

CASE 3031: Appli. of CONTINENTAL  
OIL CO. to revise vertical limits  
of Blinebry & Terry Blinebry Pools.

6-2-49

CASE NO.

3031

Application,  
TRANSCRIPTS,  
SMALL Exhibits  
ETC.

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

REGULAR HEARING

IN THE MATTER OF: Application of Continental Oil Company to revise the vertical limits of the Blinebry Oil Pool and Terry Blinebry Pool, Lea County, New Mexico.

Case No. 3031

BEFORE: Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING

MR. UTZ: The Hearing will come to order. The Commission will take up Case Number 3031.

MR. DURRETT: Application of Continental Oil Company to revise the vertical limits of the Blinebry Oil Pool and Terry Blinebry Pool, Lea County, New Mexico.

MR. KELLAHIN: Jason Kellahin, of Kellahin & Fox,



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appearing for the Applicant. We have one witness to be sworn.

(Witness sworn.)

MR. KELLAHIN: We would like to have Applicant's Exhibit's Number's One, Two, Three marked for identification.

(Whereupon, Applicant's Exhibits 1, 2, & 3 marked for identification.)

VICTOR T. LYON,

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

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q Would you state your name, please?

A Victor T. Lyon.

Q By whom are you employed and what position?

A Continental Oil Company, as Senior Engineer, located in Hobbs, New Mexico.

Q Have you testified before the Oil Conservation Commission and made your qualifications a matter of record?

A Yes, sir.

Q Are the witnesses qualifications acceptable?

MR. UTZ: Yes, they are.

Q (By Mr. Kellahin) Mr. Lyon, are you familiar with the application of Continental Oil Company in Case 3031?

A Yes, sir.



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Q Would you state briefly what is proposed by Continental Oil Company in this case?

A This is the Application of Continental Oil Company for revision of Order Number R 610 and other related orders to extend the vertical limits of the Blinebry Oil Pool.

Q Now, referring to what has been marked as Exhibit Number One, would you identify that Exhibit and discuss the information shown on it?

A Exhibit Number One is a map showing the boundaries of the Blinebry Oil Pool in "Red" and the Terry Blinebry Oil Pool in green. As shown, the Pool covers the majority of Township 21 South, Range 37 East, and 22 South, 37 East, and a portion of 22 South, 38 East, and extends over into 23 South, 38 East.

Q Do you also show on that Exhibit a trace of any cross section which is the subject of the litigation?

A Yes. The trace of this cross section is shown by circling the wells in blue and connecting those circles with the red line, and marked "A.A. Prime".

Q That is the northern portion of the top of the Exhibit; is it not?

A Yes, sir, it goes through Sections 3 and 11, in Township 21 South, Range 37 East.

Q And includes wells in both of the pools?

A Yes, sir.



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Q Now, referring to what has been marked as Exhibit Number Two, can you identify that Exhibit and discuss the information on that?

A Exhibit Number Two is the cross section, the trace of which is shown on Exhibit Number One, and it extends from Continentals "Hawk B3" Number 20, located in Unit B of Section 3, in the Terry Blinebry Pool, and goes through the "Hawk B3" Number 13 in Unit "X" of Section 3, both of these two wells being in the Blinebry Oil Pool. Then to the "Lockhart B11" Number Two, located on Unit "B" of Section 11, and "Lockhart B", Number 114 in Unit "C" of Section 11, both of the latter two wells being again in the Terry Blinebry Oil Pool.

This Exhibit shows the logs on each of these wells, the Blinebry marker, the Tubb marker; and by the heavy line at the top of the coloration, above the yellow is shown the top of the Blinebry Pool, as presently defined, and the yellow is the entire vertical limits of the pool that is, as it is now defined.

The limits are from 75 feet above the Blinebry marker to three hundred feet below the Blinebry marker. The green coloration, which extends from the Blinebry Pool marker to the heavy line separating the green and the brown, is the Blinebry formation as the Terry Blinebry is defined as to its vertical limits. That is, the Terry Blinebry is defined vertically as the Blinebry formation. The Barber Shop Pool coloration, the red and



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white strips, are those areas which are not in any Pool, according to the Commissions' definitions. In other words, since the Tubb Pool is defined as extending from 100 feet above the Tubb marker to two hundred twenty-five feet below the Tubb marker, and the Blinebry Pool extends from three hundred feet below the Blinebry marker, there is an interval in there which is not in any pool and we have found that at least in certain areas this interval is productive and it is our opinion that this should be a part of the Blinebry and Terry Blinebry, depending on the location of the particular well, Oil Pool.

Q Now, you have discussed the undesignated zone below the Blinebry Oil Pool, have you anything to say in regards to the undesignated zone above the Terry Blinebry?

A Yes, sir. Since the Terry Blinebry Pool is defined as applying to the Blinebry formation, and the Blinebry formation, theoretically speaking, is considered as extending from the Blinebry marker to the Tubb marker, then this interval, 75 feet above the Blinebry marker, technically, is not included within the vertical limits of the Terry Blinebry Pool, and we think that it should be so included, and we have certain wells which are producing in this area.

Q Do any of those wells appear on this Exhibit?

A No, sir.

Q With reference to your Lockhart Bll Number 4 tested the



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zone within this lower portion of the reservoir, of six thousand fifty to six thousand seventy-seven, and it flowed on test at the rate of one hundred five barrels of oil per day. This we believe is pretty conclusive, that this zone is capable of producing commercially.

Q In your opinion, it should be included in the same pool; is that correct?

A Yes, sir.

Q That would be the Terry Blinebry Pool?

A Yes, sir.

Q And is it your opinion, should the zone lying below the Blinebry be included in the Blinebry Pool?

A I am sorry, I didn't quite follow you.

Q You say the zone below the Blinebry should be included in the Blinebry?

A Blinebry Pool.

Q So that the entire zone down to the Tubb would be included?

A Down to the top of the Tubb Pool we believe should be included in the Blinebry Pool.

Q Now, do you have any other evidence of the productivity of this "no man's land"?

A Yes, sir. Exhibit Number Three is a tracing of the log on our Lockhart A 35, Number Three. Now, these two wells which





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we are discussing as far as testing the lower Blinbry are shown by red circles on Exhibit Number One. Lockhart A 35 Number Three is located in Unit "C" of Section 35, Township 21 South, Range 37 East. The interval from 5840 5890 in our Lockhart A 35 Number Three was tested separately, and 53 barrels of oil, and seven barrels of oil in gas-oil ratios of 1400 cubic feet per barrel.

Q Are there other wells in the Pool that are open?

A Yes, sir, we have several wells.

MR. UTZ: Just a moment, Mr. Lyons. You lost me. Where is this Number Three located, again?

A It is located in Unit C, Township, or Section 35, Township 21 South, Range 37 East.

MR. UTZ: Section 35?

A Yes, sir.

Q (By Mr. Kellahin) That is one that is circled.

MR. UTZ: All right. Continue.

Q (By Mr. Mellahin) Would you continue, please.

A Yes, sir. We have opened this zone in several wells, but these are the only two where the zone has been tested separately. We feel confident that in most of these wells this zone is contributing production to the wells production.

Q Then would it be reasonable to assume that this zone is productive at various points through this Pool?



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A Yes, sir.

Q Now, was the opening of the intervals of this "no man's land" done with the knowledge and consent of the Commission or the Commission's personnel in August?

A These wells, which I have discussed, this was done with the full knowledge and consent of the Commission.

Q What other course of action do you see open to cover this situation?

A Well, its only alternative, that we can see to developing this portion of the Blinbry formation would be to set up a new Pool and authorize dual completions.

Q Would that be in the interest of conservation and preservation of waste?

A We think it would not.

Q For what reason?

A It would not serve to increase the recovery, but it would serve to increase the cost of the developments and could very well in certain cases cause the drilling of unnecessary wells.

Q In your opinion, are they in the same common source of supply?

A Yes, sir.

Q In your opinion, would there be communication through that zone, not as a separate zone, but as a common reservoir?



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A I think probably there is effective communication between the zones.

Q Now, if the undesignated interval is assigned to the Blinebry Pool and to the Terry Blinebry Pool, would an additional reserve be produced as a result?

A Yes, sir, we feel that there is probably up to 25,000 barrels recoverable reserves to each well where this portion of the formation is productive, and we think this is certainly worth while going after.

Q Now, what is your recommendation to the Commission, then?

A It is my recommendation that the Terry Blinebry and the Blinebry Pools both be described as extending from a point 75 feet above the Blinebry marker to a point one hundred feet above the Tubb marker.

Q Do you have any other recommendations in regard to Order Number 610?

Q Yes, sir. We would recommend that Rule 8 of the Blinebry Oil Pool Rules and Rule 5 of the Terry Blinebry Pools Rules be abolished. These pools prohibit the dual completion of a well in the Blinebry formation with any other formation, we believe that the rule is obviously obsolete.

Q In view of the large number of dual completions which presently exist and have been ordered by the Commission; is that



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right?

A Yes, sir.

Q Do you have any recommendations as to dual completions within the Blinebry formation?

A Yes, sir, we recommend that prohibitions against dual completions within the Blinebry Pool, itself, be continued in course and in force.

Q Were Exhibits One, Two and Three prepared by you or under your supervision?

A Yes, sir.

MR. KELLAHIN: At this time, I would like to offer Exhibits One, Two and Three.

MR. UTZ: Without objection, Exhibits One, Two and Three will be admitted in this case.

(Whereupon, Applicant's Exhibits 1, 2, and 3 were admitted in evidence.)

MR. KELLAHIN: That's all I have at this time, Mr. Utz.

CROSS EXAMINATION

BY MR. UTZ:

Q Mr. Lyons, is it your opinion that there is vertical communications between the zones, your Barber Shop Pole Zones and Blinebry and Terry Blinebry Pools?

A Well, I think certainly there is within various well bores that have penetrated and perforated it. The communications



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within the Blinebry formation is probably somewhat doubtful of being rather tight formations.

Q How about horizontal communications between Blinebry and Terry Blinebry?

A We see no reason for any separation in there.

Q You have not recommended that the Terry Blinebry be included in the Blinebry?

A No, sir.

Q Is there a gas production in the Terry Blinebry?

A There is no provision in the Rules for a gas well in the Terry Blinebry Pool. There are high gas-oil ratios, oil wells.

Q By high gas-oil ratios, what do you mean a magnitude, of what, about thirty thousand?

A There are none to my knowledge that are that high.

Q So, as far as Blinebry Pools are concerned, they will be considered oil wells, then?

A Yes, sir.

Q I gather then that your analysis is that the Terry Blinebry Pool is predominantly, is not entirely an oil pool which may be an oil zone adjacent to the Blinebry Pool?

A We think this is the case.

Q I believe you stated that in the upper 75 feet of the Blinebry marker that that zone is productive in a few wells?

A Yes, sir.



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Q And the lower 100 feet in the Blinebry Pool of that zone is also productive in a few wells?

A Yes, sir.

Q Do you have any information as to pressures in these, in between the Blinebry and Terry Blinebry?

A No, sir, I have no investigated that particular aspect.

Q You don't know whether the pressures are similar or not?

A No, sir, all I have is the general impression that they are similar.

MR. UTZ: Are there any other questions.

MR. DURRETT: I have a question.

CROSS EXAMINATION

BY MR. DURRETT:

Q Mr. Lyon, I am a little confused, possibly. Would you give me your vertical limits again, now? You want 75 feet above the Blinebry; is that correct?

A Above the Blinebry marker.

Q Blinebry marker. And was your other designation above the Tubb marker?

A Yes, sir.

Q What was that?

A One hundred feet above the Tubb marker, which is the upper limit of the Tubb Pool.



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Q That is the present upper limit?

A Yes, sir.

Q Of the Tubb. Now, one other thing I was not exactly clear on. You are recommending that the Dual Completion provisions be taken out of some order, which was that, the Terry Blinebry Pools?

A It is in both Rules, sets of Rules. There is a Provision that there will be no dual completions within the Blinebry between the Blinebry and any other formations. This Rule, as I understand it, was promulgated at the time the Commission did not approve dual completions.

MR. UTZ: What Rule is that, do you happen to know?

A Yes, sir, that is Rule 5 of the Terry Blinebry and Rule 8 of the Blinebry Oil Pool Rules.

Q (By Mr. Durrett) Do you realize, that in connection with that request, there may be some question on the jurisdiction concerning the call of the Docket?

A Yes, sir. We did not put this in our Application, but I thought it would be well to bring it to the Commission's attention, so that they can delete those Rules if they saw fit to do so.

Q So we could call a case if we wanted to?

A Yes, sir, if necessary.

MR. DURRETT: That's all I have.





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MR. UTZ: Don't you think it would be necessary for us to call the case if we change the order?

A It probably would.

MR. UTZ: Are there any other questions?

MR. DURRETT: I have one additional question, Mr. Utz.

BY MR. DURRETT:

Q To clarify the record, I believe you stated, Mr. Lyon, that you had completed some wells in this "No Man's Land", with the full knowledge and consent of the Commission. You haven't received any allowable for any of those wells in that zone, have you?

A One some of them we have. The one I started was that the wells I had discussed, we had opened with the full knowledge and consent of the Commission. We have opened the zone in additional wells, and due to the lack of communication within our own organization, had done this without the Commission's knowledge.

Q I see. But, the one that the Commission said they would let you go ahead and open that zone, they haven't assigned any allowable to that zone?

A I am sorry.

Q The ones that the Commission approved for you to open or complete in that zone, they haven't assigned any allowable

to that zone in those wells, have they?



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A In those wells that the Commission had prior knowledge to our zoning, they had assigned the allowables.

Q They have assigned them?

A Yes, sir.

Q On the other wells that they did not know about, they have not assigned the allowables?

A Yes, sir, there are several wells on which the allowable has been withheld depending on the outcome of this Hearing.

MR. DURRETT: I believe that's all.

REDIRECT EXAMINATION

BY MR. KELLAHIN:

Q Just to clarify this: The allowable that was assigned was the allowable for the Blinebry or the Terry Blinebry, as the case may be?

A Yes, sir.

Q And there is no separate allowable assigned on account of the opening of these separate zones?

A Never any requested.

