

CASE 5315: Application of TEXACO  
FOR DOWNHOLE COMMINGLING, LEA  
COUNTY, NEW MEXICO.

CASE No.

5315

Application,  
Transcripts,  
Small Exhibits

ETC.

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
September 18, 1974

EXAMINER HEARING

IN THE MATTER OF:

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

Case No. 5315

BEFORE: Richard L. Stamets, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil Conservation Commission: William Carr, Esc.  
Legal Counsel for the  
Commission  
State Land Office Building  
Santa Fe, New Mexico

For the Applicant: Booker Kelly, Esc.  
WHITE, KOCH, KELLY & MCCARTHY  
220 Otero Street  
Santa Fe, New Mexico

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I N D E X

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EUGENE CRAIG HINRICH

Direct Examination by Mr. Kelly  
Cross Examination by Mr. Stamets

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E X H I B I T S

Applicant's Exhibits Nos. 1 through 8

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THE NYE REPORTING SERVICE  
STATE-WIDE DEPOSITION NOTARIES  
225 JOHNSON STREET  
SANTA FE, NEW MEXICO 87501  
TEL. (505) 982-0386

HINRICHS-DIRECT

MR. STAMETS: Case 5315.

MR. CARR: Case 5315. Application of Texaco, Inc.  
for downhole commingling, Lea County, New Mexico.

MR. STAMETS: We call for appearances in this  
case?

MR. KELLY: Booker Kelly of White, Koch, Kelly  
and McCarthy, Santa Fe, appearing on behalf of the  
Applicant. I have one witness.

MR. STAMETS: Are there any other appearances?

The witness will stand and be sworn, please.

(Witness sworn.)

MR. STAMETS: You may proceed.

EUGENE CRAIG HINRICHS

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

DIRECT EXAMINATION

BY MR. KELLY:

Q Would you state your full name, and position and  
employer, please?

A My name is Eugene Craig Hinrichs. I am District  
Production Engineer for Texaco in Hobbs.

Q You have previously qualified as an expert  
witness in your field of petroleum engineer before this

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Commission?

A Yes, I have.

Q Referring to what has been marked as Exhibit No. 1, a plat of the area, would you briefly state what Texaco seeks by this Application?

A Texaco seeks authority to downhole commingle the North Justis Fusselman, the Justis Blinebry and the Justis Tubb-Drinkard in the G. L. Erwin "B" Federal, NTC-2 Well No. 4. This well is designated with a red arrow on the plat and the subject lease is outlined in yellow. This well is located 330 feet from the south line, 650 feet from the east line in Section 35, Township 24 South, Range 37 East.

Q All right. Now, referring to what has been marked as Exhibit 2, would you give the Examiner a history of the well and discuss its various characteristics in the three zones?

A This is the data sheet for wellbore commingling which shows pertinent data for the zones that are to be downhole commingled. This shows the Blinebry, the Tubb-Drinkard and Fusselman. Presently the Blinebry is flowing and the Tubb-Drinkard is shut in. It was shut in July of 1971 due to low production. And the Fusselman is currently

on rod pump. If the application to downhole commingle is approved, the well will be produced by rod pump. The bottomhole pressures of these three zones are comparable, based on the depth which indicates that there will be no crossflow. In addition to this, the wells will be kept pumped down. All three zones will be kept pumped down so that crossflow will not exist between the zones. All three crudes are sweet and gravities are similar, showing that they will be compatible when they are downhole commingled. We have no wells that are downhole commingled in these three zones, however, the zones are commingled on the surface battery and there was no detrimental effect due to this commingling.

The current tests show that the Blinbry is flowing 6 barrels of oil, no water, with 32,000 GOR. This high GOR is a result of low oil production rather than excessive gas production. The gas rate is 193 MCF.

The Tubb-Drinkard Zone, at the time it was shut in was producing between 1/10 and 5/10 barrels of oil a day, and had no water production and a GOR of approximately 1000 to 1.

The Fusselman is currently producing 27 barrels of oil, 38 barrels of water with a gas-oil ratio of 10.

The gas volumes that will be produced as a result of commingling will not exceed the top allowable gas in the Fusselman Zone which has the lowest allowable GOR of 2000 to 1 which is 374 QF. The well will produce approximately 193 MCF a day upon commingling. There will be no decrease in the sales price of the crude as a result of commingling, and the royalty from all three zones is common.

Q What is the advantage here for commingling?

A The prime advantage is so that eventually the Blinebry will have to be placed on rod pump. All other wells that we have in the Blinebry eventually will have to be placed on artificial lifts, so there will be an investment savings there by not having to buy pumping equipment for it. In addition, we have run dynamometer surveys that shows the Fusselman Zone is not being produced to capacity. There is an additional 20 barrels a day that can be obtained from that zone. The trouble we are having now, the small amount of gas that we are making is causing gas interference in our pump. If we can produce this gas interference, which will be done by venting the gas out of the other zones which I will show later on a schematic, we can get a 20-barrel-a-day increase by venting this gas to one string and burning out the other.



Q Do you expect to have any particular production from the Tubb-Drinkard?

A I doubt that we make any production at all, based on what it made for the last year that it was produced. The Tubb-Drinkard Zone, the tubing or casing that was set for that production is down low, and the main advantage of including it in with the other two zones is to use that zone as a vent string. I will show you that on my schematic.

Q Now, Exhibit 3 is merely your gas-oil ratio tests?

A Yes, it just shows the tests that I discussed on the data sheet.

Q Now, turning to your Exhibit No. 4, your present completion, I notice you actually have a dual completion now, is that correct?

A It is currently producing -- well, it is producing now as a triple completion, actually. Previously, the original Order was for quadruple completion in the Blinbry, Devonian, Fusselman and Tubb-Drinkard. The order allowing this was R-2246, issued in 1962. Currently the Tubb-Drinkard is shut in with a bridge plug above perforations at 5740. The Devonian is making 40 to 50 barrels of oil a day, so that is the main reason it wasn't included in this comingling. The Blinbry and North Fusselman, the Blinbry is

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being flowed out of its string, and the Fusselman is being pumped out of its.

Q Let's go to your proposed completion, Exhibit No. 5?

A Upon commingling these zones, we will do all of our work in the Tubb-Drinkard string. We will perforate equivalent to the Blinebry Zone in the Tubb-Drinkard string. We will also perforate and communicate the North Fusselman and the Tubb-Drinkard. In this way, the oil and gas will enter the Tubb-Drinkard string, go down and cross into the Fusselman where it will be pumped. By having it enter one string and cross over to the other one, we will have gas venting out the Tubb-Drinkard and minimize the gas interference due to gas accrued which has been a problem. We have done this repeatedly in various gassy reservoirs with good success.

Q You estimate that this installation as shown on No. 5 will allow you to produce 20 barrels additional oil out of the Fusselman?

A That's right.

Q Now, 6, 7 and 8 are your decline curves and production from the three zones, is that correct?

A That's right. This shows -- the first one is

the production of the Justis Tubb-Drinkard, and as you can see, it has been very erratic since 1969, dropping to zero and up as high as a barrel a day, but on the average, probably 3/10 to 4/10 barrel a day. We propose, upon commingling, to attribute the production entirely to the Blinebry and the Fusselman. Based on our anticipated 20 barrels a day increase, we have a proposed allocation of 11 percent to the Blinebry Zone and 89 percent to the Fusselman. The current total production from these three zones is 33 barrels a day, and we would recommend that any additional increase that we get upon commingling be attributed to the Fusselman, and this percent allocation will be recalculated because that 20 barrels a day is based on bottomhole pressure information and it could be off.

Q So, the only zone that is not in an extreme marginal state of production would be the Fusselman?

A That is correct.

Q Now, in your opinion, would the granting of this Application allow you to increase the production of hydrocarbons from the three zones involved?

A It would increase the current rate by 20 barrels a day, and it will also increase the reserves. As I mentioned before, the Blinebry Zone, as the bottomhole

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pressure declines, it will be in need of artificial lift, and the economic limit of this zone will be approximately 3 barrels a day on rod pump if it were on rod pump alone, but by producing it along with the other two zones, we can get an additional 4200 barrels of reserves as a result of commingling.

Q Will this have any adverse effect on the correlative rights of the other operators?

A No, it will not.

Q In your opinion, the reservoir characteristics of the three zones are compatible, so they will not effect the value of the crude?

A That's correct.

Q Were Exhibits 1 through 8 prepared by you or under your supervision?

A Yes, they were.

MR. KELLY: I would move the introduction of our exhibits.

MR. STAMETS: Without objection, Applicant's Exhibits will be admitted into evidence.

(Whereupon, Applicant's Exhibits Nos. 1 through 8 were marked for identification, and were admitted into evidence.)

MR. KELLY: That is all we have on direct.

CROSS EXAMINATION

BY MR. STAMETS:

Q Mr. Hinrichs, you have some figures here on what production was on the Tubb-Drinkard at the time it was shut in, and it was 1/10 to how much per day?

A 1/10 to 5/10.

Q And was that flowing or pumping?

A It was pumping.

Q Barely?

A Not very much.

Q You indicated that the Fusselman is not being produced to its capacity at the present time. Can you perform this workover operation in such a way as to get an accurate test on the Fusselman before you perforate the other two zones?

A The way we are planning to do this, the Tubb-Drinkard would have to be opened, you know, so that is the string that we are going to be venting the gas out of. We could communicate the Fusselman string and the Tubb-Drinkard before we opened the Blinbry. Of course, we are not planning on just a very nominal amount from the Tubb-Drinkard, less than a barrel a day, so we could

communicate the two strings and get a pumping test that would be attributed to the Fusselman before we open the Blinebry. I would think we could get an accurate test on the Fusselman that way.

Q How long do you think it would be after you started this work before you could tell both what the Fusselman would eventually produce, and then, what the stabilized Blinebry would produce?

