend the Antelope Ridge-Atoka Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM
Section 2: S/2

(b) Extend the Antelope Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM
Section 2: S/2
Section 3: S/2
Section 4: S/2

(c) Extend the Bluit-San Andres Associated Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 38 EAST, NMPM
Section 5: SW/4

(d) Extend the EK Yates Seven Rivers-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM
Section 8: NW/4

(e) Extend the Hat Mesa-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM
Section 14: E/2

(f) Extend the Monument-Paddock Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 16: S/2
Section 17: E/2

(g) Extend the South Salt Lake-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 33 EAST, NMPM
Section 30: All

(h) Extend the Triple X-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 32 EAST, NMPM
Section 12: NE/4

Examiner Hearing - Wednesday - October 17, 1973

Docket No. 29-73

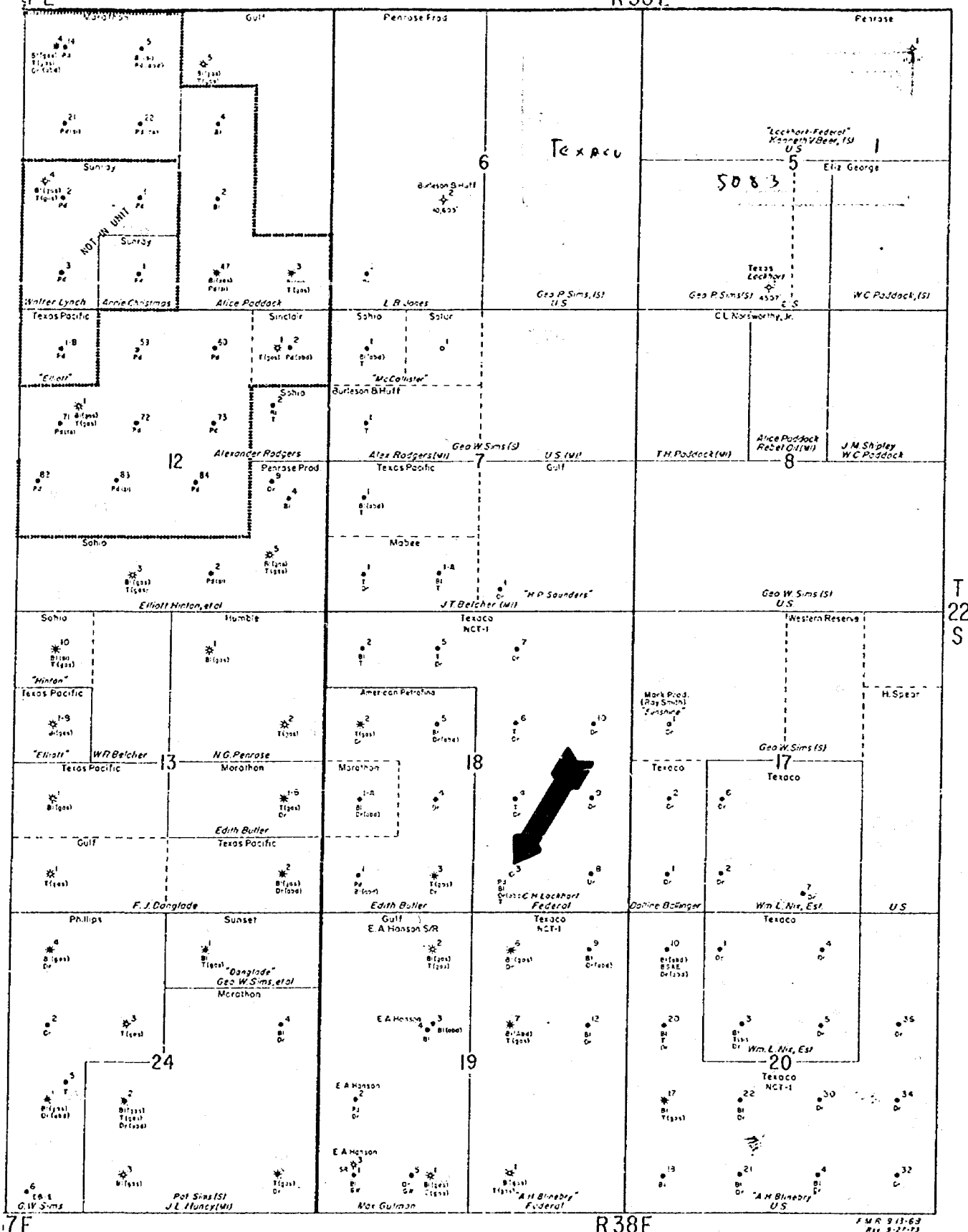
-4-

(Case 5084 continued from page 3)