MR. UTZ: Mr. Lyon, the Tubb marker which you speak of, is a marker which is commonly recognized in this area; is it not, as the "Geological marker"?

A Yes, sir. It is defined in Order R 610 and previously in R 46, I believe the number is, as being a certain point in Humble's State "S" Well Number 20.



MR. UTZ: Are there any other questions?

MR. NUTTER: Yes, I have a question.

RECROSS EXAMINATION

BY MR. NUTTER:

Q I have a few further questions, please. Mr. Lyons, now, the vertical limits of the Blinebry Pool are defined as being from so many feet above the Blinebry marker to so many feet below the marker. Just how are the vertical limits of the Blinebry <sup>gas</sup> Pool defined?

A <sup>1</sup> The same.

Q The same?

A Yes, sir.

Q Now, is your application here today for the extension of, revision of the vertical limits of the Blinebry Gas Pool with no suggesting change in the vertical limits of the Blinebry Oil Pool?

A No, our application and our intention is to change the vertical limits of the Blinebry Oil Pool. We feel there is no problem existing in the Blinebry Gas Pool and whether the Commission changes vertical limits of that Pool, I think is strictly up to you.

Q Well, now, this was not within the call of the Hearing to adjust the limits of the Blinebry Gas Pool; is that right?

A Right.

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Q So, if we went strictly by the Application and by the call of the Hearing, we have two separate limits, one for the Oil Pool and one for the Gas Pool?

A Yes, sir. You have separate horizontal limits.

Q But, at the present time there, the vertical limits are identical?

A Yes, sir.

Q Now, the Terry Blinebry vertical limits are defined as what?

A The Blinebry formation.

Q Now, do you regard the Blinebry formation as going down to the Tubb marker, or where is the bottom of the Blinebry formation?

A In my opinion, based on discussions with geologists and other people who have worked with this area, the consensus is that the Blinebry formation extends from the Blinebry marker to the Tubb marker.

Q In other words, the top of the Tubb Pool is in the Blinebry formation?

A Yes, sir.

Q Now, have you made a study of all of the Tubb gas wells to determine whether any Tubb gas wells are completed in the so called "No Man's Land" between the bottom of the defined Blinebry Gas Pool or Oil Pool as it is today, and the top of the Tubb Pool



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as it is today?

A No, sir, I have not made such a study.

Q So, you don't know if this proposed extension of the vertical limits of the Blinebry Pool would go down far enough to take in some of the Tubb formation, possibly?

A No, I don't know. I don't know that this would exist. I do not think that it does, but I am not certain.

Q It would be your proposal that vertical limits of the Blinebry Pool and the Terry Blinebry Pool would be identical?

A Yes, sir.

Q Although at the present time they are not?

A That's true.

MR. NUTTER: I believe that's all.

MR. UTZ: Mr. Rainey.

EY MR. RAINEY:

Q Now, you are proposing to change the vertical limits of the oil pool only, Blinebry Oil Pool and not the Gas Pool?

A Yes, sir.

Q What is going to happen if one of your oil wells perforated down in this "No Man's Land", if the ratio climbs to an excess of 30,000? Then you are going to have a gas well, and gas well classification for the Blinebry Gas Pool, are you not?

A That could occur.

Q Then your well would be in violation of the vertical



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limits of the Blinebry Gas Pool?

A Yes, sir. That would be the case. But, we feel that any perforations in this, in the lower part of the Blinebry would not result in Gas production.

Q But, you are not going to be perforating only in this lower vertical --

A No.

Q -- you are going to be perforating up in well, in the same vertical limits as the Blinebry Gas Pool. Would it be possible to have the limits of the Blinebry Oil Pool and Blinebry Gas Pool coincide?

A Oh, yes, I think it would be quite possible.

Q Then, still, your gas-oil limitation would then apply to both pools?

A Yes, sir. Then you would be covering in either event.

Q It would be unfortunate to have an oil well go to a gas well, and have to shut it in because --

A Or reenter the well to set a packer to isolate the gas from the oil.

MR. UTZ: Are there any further questions?

MR. DURRETT: I have one further question.

RECROSS EXAMINATION

BY MR. DURRETT:

Q Mr. Lyon, if the Commission should determine that it did



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not feel it had enough information at this time to make an intelligent decision concerning whether or not these limits should be extended, would you be willing, or would your company be willing, to make a study concerning the question of whether or not there would be any Tubb wells that would be taken in by this extension?

A Yes, sir, I think so.

MR. KELLAHIN: I would like to point out here, however, that the Applicant here is losing the allowables, that are shut in, is that correct?

A That's correct.

MR. KELLAHIN: And while such a study may be indicated, there is nothing in the record here to show that such a situation does exist and we feel it could be the subject of a separate Hearing, both on that point and on the question of the Blinebry Gas Pool. Meanwhile, we would like to get an order entered in this case in order that the allowable be restored to Continental Wells.

MR. UTZ: How many wells are involved?

A At least two, perhaps, I believe it is three.

MR. PORTER: Let's go off the record a minute, Mr. Examiner.

(Whereupon, an off the record discussion was held)

MR. UTZ: On the record, please.



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Is there anything further, any other questions?

MR. NUTTER: In other words, Mr. Kellahin, if the Commission would enter an order authorizing the extension of the vertical limits of the oil pool, that will take care of the case as regards to oil wells at the present time; then it would be the recommendation that the Commission, at a later date consider extension of the gas pool and such other matters as may be necessary?

MR. KELLAHIN: In view of the questions that have been raised as a result of this Hearing, I think it would be indicated.

MR. PORTER: Mr. Nutter, are you through?

MR. NUTTER: And would Continental be willing to carry the ball on the Hearing?

A Right now we see no need to investigate the gas pool, but in the event that a situation should arise where such a study is necessary, Continental should certainly do their share, as we have in the past.

MR. NUTTER: Very good.

MR. PORTER: Mr. Motter, would such an order take care of City Service immediately.

MR. MOTTER: If I may make a statement here, we would like to concur, we do concur with Continental's order, insofar as the oil pool is concerned. I would like to see you issue an order





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on this as soon as possible. I would like to refer you to order R 2675, if I may read a portion of that: "That it terminate in 90 days of this order and not thereafter be effective until." In this we feel we probably will have come back up here and ask for an exception of this case and also as I said previously, we do have several work-overs pending the outcome of this, whether we would like to complete, or perforate, or just what we would like to do in these cases. So, we would like to see the upmost speed brought forth in arriving at an order in this matter.

MR. NUTTER: What was the date of that?

MR. MOTTER: March 18, we really have --

MR. NUTTER: Less than two months.

MR. MOTTER: But, really, we can't delay too much longer. We will have to be asking for some help on this well, and these questions concerning the Tubb wells, we have made a review of our Tubb wells. We also thought we might have been, perhaps, out of the limits. We didn't think they were ever illegal, but we found we were in good condition; I will offer this thing right now.

MR. PORTER: In other words, then, an order granting Continental specific request here today would not allow you to proceed with your workovers and the work that you anticipate.

MR. MOTTER: They all will be well in the oil pool, we hope.



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PHONE 983-3971

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PHONE 243-6691

MR. UTZ: Are there any other questions?

In answer to the request of Mr. Motter's where he spoke of extending the oil pool, I presume he means the Blinebry Oil Pool, to also extend the Terry Blinebry Oil Pool because you have some wells completed in "No Man's Land" there to, don't you?

A Yes, we do. It has also been my impression, I have been working in the area for a number of years, and I think the impression of most of the people who work with it, that the Terry Blinebry did extend 75 feet above the Blinebry marker, and it was a surprise to me when I went back to the Rules and found that it didn't.

MR. PORTER: I am never surprised at any question concerning the Blinebry and I haven't been for about fifteen years.

MR. UTZ: Are there any other questions.

MR. PORTER: You might dismiss both witnesses at the same time. I had Mr. Motter on the stand, too.

MR. UTZ: He just answered your question, but not under oath. If there are no further questions, the witness may be excused.

(Witness excused.)

MR. DURRETT: If the Examiner please, I would like to state for the record that the Commission has received a letter from J. R. Cone, stating that they recommend the extensions of the vertical limits of both the Blinebry Oil Pool and the Terry



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Blinebry Oil Pool to include the inter-stratigraphic interval extending from a point 75 feet above the Blinebry marker to a point 100 feet above the Tubb marker. That is as requested by the Applicant. I would also like to state for the record that we received a letter from Pan American Petroleum Corporation, stating that they supported Continental in their request.

MR. UTZ: Are there any other statements?

MR. McCOURT: My name is Don McCourt, Shell Oil Company, whom I represent, also supports Continental's revision. We would also like to see the vertical limits of the Blinebry Gas Pool be made to coincide with the vertical limits of the Blinebry Oil Pool.

MR. UTZ: How do you spell your name?

MR. McCOURT: M-c-C-o-u-r-t.

MR. UTZ: Are there any other statements? The Case will be taken under advisement. We will take a ten minute recess.

\* \* \* \* \*



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ALBUQUERQUE, N. M.  
PHONE 243-6691

STATE OF NEW MEXICO )  
 ) ss.  
COUNTY OF BERNALILLO )

I, CHARLES FLOYD WALKER, Notary Public 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 the said proceedings, to the best of my knowledge, skill and ability.

*Charles Floyd Walker*  
NOTARY PUBLIC

My Commission Expires:

March 25, 1968.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 3031, heard by me on April 18, 1964.  
*Thurston*, Examiner  
New Mexico Oil Conservation Commission



DRAFT

JMD/esr

May 8, 1964

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. 3031

Order No. R-~~1670~~ F

NOMENCLATURE

R-2701

APPLICATION OF CONTINENTAL OIL COMPANY  
TO REVISE THE VERTICAL LIMITS OF THE  
BLINEBRY OIL POOL AND TERRY BLINEBRY  
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  
April 29, 1964, at Santa Fe, New Mexico, before Examiner 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 \_\_\_\_\_ day of May, 1964, the Commission,  
a quorum being present, having considered the ~~application, the~~ testimony,  
the record, ~~evidence introduced,~~ 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, Continental Oil Company, seeks an  
order revising the vertical limits of the Blinebry Oil Pool and  
Terry-Blinebry Pool, Lea County, New Mexico, to comprise the  
Blinebry formation from 75 feet above the "Blinebry Marker" to  
100 feet above the "Tubb Marker" as said markers are defined in  
Order No. R-1670.

(3) That the proposed revision of the vertical limits of  
the subject pools includes all of the known productive portion of  
the Blinebry formation in each of the two pools.

(4) That approval of the subject application will afford to the owner of each property in each of the subject pools the opportunity to produce his just and equitable share of the oil in the pool, and for this purpose to use his just and equitable share of the reservoir energy.

(5) That revision of the vertical limits of the subject pools to include all of the known productive portion of the Blinebry formation will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the vertical limits of the Blinebry Oil Pool, Lea County, New Mexico, shall be from 75 feet above the "Blinebry Marker" to 100 feet above the "Tubb Marker" as said markers are defined in Order No. R-1670.

(2) That the vertical limits of the Terry-Blinebry Pool, Lea County, New Mexico, shall be from 75 feet above the "Blinebry Marker" to 100 feet above the "Tubb Marker" as said markers are defined in Order No. R-1670.

(3) 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.

# PAN AMERICAN PETROLEUM CORPORATION

OIL AND GAS BUILDING P. O. BOX 1410

FORT WORTH 1, TEXAS

WILLIAM V. GRISHAM  
DIVISION ENGINEER

April 15, 1964

File: GHF-149-986.510.1

Subject: NMOCC Case #3031 - Continental  
Oil Company Application to Extend  
Vertical Limits - Blinebry Oil  
Pool and Terry Blinebry Pools  
Lea County, New Mexico

Mr. A. L. Porter, Jr.  
Secretary-Director  
New Mexico Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico

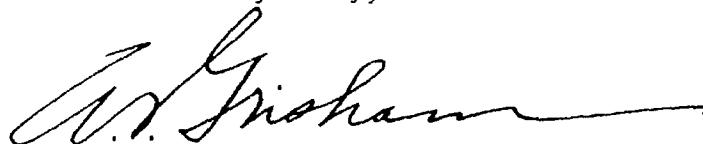
Dear Sir:

Reference is to Case #3031 which is on the application of Continental Oil Company to extend the vertical limits of the Blinebry Oil Pool and Terry Blinebry Pools to encompass all of the Blinebry Formation which has been scheduled for hearing on April 29, 1964.

Pan American Petroleum Corporation, as an interest owner in both the Blinebry Oil Pool and Terry Blinebry Pools, supports Continental Oil Company's application and urges the Commission to extend the vertical limits of these pools as requested. Also it is our understanding that Continental will recommend that the prohibition against dual completion of a well in the Blinebry Formation and any other horizon be eliminated. Pan American also supports Continental in this request.

Please read this letter into the record of the hearing.

Yours very truly,



RESIDENCE PHONE  
SHERWOOD 4-8173

OFFICE PHONE  
PORTER 3-7329

J. R. CONE

LUBBOCK, TEXAS

Box 871

April 24, 1964

Re: Case 3031  
Docket No. 12-64  
Examiner Hearing  
April 29, 1964

*Case file*

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

Attention: Mr. A. L. Porter, Jr.,  
Secretary and Director

Dear Mr. Porter:

The captioned Docket No. 12-64 advertises Case 3031 as an application by Continental Oil Company seeking extension of "....the vertical limits of the Blinebry Oil Pool and Terry Blinebry Pool to encompass all of the Blinebry formation....". *<*We would note that extension of the vertical limits of the Blinebry Oil Pool, in particular, to include all of the Blinebry formation would have the effect of making illegal many Tubb Gas Pool completions of long standing which are perforated within the basal 100 feet of the Blinebry formation immediately superadjacent to the top of the Tubb formation.*>*

Accordingly, reference Case 3031, we wish to recommend extension of the vertical limits of both the Blinebry Oil Pool and the Terry Blinebry Pool to include the entire stratigraphic interval extending from a point 75 feet above the "Blinebry Marker" to a point 100 feet above the "Tubb Marker" as the said Markers are defined in Order No. R-1670.

We shall appreciate this letter being made a part of the record of the hearing on Case 3031.