A I think that the Fusselman, we could stabilize it, probably, within about a week. We would have a little flush production for a while, but probably two weeks you would have a good indication of what the Fusselman would make, and the Blinebry, probably the same thing after -- probably a month total for both of them.

Q So that would be well within the reporting time limits that the Commission has?

A Yes.

MR. STAMETS: Are there any other questions of this witness? He may be excused.

(Witness dismissed.)

MR. STAMETS: Is there anything further in this case? We will take the case under advisement.

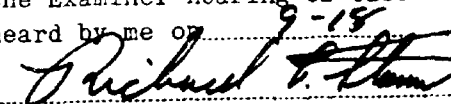
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STATE OF NEW MEXICO )  
COUNTY OF SANTA FE ) SS.

I, RICHARD L. NYE, Court 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.

  
COURT REPORTER

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 5315 heard by me on 9-18, 1994.  
, Examiner  
New Mexico Oil Conservation Commission

THE NYE REPORTING SERVICE  
STATE-WIDE DEPOSITION NOTARIES  
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## OIL CONSERVATION COMMISSION

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

**L. R. TRUJILLO**  
CHAIRMAN  
**LAND COMMISSIONER**  
**ALEX J. ARMIJO**  
MEMBER  
**STATE GEOLOGIST**  
**A. L. PORTER, JR.**  
SECRETARY - DIRECTOR

October 9, 1974

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

Re: CASE NO. 5315  
ORDER NO. R-4869  
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.  
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. 5315  
Order No. R-4869

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 September 18, 1974, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 9th day of October, 1974, 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 its G. L. Erwin B Federal (NCT-2) Well No. 4, located in Unit O of Section 35, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the subject well is currently completed as a multiple completion, tubingless, quadruple, producing oil from the Justis-Blinebry Pool through 2 3/8-inch casing, oil from the North Justis-Devonian and North Justis-Fusselman Pools through parallel strings of 2 7/8-inch casing, and currently shut-in in the Justis Tubb-Drinkard Pool, formerly producing oil through a separate string of 2 3/8-inch casing.

(4) That the applicant proposes to recomplete said well to permit the production of oil and gas as follows:

North Justis-Devonian Pool, no change. The Justis-Blinebry, Justis Tubb-Drinkard, and North Justis-Fusselman Pools to be commingled in the wellbore with the production of commingled oil to take place through the former Fusselman casing string and the production of all or a portion of the commingled gas to take place through the former Tubb-Drinkard casing string.

(5) That from the Blinebry zone the well is capable of low marginal production only.

(6) That from the Tubb-Drinkard zone the well is capable of extremely low marginal production only.

(7) That from the Fusselman zone the well is capable of marginal production.

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

(9) 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 wells are not shut-in for an extended period.

(10) That in order to afford the Commission the opportunity to assess the potential for waste and 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.

(11) That the applicant should conduct appropriate production tests during the performance of the work necessary to commingle said three zones in order to properly determine a formula for the allocation of production to each of the commingled zones in said well.

(12) That the subject well should continue to be governed by all Commission Rules and Regulations governing multiple completions to the extent that said Rules and Regulations are not inconsistent with this order.

IT IS THEREFORE ORDERED:

(1) That the applicant, Texaco Inc., is hereby authorized to complete its G. L. Erwin B Federal (NCT-2) Well No. 4, located in Unit O of Section 35, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, as a multiple completion, (tubingless) and to commingle certain production therefrom in the wellbore as follows:

Production from the North Justis-Devonian Pool shall be through a single string of 2 7/8-inch casing cemented in the wellbore; commingled production of oil from the Justis-Blinebry, Justis Tubb-Drinkard, and North Justis-Fusselman Pools shall be produced through a single string of 2 7/8-inch casing cemented in the wellbore; and all or a portion of the commingled gas production from said three zones shall be produced from a string of 2 3/8-inch casing cemented in the wellbore.

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CASE NO. 5315

Order No. R-4869

(2) That the operator shall test the Fusselman zone after communication with the Tubb-Drinkard zone to determine the stabilized rate of production from the Fusselman zone prior to accomplishing commingling with the Blinebry zone.

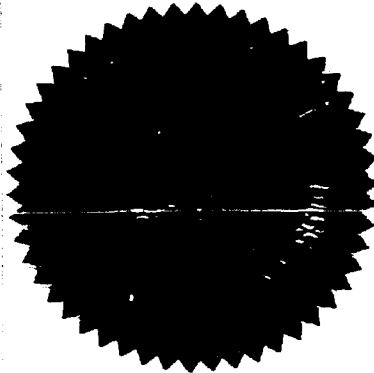
(3) That the operator shall perform production tests on said well within 30 days after completion of operations necessary to effect commingling of all three of the subject zones.

(4) That the results of such tests shall be filed immediately with the Hobbs Office of the Commission in order that a production percentage formula for the proper allocation of the commingled production to the various zones may be determined.

(5) That the operator of the subject well shall immediately notify the Commission's Hobb's District Office any time the subject well has been shut-in for 7 consecutive days.


(6) 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.




S E A L

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member

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

jr/

Dockets Nos. 29-74 and 30-74 are tentatively set for hearing on October 2 and October 16, 1974. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 18, 1974

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

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

- ALLOWABLE: (1) Consideration of the allowable production of gas from seventeen prorated pools in Lea, Eddy, Roosevelt, and Chaves Counties, New Mexico, for October, 1974;
- (2) Consideration of the allowable production of gas from five prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for October, 1974;

CASE 5288: (Continued from the August 7, 1974, Examiner Hearing)

Application of Merrion & Bayless for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of hydrocarbon production from the top of the Gallup formation at 5434 feet to the base of the Dakota formation at 6570 feet in its Keeling Federal Well No. 1 located in Unit B of Section 20, Township 25 North, Range 8 West, Dufers Point-Dakota Pool, San Juan County, New Mexico.

CASE 5313: Application of El Paso Natural Gas Company for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Aztec-Pictured Cliffs and Blanco-Mesaverde production in the wellbore of its Ludwick Well No. 11 located in Unit B of Section 9, Township 30 North, Range 10 West, San Juan County, New Mexico.

CASE 5292: (Continued from the August 7, 1974, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit El Paso Natural Gas Company, United States Fidelity and Guaranty Co., and all other interested parties to appear and show cause why each of the following wells should not be plugged and abandoned in accordance with a Commission-approved plugging program:

EPNG Ludwick Well No. 11, located in Unit B, Section 19, Township 30 North, Range 10 West, San Juan County, New Mexico;

EPNG Rincon Unit Well No. 127, located in Unit A, Section 28, Township 27 North, Range 6 West, Rio Arriba County, New Mexico; and

EPNG Warren A Well No. 2, located in Unit A, Section 23, Township 28 North, Range 9 West, San Juan County, New Mexico.

- CASE 5316: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Benson-Montin-Greer Drilling Corporation and Hartford Accident and Indemnity Company and all other interested parties to appear and show cause why the Segal Well No. 1 located in Unit K of Section 10, Township 31 North, Range 13 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 5317: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit R & G Drilling Company, Inc., and all other interested parties to appear and show cause why the Marron Well No. 42 in Unit M of Section 22, Township 27 North, Range 8 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 5318: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit William C. Russell and United States Fidelity and Guaranty Company and all other interested parties to appear and show cause why the Marron Well No. 46 located in Unit K of Section 23, Township 27 North, Range 8 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 5326: Application of William C. Russell for directional drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the directional drilling of his Hammond Well No. 1, the surface location of which is 1800 feet from the North line and 1650 feet from the East line of Section 26, Township 27 North, Range 8 West, Largo-Chacra Pool, San Juan County, New Mexico.
- CASE 5328: Application of R & G Drilling Company for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Blanco-Mesaverde and Basin-Dakota gas production in the wellbore of its Hammond Well No. 47, located in Unit K of Section 35, Township 27 North, Range 8 West, San Juan County, New Mexico.
- CASE 5312: Application of SEC Corporation for two non-standard carbon dioxide gas units, Harding County, New Mexico. Applicant, in the above-styled cause, seeks approval for two non-standard gas units in the South Bueyeros Carbon Dioxide Field, Harding County, New Mexico, the first comprising the W/2 NE/4, SE/4 NE/4, and NE/4 SE/4 of Section 32, Township 19 North, Range 30 East, to be dedicated to a well to be drilled in the approximate center of the SW/4 NE/4 of said Section 32; the second non-standard unit would comprise the SW/4 NE/4, N/2 SE/4 and SE/4 SE/4 of Section 5, Township 18 North, Range 30 East, and would be dedicated to a well in the approximate center of the NW/4 SE/4 of said Section 5.

CASE 5314: Application of Gulf Oil Corporation for simultaneous dedication, Lea County, New Mexico. Applicant, in the above styled cause, seeks approval for the simultaneous dedication of its W. A. Ramsay Wells Nos. 6, 7, and 20 located in Units H, N, and E, respectively, of Section 35, Township 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, to a standard 640-acre gas proration unit comprising all of said Section 35. Each of the aforesaid wells is at a non-standard location for a 640-acre unit in said pool.

CASE 5315: Application of Texaco Inc. for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Blinebry, Tubb-Drinkard, and Fusselman production in the wellbore of its G. L. Erwin "B" Federal Well No. 4 located in Unit O of Section 35, Township 24 South, Range 37 East, Justis Field, Lea County, New Mexico.

CASE 5319: Application of Alan Ralston dba Apollo Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Jalmat Gas Pool underlying the NW/4 of Section 25, Township 25 South, Range 36 East, Lea County, New Mexico, to form a 160-acre non-standard gas proration unit to be dedicated to applicant's Brown Well No. 1 located 1980 feet from the North line and 2310 feet from the West line of said Section 25. Applicant further seeks the pooling of all mineral interests in the Jalmat Pool underlying the following 40-acre oil proration units in said Section 25: the NW/4 NW/4 to be dedicated to Brown Well No. 2 located 330 feet from the North line and 825 feet from the West line; the NE/4 NW/4 to be dedicated to Brown Well No. 3 located 365 feet from the North line and 1650 feet from the West line; the SE/4 NW/4 to be dedicated to Brown Well No. 4 located 1690 feet from the North line and 1870 feet from the West line; and the SW/4 NW/4 to be dedicated to Brown Well No. 5 located 1650 feet from the North line and 990 feet from the West line. Also to be considered will be the cost of reworking said wells and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the wells and a charge for risk involved in reworking said wells.