(1) Extend the Williams-Pennsylvanian Pool in Lea County, New Mexico,
to include therein:

TOWNSHIP 13 SOUTH, RANGE 32 EAST, NMPM
Section 29: NE/4

R 38 E



ABBREVIATIONS:

01 - BLINERY
 02 - BRUNSON McKEE EAST
 03 - BRUNSON ELLENBURGER EAST
 04 - BRUNSON SAN ANDRES EAST
 Dr - DRINKARD

GW - GRANTE WASH (UNDESIGNATED)
PJ - PADDOCK
PS - PENROSE SKELLY GRAYBURG
SA - SANTA ROSA (UNDESIGNATED)
TB - TUBB

TEXACO Inc.
PART OF
BLINEBRY AND PADDOCK POOLS
LEA COUNTY, NEW MEXICO

SCALE 0' 1000' 2000'

DATA SHEET FOR WELLBORE COMMINGLING

Operator: TEXACO Inc.

Address: P. O. Box 728, Hobbs, New Mexico 88240

Lease and Well No.: C. H. Lockhart (NCT-1) Well No. 3

Location: Unit 0, Section 18, Township 22 South, Range 38 East, Lea County, New Mexico

WELL DATA

	Upper Pool	Middle Pool	Lower Pool
Name of Pool	*Paddock	*Blinebry	Tubb
Producing Method	Pump	Pump	Flow <i>will be pumped shortly</i>
BHP	450	450	898
Type Crude	Sour	Sweet	Sweet
Gravity	37.2°	37.2°	38.7°
GOR Limit	2000	6000	2000
Completion Interval	5144' to 5177'	5589' to 5677'	6098' to 6261'
Current Test Date	3-2-72	3-2-72	8-2-73
Oil	5	3	4
Water	2	0	2
GOR	4759	4823	9100

Selling Price of Crude -
\$/BBL.

3.64

3.64

3.77

Daily Income - \$/Day

0

0

15.09

COMMINGLED DATA:

Gravity of Commingled Crude 38.0°

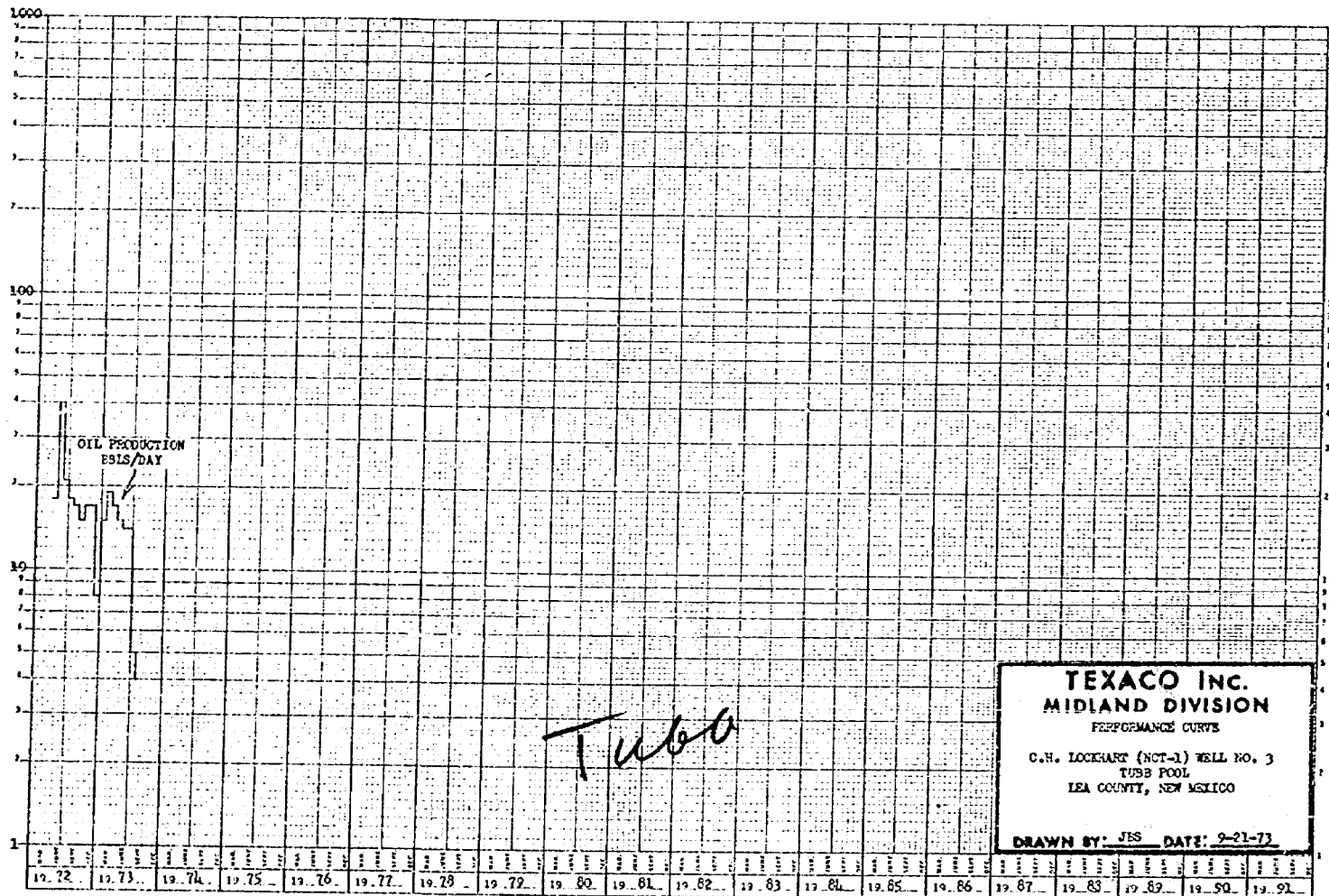
Selling Price of Commingled Crude - \$/BBL. 3.77

Daily Income - \$/Day 45.24

Net (Gain) (~~Loss~~) from Wellbore Commingling - \$/Day 30.15
based on current producing rates.