Respectfully yours,

J. R. CONE

*L. O. Storm*  
By L. O. Storm

cc: Oil Conservation Commission, Hobbs  
Continental Oil Company, Hobbs



PENROSE PRODUCTION COMPANY

411 GULF BUILDING  
MIDLAND, TEXAS 79704

MUTUAL 2-2962

MAIN OFFICE OCC

1964 MAR 26 PM 1:22

March 24, 1964

*File 3031*

New Mexico Oil Conservation Commission  
Post Office Box 871  
Santa Fe, New Mexico

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

Gentlemen:

This is to advise you that Penrose Production Company supports Continental Oil Company in the matter of the application of Continental Oil Company for amendment of Order Number R-610, and related orders, for the purpose of revising the vertical limits of the Blinebry and Terry - Blinebry oil pools, Lea County, New Mexico.

Very truly yours,

PENROSE PRODUCTION COMPANY

*Harold S. Winston*

Harold S. Winston  
Petroleum Engineer

HSW:lb

cc: Continental - Hobbs

CLASS OF SERVICE  
This is a fast message  
unless its deferred char-  
acter is indicated by the  
proper symbol.

# WESTERN UNION TELEGRAM

W. P. MARSHALL, PRESIDENT

1201

SYMBOLS  
DL=Day Letter  
NL=Night Letter  
LT=International  
Letter Telegram

The filing time shown in the date line on domestic telegrams is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME:

(28).

LA095 SSE107

L MBA050 PD=HOBBS NMEX 9 327P MST= 1964 APR 9 PM 3 40

A L PORTER=

NEW MEXICO OIL CONSERVATION COMMISSION

*Case 3031*

SANTA FE NMEX=

WE ARE OPERATORS IN THE BLINEBRY AND TERRY BLINBRY  
POOLS. WE SUPPORT CONTINENTAL'S APPLICATION TO REVISE  
ORDER R-610 TO EXTEND THE VERTICAL LIMITS OF THE  
BLINEBRY AND TERRY BLINBRY TO INCLUDE ALL THE PRODUCTIVE  
PORTIONS OF THE BLINEBRY FORMATION=  
MORAN OIL PRODUCING & DRILLING CORP R M MORAN=

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE



# CONTINENTAL OIL COMPANY

P. O. BOX 460  
HOBBS, NEW MEXICO

March 26, 1964

PRODUCTION DEPARTMENT  
HOBBS DISTRICT  
A. B. SLAYBAUGH  
DISTRICT MANAGER  
G. C. JAMIESON  
ASSISTANT DISTRICT MANAGER

1001 NORTH TURNER  
TELEPHONE: EX 3-4141

*Chas 3031*

New Mexico Oil Conservation Commission  
Box 2088  
Santa Fe, New Mexico

Attention of Mr. A. L. Porter, Jr., Secretary-Director

Gentlemen:

Re: Application for Amendment  
of Blinebry and Terry  
Blinebry Pool rules,  
Lea County, New Mexico.

We forward herewith application in triplicate for amendment of the Pool rules for the Blinebry and Terry Blinebry pools in Lea County, New Mexico. We intend to recommend that the lower limit of the Blinebry Pool coincide with the upper limit of the Tubb Pool, 100 feet above the Tubb Marker.

We should appreciate your setting this matter for hearing at an early date.

Yours very truly,

*G. C. Jamieson*

VTL-BG

Copies to: RGP GW JWK

DOCKET MAILED

Date 4-17-64

PIONEERING IN PETROLEUM PROGRESS SINCE 1875

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE  
STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF  
CONTINENTAL OIL COMPANY FOR AMENDMENT  
OF ORDER NO. R-610, AND RELATED ORDERS,  
FOR THE PURPOSE OF REVISING THE  
VERTICAL LIMITS OF THE BLINEBRY AND  
TERRY BLINEBRY OIL POOLS, LEA COUNTY,  
NEW MEXICO.

*Case 3031*

A P P L I C A T I O N

Comes now applicant, Continental Oil Company and respectfully requests that Order No. R-610, and related orders, be amended so as to revise the vertical limits of the Blinebry Oil pool and Terry Blinebry Pool, and in support thereof would show:

1. That applicant is the owner and operator of oil and gas wells in the Blinebry and Terry-Blinebry oil pools.
2. That Order No. R-610 and other related orders established the vertical limits of the Blinebry Oil pool as extending from a point 75 feet above the Blinebry marker to a point 300 feet below the Blinebry marker.
3. That the vertical limits of the Terry-Blinebry pool are not defined, except as the Blinebry formation.
4. That applicant has established that the Blinebry formation is oil productive below the lower limits established by the said Commission Orders.
5. That in the interest of the prevention of waste and the protection of correlative rights the vertical limits of the Blinebry Oil pool and Terry-Blinebry pool should be extended to cover all productive portions of the formation.

Wherefore, applicant respectfully prays that this matter be set for hearing before the Commission's duly

New Mexico Oil Conservation Commission  
Page -2-

appointed examiner and, upon hearing, an order be  
entered amending Order No. R-610 and related orders as  
described above.

Respectfully submitted,  
CONTINENTAL OIL COMPANY

*A. B. Slaybaugh*  
A. B. SLAYBAUGH  
District Manager  
of Production  
Hobbs District

VTL-MAA

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. 245  
ORDER No. R-264

THE APPLICATION OF THE OIL CONSERVATION  
COMMISSION UPON ITS OWN MOTION FOR AN  
ORDER DESIGNATING, NAMING, DEFINING AND  
EXTENDING THE GAS POOLS OF LEA, EDDY,  
AND CHAVES COUNTIES, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10 o'clock a. m. on December 22, 1950, March 20, 1951, April 24, 1951, May 23, 1951, and July 24, 1951, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on the 17th., day of February, 1953, the Commission, a quorum being present, having considered the testimony adduced and the exhibits received at said hearings, and being fully advised in the premises,

FINDS:

(1) That due notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That under the authority of Rule 601 of Order No. 850, effective January 1, 1950, the Commission instituted proceedings upon its own motion to name, classify and define the limits of all known and producing gas pools in the Counties of Lea, Eddy and Chaves, New Mexico.

(3) That during the years 1950 and 1951, the Commission did cause exhaustive studies to be made of all then known southeastern New Mexico gas reserves, and at the several hearings in this cause took voluminous testimony of production engineers, geologists and other experts to the end that the producing gas pools in the area aforesaid should be named, defined and properly classified as such in the interests of conservation, prevention of waste, and the protection of correlative rights.

(4) That the following definitions and classifications of gas pools in Eddy, Lea and Chavez Counties, New Mexico will result in a more efficient administration of the conservation laws of the State of New Mexico.

(a) That a new pool should be created, classified as a gas pool, with its boundaries defined, and named the Jalco Gas Pool, with the following description:

Township 21 South, Range 35 East, NMPM  
E/2 Sec. 12; E/2 Sec. 13; E/2 Sec. 24.

Township 21 South, Range 36 East, NMPM  
W/2 Sec. 7; W/2 Sec. 18; W/2 and SE/4  
Sec. 19; SW/4 Sec. 20; All Secs. 29 thru 32,  
incl.

Township 22 South, Range 36 East, NMPM  
All Secs. 5 thru 8 incl.; All Sec. 17; N/2 and  
SE/4 Sec. 18; NE/4 Sec. 19; All Sec. 20; NW/4  
Sec. 28; All Sec. 29 and 32; SW/4 Sec. 33.

Township 23 South, Range 36 East, NMPM  
All Sec. 4; N/2 and SE/4 Sec. 5; E/2 Sec. 8;  
All Sec. 9; All Sec. 16; NE/4 Sec. 17; All Sec.  
21; W/2 Sec. 27; E/2 Sec. 28; E/2 Sec. 33;  
W/2 and SE/4 Sec. 34.

Township 24 South, Range 36 East, NMPM  
All Sec. 3; E/2 Sec. 4; NE/4 Sec. 9; N/2 and  
SE/4 Sec. 10; W/2 Sec. 11; All Sec. 14; E/2  
Sec. 15; All Secs. 22 and 23; S/2 Sec. 25;  
All Sec. 26; E/2 Sec. 27; E/2 Sec. 34; All  
Secs. 35 and 36.

Township 24 South, Range 37 East, NMPM  
S/2 Sec. 31.

Township 25 South, Range 36 East, NMPM  
All Sec. 1; N/2 Sec. 2; All Secs. 12, 13,  
24 and 25; NE/4 Sec. 36.

Township 25 South, Range 37 East, NMPM  
All Secs. 6 and 7; SW/4 Sec. 8; S/2 and NW/4  
Sec. 16; All Secs. 17 thru 21 incl.; All Secs. 28  
thru 33 incl.; W/2 Sec. 34.

Township 26 South, Range 37 East, NMPM  
W/2 Sec. 3; All Secs. 4 thru 9 incl.; W/2  
Sec. 10; All Secs. 18 and 19; W/2 Sec. 29;  
E/2 and NW/4 Sec. 30; NE/4 Sec. 31; NW/4  
Sec. 32.

(b) That a new pool should be created, classified as a gas pool, with its boundaries defined, and named the Langmat Gas Pool, with the following description:

Township 21 South, Range 36 East, NMPM  
W/2 Sec. 28; All Secs. 33 and 34.

Township 22 South, Range 36 East, NMPM  
All Secs. 3, 4, 9 and 10; SW/4 Sec. 11;  
W/2 Sec. 14; All Secs. 15 and 16; All Secs.  
21, 22 and 23; All Secs. 25, 26, 27; S/2 and  
NE/4 Sec. 28; N/2 and SE/4 Sec. 33; All  
Secs. 34, 35 and 36.

Township 22 South, Range 37 East, NMPM  
SW/4 Sec. 31

Township 23 South, Range 36 East, NMPM  
All Secs. 1, 2 and 3; All Secs. 10 thru 15  
incl.; All Secs. 22 thru 26 incl.; E/2 Sec.  
27; NE/4 Sec. 34; All Secs. 35 and 36.

Township 23 South, Range 37 East, NMPM  
All Secs. 6, 7, 18 and 19; W/2 Sec. 29;  
All Secs. 30 and 31; W/2 Sec. 32.

Township 24 South, Range 36 East, NMPM  
All Secs. 1 and 2; E/2 Sec. 11; All Secs. 12,  
13, 24; N/2 Sec. 25.

Township 24 South, Range 37 East, NMPM  
All Secs. 5 thru 8 incl.; W/2 Sec. 9; W/2  
Sec. 16; All Sec. 17 thru 21 incl.; All Secs.  
28, 29 and 30; N/2 Sec. 31; All Secs. 32 and  
33; SW/4 Sec. 34.

Township 25 South, Range 37 East, NMPM  
W/2 Sec. 3; All Secs. 4 and 5; N/2 and SE/4  
Sec. 8; All Sec. 9; W/2 and SE/4 Sec. 10;  
All Sec. 15; NE/4 Sec. 16; All Sec. 22; N/2  
Sec. 27.



(c) That a new pool should be created, classified as a gas pool, with its boundaries defined, and named the Eumont Gas Pool, with the following description:

Township 19 South, Range 36 East, NMPM  
SE/4 Sec. 13; S/2 Sec. 23; S/2 and NE/4  
Sec. 24; All Secs. 25 and 26; E/2 Sec. 27;  
E/2 Sec. 34; All Secs. 35 and 36.

Township 19 South, Range 37 East, NMPM  
SE/4 Sec. 7; SW/4 Sec. 8; All Secs. 17 thru  
20 incl.; W/2 Sec. 21; W/2 Sec. 27; All Secs.  
28 thru 34 incl.

Township 20 South, Range 36 East, NMPM  
All Secs. 1 and 2; E/2 Sec. 3; E/2 Sec. 10;  
All Secs. 11 thru 14; incl.; NE/4 Sec. 15;  
N/2 and SE/4 Sec. 23; All Sec. 24 and 25;  
E/2 Sec. 26; E/2 Sec. 35; All Sec. 36.

Township 20 South, Range 37 East, NMPM  
All Secs. 3 thru 9 incl.; W/2 Sec. 10; W/2  
Sec. 15; All Secs. 16 thru 20 incl.; W/2 and  
NE/4 Sec. 21; NW/4 Sec. 22; W/2 Sec. 29;  
All Secs. 30, 31 and 32; W/2 Sec. 33.

Township 21 South, Range 35 East, NMPM  
SE/4 and Lots 1, 2, 7, 8, 9, 10, 15 and 16  
of Sec. 1.

Township 21 South, Range 36 East, NMPM  
SW/4 Sec. 1; S/2 and Lots 11, 12, 13 and 14 of  
Sec. 2; S/2 and Lots 3, 4, 5, 6, 9, 10, 11, 12, 13,  
14, 15 and 16 of Sec. 3; All Secs. 4, 5 and 6;  
E/2 Sec. 7; All Secs. 8 thru 11; incl.; W/2  
Sec. 12; NW/4 Sec. 13; N/2 and SW/4 Sec. 14;  
All Secs. 15, 16 and 17; E/2 Sec. 18; NE/4 Sec.  
19; N/2 and SE/4 Sec. 20; All Sec. 21; W/2 and  
NE/4 Sec. 22; E/2 Sec. 28.

(d) That a new pool should be created, classified as a gas pool, with its boundaries defined, and named the Arrow Gas Pool, with the following description:

Township 21 South, Range 36 East, NMPM  
SE/4 Sec. 24; All Sec. 25; S/2 and NE/4  
Sec. 35; All Sec. 36.

Case No. 245  
Order No. R-264

Township 22 South, Range 36 East, NMPM  
All Secs. 1 and 2; NE/4 Sec. 11; All Sec. 12;  
N/2 and SE/4 Sec. 13.

Township 22 South, Range 37 East, NMPM  
W/2 Sec. 7; All Sec. 18; N/2 Sec. 19.