CASE 5320: Application of Lively Exploration Company for a non-standard gas proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 341.33-acre non-standard gas proration unit comprising Lots 9, 10, 11, and 12 of Section 7, and Lots 1, 2, 3, and 4 and the E/2 W/2 of Section 18, Township 29 North, Range 8 West, Basin-Dakota Pool, San Juan County, New Mexico, to be dedicated to a well to be drilled at a standard location for said unit.

- CASE 5321: Application of Northern Minerals, Inc. for pool creation and special pool rules, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks the creation of the Miguel Creek-Hospah Oil Pool in Township 16 North, Range 6 West, McKinley County, New Mexico, and for the promulgation of special pool rules therefor, including the elimination of the requirement for surface casing and authority to inject water through casing. Applicant is currently conducting waterflood operations in said pool pursuant to authority granted by Order No. R-4649 and seeks administrative provision for the drilling of additional injection and production wells at orthodox and unorthodox locations.
- CASE 5322: Application of Phillips Petroleum Company for an exception to Rule 104-C-I, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Commission Rule 104-C-I to permit the production of its Santa Fe Wells Nos. 41 and 86, both of which are located in Unit C of Section 26, Township 17 South, Range 35 East, Vacuum Grayburg-San Andres Pool, Lea County, New Mexico, said wells being located closer than the required 330 feet apart.
- CASE 5323: Application of Cities Service Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests of Pennsylvanian age, or older, underlying the E/2 of Section 32, Township 21 South, Range 27 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location for said unit. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 5324: Application of Cities Service Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests of Pennsylvanian age, or older, underlying the E/2 of Section 18, Township 22 South, Range 27 East, South Carlsbad Field, Eddy County, New Mexico, to be dedicated to applicant's Tracy "B" Well No. 1, the surface location of which is 2045 feet from the South line and 479 feet from the East line of said Section 18. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 5325: Application of Cities Service Oil Company for directional drilling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to directionally drill its Tracy "B" Well No. 1, the surface location of which is 2045 feet from the South line and 479 feet from the East line of Section 18, Township 22 South, Range 27 East, South

(Case 5325 continued from Page 4)

Carlsbad Field, Eddy County, New Mexico, in such a manner as to bottom said well in the Morrow formation at an orthodox location within 165 feet of a point 2145 feet from the North line and 825 feet from the East line of said Section 18. Applicant further seeks approval for the unorthodox location of said well in the Strawn formation, in the event production is therein encountered, within a 100-foot radius of a point 2600 feet from the North line and 675 feet from the East line of said Section 18. The E/2 of said Section 18 would be dedicated to the well for both formations.

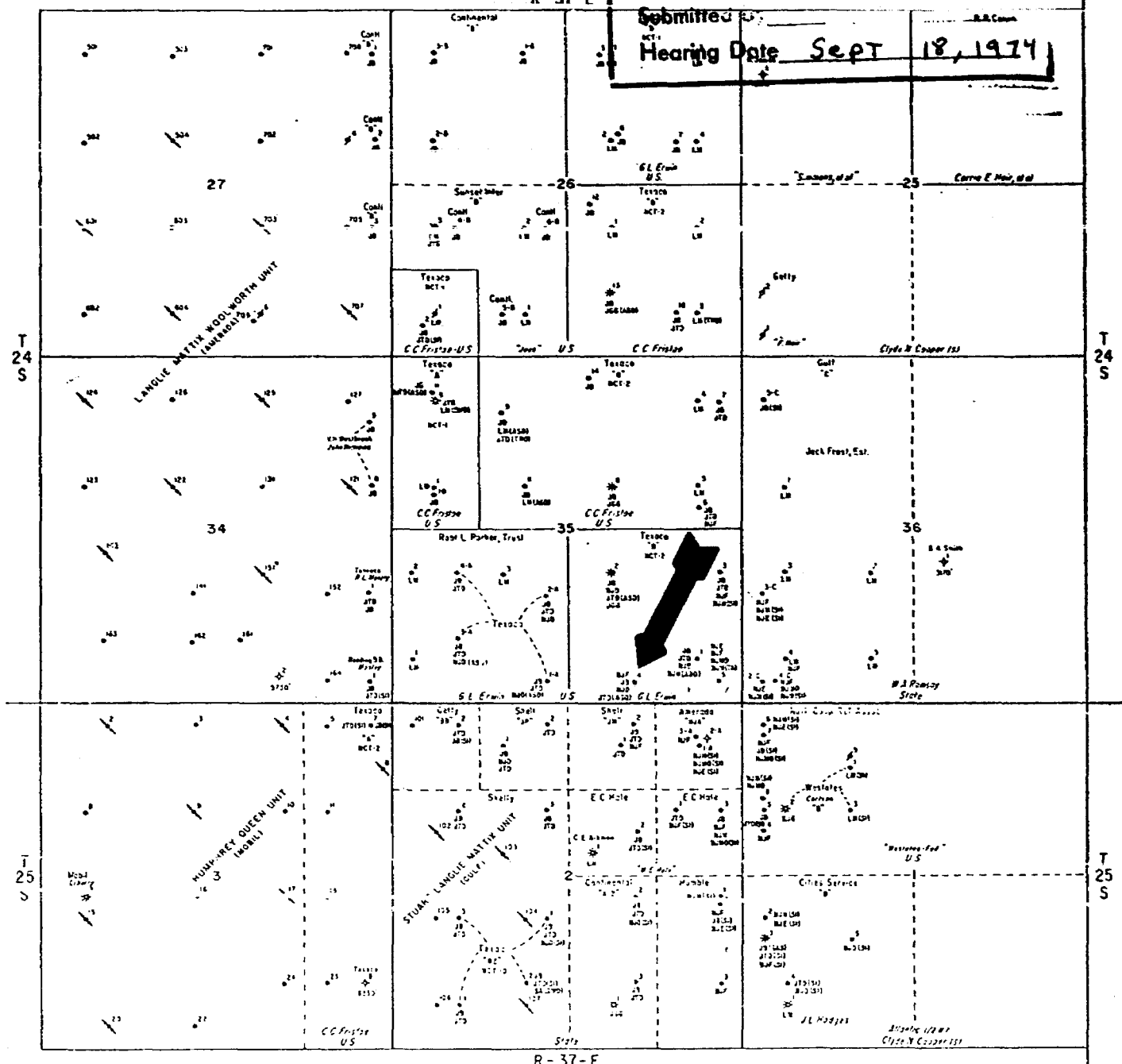
CASE 5327: Application of Cities Service Oil Company for an unorthodox location and gas injection, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Empire-Abo Unit Well No. 111 to be drilled at a point 990 feet from the South line and 1880 feet from the West line of Section 35, Township 17 South, Range 27 East, Empire-Abo Pool, Eddy County, New Mexico. This well is to be used as a gas injection well and, in exception to the provisions of Order No. R-4808, is located 1140 feet from the outer boundary of the Citgo Empire-Abo Unit Boundary, rather than the required 1650 feet from the outer boundary.



TEXACO EXHIBIT NO. 1  
CASE NO. 5315

Submitted By: _____	_____
Hearing Date: <u>Sept 18, 1974</u>	

~~Submitted~~

Hearing Date Sept 18, 1974

R-37-8

EQD-1423

JTS	JUSTICE TAXES GAS
JTB	JUSTICE BUNEBRY
JTG	JUSTICE GLORIETA GAS
JTD	JUSTICE TUBB-DONKARO
EW	LANDLINE MATRIFX DRIVERS
NJB	NORTH JUSTICE BUNEBRY
NJD	DEVONIAN

NUE	NORTH	JUSTIS	ELLENBURGER
NIF	"	"	FUSSELLMAN
NIM	"	"	WIKKE
NIMO	"	"	MONTOYA
NITO	"	"	TUGG-ORINKAP
NIR	"	"	WADDELL

LESSON

(ABO) ABANDONED  
(ASD) ABANDONED-SALVAGE DEFERRED  
(S) SHUT IN  
(SWD) SALT WATER DISPOSAL  
(TA) TEMPORARILY ABANDONED  
(TRO) TO BE RECONDITIONED FOR OIL

TEXACO Inc.  
JUSTIS & LANGLEIE MATTIX 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.: G. L. Erwin "B" Federal (NCT-2) Well No. 4

Location: 330' FSL & 650' FEL of Section 35, Township 24 South, Range 37 East,  
Lea County, New Mexico

WELL DATA

	<u>Upper Pool</u>	<u>Middle Pool</u>	<u>Lower Pool</u>
Name of Pool	Blinebry	Tubb-Drinkard	Fusselman
Producing Method	Flow	Shut-In	Pumpo
BHP	766	800 (Est.)	1000 (Est.)
Type Crude	Sweet	Sweet	Sweet
Gravity	37.6	38.8	39.2
GOR Limit	6,000	6,000	2,000
Completion Interval	5036'-5616'	5990'-6082'	7137'-7146'
Current Test Date	7-31-74	--	7-30-74
Oil	6	--	27
Water	0	--	38
GOR	32,200	--	10
Selling Price of Crude - \$/BBL.	<i>SI at 1 to .5 BOPD</i> These zones are presently surface commingled 5.78		
Daily Income - \$/Day	34.68	--	156.06

COMMINGLED DATA:

Gravity of Commingled Crude 38.7

Selling Price of Commingled Crude - \$/BBL. 5.78

Daily Income - \$/Day 190.74

Net (Gain) ~~(Loss)~~ from Wellbore Commingling - \$/Day 115.60 (Production increase of 20 BOPD)  
based on current producing rates.