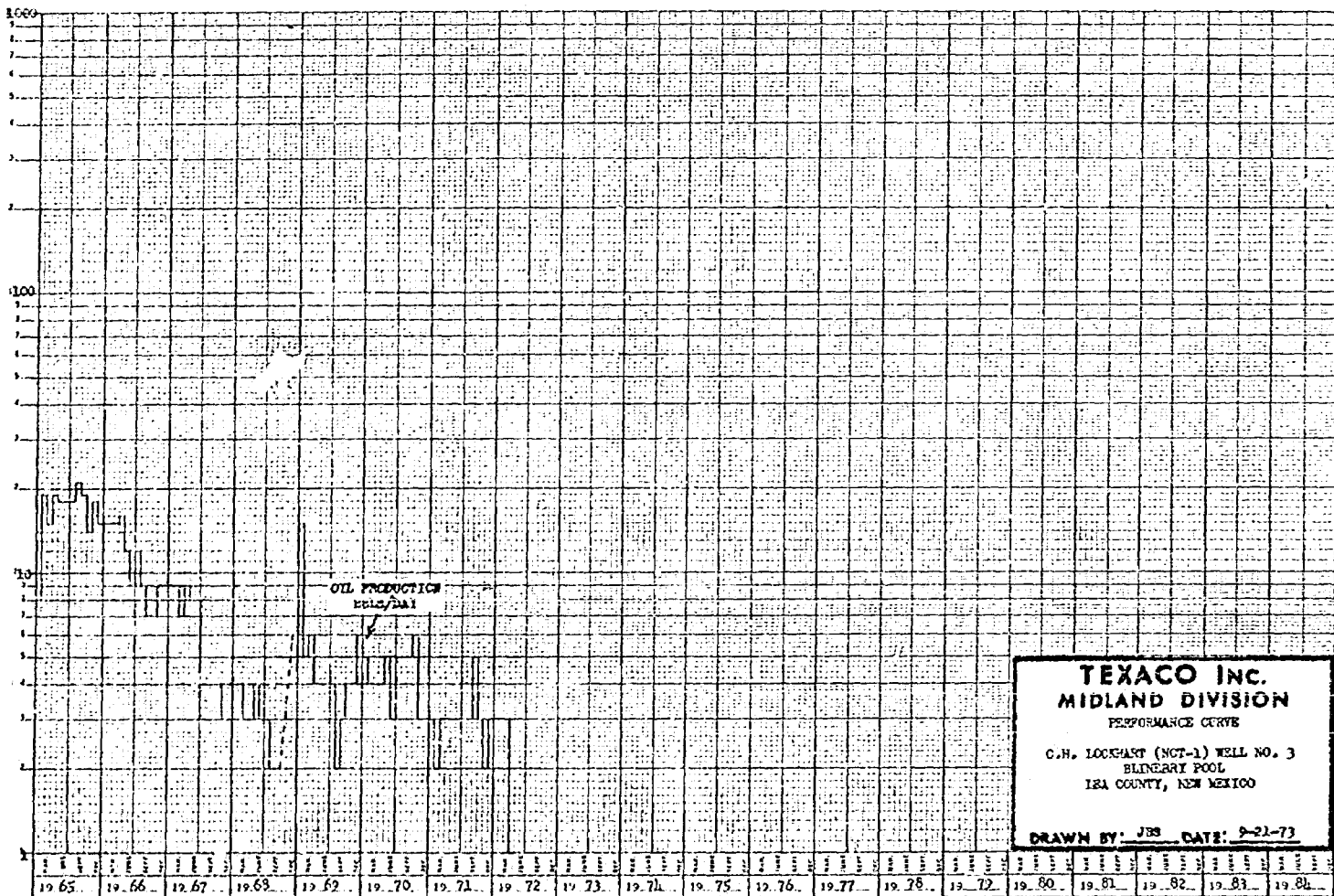
*Upper and Intermediate zones are currently downhole commingled and shut-in.