(e) That a new pool should be created, classified as a gas pool, with its boundaries defined, and named the Tubb Gas Pool, with the following description:

Township 21 South, Range 37 East, NMPM  
SW/4 and Lots 3, 4, 5, 6, 11, 12, 13 and 14  
of Sec. 2; All of Sec. 3; SE/4 and Lots 1, 2,  
7, 8, 9, 10, 15, and 16 of Sec. 4; E/2 Sec. 8;  
All Secs. 9 and 10; W/2 Sec. 11; W/2 Sec. 14;  
All Secs. 15, 16 and 17; E/2 Sec. 19; All Secs.  
20 thru 23; incl.; W/2 Sec. 25; All Secs. 26  
thru 29 incl.; E/2 Sec. 30; E/2 Sec. 31; All  
Sec. 32 thru 36 incl.

Township 22 South, Range 37 East, NMPM  
All Secs. 1 thru 5; incl.; E/2 Sec. 6; All  
Secs. 8 thru 16 incl.; E/2 Sec. 21; All Secs.  
22, 23 and 24.

Township 22 South, Range 38 East, NMPM  
W/2 Sec. 6; W/2 Sec. 7; W/2 Sec. 18; W/2  
Sec. 19.

(f) That a new pool should be created, classified as a gas pool, with its boundaries defined, and named the Blinebry Gas Pool, with the following description:

Township 21 South, Range 37 East, NMPM  
S/2 Sec. 10; S/2 Sec. 11; All Secs. 14, 15,  
22, 23, 26, 27, 34, 35 and 36.

Township 22 South, Range 37 East, NMPM  
All Secs. 1, 2, 3, 4, 10, 11, 12, 13, 14, 23,  
24 and 25.

Township 22 South, Range 38 East, NMPM  
W/2 Sec. 6; W/2 Sec. 7; W/2 Sec. 18; All  
Secs. 19, 30 and 31.

(g) That a new pool should be created, classified as a gas pool, with its boundaries defined, and named the Amanda Gas Pool, with the following description:

-6-

Case No. 245

Order No. R-264

Township 22 South, Range 37 East, NMPM  
All Sec. 25.

(h) That a new pool should be created, classified as a gas pool, with its boundaries defined, and named the Monument-McKee Gas Pool, with the following description:

Township 19 South, Range 36 East, NMPM  
All of Sec. 36.

Township 19 South, Range 37 East, NMPM  
All of Sec. 31.

Township 20 South, Range 36 East, NMPM  
All of Sec. 1.

Township 20 South, Range 37 East, NMPM  
All of Sec. 6.

(i) That a new pool should be created, classified as a gas pool, with its boundaries defined, and named the Byers-Queen Gas Pool, with the following description:

Township 18 South, Range 38 East, NMPM  
All of Secs. 29, 30, 31, and 32.

(j) That a new pool should be created, classified as a gas pool, with its boundaries defined, and named the Maljamar-Queen Gas Pool, with the following description:

Township 17 South, Range 32 East, NMPM  
SW/4 and W/2 SE/4 Sec. 15; All of Sec. 16;  
NE/4 Sec. 21; NW/4 and W/2 NE/4 Sec. 22.

(k) That a new pool should be created, classified as a gas pool, with its boundaries defined, and named the Vandagriff-Keyes Gas Pool, with the following description:

Township 17 South, Range 28 East, NMPM  
S/2 Sec. 3; S/2 and NW/4 Sec. 4; All of  
Sec. 5; NE/4 Sec. 8; All of Sec. 9 and 10.

IT IS THEREFORE ORDERED:

That the application of the Oil Conservation Commission, be and the same hereby is approved, as follows:

-/-

Case No. 245

Order No. R-264

I. (1) That a new pool be, and the same hereby is created, designated for gas production, denominated the Jalco Gas Pool and described as follows:

Township 21 South, Range 35 East, NMPM  
E/2 Sec. 12; E/2 Sec. 13; E/2 Sec. 24.

Township 21 South, Range 36 East, NMPM  
W/2 Sec. 7; W/2 Sec. 18; W/2 and SE/4  
Sec. 19; SW/4 Sec. 20; All Secs. 29 thru  
32 incl.

Township 22 South, Range 36 East, NMPM  
All Secs. 5 thru 8 incl.; All Sec. 17; N/2  
and SE/4 Sec. 18; NE/4 Sec. 19; All Sec. 20;  
NW/4 Sec. 28; All Sec. 29 and 32; SW/4 Sec.  
33.

Township 23 South, Range 36 East, NMPM  
All Sec. 4; N/2 and SE/4 Sec. 5; E/2 Sec. 8;  
All Sec. 9; All Sec. 16; NE/4 Sec. 17; All Sec.  
21; W/2 Sec. 27; E/2 Sec. 28; E/2 Sec. 33;  
W/2 and SE/4 Sec. 34.

Township 24 South, Range 36 East, NMPM  
All Sec. 3; E/2 Sec. 4; NE/4 Sec. 9; N/2 and  
SE/4 Sec. 10; W/2 Sec. 11; All Sec. 14; E/2  
Sec. 15; All Secs. 22 and 23; S/2 Sec. 25;  
All Sec. 26; E/2 Sec. 27; E/2 Sec. 34; All  
Secs. 35 and 36.

Township 24 South, Range 37 East, NMPM  
S/2 Sec. 31.

Township 25 South, Range 36 East, NMPM  
All Sec. 1; N/2 Sec. 2; All Secs. 12, 13, 24  
and 25; NE/4 Sec. 36.

Township 25 South, Range 37 East, NMPM  
All Secs. 6 and 7; SW/4 Sec. 8; S/2 and NW/4  
Sec. 16; All Secs. 17 thru 21 incl.; All Secs. 28  
thru 33 incl.; W/2 Sec. 34.

Township 26 South, Range 37 East, NMPM  
W/2 Sec. 3; All Secs. 4 thru 9 incl.; W/2  
Sec. 10; All Secs. 18 and 19; W/2 Sec. 29;  
E/2 and NW/4 Sec. 30; NE/4 Sec. 31; NW/4  
Sec. 32.

(2) That the producing formation in the Jalco Gas Pool shall extend from the top of the Yates formation to a point 100 feet above the base of the Seven Rivers formation.

II. (1) That a new pool be, and the same hereby is created, designated for gas production, denominated the Langmat Gas Pool and described as follows:

Township 21 South, Range 36 East, NMPM  
W/2 Sec. 28; All Secs. 33 and 34.

Township 22 South, Range 36 East, NMPM  
All Secs. 3, 4, 9 and 10; SW/4 Sec. 11;  
W/2 Sec. 14; All Secs. 15 and 16; All Secs. 21,  
22 and 23; All Secs. 25, 26, 27; S/2 and NE/4  
Sec. 28; N/2 and SE/4 Sec. 33; All Secs. 34,  
35 and 36.

Township 22 South, Range 37 East, NMPM  
SW/4 Sec. 31.

Township 23 South, Range 36 East, NMPM  
All Secs. 1, 2 and 3; All Secs. 10 thru 15 incl.;  
All Secs. 22 thru 26 incl.; E/2 Sec. 27; NE/4  
Sec. 34; All Secs. 35 and 36.

Township 23 South, Range 37 East, NMPM  
All Secs. 6, 7, 18 and 19; W/2 Sec. 29;  
All Secs. 30 and 31; W/2 Sec. 32.

Township 24 South, Range 36 East, NMPM  
All Secs. 1 and 2; E/2 Sec. 11; All Secs. 12,  
13, 24; N/2 Sec. 25.

Township 24 South, Range 37 East, NMPM  
All Secs. 5 thru 8 incl.; W/2 Sec. 9; W/2  
Sec. 16; All Sec. 17 thru 21 incl.; All Secs.  
28, 29 and 30; N/2 Sec. 31; All Secs. 32 and  
33; SW/4 Sec. 34.

Township 25 South, Range 37 East, NMPM  
W/2 Sec. 3; All Secs. 4 and 5; N/2 and SE/4  
Sec. 8; All Sec. 9; W/2 and SE/4 Sec. 10;  
All Sec. 15; NE/4 Sec. 16; All Sec. 22; N/2  
Sec. 27.

(2) That the producing formation in the Langmat Gas Pool shall extend from the top of the Yates formation to a point 100 feet above the base of the Seven Rivers formation.

III (1) That a new pool be, and the same hereby is created, designated for gas production, denominated the Eumont Gas Pool and described as follows:

Township 19 South, Range <sup>36</sup>38 East, NMPM  
SE/4 Sec. 13; S/2 Sec. 23; S/2 and NE/4  
Sec. 24; All Secs. 25 and 26; E/2 Sec. 27;  
E/2 Sec. 34; All Secs. 35 and 36.

Township 19 South, Range 37 East, NMPM  
SE/4 Sec. 7; SW/4 Sec. 8; All Secs. 17 thru  
20 incl.; W/2 Sec. 21; W/2 Sec. 27; All Secs.  
28 thru 34 incl.

Township 20 South, Range 36 East, NMPM  
All Secs. 1 and 2; E/2 Sec. 3; E/2 Sec. 10;  
All Secs. 11 thru 14 incl.; NE/4 Sec. 15; N/2  
and SE/4 Sec. 23; All Sec. 24 and 25; E/2  
Sec. 26; E/2 Sec. 35; All Sec. 36.

Township 20 South, Range 37 East, NMPM  
All Secs. 3 thru 9 incl.; W/2 Sec. 10; W/2  
Sec. 15; All Secs. 16 thru 20 incl.; W/2 and  
NE/4 Sec. 21; NW/4 Sec. 22; W/2 Sec. 29;  
All Secs. 30, 31 and 32; W/2 Sec. 33.

Township 21 South, Range 35 East, NMPM  
SE/4 and Lots 1, 2, 7, 8, 9, 10, 15 and 16  
of Sec. 1.

Township 21 South, Range 36 East, NMPM  
SW/4 Sec. 1; S/2 and Lots 11, 12, 13 and 14  
of Sec. 2; S/2 and Lots 3, 4, 5, 6, 9, 10, 11, 12,  
13, 14, 15 and 16 of Sec. 3; All Sec. 4, 5 and  
6; E/2 Sec. 7; All Secs. 8 thru 11; incl. W/2  
Sec. 12; NW/4 Sec. 13; N/2 and SW/4 Sec. 14;  
All Secs. 15, 16 and 17; E/2 Sec. 18; NE/4 Sec.  
19; N/2 and SE/4 Sec. 20; All Sec. 21; W/2  
and NE/4 Sec. 22; E/2 Sec. 28.

(2) That the producing formation in the Eumont Gas Pool shall extend from the top of the Yates formation to a point 200 feet below the top of the Queen formation thereby including all of the Seven Rivers formation.

IV. (1) That a new pool be, and the same hereby is created, designated for gas production, denominated the Arrow Gas Pool and described as follows:

Township 21 South, Range 36 East, NMPM  
SE/4 Sec. 24; All Sec. 25; S/2 and NE/4  
Sec. 35; All Sec. 36.

Township 22 South, Range 36 East, NMPM  
All Secs. 1 and 2; NE/4 Sec. 11; All Sec. 12;  
N/2 and SE/4 Sec. 13.

Township 22 South, Range 37 East, NMPM  
W/2 Sec. 7; All Sec. 18; N/2 Sec. 19.

(2) That the producing formation in the Arrow Gas Pool shall extend from the top of the Yates formation to a point 200 feet below the top of the Queen formation, thereby including all of the Seven Rivers formation.

V. (1) That a new pool be, and the same hereby is created, designated for gas production, denominated the Tubb Gas Pool and described as follows:

Township 21 South, Range 37 East, NMPM  
SW/4 and Lots 3, 4, 5, 6, 11, 12, 13 and 14 of  
Sec. 2; All of Sec. 3; SE/4 and Lots 1, 2, 7,  
8, 9, 10, 15 and 16 of Sec. 4; E/2 Sec. 8; All  
Secs. 9 and 10; W/2 Sec. 11; W/2 Sec. 14;  
All Secs. 15, 16 and 17; E/2 Sec. 19; All Secs.  
20 thru 23; incl.; W/2 Sec. 25; All Secs. 26  
thru 29 incl.; E/2 Sec. 30; E/2 Sec. 31; All  
Secs. 32 thru 36 incl.

Township 22 South, Range 37 East, NMPM  
All Secs. 1 thru 5 incl.; E/2 Sec. 6; All  
Secs. 8 thru 16 incl.; E/2 Sec. 21; All Secs.  
22, 23 and 24.

Township 22 South, Range 38 East, NMPM  
W/2 Sec. 6; W/2 Sec. 7; W/2 Sec. 18; W/2  
Sec. 19.

(2) That the producing formation in the Tubb Gas Pool shall extend from the top of the Tubb sand to a point 225 feet below the top of the Tubb sand.

VI. (1) That a new pool be, and the same hereby is created, designated for gas production, denominated the Blinebry Gas Pool and described as follows:

Case No. 245  
Order No. R-264

Township 21 South, Range 37 East, NMPM  
S/2 Sec. 10; S/2 Sec. 11; All Secs. 14, 15,  
22, 23, 26, 27, 34, 35 and 36.

Township 22 South, Range 37 East, NMPM  
All Secs. 1, 2, 3, 4, 10, 11, 12, 13, 14, 23,  
24 and 25.

Township 22 South, Range 38 East, NMPM  
W/2 Sec. 6; W/2 Sec. 7; W/2 Sec. 18; All  
Secs. 19, 30 and 31.

(2) That the producing formation in the Blinebry gas pool shall be all of the Blinebry formation.

VII. (1) That a new pool be, and the same hereby is created, designated for gas production, denominated the Amanda Gas Pool and described as follows:

Township 22 South, Range 37 East, NMPM  
All Sec. 25.

(2) That the producing formation in the Amanda Gas Pool shall be known as the Amanda zone of lower Permian encountered at an approximate depth of 7050 feet.

VIII. (1) That a new pool be, and the same hereby is created, designated for gas production, denominated the Monument-McKee Gas Pool and described as follows:

Township 19 South, Range 36 East, NMPM  
All of Sec. 36.

Township 19 South, Range 37 East, NMPM  
All of Sec. 31.

Township 20 South, Range 36 East, NMPM  
All of Sec. 1.

Township 20 South, Range 37 East, NMPM  
All of Sec. 6

(2) That the producing formation in the Monument-McKee Gas Pool shall be the McKee sand of the Simpson formation.

IX. (1) That a new pool be, and the same hereby is created, designated for gas production, denominated the Byers-Queen Gas Pool and described as follows:



Township 18 South, Range 38 East, NMPM  
All of Secs. 29, 30, 31 and 32.