**NEW MEXICO OIL CONSERVATION COMMISSION  
GAS-OIL RATIO TESTS**

C-116  
Revised 1-1-65

Operator <b>TEXACO INC.</b>		Pool <b>See Below</b>				County <b>Lea</b>										
Address <b>P. O. Box 728 - Hobbs, New Mexico 88240</b>						TYPE OF TEST - (X)		Scheduled <input type="checkbox"/>		Completion <input type="checkbox"/>		Special <input checked="" type="checkbox"/>				
LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	STATUS	CHOKE SIZE	TBG. 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.	
<b>G. L. Erwin "B" Federal (NCT-2)</b>	<b>4</b>	<b>0</b>	<b>35</b>	<b>24S</b>	<b>37E</b>											
<u>Bliebry</u>						7-31-74	F	25/64		10	24	0	37.6	6	193.2	32,200
<u>Tubb-Drinkard</u>						Shut-In										
<u>Fusselman North</u>						7-30-74	P			97	24	38	39.2	27	--	TSTM

**BEFORE EXAMINER STAMETS  
OIL CONSERVATION COMMISSION**

TEXACO EXHIBIT NO. 223

CASE NO. 5315

Submitted by \_\_\_\_\_

Hearing Date Sept 18, 1974

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

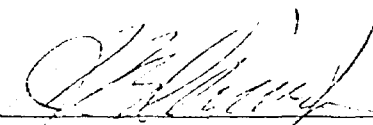
During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized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

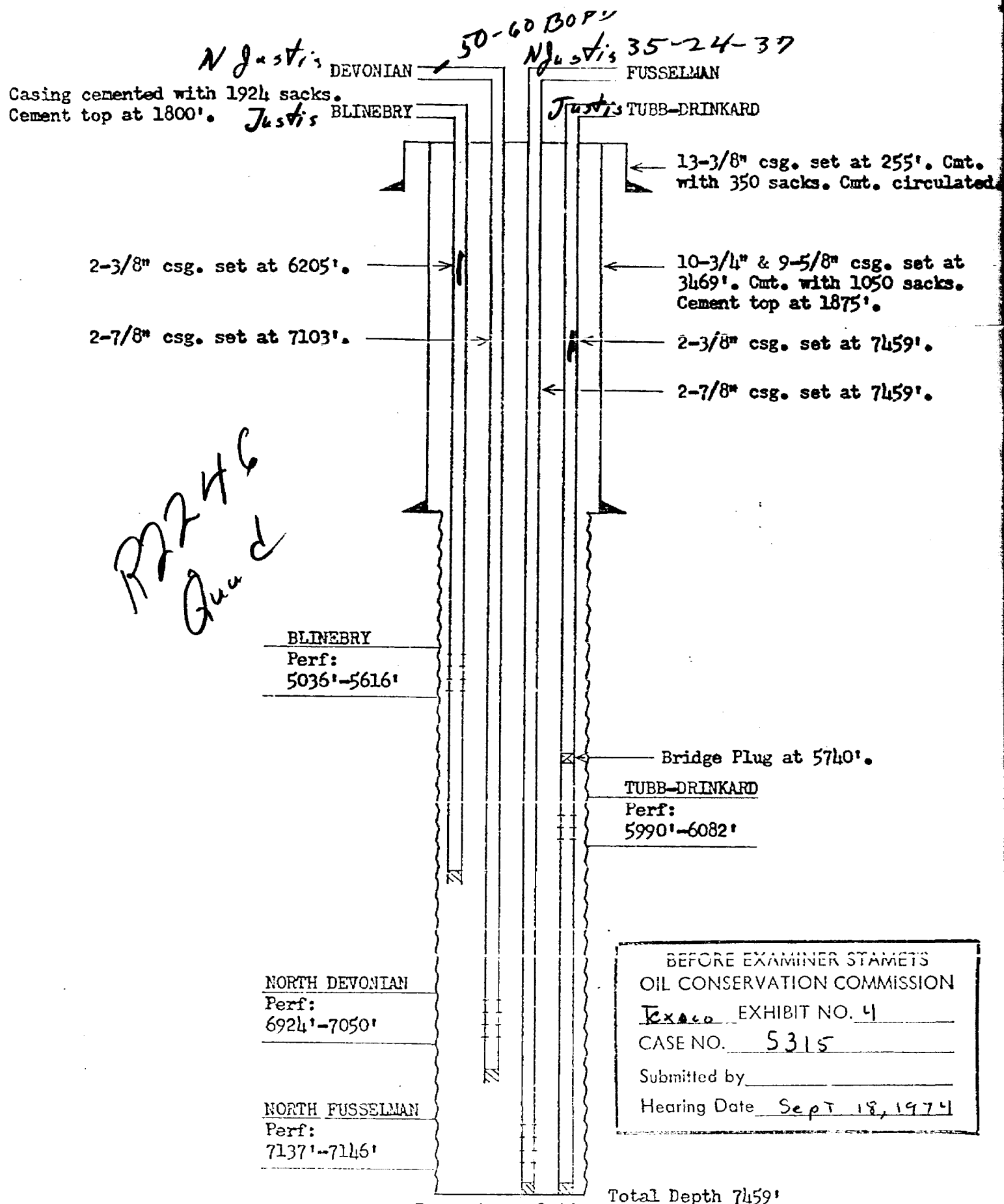
Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

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

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

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

  
 (Signature)  
**Assistant District Superintendent**  
 (Title)  
 August 2, 1974  
 (Date)



Present Completion  
G.L. ERWIN "B" FEDERAL (NCT-2) NO. 4  
JUSTIS (BLINEBRY, TUBB-DRINKARD, DEVONIAN NORTH  
AND FUSSELMAN NORTH) POOLS  
LEA COUNTY, NEW MEXICO

Casing cemented with 1924 sacks.  
Cement top at 1800'.

2-3/8" csg. set at 6205'.

2-7/8" csg. set at 7103'.

DEVONIAN

BLINEBRY

BLINEBRY

Perf:  
5036'-5616'

NORTH DEVONIAN

Perf:  
6924'-7050'

NORTH FUSSELMAN

Perf:  
7137'-7146'

FUSSELMAN

TUBB-DRINKARD

TUBB-DRINKARD

Perf:  
5990'-6082'

13-3/8" csg. set at 255'. Cmt.  
with 350 sacks. Cmt. circulated

10-3/4" & 9-5/8" csg. set at  
3469'. Cmt. with 1050 sacks.  
Cement top at 1875'.

2-3/8" csg. set at 7459'.

2-7/8" csg. set at 7459'.

Total Depth 7459'

Proposed Completion

G.I. ERWIN "B" FEDERAL (NCT-2) NO. 4  
JUSTIS (BLINEBRY, TUBB-DRINKARD, DEVONIAN NORTH  
AND FUSSELMAN NORTH) POOLS  
LEA COUNTY, NEW MEXICO

BEFORE EXAMINER STAMETS  
OIL CONSERVATION COMMISSION  
Texaco. EXHIBIT NO. 5  
CASE NO. 5315  
Submitted by  
Hearing Date Sept 18, 1974

# TEXACO INC. MIDLAND DIVISION

Performance Curve

TEXACO INC.  
G.L. ERWIN "B" (NCT-2) NO. 4  
JUSTIS TUBB DRINKARD POOL  
LEA COUNTY, NEW MEXICO

DRAWN BY: JBS DATE: 8-16-74

BEFORE EXAMINER STAMETS  
OIL CONSERVATION COMMISSION

TEXACO EXHIBIT NO. 6

CASE NO. 5315

Submitted by

Hearing Date: sep 18, 1974

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OIL PRODUCTION  
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# **TEXACO INC.** **MIDLAND DIVISION**