*65%
(based on
increase to
15 BOPD when
Tubb is
pumped)*



TEXACO

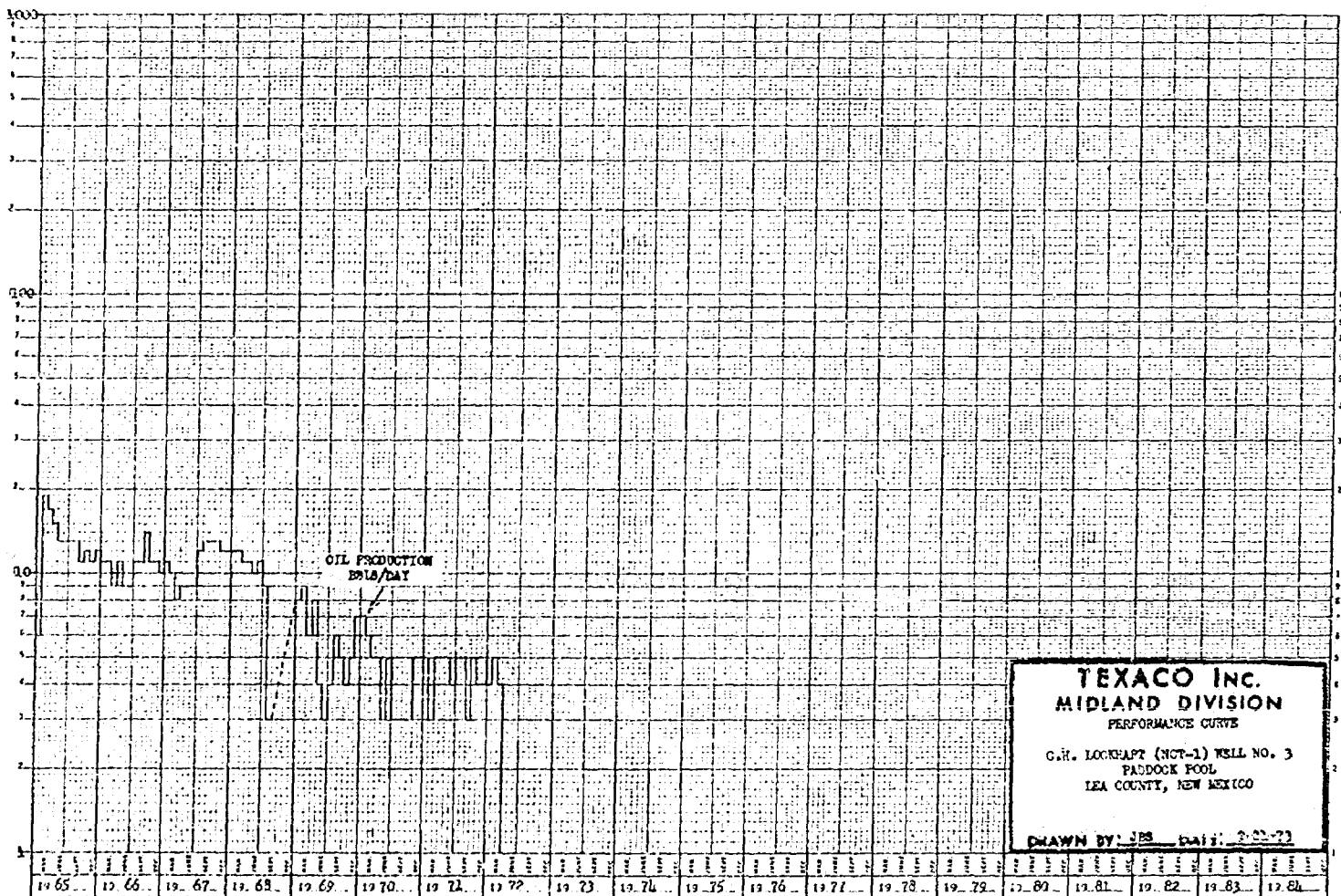
5083



Blinery

TEXACO

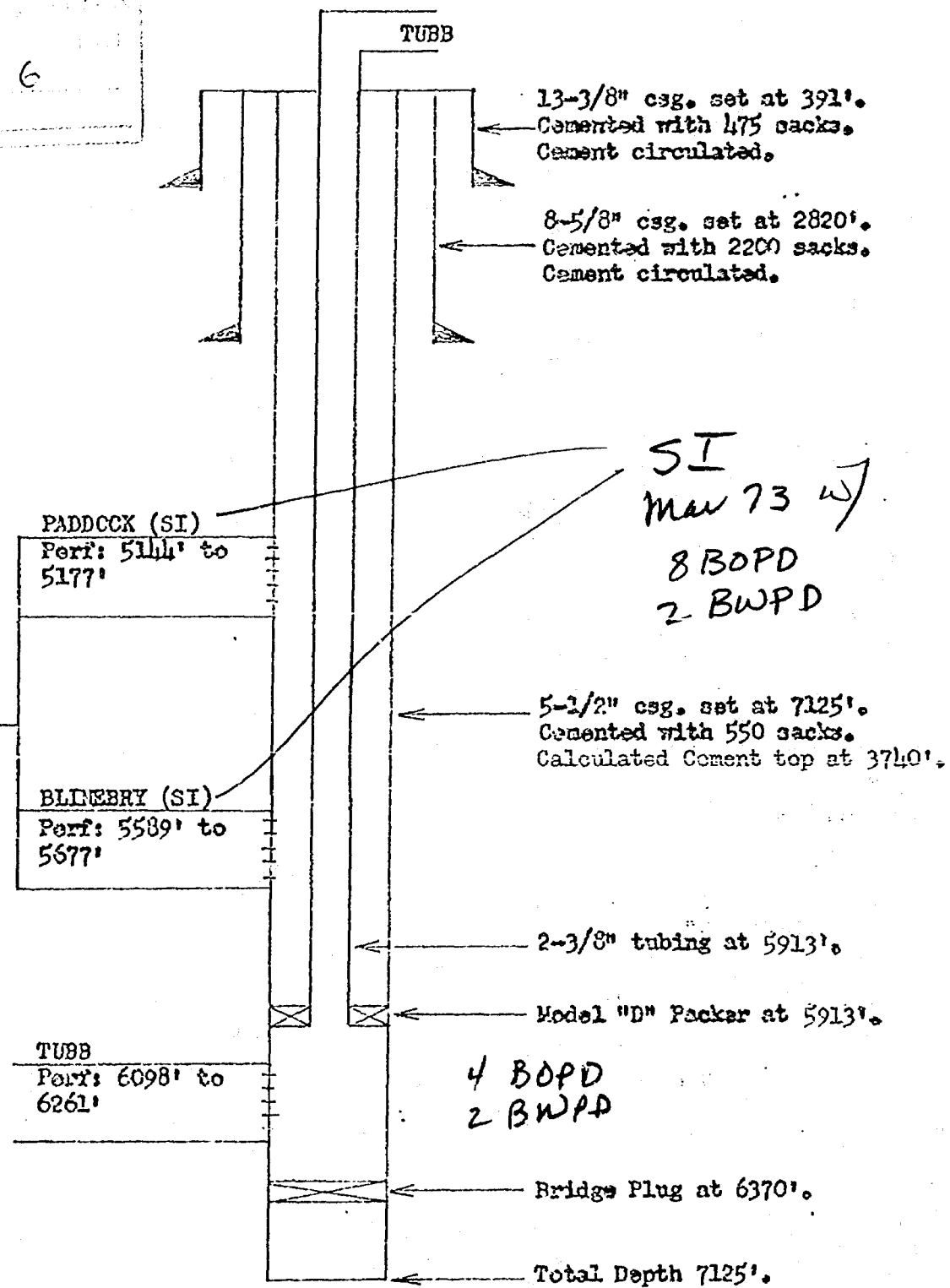
508.3



Paddock

TEXACO
 5083

TEXACO
5083



Downhole Commingled

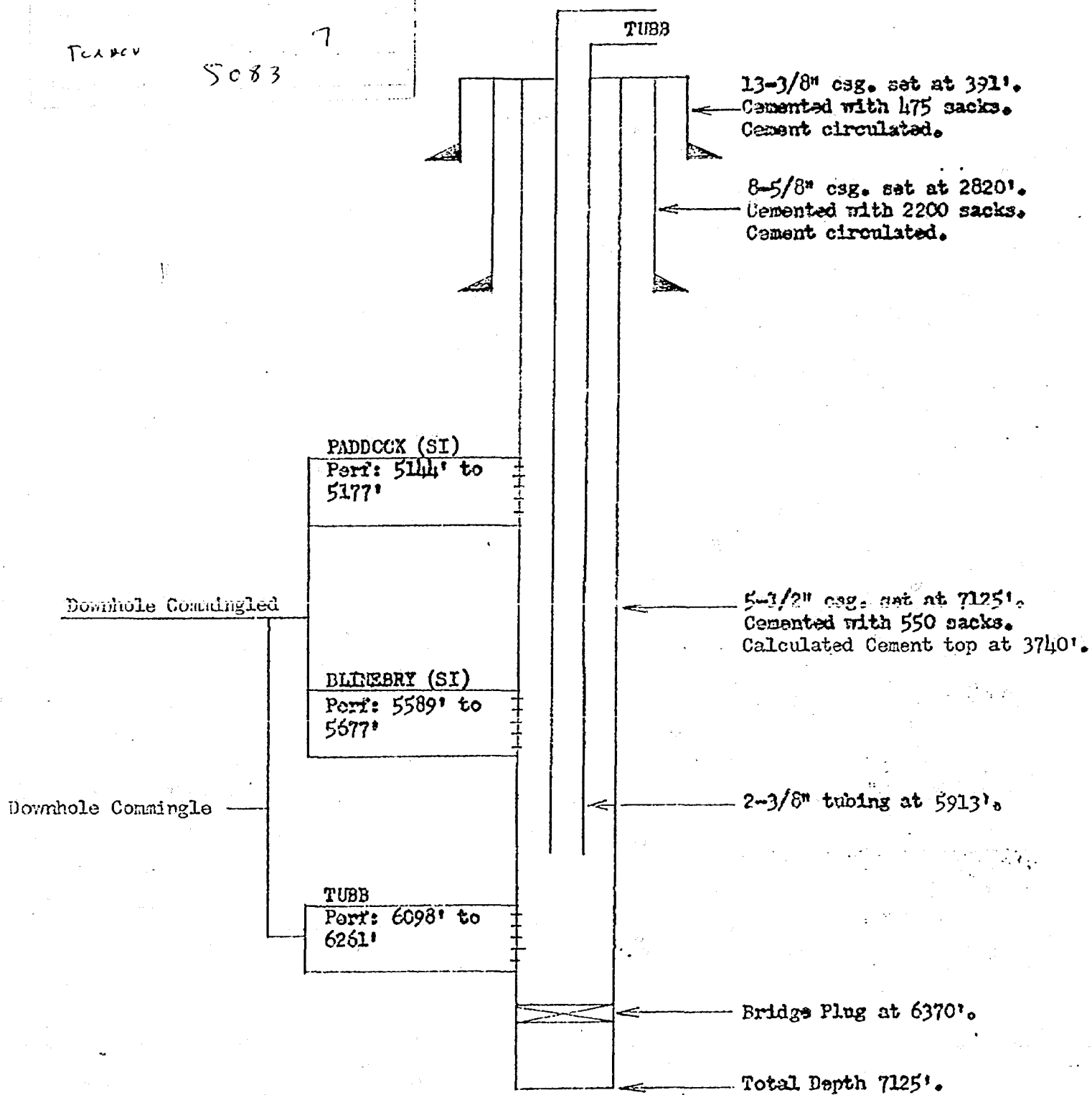
Order
R-3526
R-4345

TEXACO INC.
PRESENT COMPLETION
G.H. LOCKHART (NCT-1) WELL NO. 3
BLUEBRY-PADDUCK & TUBB POOLS
LEA COUNTY, NEW MEXICO

TEXACO

5083

7



TEXACO INC.
PROPOSED COMPLETION
G.H. LOCKHART (NCT-1) WELL NO. 3
BLUEBRY-PADDOCK & TUBBS POOLS
LEA COUNTY, NEW MEXICO

NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS

C-116
Revised 1-1-65

Operator TEXACO Inc.		Pool See Below		County Lea	
Address P. O. Box 728, Hobbs, New Mexico 88240		TYPE OF TEST - (X) <input checked="" type="checkbox"/> TEST - (X)		Scheduled <input type="checkbox"/> Completion <input type="checkbox"/> Special <input checked="" type="checkbox"/>	