(2) That the producing formation in the Byers-Queen Gas Pool shall be the Queen formation.

X.(1) That a new pool be, and the same hereby is created, designated for gas production, denominated the Maljamar-Queen Gas Pool and described as follows:

Township 17 South, Range 32 East, NMPM  
SW/4 and W/2 SE/4 Sec. 15; All of Sec. 16;  
NE/4 Sec. 21; NW/4 and W/2 NE/4 Sec. 22.

(2) That the producing formation in the Maljamar-Queen Gas Pool shall be the Queen formation.

XI. (1) That a new pool be, and the same hereby is created, designated for gas production, denominated the Vandagriff-Keyes Gas Pool and described as follows:

Township 17 South, Range 28 East, NMPM  
S/2 Sec. 3; S/2 and NW/4 Sec. 4; All of  
Sec. 5; NE/4 Sec. 8; All of Sec. 9 and 10.

(2) That the producing formation in the Vandagriff-Keyes Gas Pool shall be the Queen formation encountered at an approximate depth of 1400 feet.

IT IS FURTHER ORDERED:

That due to the extensive development program being carried on by the oil and gas operators in the southeastern New Mexico, and the possible enlargement of existing pools or discovery of new pools, the Commission orders that further testimony in the matter be received at the regular monthly hearing of the Commission on April 16, 1953.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

E. S. WALKER, Member

R. R. SPURRIER, Secretary

S E A L

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:

CONSOLIDATION OF  
CASES 245 AND 521  
ORDER No. R-264-A

THE APPLICATION OF THE OIL  
CONSERVATION COMMISSION UPON  
ITS OWN MOTION FOR AN ORDER  
DESIGNATING, NAMING, DEFINING  
AND EXTENDING THE GAS POOLS  
OF LEA, EDDY AND CHAVES COUNTIES,  
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 16, 1953, May 19, 1953, June 16, 1953, July 16, 1953, and August 20, 1953, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 10th day of November, 1953, the Commission, a quorum being present, having considered the testimony adduced and the exhibits received in the hearings, and being fully advised in the premises,

FINDS:

(1) That due notice having been given as required by law, the Commission has jurisdiction of this case.

(2) That by virtue of Order No. R-264 entered February 17, 1953, in Case No. 245, the Commission defined and classified certain gas pools of Lea, Eddy and Chaves Counties, New Mexico, and ordered further testimony taken at the April 16, 1953, Commission hearing in the premises,

(3) That at the April 16, 1953, Commission hearing it was ordered that Cases 245 and 521 be, and they were at that time consolidated for purposes of the record.

(4) That successive hearings were had May 19, June 16, July 16, and August 20, 1953, on the case as consolidated, resulting in Order R-356, being the special "stand-by" rules and regulations in the matter of proration of gas-well gas producible from the gas pools of Lea, Eddy, Chaves and Roosevelt Counties, New Mexico, and as classified and defined in Order R-264.

(5) That by reason of interim development, the areal boundary of the Jalco Gas Pool as fixed by Order R-264 should be extended in accordance with testimony adduced at the hearings.

(6) That the vertical productive limits of the Eumont Gas Pool as fixed by Order R-264 should be changed to include therein all the Queen formation.

Order No. R-264-A

(7) That the vertical productive limits of the Blinebry Gas Pool as fixed by Order R-264 should be more specifically defined.

(8) That the areal and vertical productive limits of the Justis Gas Pool heretofore defined and classified as a gas pool by Order No. 850 should be redefined areally and vertically.

IT IS THEREFORE ORDERED:

(1) That Order R-264, as hereinafter amended, and Order R-356 be and they hereby are declared to be supplementary orders.

(2) That the areal boundary of the Jalco Gas Pool, as described in Order R-264 be, and the same hereby is extended to include therein, as a part of said pool, the following described area:

Township 26 South, Range 37 East, NMPM  
All of Sections 15, 16, 17, 20, 21, 22,  
27, and 28;  
E/2 Section 29;  
E/2 Section 32;  
all of Sections 33 and 34

(3) That Section III (2) of Order R-264 be, and the same hereby is amended to read as follows:

"III (2) That the producing formation of the Eumont Gas Pool shall extend from the top of the Yates formation to the top of the Grayburg formation, thereby including all of the Yates, Seven Rivers and Queen formations."

(4) That Section VI (2) of Order R-264 be, and the same hereby is amended to read as follows:

"VI (2) That the producing formation of the Blinebry Gas Pool shall be that part of the Yezo formation included from the base of the Upper Yezo sandy section, which occurs at an average depth of 450 feet below the Glorieta formation, to the top of the Tubb sand."

(5) That that part of Appendix 'A' of Order No. 850 relating to the Justis Gas Pool pursuant to Rule 5 of said order be, and the same hereby is amended to read as follows:

"Appendix A - The producing formation of the Justis Gas Pool shall be the 200 feet immediately below the top of the Glorieta formation; that the said pool, classified as a gas pool, is described as follows:

Township 25 South, Range 37 East, NMPM  
SW/4 Section 1; SE/4 Section 2;

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Order No. R-264-A

E/2 Section 11; W/2 Section 12;  
W/2 Section 13; E/2 Section 14;  
E/2 Section 23; W/2 Section 24

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, CHAIRMAN

E. S. WALKER, Member

R. R. SPURRIER, Member and Secretary

S E A L

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. 684  
Order No. R-464

THE APPLICATION OF THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO UPON ITS OWN  
MOTION FOR AN ORDER: (1) OUTLINING THE  
PROCEDURE TO BE FOLLOWED IN THE STAGE  
SEPARATION OF GAS AND DISTILLATE IN THE  
TUBB AND BLINEBRY GAS POOLS; (2) OUTLINING  
THE METERING REQUIREMENTS OF GAS PRODUCED  
FROM THE TUBB AND BLINEBRY GAS POOLS; AND  
(3) CLARIFYING AND REVISING THE VERTICAL  
LIMITS OF THE TUBB AND BLINEBRY GAS POOLS.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a. m., on March 17, 1954, and on April 15, 1954, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this 27th day of May, 1954, the Commission, a quorum being present, having considered the records and testimony adduced, and being fully advised in the premises,

FINDS:

(1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.

(2) That the vertical limits of the Tubb and Blinebry Gas Pools should be defined as hereinafter stated.

(3) That the rules hereinafter set forth requiring the stage separation of gas and distillate produced by wells producing from the Tubb and Blinebry Gas Pools should be promulgated.

(4) That said rules will tend to prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the vertical limits of the Blinebry Gas Pool shall extend from a point 75 feet above the "Blinebry Marker" to a point 300 feet below the "Blinebry Marker."

Order No. R-464

(2) That the vertical limits of the Tubb Gas Pool shall extend from a point 100 feet above the "Tubb Marker" to a point 225 feet below the "Tubb Marker."

(3) That the "Blinebry Marker" shall be that point encountered in the Humble Oil and Refining Company State 'S' Well No. 20 SW/4 NW/4 Section 2, Township 22 South, Range 37 East, NMFM., at a depth of 5457 feet (Elev. 3380, Subsea Datum Minus 2077).

(4) That the "Tubb Marker" shall be that point encountered in the Humble Oil and Refining Company State 'S' Well No. 20 at a depth of 5921 feet (Elev. 3380, Subsea Datum Minus 2541).

(5) That the following rules shall apply to all producing wells in the Tubb or Blinebry Gas Pools:

RULE 1: Gas produced from each well shall be produced into a separate high-pressure separator. The high-pressure gas shall then be metered separately prior to its entering a gas transportation facility.

RULE 2: The distillate separated from the high-pressure gas in the high-pressure separator shall then be directed into a low-pressure separator. The distillate may be commingled with other distillate produced by any other well or wells producing from the Tubb or Blinebry Gas Pools following its separation from the high-pressure gas in the high-pressure separator, provided gas-distillate test facilities are available and periodic tests are made.

Following the separation of distillate and low-pressure gas in the low-pressure separator, the low-pressure gas shall be directed into a low-pressure gas gathering system, and said low-pressure gas need not be measured separately from other low-pressure gas produced on the lease, provided that certain test facilities are available and certain periodic tests made.

RULE 3: Each year during the months of June and July each operator of each gas well producing from the Tubb or Blinebry Gas Pools shall cause to be taken an annual gas-distillate ratio test. The results of such test shall be submitted to the Commission office (P. O. Box 2045, Hobbs, New Mexico) on or before August 15 following the test. The test shall outline the amount of high-pressure gas produced during the 24-hour test period, the amount of distillate produced during the test period, the amount of low-pressure gas produced during the test period, the high-pressure gas-distillate ratio, and the low-pressure gas-distillate ratio. Failure to submit the required test by August 15 shall result in suspension of any further gas allowable until the date the required information is submitted.

RULE 4: In submitting Form C-115 (Operator's Monthly Report) on wells producing from the Tubb and Blinebry zone in which distillate is commingled and/or the low-pressure gas is commingled with other low-pressure gas produced on the lease, the operator shall estimate if necessary the volumes produced by each well in each pool by using the ratios as reflected in the most recent tests submitted.

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Order No. R-464

RULE 5: The Secretary-Director of the Commission shall have authority to grant exception to the provisions set forth in Rule 1 through Rule 4, incl., where it can be shown that compliance with these rules is not economic or is impractical. Applications for exception shall be submitted in triplicate to the Oil Conservation Commission, P. O. Box 871, Santa Fe, New Mexico, with a copy of each application being furnished offset operators.

RULE 6: That low-pressure gas produced by gas wells in the Tubb or Blinbry Gas Pools shall not be charged to the gas allowable allocated to any well.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

E. S. WALKER, Member

R. R. SPURRIER, Member and Secretary

(S E A L)

ds/

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. 727  
Order No. R-610

THE APPLICATION OF THE OIL  
CONSERVATION COMMISSION ON  
ITS OWN MOTION FOR AN ORDER  
AMENDING, REVISING OR ABROGATING  
EXISTING RULES AND REGULATIONS OF  
THE OIL CONSERVATION COMMISSION,  
AND/OR PROMULGATING RULES AND  
REGULATIONS RELATING TO GAS POOL  
DELINEATION, GAS PRORATION AND  
OTHER RELATED MATTERS AFFECTING  
OR CONCERNING THE BLINEBRY 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 June 16, 1954, and was successively continued to October 20, 1954, at which time it came on for final hearing at Hobbs, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 11th. day of April, 1955, the Commission, a quorum being present, having considered the record and the testimony entered at said hearing, and being fully advised in the premises,

FINDS:

(1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.

(2) That under date of February 17, 1953, the Commission did issue its Order No. R-264 creating the Blinebry Gas Pool. That Order R-264, as amended by Order R-264-A, as further amended by Order R-464, did define the vertical and horizontal limits of the Blinebry Gas Pool and that by subsequent orders, the Commission extended the horizontal limits of the Blinebry Gas Pool.



(3) That under date of September 28, 1953, the Commission issued Order R-372 and under date of November 10, 1953, the Commission issued Order 372-A, which orders provided rules, definitions and procedures to be followed in prorating gas in the Blinebry Gas Pool; and by subsequent orders issued after due notice and hearing, the Commission did allocate the production of gas in said pool commencing January 1, 1954.

(4) That the producing capacity of gas wells in the Blinebry Gas Pool is in excess of the market demand for gas produced from said pool.

(5) That, in order to prevent waste, it is necessary to allocate and prorate the production of gas among the gas wells in the Blinebry Gas Pool in accordance with the provisions of this order.

(6) That the protection and proper recognition of correlative rights as such rights are defined by Section 26 (h), Chapter 168, New Mexico Session Laws of 1949, require that the production of gas be prorated in accordance with the terms and provisions of this order.

(7) That the Rules and Regulations hereinafter set forth in this order are in all respects in the interests of conservation and provide for the allocation of allowable production among the gas wells in the Blinebry Gas Pool on a reasonable basis and give appropriate recognition to correlative rights.

(8) That the production of oil from the Blinebry Oil Pool is a salvage operation and should be administered as such.

(9) That the horizontal limits of the Blinebry Gas Pool, the Blinebry Oil Pool and the Terry-Blinebry Oil Pool should be redefined as set forth in Exhibits "A", "B" and "C", attached hereto and made a part hereof.

(10) That the vertical limits of the Blinebry Gas Pool should be defined as set out in Commission Order R-464 and as hereinafter repeated.

(11) That one gas well in the Blinebry Gas Pool will effectively and efficiently drain an area of 160 acres. Due to the complex nature of the Blinebry Gas and associated reservoirs, gas proration units in excess of 160 acres should not be permitted pending further reservoir information.

(12) That, in order to prevent waste, a "no-flare" rule should be adopted to prohibit the flaring, venting or otherwise wasting of casinghead gas or any other type of gas produced in the Blinebry Gas Pool, the Blinebry Oil Pool or the Terry-Blinebry Oil Pool.

(13) That semi-annual bottom-hole pressure surveys should be conducted in portions of the Blinebry Gas Pool and in the entire Terry-Blinebry Oil Pool to ascertain the pressure differential which exists between that portion of the common source of supply known to contain dry gas and the rim of the reservoir which is known

to contain a commercial accumulation of oil.

(14) That, in order to classify wells in the Blinebry Gas Pool and the Blinebry Oil Pool, semi-annual gas-liquid ratio tests and semi-annual determinations of the gravity of that liquid hydrocarbon produced from wells in said pools should be conducted in the Blinebry Oil Pool and the Blinebry Gas Pool.

(15) That, in the interests of conservation, the special rules hereinafter set forth governing the production of gas from the Blinebry Gas Pool and the production of oil from the Blinebry Oil Pool and the Terry-Blinebry Oil Pool should be adopted.

IT IS THEREFORE ORDERED:

(1) That the horizontal limits of the Blinebry Gas Pool, the Blinebry Oil Pool and the Terry-Blinebry Oil Pool shall be the areas described in Exhibits "A", "B" and "C", attached hereto and made a part hereof.

(2) That the vertical limits of the Blinebry Gas Pool and the Blinebry Oil Pool shall extend from a point 75 feet above the "Blinebry Marker" to a point 300 feet below the "Blinebry Marker".