Performance Curve

TEXACO INC.  
G.L. ERWIN "B" (NCT-2) NO. 1  
JUSTIS BLINEBRY POOL  
LEA COUNTY, NEW MEXICO

DRAWN BY: JBS DATE: 8-16-74

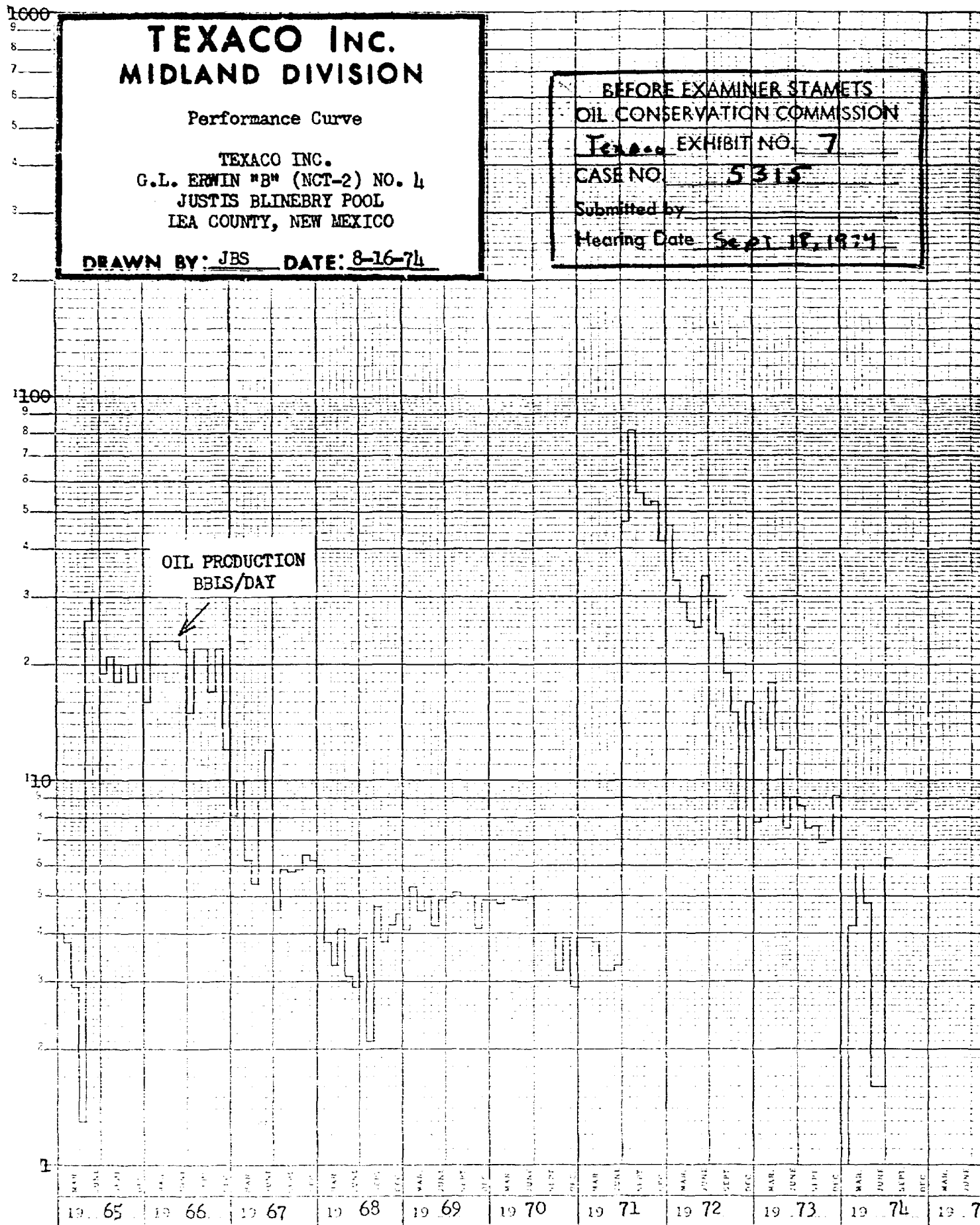
BEFORE EXAMINER STAMETS  
OIL CONSERVATION COMMISSION

EXHIBIT NO. 7

CASE NO. 5315

Submitted by

Hearing Date Sept 18, 1974



1000

# **TEXACO INC.** **MIDLAND DIVISION**

Performance Curve

TEXACO INC.  
G.L. ERWIN "B" (NCT-2) NO. 1  
JUSTIS FUSSELMAN NORTH POOL  
LEA COUNTY, NEW MEXICO

DRAWN BY: JES DATE: 8-16-74

BEFORE EXAMINER STAMETS  
OIL CONSERVATION COMMISSION

TEXACO EXHIBIT NO. 8

CASE NO. 5315

Submitted by

Hearing Date Sept 18, 1974

100

OIL PRODUCTION  
BBLs/DAY

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OFFSET OPERATORS

Gulf Oil Corporation - U.S.  
900 N. Turner  
Hobbs, New Mexico 88240

Westates Petroleum Company  
728 Capital National Bank Bldg.  
Houston, Texas 77002

National Cooperative Refinery Associates  
915 Wilco Building  
Midland, Texas 79701

Amerada Hess Corporation  
P. O. Box 591  
Midland, Texas 79701

Shell Oil Company  
P. O. Box 1509  
Midland, Texas 79701



# AMERICAN PETROLEUM ENGINEERING SOCIETY

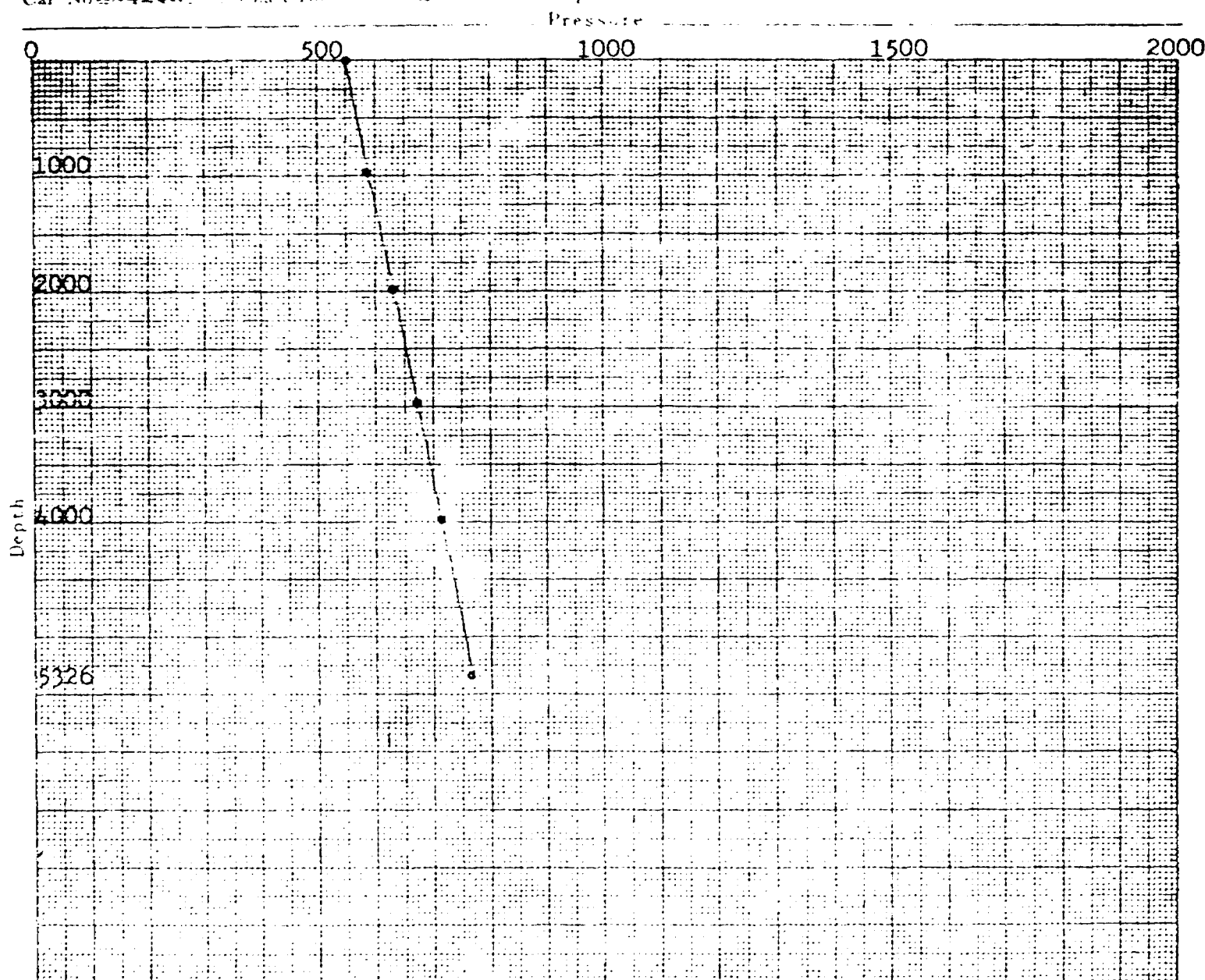
NEW YORK, N.Y.  
 MAY 1923  
 NEW MEXICO

## BOTTOM HOLE PRESSURE RECORD

OPERATOR **Texaco, Inc.**  
 FIELD **Justis** FORMATION **Blinebry**  
 LEASE **G.L. Erwin B, NCT-2** WELL No. **4**  
 COUNTY **Lea** STATE **New Mexico**  
 DATE **8-1-74** TIME **2:00 Pm**  
 Status **Shut In** Test depth **5326'**  
 Time S. **24.0 Hrs** LAST TEST **4-18-73**  
 Tub. Pres **551** BHP (Test) **914**  
 Cas. Pres **Quad. Tr** BHP (Casing) **148# Loss**  
 Elev. **3181' KB** Elevation **NONE**  
 Datum **(-2145') \*\*** Water top **NONE**  
 Temp at **93°F** Bottom by **Adkins**  
 Cal. No. **A2410N** Check No. **2**

Depth	Pressure	Gradient
0	551	-
1000	590	.039
2000	630	.040
3000	671	.041
4000	712	.041
5326(-2145)	766**	.041

\*\* Mid point of casing perforations





PETROLEUM PRODUCTS

August 20, 1974

TEXACO INC.  
DRAWER 728  
HOBBS, NEW MEXICO 88240

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

RE: REQUEST FOR EXAMINER HEARING  
Application for Downhole Commingle  
G. L. Erwin "B" Federal (NCT-2) Well No. 4  
Justis (Blinbry, Tubb-Drinkard and  
Fusselman North) 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 Justis (Blinbry, Tubb-Drinkard and Fusselman North) Pools in the G. L. Erwin "B" Federal (NCT-2) Well No. 4 located in Unit 0 of Section 35, Township 24 South, Range 37 East, Lea County, New Mexico.

The USGS and all offset operators have been notified of this application.

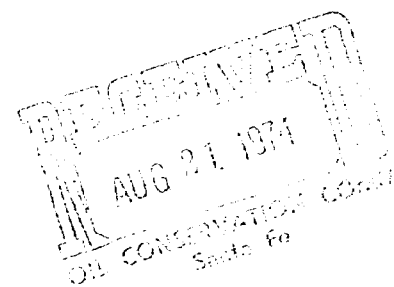
Your cooperation in this matter will be appreciated.

Yours very truly,

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

JBS:ls

MAS, JR.  
NMOCC - Hobbs  
USGS - Hobbs  
OFFSET OPERATORS  
JSR - Midland



DOCKET MAILED

Date 9-6-74

# DATA SHEET FOR WELLBORE COMMINGLING

Operator: TEXACO INC.