LEASE NAME C. H. Lockhart (MCT-1) Blindery Paddock	WELL NO. 3	LOCATION U S T R 0 18 22-S 38-E		DATE OF TEST 3-2-72 3-6-72	CHOKE SIZE -
		TBGS. PRESS.	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST WATER BBLs. GRAV. OIL BBLs. GAS M.C.F.
			3 5	24 24	0 2 37.2 3 5 14.5 23.8
					4823 4759

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

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

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

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

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

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

[Signature]
(Signature)
District Supt.

(Title)

(Date)

NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS

C-116
Revised 1-1-65

Operator TEXACO Inc.		Pool Tubb				County Lea										
Address P. O. Box 728, Hobbs, New Mexico 88240						TYPE OF TEST - (X) <input checked="" type="checkbox"/> Scheduled <input type="checkbox"/> Completion <input type="checkbox"/> Special <input checked="" type="checkbox"/>										
LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	STATUS	CHOKE SIZE	TUBG. PRESS.	DAILY ALLOWABLE	LENGTH OF TEST HOURS	PROD. DURING TEST				GAS - OIL RATIO CU. FT./BBL.
		U	S	T	R							WATER BBLs.	GRAV. OIL	OIL BBLs.	GAS M.C.F.	
C. H. Lockhart (NCT-1)	3	0	18	22-S	38-E	8-2-73	F	18/64	100	30	24	2	38.7	4	36.4	9100

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


(Signature)
District Supt.
(Title)
October 1, 1973
(Date)

OFFSET OPERATORS

C. H. Lockhart (NCT-1) Well No. 3

Mabee Petroleum Corp.
201 1st Savings Building
Midland, Texas 79701

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

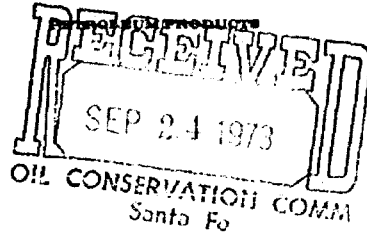
Mark Production Co.
1108 Simons Bldg.
Dallas, Texas 75201