(3) That special pool rules applicable to the Blinebry Gas Pool should be, and the same hereby are promulgated as follows:

SPECIAL RULES AND REGULATIONS FOR THE  
BLINEBRY GAS POOL

Well Spacing and Acreage Requirements for Drilling Tracts:

RULE 1: Any well drilled a distance of one mile or more outside the boundary of the Blinebry Gas Pool shall be classified as a wildcat well. Any well drilled less than one mile outside the boundary of the Blinebry Gas Pool shall be spaced, drilled, operated and prorated in accordance with the regulations in effect in the Blinebry Gas Pool.

RULE 2: Each well drilled or recompleted within the Blinebry Gas Pool on a standard proration unit after the effective date of this rule shall be drilled not closer than 660 feet to any boundary line of the tract not closer than 330 feet to a quarter-quarter section line or subdivision inner boundary line. Any well drilled to and producing from the Blinebry Gas Pool prior to the effective date of this order at a location conforming to the spacing requirements effective at the time said well was drilled shall be considered to be located in conformance with this rule.

RULE 3: The Director of the Commission shall have authority to grant exception to the requirements of Rule 2 without notice and hearing where application has been filed in due form and the necessity for the unorthodox location is based on topographical conditions or is occasioned by the recompletion of a well previously drilled to another horizon.

Applicants shall furnish all operators within a 1320-foot radius of the subject well a copy of the application to the Commission. Applicant shall include with his application a list of names and addresses of all operators within such radius, together with a stipulation that proper notice has been given said operators at the addresses given. The Director of the Commission shall wait at least 20 days before approving any such unorthodox location, and shall approve such unorthodox location only in the absence of objection of any offset operator. In the event an operator objects to the unorthodox location, the Commission shall consider the matter only after proper notice and hearing.

RULE 4: The provisions of Statewide Rule 104, Paragraph (k), shall not apply to the Blinebry Gas Pool located in Lea County, New Mexico.

Gas Proration:

RULE 5: (A) That acreage allocated to a gas well for proration purposes shall be known as the gas proration unit for that well. For the purpose of gas allocation in the Blinebry Gas Pool, a standard proration unit shall consist of between 158 and 162 surface contiguous acres substantially in the form of a square which shall be a legal subdivision (quarter section) of the U. S. Public Land Survey; provided, however, that a non-standard gas proration unit may be formed after notice and hearing by the Commission, or under the provisions of Paragraph (B) of this Rule.

(B) The Director of the Commission shall have authority to establish a non-standard gas proration unit by administrative action (without notice and hearing) where application has been filed in due form and where the following facts exist and the following provisions are complied with, without exception.

1. The non-standard proration unit will consist of contiguous quarter-quarter sections and/or lots, with a common side between any two adjacent quarter-quarter sections and/or lots.

2. The non-standard proration unit will lie wholly within a single governmental quarter section.

3. The entire non-standard proration unit may be reasonably assumed to be productive of gas from the Blinebry Gas Pool.

4. The length or width of the non-standard gas proration unit will not exceed 2640 feet.

5. The applicant presents written consent in the form of waivers from:

(a) All operators owning interests in the quarter section in which the non-standard gas proration unit is to be situated, which interest is not included in the proposed non-standard gas proration unit.

(b) All operators owning interests within 1500 feet of the well to which such non-standard gas proration unit is to be dedicated.

6. In lieu of the provisions of subparagraph 5 under Paragraph (B) of this rule, applicant may furnish proof of the fact that said offset operators were notified by registered mail of his intent to form such non-standard gas proration unit. The Director of the Commission may approve such application for administrative approval of a non-standard gas proration unit if, after a period of 30 days following the mailing of said notice, no operator has entered an objection to the formation of such non-standard gas proration unit.

(C) The allowable production from any non-standard gas proration unit as compared with the allowable production therefrom if such tract were a standard unit shall be in the ratio the area of such non-standard proration unit bears to a standard proration unit of 160 acres. Any gas proration unit containing between 158 and 162 acres shall be considered to contain 160 acres for the purpose of computing allowables.

RULE 6: Acreage dedicated to a gas well in the Blinebry Gas Pool shall not be simultaneously dedicated to an oil well in the Blinebry Oil Pool.

RULE 7: In the event an oil well in the Blinebry Oil Pool is reclassified as a gas well in the Blinebry Gas Pool, the operator of such well will be afforded the opportunity to form a non-standard proration unit for the well; provided, however, that until such unit is formed, such well shall be allocated a gas allowable commensurate with the acreage contained in the unit formerly dedicated to the oil well in the Blinebry Oil Pool.

RULE 8: In the event such reclassification should cause the occurrence of two gas wells producing from the Blinebry Gas Pool within a single proration unit, the sum total of the allowables allocated to the two wells shall be equivalent to that volume of gas allocated to a single proration unit; provided, however, that the operator of such wells shall have the option to determine the proportion of the assigned allowable to be produced by each individual well.

RULE 9: The dual completion of a well so as to produce gas from the Blinebry Gas Pool and oil from the Blinebry Oil Pool is hereby prohibited.

RULE 10: (a) The Commission after notice and hearing shall consider the nominations of gas purchasers from the Blinebry Gas Pool and other relevant data and shall fix the allowable production of gas from the Blinebry Gas Pool.

(b) The allowable assigned any well capable of producing its normal gas allowable shall be the same proportion of the total remaining allowable allocated to said pool, after deducting allowables of marginal wells, that the number of acres contained in the gas proration unit for that well bears to the acreage contained in all gas proration units assigned to non-marginal wells in the Blinebry Gas Pool.

**RULE 11:** At least 30 days prior to the beginning of each gas proration period, the Commission shall hold a hearing after due notice has been given. The Commission shall cause to be submitted by each gas purchaser "Preliminary Nominations" of the amount of gas which each in good faith actually desires to purchase within the ensuing proration period, by months, from the Blinebry Gas Pool. The Commission shall consider the "Preliminary Nominations" of purchasers, actual production and such other factors as may be deemed applicable in determining the amount of gas that may be produced without waste within the ensuing proration period. "Preliminary Nominations" shall be submitted on a form prescribed by the Commission.

**RULE 12:** In the event a gas purchaser's market shall have increased or decreased, purchaser may file with the Commission prior to the 10th day of the month a "Supplemental" nomination showing the amount of gas the purchaser in good faith actually desires to purchase during the ensuing proration month from the Blinebry Gas Pool. "Supplemental Nominations" shall be submitted on a form prescribed by the Commission. The Commission shall hold a public hearing between the 13th and 20th days of each month to determine the reasonable market demand for gas for the ensuing proration month and shall issue a proration schedule setting out the amount of gas which each well may produce during the ensuing proration month.

Included in the monthly proration schedule shall be:

(a) A summary of the total pool allocation for that month showing nominations and adjustments made for underage or overage applied from a previous month.

(b) A tabulation of the net allowable and production for the second preceding month, together with a cumulative overage or underage computation.

(c) A tabulation of the current and net allowables for the preceding month.

(d) A tabulation of current monthly allowables for the ensuing proration month.

(e) A tabulation of the acreage assigned each well together with a tabulation of the acreage factor assigned each well. For the purposes of allocation, a proration unit of 160 acres shall be assigned an acreage factor of 1.00; a proration unit of 80 acres a factor of 0.50, etc.

The Commission shall include in the proration schedule the gas wells in the Blinebry Gas Pool delivering to a gas transportation facility, or lease gathering system, and shall include in the proration schedule of the Blinebry Gas Pool any well which it finds is being unreasonably discriminated against through denial of access to a gas transportation facility which is reasonably capable of handling the type of gas produced by such well. The total allowable to be allocated to the pool each month shall be equal to the sum of the preliminary or supplemental nominations (whichever is applicable), together with any adjustment which the Commission deems advisable.

If, during a proration month, the acreage assigned a well is increased, the operator shall notify the Proration Manager in writing (Box 2045, Hobbs, New Mexico) of such increase. The increased allowable assigned the gas proration unit for the well shall be effective on the first day of the month following receipt of the notification by the Proration Manager.

Balancing of Production:

RULE 13: Underproduction: The dates 7:00 a.m., January 1, and 7:00 a.m., July 1, shall be known as balancing dates and the periods of time bound by these dates shall be known as gas proration periods. The amount of current gas allowable remaining unproduced at the end of each proration period shall be carried forward to and may be produced during the next succeeding proration period in addition to the normal gas allowable for such succeeding period; but whatever amount thereof is not made up within the first succeeding proration period shall be cancelled.

If it appears that such continued underproduction has resulted from inability of the well to produce its allowable, it may be classified as a marginal well and its allowable reduced to the well's ability to produce.

If at the end of a proration period a marginal well has produced more than the total allowable assigned a non-marginal unit of corresponding size, the marginal well shall be reclassified as a non-marginal well and its allowable adjusted accordingly.

If during a proration period a marginal well is reworked or recompleted in such a manner that its productive capacity is increased to the extent that it should be reclassified as a non-marginal well, the reclassification shall be effective on the first day of the proration month following the date of recompletion.

The Proration Manager may reclassify a well at any time if production data or deliverability tests reflect the need for such a reclassification.

RULE 14: Overproduction: A well which has produced a greater amount of gas than was allowed during a given proration period shall have its allowable for the first succeeding proration period reduced by the amount of such overproduction, and such overproduction shall be made up within the first succeeding proration period. If, at the end of the first succeeding proration period, the well is still overproduced, and has not been in balance since the end of the preceding proration period, then it shall be shut-in and its current monthly allowable charged against said overproduction until the well is in balance. If, at any time, a well is overproduced an amount equaling six times its current monthly allowable, it shall be shut-in until it is in balance.

The Commission may allow overproduction to be made up at a lesser rate than would be the case if the well were completely shut-in upon a showing at public hearing after due notice that complete shut-in of the well would result in material damage to the well.

Granting of Allowables

RULE 15: No gas well shall be given an allowable until Form C-104 and Form C-110 have been filed, together with a plat showing acreage attributed to said well and the locations of all wells on the lease.

RULE 16: Allowables to newly completed gas wells shall commence on the date of connection to a gas transportation facility, as determined from an affidavit furnished to the Commission (Box 2045, Hobbs, New Mexico) by the purchaser, or the date of filing of Form C-104 and Form C-110 and the plat described above, whichever date is the later.

Reporting of Production

RULE 17: The monthly gas production from each well shall be metered separately and the gas production therefrom shall be reported to the Commission on Form C-115 so as to reach the Commission on or before the 24th day of the month next succeeding the month in which the gas was produced. The operator shall show on such report what disposition has been made of the gas produced.

Each purchaser or taker of gas in the Blinebry Gas Pool shall submit a report to the Commission so as to reach the Commission on or before the 20th day of the month next succeeding the month in which the gas was purchased or taken.

Such report shall be filed on either Form C-111 or Form C-114 (whichever is applicable) with the wells being listed in approximately the same order as they are listed on the proration schedule.

Forms C-111 and C-114 referred to herein shall be submitted in duplicate, the original being sent to the Commission at Box 871, Santa Fe, New Mexico, the other copy being sent to Box 2045, Hobbs, New Mexico.

Forms C-115 shall be submitted in accordance with Rule 1114 of the Commission's Rules and Regulations.

The full production of gas from each well shall be charged against the well's allowable regardless of what disposition has been made of the gas; provided, however, that gas used on the lease for consumption in lease houses, treaters, compressors, combustion engines and other similar lease equipment shall not be charged against the well's allowable. The production of intermediate or low-pressure gas derived from the staging of the well fluids need not be charged against the well's gas allowable, provided that said intermediate or low-pressure gas is utilized in accordance with the provisions of Order R-464.

RULE 18: A gas well in the Blinebry Gas Pool shall mean a well producing from within the vertical and horizontal limits of the Blinebry Gas Pool which:

(a) Produces liquid hydrocarbons possessing a gravity greater than 51° API, or,

(b) Produces liquid hydrocarbons possessing a gravity of less than 51° API, but with a producing gas-liquid ratio in excess of 32,000 cubic feet of gas per barrel of liquid hydrocarbon.

RULE 19: A well producing from within the horizontal and vertical limits of the Blinebry Gas Pool and not classified as a gas well as defined in Rule 18, shall be classified as an oil well in the Blinebry Oil Pool.

RULE 20: Any well drilled and completed in good faith prior to the effective date of this order, which well is situated within the horizontal boundaries of the Blinebry Gas Pool as herein defined but which produces gas from a depth interval exceeding the vertical limits of the Blinebry Gas Pool as herein defined, is hereby validated and shall be classified as a gas well in the Blinebry Gas Pool, provided that said well conforms to the definition of a gas well in said pool as set out in Rule 18 of this section of this order, and provided that the well is classified as a gas well in the Blinebry Gas Pool under the rules, regulations and orders in effect on the day immediately preceding the effective date of this order.

RULE 21: The term "gas purchaser", as used in these rules, shall mean any "taker" of gas either at the wellhead or at any point on the lease where a connection is made to facilitate the transportation or utilization of gas. It shall be the responsibility of the "taker" to submit a nomination as provided in Rules 11 and 12.

RULE 22: The Proration Manager may reclassify a well under Rules 18 or 19 if production data, gas-oil ratio tests or other evidence reflects the need for such reclassification.

For proration purposes, the effective date of such reclassification shall be the first day of the next succeeding six months gas proration period.

The Proration Manager will notify the operator of the reclassified well of such reclassification and the effective date thereof; provided, however, that operator may appeal such reclassification to the Director of the Commission in writing.

RULE 23: No gas, either dry gas or casinghead gas, shall be flared, vented or otherwise wasted in the Blinebry Gas Pool at any time after ninety (90) days dating from May 1, 1955, or ninety (90) days from the date of completion of a well in said pool, whichever is the later.

Any operator desiring to obtain an exception to the foregoing provision of this rule shall submit to the Director of the Commission an application for such exception accompanied by a sworn statement setting forth the facts and circumstances which justify such exception. The Director is hereby authorized to grant such exception when the granting of such is necessary to protect correlative rights, prevent waste, or to prevent undue hardship on the applicant. The Director shall (a) grant the exception within 15 days following receipt of the application and statement, or (b) set the application for hearing before the Commission at a regularly scheduled



monthly hearing; provided, however, that no such applicant shall incur any penalty by reason of a delay in setting the application for hearing. Public notice of the hearing of the application shall be published in the manner provided by law.