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

Lease and Well No.: G. L. Erwin "B" Federal (NCT-2) Well No. 4

Location: 330' FSL & 650' FEL of Section 35, Township 24 South, Range 37 East,  
Lea County, New Mexico

## WELL DATA

	Upper Pool	Middle Pool	Lower Pool
Name of Pool	Blinebry	Tubb-Drinkard	Fusselman
Producing Method	Flow	Shut-In	Pump
BHP	766	800 (Est.)	1000 (Est.)
Type Crude	Sweet	Sweet	Sweet
Gravity	37.6	38.8	39.2
GOR Limit	6,000	6,000	2,000
Completion Interval	5036'-5616'	5990'-6082'	7137'-7146'
Current Test Date	7-31-74	--	7-30-74
Oil	6	--	27
Water	0	--	38
GOR	32,200	--	10
Selling Price of Crude - \$/BBL.	These zones are presently surface commingled		
	5.78	5.78	5.78
Daily Income - \$/Day	34.68	--	156.06

## COMMINGLED DATA:

Gravity of Commingled Crude 38.7

Selling Price of Commingled Crude - \$/BBL. 5.78

Daily Income - \$/Day 190.74

Net (Gain) ~~(Loss)~~ from Wellbore Commingling - \$/Day 115.60 (Production increase of 20 BOPD)  
based on current producing rates.

**NEW MEXICO OIL CONSERVATION COMMISSION  
GAS-OIL RATIO TESTS**

C-116  
Revised 1-1-65

Operator <b>TEXACO INC.</b>				Pool <b>See Below</b>				County <b>Lea</b>								
Address <b>P. O. Box 728 - Hobbs, New Mexico 88240</b>						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	TBG. 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.	
<b>G. L. Erwin "B" Federal (NCT-2)</b>	<b>4</b>	<b>0</b>	<b>35</b>	<b>24S</b>	<b>37E</b>											
<u><b>Blinebry</b></u>						<b>7-31-74</b>	<b>F</b>	<b>25/64</b>		<b>10</b>	<b>24</b>	<b>0</b>	<b>37.6</b>	<b>6</b>	<b>193.2</b>	<b>32,200</b>
<u><b>Tubb-Drinkard</b></u>						<b>Shut-In</b>										
<u><b>Fusselman North</b></u>						<b>7-30-74</b>	<b>P</b>			<b>97</b>	<b>24</b>	<b>38</b>	<b>39.2</b>	<b>27</b>	<b>--</b>	<b>TSTM</b>

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

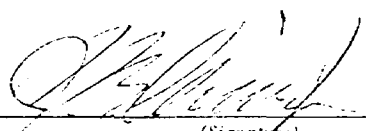
During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized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

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

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

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

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

  
 (Signature)  
**Assistant District Superintendent**  
 (Title)  
**August 2, 1974**  
 (Date)



# COLLEGE PETROLEUM ENGINEERING COMPANY

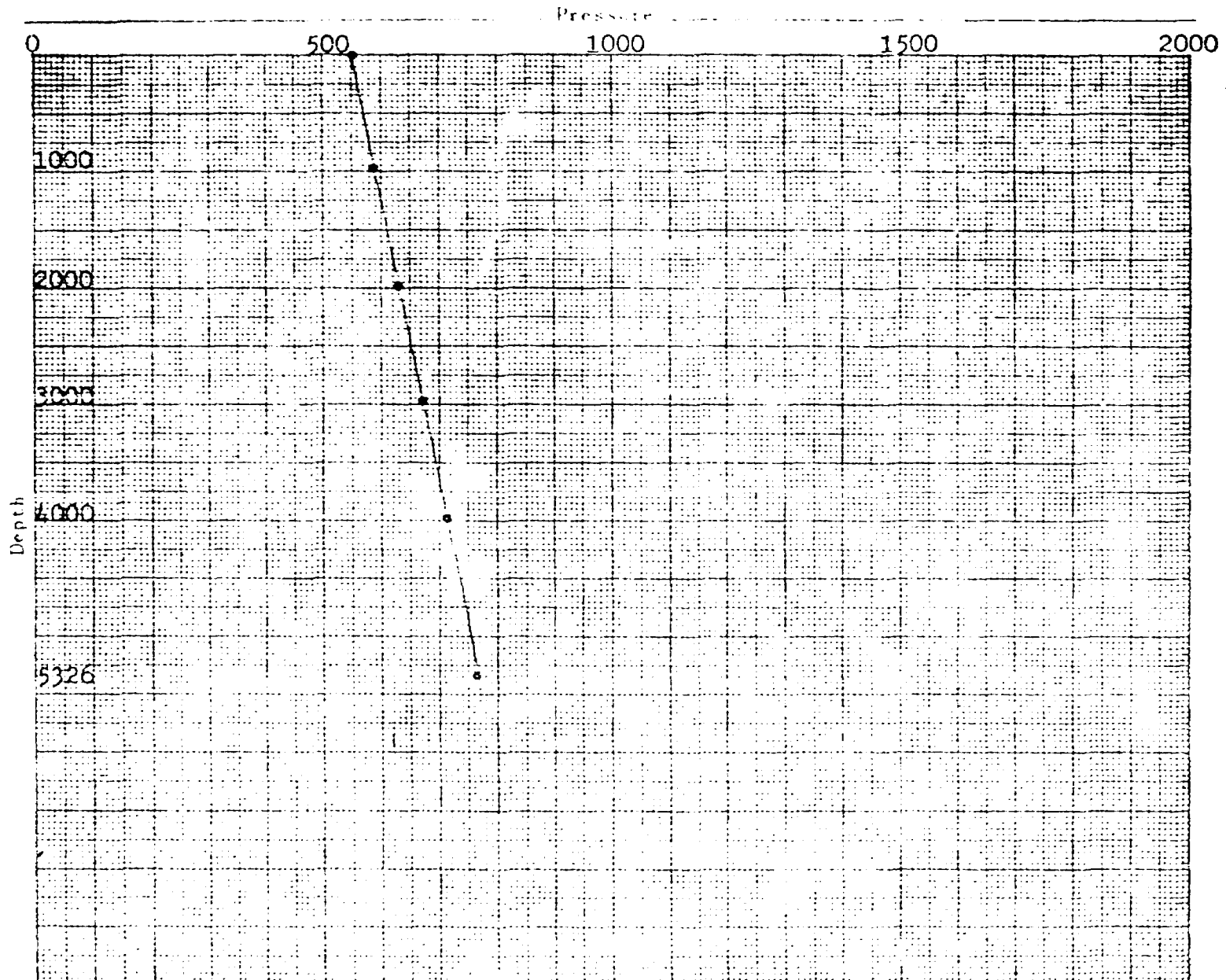
AMERICAN PETROLEUM INSTITUTE  
1225 M ST. N.W.  
WASHINGTON, D.C. 20004  
NEW MEXICO

## BOTTOM HOLE PRESSURE RECORD

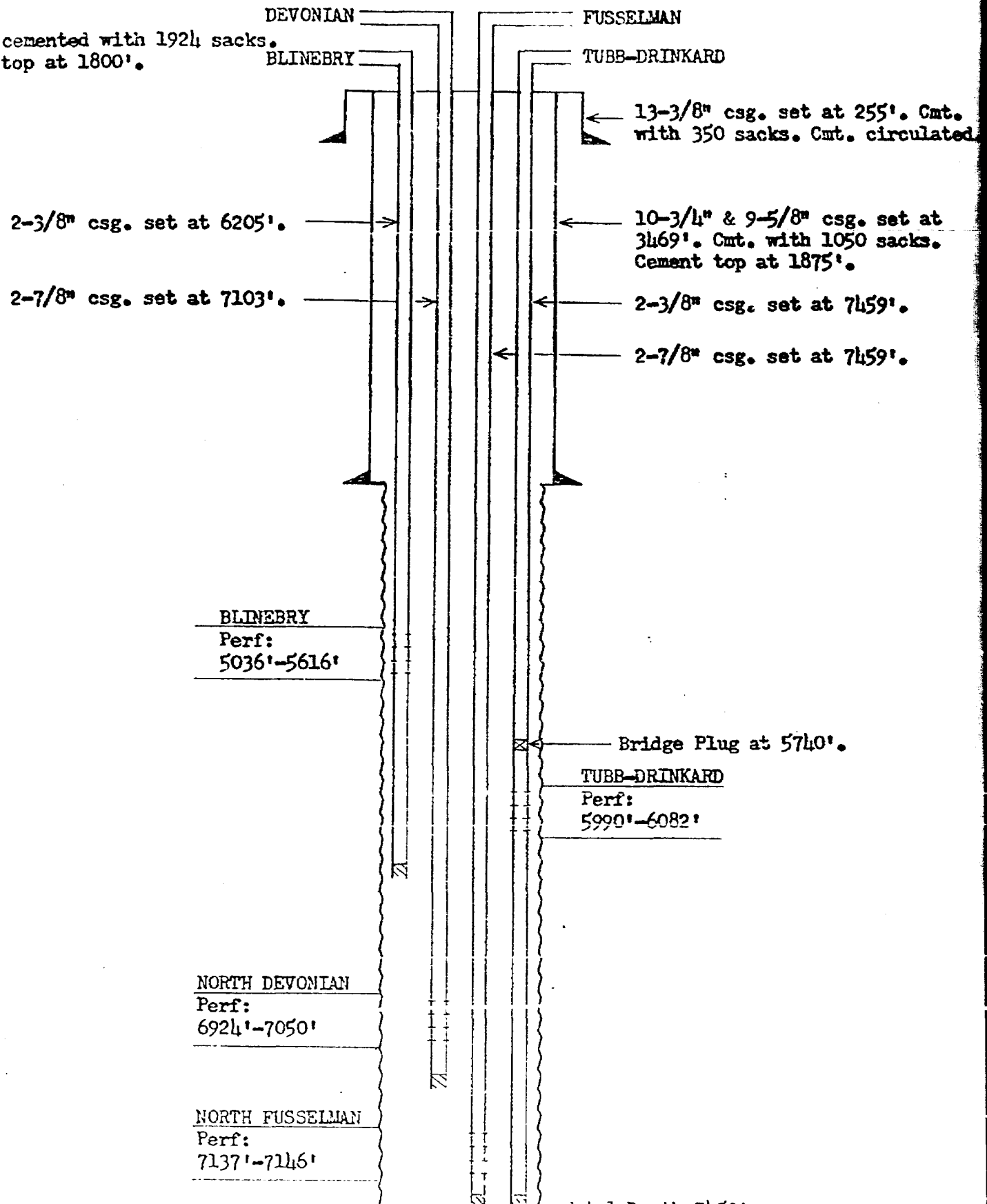
OPERATOR **Texaco, Inc.**  
FIELD **Justis** INFORMATION **Blinebry**  
LEASE **G.L. Erwin B, NCT-2** WELL No. **4**  
COUNTY **Lee** STATE **New Mexico**  
DATE **8-1-74** TIME **2:00 Pm**  
Status **Shut In** Test depth **5326'**  
Time **24.0 Hrs** Last test **4-18-73**  
Tub Pres **551** BHP Test **914**  
Casing Pres **Quad. Tr** BHP Casing **148# Loss**  
Elev **3181' KB** Elevation **NONE**  
Datum **(-2145') \*\*** Water level **NONE**  
Temp **93°F** Date by **Adkins**  
Cal No **A2410N** Chart No **2**