American Petrofina Co. of Texas
P. O. Box 1311
Big Spring, Texas 79720

Sohio Petroleum Co.
P. O. Box 3167
Midland, Texas 79701

Exxon Corp.
P. O. Box 1600
Midland, Texas 79701

Case 2083



TEXACO INC.
DRAWER 728
HOBBS, NEW MEXICO 88240

September 21, 1973

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

RE: Request for Examiner Hearing
Application for Downhole Commingling
C. H. Lockhart (NCT-1) Federal Well
No. 3
Blinebry-Paddock and Tubb Pools
Lea County, New Mexico

Attention: Mr. A. L. Porter, Jr.

Gentlemen:

It is requested that an examiner hearing be scheduled to consider
TEXACO's application to downhole commingle the Blinebry-Paddock and Tubb
pools in the C. H. Lockhart (NCT-1) Federal Well No. 3 located in Unit 0
of Section 18, Township 22 South, Range 38 East, Lea County, New Mexico.

Your cooperation in this matter will be appreciated.

Yours very truly,

J. V. Gannon
J. V. Gannon
District Superintendent

BRH/kw

cc: MAS, Jr.
NMOCC - Hobbs

DOCKET MAILED

Date 10-5-73

DRAFT

dr/

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 5083

Order No. R- 4659

APPLICATION OF TEXACO INC.
FOR DOWNHOLE COMMINGLING, LEA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 17, 1973,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 17 day of November, 1973, 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, Texaco Inc., is the owner and
operator of the C. H. Lockhart Federal Well No. 3, located in
Unit 0 of Section 18, Township 22 South, Range 38 East, NMPM,
Lea County, New Mexico.

(3) That the applicant seeks authority to commingle Blinebry, Paddock and Tubb production within the wellbore of the above-described well.

That the subject well is currently completed in such a manner as to permit the commingling in the wellbore of the Paddock and Blinebry of low marginal production only. production and the production of these hydrocarbons and hydrocarbons from the Tubb zone through parallel strings of tubing with separation of the zones by a packer set at approximately 500 feet.
(4) That from the Blinebry zone, the subject well is capable of low marginal production only.
(5) That from the ~~Paddock zone~~, the subject well is capable of commingled Paddock and Blinebry zones, of low marginal production only.

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

(7) That the proposed ^{triple} commingling may result in the recovery of additional hydrocarbons from each of the subject pools, thereby preventing waste, and will not violate correlative rights.

(8) That the reservoir characteristics of each of the subject zones are such that underground waste would not be caused by the proposed commingling provided that the well is not shut-in for an extended period.

(9) That to afford the Commission the opportunity to assess the potential for waste and to expeditiously order appropriate remedial action, the operator should notify the Hobbs district office of the Commission any time the subject well is shut-in for 7 consecutive days.

(10) That in order to allocate the commingled production to each of the commingled zones in the subject well, one-third percent of the commingled oil production should be allocated to the Blinebry zone, one-third percent of the commingled oil production to the Paddock zone and that one-third percent of the commingled oil production should be allocated to the Tubb zone.

IT IS THEREFORE ORDERED:

(1) That the applicant, Texaco Inc., is hereby authorized

to commingle oil production within the wellbore of the C. H. Lockhart Federal Well No. 3, located in Unit O of Section 18, Township 22 South, Range 38 East, NMPM, Blinebry, Paddock and Tubb Pools, Lea County, New Mexico.

(2) That one third percent of the commingled oil production shall be allocated to the Blinebry zone, one-third percent of the commingled oil production shall be allocated to the Paddock zone and one-third percent of the commingled oil production shall be allocated to the Tubb zone.

(3) That the operator of the subject well shall immediately notify the Commission's Hobbs district office any time the well has been shut-in for 7 consecutive days and shall concurrently present, to the Commission, a plan for remedial action.

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

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

(4) That Commission's Orders Nos. R-3526 and R-4345, which relate to the previous multiple completion and commingling of the subject well, are hereby ~~discontinued~~ superseded.