Should the Director grant an exception to the provision of Rule 23, notification of such exception shall be distributed to the Commission's regular mailing list.

RULE 24: Bottom-hole pressure tests will be conducted semi-annually during the months of May and October on all gas wells located to the north of an east-west line coinciding with the north lines of Sections 21, 22, 23 and 24, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico; such wells to be producing from within the vertical and horizontal boundaries of the Blinebry Gas Pool and classified as gas wells under the rules contained in this order. Results of such tests will be reported to the Commission on Form C-124 on or before the 25th day of June and the 25th day of November of each calendar year.

All bottom-hole pressure tests, except tests on dually completed wells producing from the Blinebry Gas Pool, will be conducted in accordance with Rule 302 of the Rules of the Commission. Shut-in period will be 48 hours, datum elevation will be 2400 feet subsea, (-2400), and base temperature will be 100 degrees Fahrenheit.

Bottom-hole pressures on dually completed wells producing gas from the Blinebry Gas Pool may be calculated from a 72-hour shut-in pressure at the well-head, provided that an accurate determination of the fluid level in the hole is made employing sonic or other methods of equivalent accuracy. The gravity of the fluid in the hole shall be that gravity determined by averaging the gravities of those fluids produced on official test in the Blinebry Gas Pool during the regular semi-annual gas-liquid ratio and gravity testing period next preceding the subject bottom-hole pressure test period. The gravity to be employed in the calculation of bottom-hole pressures during a particular testing period shall be determined by the Commission. All interested operators shall be duly notified of such determination by the Commission.

RULE 25: Gas-liquid ratio tests and determinations of the gravity of that liquid hydrocarbon recovered from wells in the Blinebry Gas Pool shall be conducted semi-annually during the months of May and October on all wells located in and producing from the Blinebry Gas Pool. Results of such tests will be reported to the Commission on Form C-116 on or before the 15th day of June and the 15th day of November of each calendar year.

RULE 26: At no time will the horizontal boundaries of the Blinebry Gas Pool conflict with or overlap the horizontal boundaries of the Terry-Blinebry Oil Pool.

RULE 27: The horizontal limits of the Blinebry Gas Pool shall be those limits set forth in Exhibit "A" attached hereto and made a part hereof.

PROVIDED FURTHER, That special pool rules applicable to the Blinebry Oil Pool be, and the same hereby are promulgated as follows:

SPECIAL RULES FOR THE BLINEBRY OIL POOL

RULE 1: No gas, either dry gas or casinghead gas, shall be flared, vented or otherwise wasted in the Blinebry Oil Pool at any time after ninety (90) days dating from May 1, 1955, or ninety (90) days from the date of completion of a well in said pool, whichever is the later.

Any operator desiring to obtain an exception to the foregoing provision of this rule shall submit to the Director of the Commission an application for such exception accompanied by a sworn statement setting forth the facts and circumstances which justify such exception. The Director is hereby authorized to grant such exception when the granting of such is necessary to protect correlative rights, prevent waste, or prevent undue hardship on the applicant.

The Director shall (a) grant the exception within 15 days following receipt of the application and statement, or (b) set the application for hearing before the Commission at a regularly scheduled monthly hearing; provided, however, that no such applicant shall incur any penalty by reason of a delay in setting the application for hearing. Public notice of the hearing of the application shall be published in the manner provided by law.

Should the Director grant an exception to the provisions of Rule 1, notification of such exception shall be distributed to the Commission's regular mailing list.

RULE 2: An oil well in the Blinebry Oil Pool shall mean a well producing from within the vertical and horizontal limits of the Blinebry Oil Pool which:

(a) Produces liquid hydrocarbons possessing a gravity of less than 51<sup>o</sup> API, or,

(b) Produces liquid hydrocarbons possessing a gravity of greater than 51<sup>o</sup> API, but with a producing gas-liquid ratio not exceeding 32,000 cubic feet of gas per barrel of liquid hydrocarbon.

RULE 3: A well producing from within the vertical and horizontal limits of the Blinebry Oil Pool, and not classified as an oil well under 2, shall be classified as a gas well in the Blinebry Gas Pool.

RULE 4: The Proration Manager may reclassify a well under Rules 2 and 3 when production data, gas-oil ratio tests or other evidence reflects the need for such reclassification.

For proration purposes, the effective date of such reclassification shall be the first day of the next succeeding six-months gas proration period.

The Proration Manager shall notify the operator of the reclassified well of such reclassification and the effective date thereof; provided, however, that the operator of a reclassified well may appeal such reclassification to the Secretary-Director of the Commission in writing.

RULE 5: The limiting gas-oil ratio for oil wells in the Blinebry Oil Pool shall be 6,000 cubic feet of gas per barrel of oil. The provision of this rule shall become effective on May 1, 1955.

RULE 6: Acreage dedicated to an oil well producing from the Blinebry Oil Pool shall not be simultaneously dedicated to a gas well producing from the Blinebry Gas Pool.

RULE 7: The dual completion of a well to produce oil from the Blinebry Oil Pool and gas from the Blinebry Gas Pool is hereby prohibited.

RULE 8: The dual completion of a well to cause said well to be classified as an oil well in the Blinebry Oil Pool and an oil well in any other oil or gas pool as designated by the Commission is hereby prohibited.

RULE 9: Gas-liquid ratio tests and determinations of the gravity of that liquid hydrocarbon recovered from wells in the Blinebry Oil Pool shall be conducted semi-annually during the months of May and October on all wells located in and producing from the Blinebry Oil Pool. Results of such tests shall be submitted to the Commission on Form C-116, on or before the 15th day of June and the 15th day of November of each calendar year.

RULE 10: In the event an oil well in the Blinebry Oil Pool shall be reclassified as a gas well in the Blinebry Gas Pool, operator of such a well shall be afforded the opportunity to form a standard or non-standard gas proration unit for such well under the rules applicable to the Blinebry Gas Pool; provided, however, that until such unit is formed, such well shall be allocated a gas allowable commensurate with the acreage contained in the proration unit formerly dedicated to the oil well in the Blinebry Oil Pool.

RULE 11: The horizontal limits of the Blinebry Oil Pool shall be those limits set forth in Exhibit "B" attached hereto and made a part hereof.

PROVIDED FURTHER, That special rules applicable to the Terry-Blinebry Oil Pool be, and the same hereby are promulgated as follows:

SPECIAL RULES FOR THE TERRY-BLINEBRY OIL POOL

RULE 1: At no time will the horizontal boundaries of the Terry-Blinebry Oil Pool conflict with or overlap the horizontal boundaries of the Blinebry Gas Pool.

**RULE 2:** No gas, either dry gas or casinghead gas, shall be flared, vented or otherwise wasted in the Terry-Blinebry Oil Pool at any time after ninety days (90) dating from May 1, 1955, or ninety (90) days from the date of completion of a well in the said pool, whichever is the later.

Any operator desiring to obtain an exception to the foregoing provision of this rule shall submit to the Director of the Commission an application for such exception accompanied by a sworn statement setting forth the facts and circumstances which justify such exception. The Director is hereby authorized to grant such exception when the granting of such is necessary to protect correlative rights, prevent waste, or prevent undue hardship on the applicant.

The Director shall (a) grant the exception within 15 days following receipt of the application and statement, or (b) set the application for hearing before the Commission at a regularly scheduled monthly hearing; provided, however, that no such applicant shall incur any penalty by reason of a delay in setting the application for hearing. Public notice of the hearing of the application shall be published in the manner provided by law.

Should the Director grant an exception to the provisions of Rule 2, notification of such exception shall be distributed to the Commission's regular mailing list.

**RULE 3:** Bottom-hole pressure tests shall be conducted semi-annually during the months of May and October on all flowing oil wells producing from within the limits of the Terry-Blinebry Oil Pool. Results of such tests shall be reported to the Commission on Form C-124 on or before the 25th day of June and the 25th day of November of each calendar year.

Bottom-hole pressure tests will be conducted in accordance with Rule 302 of the Rules of the Commission. Shut-in time will be 48 hours; datum elevation will be 2400 feet subsea (-2400), and base temperature will be 100 degrees Fahrenheit.

**RULE 4:** The limiting gas-oil ratio for oil wells in the Terry-Blinebry Oil Pool shall be 6,000 cubic feet of gas per barrel of oil. The provision of this rule shall become effective on May 1, 1955.

**RULE 5:** The dual completion of a well to cause said well to be classified as an oil well in the Terry-Blinebry Oil Pool and an oil well in any other oil or gas pool as designated by the Commission is hereby prohibited.

**RULE 6:** The horizontal limits of the Terry-Blinebry Oil Pool shall be those limits set forth in Exhibit "C" attached hereto and made a part hereof.

**PROVIDED FURTHER,** That for gas allocation purposes and assignment of allowables, the provisions of this order shall become effective on May 1, 1955, unless otherwise stated in this order.

It is recognized that many wells will be reclassified and reassigned as a result of the provisions of this order and that the time involved in the reclassification of wells may cause certain inequities; therefore, the Proration Manager is hereby directed to take such action as he deems advisable to prevent inequitable withdrawals.

PROVIDED FURTHER, That in filing Form C-101, "Notice of Intention To Drill or Recomplete", all operators shall strictly comply with the provisions of Commission Rule 104, paragraph (e).

PROVIDED FURTHER, That failure to comply with the provisions of this order or the rules contained herein shall result in the cancellation of allowable assigned to the affected well. No further allowable shall be assigned to the affected well until all rules and regulations are complied with. The Proration Manager shall notify the operator of the well and the purchaser in writing of the date of allowable cancellation and the reason therefor.

PROVIDED FURTHER, That a hearing shall be held on November 16, 1955, at which time the Commission shall hear testimony and receive evidence and shall revise the rules set forth in this order in accordance with testimony and evidence presented at said hearing, if such be necessary.

EXHIBIT "A"

Horizontal Limits of Blinebry Gas Pool

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM

Sec. 3: Lots 13, 14, 15 and 16, S/2  
Sec. 4: Lots 1, 2, 7, 8, 9, 10, 15 and 16, S/2  
Sec. 9: All  
Sec. 10: All  
Sec. 11: SW/4  
Sec. 14: W/2  
Sec. 15: All  
Sec. 16: All  
Sec. 21: All  
Sec. 22: All  
Sec. 23: All  
Sec. 26: W/2  
Sec. 27: All  
Sec. 28: All  
Sec. 33: All  
Sec. 34: All  
Sec. 35: All  
Sec. 36: All

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM

Sec. 1: All  
Sec. 2: All  
Sec. 3: All  
Sec. 4: All  
Sec. 9: All

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EXHIBIT "A" (continued)

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM (continued)

Sec. 10:	All
Sec. 11:	All
Sec. 12:	All
Sec. 13:	All
Sec. 14:	All
Sec. 15:	All
Sec. 22:	All
Sec. 23:	All
Sec. 24:	All
Sec. 25:	All

EXHIBIT "B"

Horizontal Limits of Blinebry Oil Pool

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM

Sec. 3:	Lots 13, 14, 15 and 16, S/2
Sec. 4:	Lots 1, 2, 7, 8, 9, 10, 15 and 16, S/2
Sec. 9:	All
Sec. 10:	All
Sec. 11:	SW/4
Sec. 14:	W/2
Sec. 15:	All
Sec. 16:	All
Sec. 21:	All
Sec. 22:	All
Sec. 23:	All
Sec. 26:	W/2
Sec. 27:	All
Sec. 28:	All
Sec. 33:	All
Sec. 34:	All
Sec. 35:	All
Sec. 36:	All

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM

Sec. 1:	All
Sec. 2:	All
Sec. 3:	All
Sec. 4:	All
Sec. 9:	All
Sec. 10:	All
Sec. 11:	All

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EXHIBIT "B" (continued)

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM

Sec. 12: All  
Sec. 13: All  
Sec. 14: All  
Sec. 15: All  
Sec. 22: All  
Sec. 23: All  
Sec. 24: All  
Sec. 25: All

EXHIBIT "C"

Horizontal Limits of Terry-Blinebry Oil Pool

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM

Sec. 32: SE/4  
Sec. 33: S/2  
Sec. 34: S/2

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM

Sec. 1: Lots 9, 10, 11, 12, 13, 14, 15 & 16, S/2  
Sec. 2: All  
Sec. 3: Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 & 12  
Sec. 4: Lots 3, 4, 5, 6, 11, 12, 13 and 14  
Sec. 11: N/2, SE/4  
Sec. 12: All  
Sec. 13: All  
Sec. 14: E/2  
Sec. 24: All  
Sec. 25: All  
Sec. 26: E/2

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

JOHN F. SIMMS, Chairman

E. S. WALKER, Member

W. B. MACEY, Member and Secretary

S E A L

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BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

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

CASE NO. 727  
Order No. R-610-A

THE APPLICATION OF THE OIL CONSERVATION  
COMMISSION ON ITS OWN MOTION FOR AN ORDER  
AMENDING, REVISING OR ABROGATING EXISTING  
RULES AND REGULATIONS OF THE OIL CONSERVA-  
TION COMMISSION, AND/OR PROMULGATING RULES  
AND REGULATIONS RELATING TO GAS POOL DE-  
LINEATION, GAS PRORATION AND OTHER RELATED  
MATTERS AFFECTING OR CONCERNING THE BLINEBRY  
GAS POOL, LEA COUNTY, NEW MEXICO.

NUNC PRO TUNC ORDER OF THE COMMISSION

BY THE COMMISSION:

It appearing to the Commission that Order R-610, dated April 11, 1955,  
does not define the horizontal limits of the Blinebry Gas Pool, the Blinebry Oil Pool  
and the Terry-Blinebry Oil Pool in a manner which indicates the true horizontal extent  
of these pools, the Commission

FINDS:

(1) That Exhibit "A", Exhibit "B" and Exhibit "C" of said order should be  
revised to redefine the horizontal limits of the Blinebry Gas Pool, the Blinebry Oil  
Pool and the Terry-Blinebry Oil Pool.