Pressure	Temperature	Gradient
0	551	-
1000	590	.039
2000	630	.040
3000	671	.041
4000	712	.041
5326(-2145)	766**	.041

\*\* Mid point of casing perforations

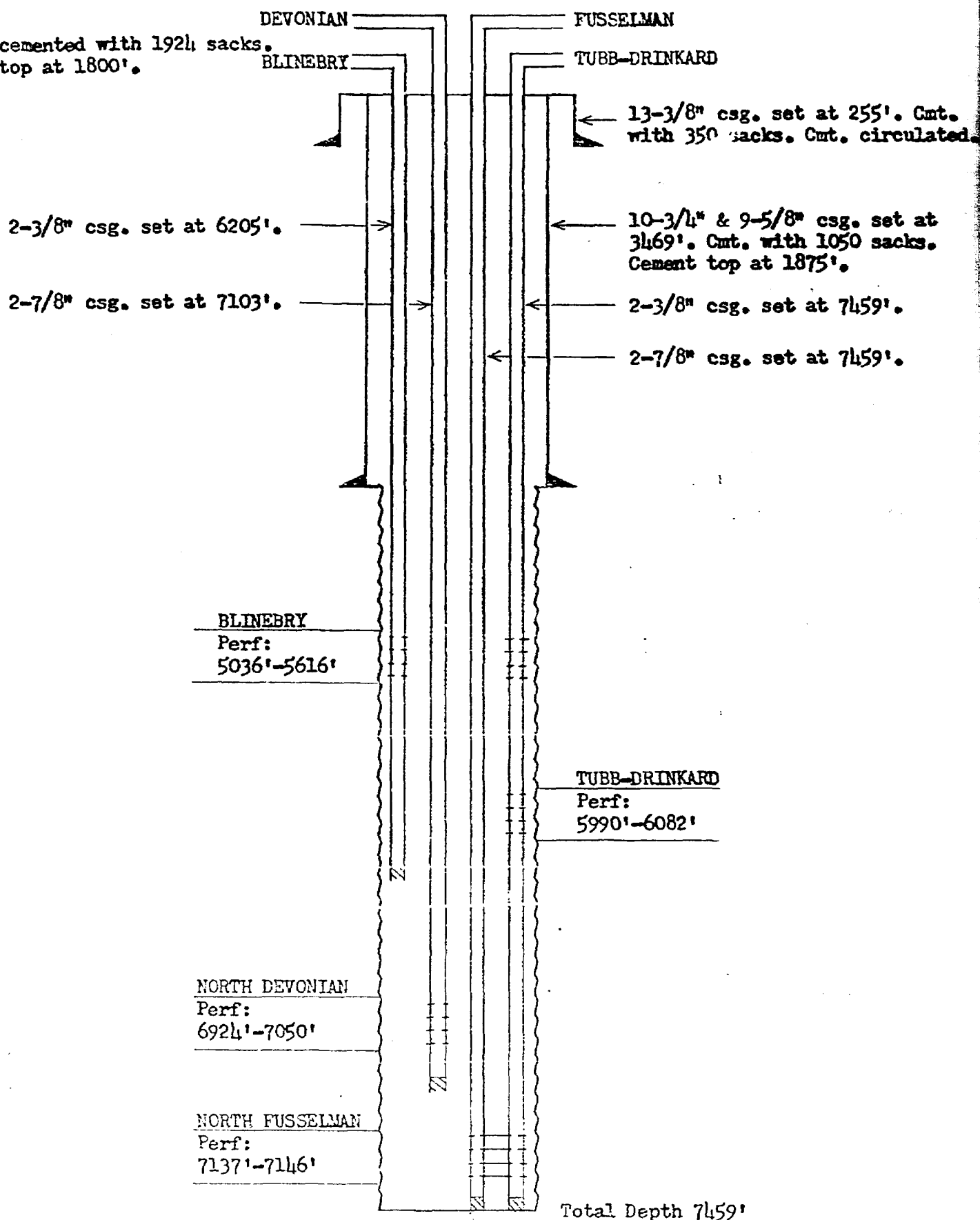


Casing cemented with 1924 sacks.  
Cement top at 1800'.



Present Completion  
G.L. ERWIN "B" FEDERAL (NCT-2) NO. 1  
JUSTIS (BLINEBRY, TUBB-DRINKARD, DEVONIAN NORTH  
AND FUSSELMAN NORTH) POOLS  
LEA COUNTY, NEW MEXICO

Casing cemented with 1924 sacks.  
Cement top at 1800'.



Proposed Completion  
G.L. ERWIN "B" FEDERAL (NCT-2) NO. 4  
JUSTIS (BLINEBRY, TUBB-DRINKARD, DEVONIAN NORTH  
AND FUSSELMAN NORTH) POOLS  
LEA COUNTY, NEW MEXICO



# **TEXACO INC.** **MIDLAND DIVISION**

Performance Curve

TEXACO INC.  
G.L. ERWIN "B" (NCT-2) NO. 1  
JUSTIS TUBB DRINKARD POOL  
LEA COUNTY, NEW MEXICO

DRAWN BY: JBS DATE: 8-16-74

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OIL PRODUCTION  
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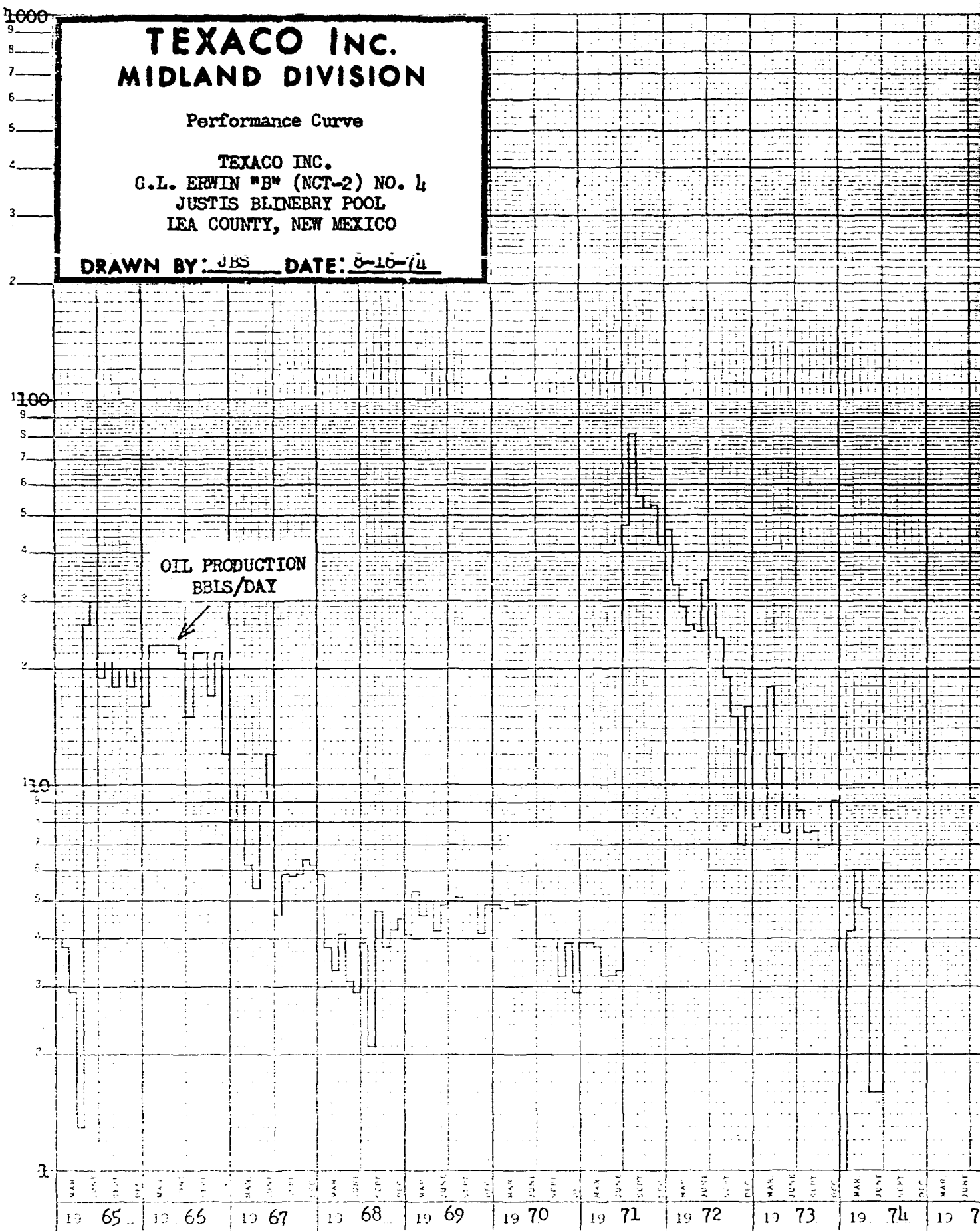
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# **TEXACO INC.** **MIDLAND DIVISION**

Performance Curve

TEXACO INC.  
G.L. ERWIN "B" (NCT-2) NO. 4  
JUSTIS BLINEBRY POOL  
LEA COUNTY, NEW MEXICO

DRAWN BY: JBS DATE: 8-16-74



~~FOUO~~

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OFFSET OPERATORS

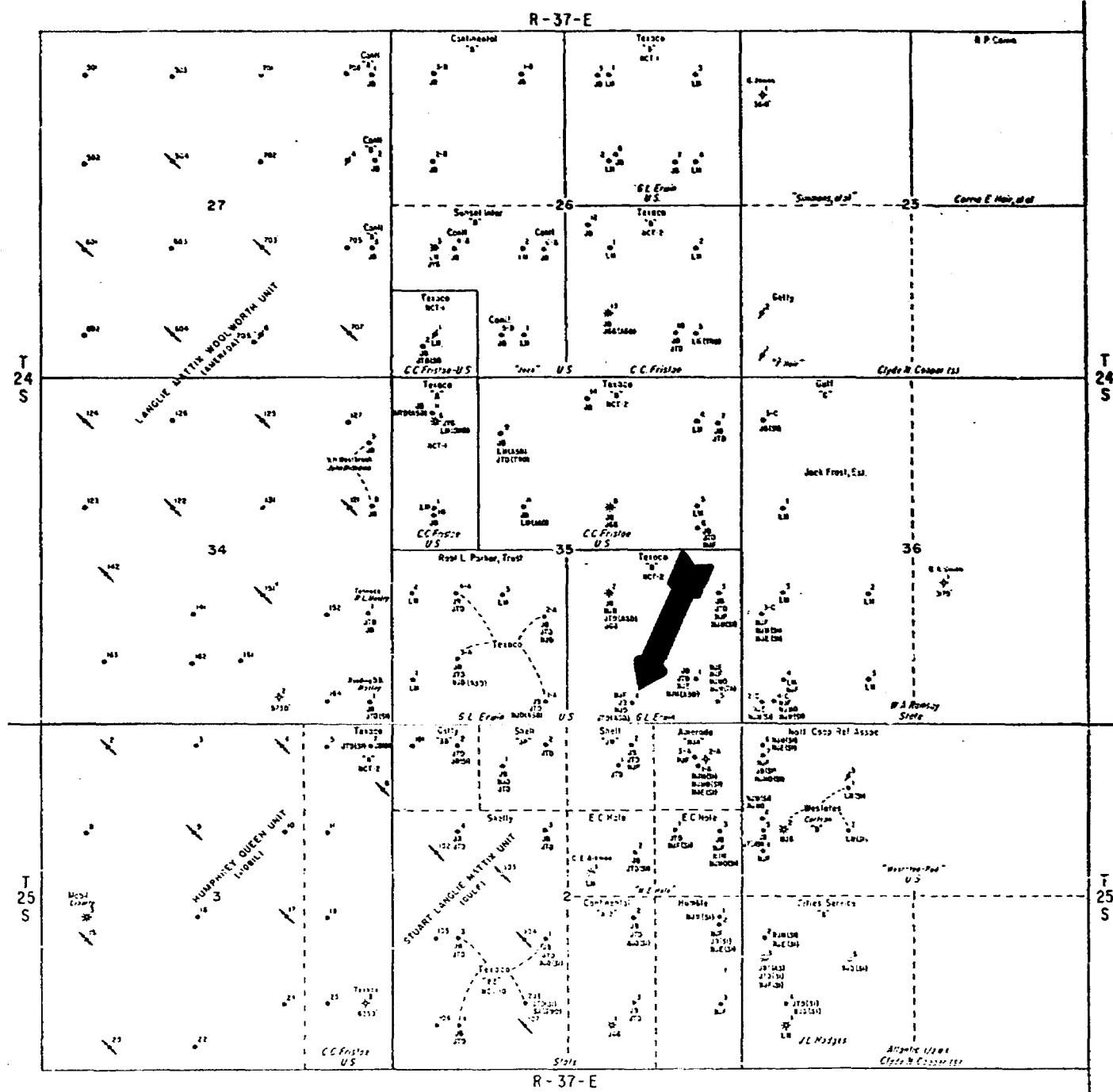
Gulf Oil Corporation - U.S.  
900 N. Turner  
Hobbs, New Mexico 88240

Westates Petroleum Company  
728 Capital National Bank Bldg.  
Houston, Texas 77002

National Cooperative Refinery Associates  
915 Wilco Building  
Midland, Texas 79701

Amerada Hess Corporation  
P. O. Box 591  
Midland, Texas 79701

Shell Oil Company  
P. O. Box 1509  
Midland, Texas 79701



**200' INDEX**

J10 JOLLY VATES GAS  
J20 JUSTIS BLINERY  
J25 JUSTIS BLINERY GAS  
J30 JUSTIS TUBS GRAYARD  
LW LANGLIE MATTIX 2 RIVERS  
N20 NORTH JUSTIS BLINERY  
N25 NORTH JUSTIS BLINERY  
N30 NORTH JUSTIS BLINERY

NUE NORTH JUSTIS ELLENBURGER  
NUF NORTH JUSTIS FUSSELLMAN  
NLM NORTH JUSTIS MCKEE  
NMD NORTH JUSTIS MONTANA  
N20 NORTH JUSTIS TUBS GRAYARD  
N25 NORTH JUSTIS TUBS GRAYARD  
N30 NORTH JUSTIS TUBS GRAYARD

**LEGEND**

(A30) ABANDONED  
(A35) ABANDONED-SILVAGE DEFERRED  
(S) SHUT IN  
(SW) SALT WATER DISPOSAL  
(T) TEMPORARILY ABANDONED  
(TR) TO BE RECONDITIONED FOR OIL

TEXACO Inc.  
JUSTIS & LANGLIE MATTIX POOLS  
LEA COUNTY, NEW MEXICO

SCALE 0 1000 2000

DRAFT

jr/ RLS

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. 5315

Order No. R-4869

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 September 18, 1974  
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this \_\_\_\_\_ day of October, 1974, 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 its G.L. Erwin B Federal (NCT-2) Well No. 4, located  
in Unit ② of Section 35, Township 24 South, Range 37 East, NMPM,  
Lea County, New Mexico.

CASE NO. 5315  
Order No. R-

multiple completion, tubingless, quadruple, producing oil from the Justis-Blinebry Pool through 2 3/8-inch casing, oil from the North Justis-~~Devon~~<sup>OK</sup> and North Justis-Fusselman Pools through parallel strings of 2 7/8-inch casing, and currently shut-in in the Justis Tubb-Drinkard Pool, formerly producing oil through a separate string of 2 3/8-inch casing.

North Justis-Devonian Pool, no change. The Justis-  
Blinebry, Justis-Tubb-Drinkard, and North Justis-  
Fusselman Pools to be commingled in the wellbore  
with the production of commingled oil to take place  
through the former Fusselman casing string and the  
production of all or a portion of the commingled  
gas ~~production~~ to take place through the former  
Tubb-Drinkard casing string.

(6) That from the Tubb-Drinkard zone the well is capable of extremely low marginal production only.

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

(4) That the applicant should conduct appropriate production tests during the performance of the work necessary to commingle said three zones in order to properly determine a formula for the allocation of production to each of the commingled zones in said well.

[illegible]

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2 CASE NO. 5315  
3 Order No. R-

4 (1) That the subject well should continue to be governed by  
5 all Commission Rules and Regulations governing multiple completions  
6 to the extent that said Rules and Regulations are not inconsistent  
7 with this order.

8 IT IS THEREFORE ORDERED:

9 (1) That the applicant, Texaco Inc., is hereby authorized to  
10 complete its G.L. Erwin B Federal (NCT-2) Well No. 4, located in  
11 Unit ~~0~~ of Section 35, Township 24 South, Range 37 East, NMPM, Lea  
12 County, New Mexico, as a multiple completion, (tubingless) and to  
13 commingle certain production therefrom in the wellbore as follows:

14 Production from the North Justis-Devonian Pool shall be  
15 through a single string of 2 7/8-inch casing cemented in  
16 the wellbore; commingled production of oil from the  
17 Justis-Blinbry, Justis-Tubb-Drinkard, and North  
18 Justis-Fusselman Pools shall be produced through  
19 a single string of 2 7/8-inch casing cemented in the  
20 wellbore; and all or a portion of the commingled gas  
21 production from said three zones shall be produced  
22 from a string of 2 3/8-inch casing cemented in the  
23 wellbore.

24 (2) That the operator shall test the Fusselman zone after  
25 communication with the Tubb-Drinkard zone to determine the  
26 stabilized rate of production from the Fusselman zone prior to  
27 accomplishing commingling with the Blinbry zone.

28 (3) That the operator shall perform production tests ~~on all~~  
29 ~~commingled zones~~ on said well within 30 days after completion of  
30 operations necessary to effect ~~such~~ commingling. *of all*  
31 *three of the subject zones.*  
32



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2 CASE NO. 5315

3 Order No. R-

4 (4) That the results of such tests shall be filed immediately  
5 with the ~~Secretary Director~~ **Hobbs office** of the Commission in order that ~~he may~~  
6 ~~administratively approve~~ a production percentage formula for the  
7 proper allocation of the commingled production to the various zones.

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

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

12 (5) That the operator of the subject well shall immediately notify  
13 the Commission's Hobbs District Office any time the subject well  
14 has been shut in for 7 consecutive days.