IT IS THEREFORE ORDERED:

That Order R-610, as the same appears in the records of the Commission,  
and the original of said order, be amended in the following respects and particulars:

(1) That Exhibit "A" of Order R-610, be changed to read as follows:

EXHIBIT "A"

Horizontal limits of Blinebry Gas Pool:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM

Sec. 3: Lots 13, 14, 15 and 16, S/2

Sec. 4: Lots 1, 2, 7, 8, 9, 10, 15 and 16, S/2

Sec. 9: All

Sec. 10: All

Sec. 11: SW/4

Sec. 14: W/2

Sec. 15: All

Sec. 16: All

Sec. 21: All



TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM (continued)

Sec. 22: All  
Sec. 23: All  
Sec. 25: W/2  
Sec. 26: All  
Sec. 27: All  
Sec. 28: All  
Sec. 33: All  
Sec. 34: All  
Sec. 35: All  
Sec. 36: All

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM

Sec. 1: All  
Sec. 2: All  
Sec. 3: All  
Sec. 4: All  
Sec. 9: All  
Sec. 10: All  
Sec. 11: All  
Sec. 12: All  
Sec. 13: All  
Sec. 14: All  
Sec. 15: All  
Sec. 22: All  
Sec. 23: All  
Sec. 24: All  
Sec. 25: All  
Sec. 36: NE/4

Township 22 South, Range 38 East, NMPM

Sec. 7: W/2  
Sec. 18: W/2  
Sec. 19: All  
Sec. 30: All  
Sec. 31: All

Township 23 South, Range 38 East, NMPM

Sec. 6: N/2

(2) That Exhibit "B" of Order R-610, be changed to read as follows:

EXHIBIT "B"

Horizontal Limits of Blinebry Oil Pool:

Township 21 South, Range 37 East, NMPM

Sec. 3: Lots 13, 14, 15 and 16, S/2  
Sec. 4: Lots 1, 2, 7, 8, 9, 10, 15 and 16, S/2  
Sec. 9: All  
Sec. 10: All  
Sec. 11: SW/4  
Sec. 14: W/2  
Sec. 15: All  
Sec. 16: All  
Sec. 21: All  
Sec. 22: All  
Sec. 23: All  
Sec. 25: W/2

Township 21 South, Range 37 East, NMPM (Continued)

Sec. 26: All  
Sec. 27: All  
Sec. 28: All  
Sec. 33: All  
Sec. 34: All  
Sec. 35: All  
Sec. 36: All

Township 22 South, Range 37 East, NMPM

Sec. 1: All  
Sec. 2: All  
Sec. 3: All  
Sec. 4: All  
Sec. 9: All  
Sec. 10: All  
Sec. 11: All  
Sec. 12: All  
Sec. 13: All  
Sec. 14: All  
Sec. 15: All  
Sec. 22: All  
Sec. 23: All  
Sec. 24: All  
Sec. 25: All  
Sec. 36: NE/4

Township 22 South, Range 38 East, NMPM

Sec. 7: W/2  
Sec. 18: W/2  
Sec. 19: All  
Sec. 30: All  
Sec. 31: All

Township 23 South, Range 38 East, NMPM

Sec. 6: N/2

(3) That Exhibit "C" of Order R-610, be changed to read as follows:

EXHIBIT "C"

Horizontal Limits of Terry-Blinebry Oil Pool:

Township 20 South, Range 38 East, NMPM

Sec. 32: SE/4  
Sec. 33: S/2  
Sec. 34: S/2

Township 21 South, Range 37 East, NMPM

Sec. 1: Lots 9, 10, 11, 12, 13, 14, 15 and 16, S/2  
Sec. 2: All  
Sec. 3: Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12  
Sec. 4: Lots 3, 4, 5, 6, 11, 12, 13 and 14  
Sec. 11: N/2, SE/4  
Sec. 12: All  
Sec. 13: All  
Sec. 14: E/2  
Sec. 24: All

-4- R-610-A

IT IS FURTHER ORDERED:

That the corrections and changes set forth in this order be entered ~~into~~  
~~into~~ ~~the~~ ~~date~~ ~~of~~ ~~said~~ ~~Order~~ ~~R-610~~.

DONE at Santa Fe, New Mexico, on this 27th day of May, 1955.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

JOHN F. SIMMS, Chairman

E. S. WALKER, Member

W. B. MACEY, Member and Secretary

S E A L

Case 3031  
(Heard 4-29-64)

Rec. 5-5-64

1. Amend R-1670 Blinby Rules (page 32 of order Rule 27(B)) by adding same well log to establish vertical limits of the Blinby Oil Pool. Limits to be 75' above Blinby marker to 100 ft. above Dubt Marker (Rule 25 R-1670 page 47) i.e.

### Rule 27(B)

The vertical limits of the Blinby oil pool shall ~~be~~ extend from a point 75' above the "Blinby Marker" to a point 100' above the "Dubt Marker".

The "Blinby Marker" shall be that point encountered in the Humble O & R Ref. to State 'S' Well #20 5A/4NW/4 sec. 2, Twp. 22S - Rge. 37E 14 PM at a depth of 5457' (elevation 3380, subseclatum minus 2077).

The "Dubt Marker" shall be that point encountered in the above mentioned well at a depth of 5921 ft. (elevation 3380, subseclatum minus 2541).

A Blinby oil well shall be a well not classified as a Blinby gas well, as defined in section (A) of this rule and completed within the above vertical limits.

(2)

② R-610.A. should be amended  
to define the vertical limits of  
the Derry - Blunby oil pool to  
include the same limits as  
defined above in Rule 27B (1st  
two paragraphs.)

DOCKET: EXAMINER HEARING - WEDNESDAY - APRIL 29, 1964

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

The following cases will be heard before Elvis A. Utz, Examiner, or Daniel S. Nutter, Alternate Examiner:

CASE 3015 (Continued from the March 25, 1964 Examiner Hearing):

Application of Lone Star Producing Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the dual completion (conventional) of its Atlantic State Well No. 1 located in Unit G of Section 30, Township 17 South, Range 36 East, Lea County, New Mexico, to produce oil from an undesignated San Andres Pool and from undesignated Abo Detritus through parallel strings of 2-3/8 inch tubing.

CASE 3024 (Continued from the April 8, 1964 Examiner Hearing):

Application of Deane H. Stoltz for approval of a non-standard unit, a dual completion, and commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a non-standard 80-acre unit in the North Bagley-Wolfcamp Pool comprising the SW/4 NE/4 and NW/4 SE/4 of Section 22, Township 11 South, Range 33 East, Lea County, New Mexico, approval of the dual completion (conventional) of its Deane H. Stoltz State 262 Well No. 1, located in Unit G of said Section 22, to produce oil from the North Bagley-Wolfcamp Pool through 1 1/4-inch tubing and to produce oil from the North Bagley-Upper Pennsylvanian Pool through the casing-tubing annulus by means of a hydraulic pump and authority to commingle production from the North Bagley-Wolfcamp and North Bagley-Pennsylvanian Pools into a common tank battery, computing production from the North Bagley-Upper Pennsylvanian Pool by the subtraction method.

CASE 3016 (Continued from the March 25, 1964 Examiner Hearing):

Application of Texaco, Inc. for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of special pool rules, including a provision for 80-acre proration units, for the Vacuum Upper-Pennsylvanian Pool in Sections 25 and 36, Township 17 South, Range 34 East, Lea County, New Mexico.

CASE 3031: Application of Continental Oil Company to revise the vertical limits of the Blinebry Oil Pool and Terry Blinebry Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order extending the vertical limits of the Blinebry Oil Pool and Terry Blinebry Pool to encompass all of the Blinebry formation, Lea County, New Mexico.

CASE 3032: Application of Robert G. Hanagan for force-pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order force-pooling all mineral interests in the Indian Hills-Upper Pennsylvanian Gas Pool underlying all of Section 32, Township 21 South, Range 24 East, Eddy County, New Mexico.

CASE 3033: Application of Cherry Brothers and Cabot Corporation for the creation of a new oil pool and for special temporary pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new oil pool for Lower Wolfcamp production for its Austin State Well No. 1, located in Unit F of Section 19, Township 14 South, Range 36 East, Lea County, New Mexico, and for the establishment of temporary pool rules therefor, including a provision for 80-acre oil proration units.

- CASE 3034: Application of Shell Oil Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Langlie-Mattix Pool by the injection of water into the Queen and Grayburg formations through nine wells in Sections 14 and 23, Township 24 South, Range 37 East, Lea County, New Mexico.
- CASE 3035: Application of Shell Oil Company for a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 320-acre non-standard gas proration unit comprising the S/2 of Section 22, Township 21 South, Range 37 East, Tubb Gas Pool, Lea County, New Mexico, to be dedicated to its Turner Well No. 2, located in Unit L of said Section 22.
- CASE 3036: Application of Curtis J. Little for a pressure maintenance project, San Juan, County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pressure maintenance project in the Gallup formation underlying its Navajo Indian Lease in Sections 21, 22, 27 and 28, Township 32 North, Range 17 West, Many Rocks Gallup Oil Pool, San Juan County, New Mexico. Initial injection will be through three wells located in Units D and O of Section 27 and Unit I of Section 28. Applicant further seeks the promulgation of special rules governing the operation of said project.

GOVERNOR  
JACK M. CAMPBELL  
CHAIRMAN

State of New Mexico  
**Oil Conservation Commission**



P. O. BOX 871  
SANTA FE

LAND COMMISSIONER  
E. S. JOHNNY WALKER  
MEMBER

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

May 8, 1964

Mr. Jason Kellahin  
Kellahin & Fox  
Attorneys at Law  
Post Office Box 1769  
Santa Fe, New Mexico

Re: Case No. 3031

Order No. R-2701

Applicant:

Continental Oil Company

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

lx/

Carbon copy of order also sent to:

Hobbs OCC x

Artesia OCC       

Artec OCC       

OTHER Mr. Don McCourt - Shell Oil Company - Roswell, N. M.

Mr. Gene Motter - Cities Service - Hobbs, N. Mex.



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. 3031  
Order No. R-2701  
NOMENCLATURE

APPLICATION OF CONTINENTAL OIL COMPANY  
TO REVISE THE VERTICAL LIMITS OF THE  
BLINEBRY OIL POOL AND TERRY-BLINEBRY  
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 April 29, 1964, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 8th day of May, 1964, 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, Continental Oil Company, seeks an order revising the vertical limits of the Blinebry Oil Pool and Terry-Blinebry Pool, Lea County, New Mexico, to comprise the Blinebry formation from 75 feet above the "Blinebry Marker" to 100 feet above the "Tubb Marker" as said markers are defined in Order No. R-1670.

(3) That the proposed revision of the vertical limits of the subject pools includes all of the known productive portion of the Blinebry formation in each of the two pools.

-2-

CASE No. 3031

Order No. R-2701

(4) That approval of the subject application will afford to the owner of each property in each of the subject pools the opportunity to produce his just and equitable share of the oil in the pool, and for this purpose to use his just and equitable share of the reservoir energy.

(5) That revision of the vertical limits of the subject pools to include all of the known productive portion of the Blinebry formation will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

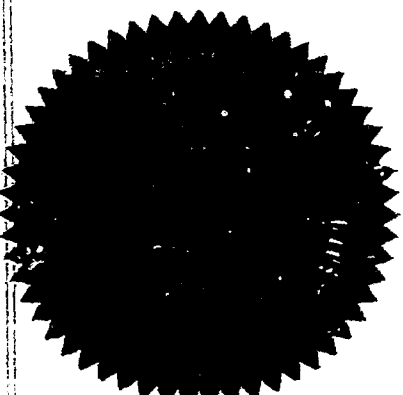
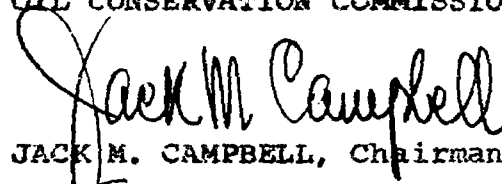
(1) That the vertical limits of the Blinebry Oil Pool, Lea County, New Mexico, shall be from 75 feet above the "Blinebry Marker" to 100 feet above the "Tubb Marker" as said markers are defined in Order No. R-1670.

(2) That the vertical limits of the Terry-Blinebry Pool, Lea County, New Mexico, shall be from 75 feet above the "Blinebry Marker" to 100 feet above the "Tubb Marker" as said markers are defined in Order No. R-1670.

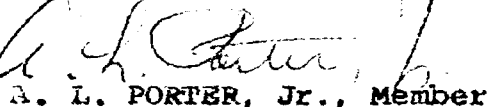
(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
  
JACK M. CAMPBELL, Chairman

  
E. E. WALKER, Member

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

esr/

TEXACO  
INC.

PETROLEUM PRODUCTS



DOMESTIC PRODUCING DEPARTMENT  
MIDLAND DIVISION

P. O. BOX 3109  
MIDLAND, TEXAS

March 31, 1964

APPLICATION FOR AMENDMENT - ORDER  
NO. R-610  
BLINEBRY & TERRY BLINEBRY OIL POOLS  
LEA COUNTY, NEW MEXICO

Continental Oil Company  
Hobbs, New Mexico

Attn: Mr. G. C. Jameson

Gentlemen:

Please refer to the proposed application of Continental Oil Company for amendment of the above subject order for the purpose of revising the vertical limits of the Blinebry and Terry Blinebry Oil Pools. Texaco Inc. hereby advises concurrence with Continental Oil Company in this application and hereby requests approval, by copy of this letter to the New Mexico Oil Conservation Commission.

It has been determined that approval of this application will not infringe on the correlative rights of Texaco Inc. or other operators in either the Blinebry, Terry Blinebry, or Tubb Reservoirs. All of the wells operated by Texaco Inc. that are completed in the Tubb Reservoir are completed in and producing from intervals below the top of the Tubb Formation. None of the completion intervals within the Tubb Reservoir extend into the currently unnamed reservoir that is proposed to be included in the Blinebry Formation upon approval of the subject application.

Yours very truly,

C. L. Whigham  
Division Production Engineer

CLW-MM

cc: NMOCC-Santa Fe  
NMOCC-Hobbs