CASE NO.

63/8

APPlication,
Transcripts,
Small Exhibits,

ETC.

KELLAHIN and FOX ATTORNEYS AT LAW P. O. BOX 1769 SANTA FE. NEW MEXICO 87501 November 22, 1978

TELEPHONE 882-4265 AREA CODE 505

NOV 29 1518

Mr. Richard L. Stamets
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Sugar te

Re: Oil Conservation Division Case 6318 Order No. R-5845 Coquina Oil Corporation

Dear Dick:

I have received the above referenced order entered on November 14, 1978.

I understand that the subject well commenced commingled production on October 1, 1978. If possible I would appreciate an Order Nunc Pro Tunc, making the effective date of this order October 1, 1978 rather than November 14, 1978.

Very truly yours,

W. Thomas Kellahin

CC: Joe Solari

WTK:kfm

Negative 12-1-78
Called You 12-1-78
Called You 12-1-78

JERRY APODACA GOVERNOR NICK FRANKLIN BECRETARY

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

POST OFFICE BOX 2098 STATE LAND OFFICE BUILDING BANTA FE, NEW MEXICO 07501 ISOSI 827-2434

November 15, 1978

	Re:	CASE NO. 6318
Mr. Tom Kellahin		ORDER NO. R-5845
Kellahin & Fox Attorneys at Law Post Office Box 1769 Santa Fe, New Mexico	87501	Applicant: Coquina Oil Corporation
Dear Sir:		
		opies of the above-referenced ered in the subject case.
Yours very truly, JOE D. RAMEY Director		
		· · · · · · · · · · · · · · · · · · ·
JDR/fd		
Copy of order also ser	at to:	
Hobbs OCC x Artesia OCC X Aztec OCC	•	
Other		

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

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

> CASE NO. 6318 Order No. R-5845

APPLICATION OF COQUINA OIL CORPORATION FOR AN INCREASE IN CASINGHEAD GAS ALLOWABLE, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

DY THE DIVISION:

This cause came on for hearing at 9 a.m. on September 13, 1978, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 14th day of November, 1978, the Division Director, having considered the testimony, the record. and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Coquina Oil Corporation, seeks an exception to Rule 303-C-4 to increase the casinghead gas allowable for its Vivian Well No. 1, located in Unit F of Section 30, Township 22 South, Range 38 East, Lea County, New Mexico, the Drinkard and Granite Wash zones in said well being commingled pursuant to Order Nol DHC-255 and subject to the GOR limit for the Wantz-Granite Wash Pool.
- (3) That the daily casinghead allowables for said Drinkard and Granite Wash zones are 852 MCF and 374 MCF, respectively.
- (4) That the applicant proposes a casinghead allowable for the subject well of 984 MCF of gas per day, based upon an allowable of 374 MCF per day for the Granite Wash zone and 610 MCF per day for the Drinkard zone.

-2-Case No. 6318 Order No. R-5845

- (5) That based upon the division of gas production set out in Order No. DHC-255 the proposed special casinghead gas allowable of 984 MCF per day can be produced by said Vivian Well No. 1 without causing over production of casinghead gas from either the Drinkard zone or the Granite Wash zone.
- (6) That the assignment of such special casinghead gas allowable will better permit the applicant to recover its share of the oil and gas production in each of said zones, will not cause waste, and will not violate correlative rights.
 - (7) That the application should be approved.

IT IS THEREFORE ORDERED:

- (1) That Coquina Oil Corporation is hereby granted a special commingled casinghead gas allowable of 984 NCF per day (610 MCF for the Drinkard zone and 374 MCF for the Granite Wash zone) for its Vivian Well No. 1 located in Unit F of Section 30, Township 22 South, Range 38 East, Lea County, New Mexico.
- (2) That any provisions of the Division's Order No. DHC-255 dated August 14, 1978, not in conflict herewith are hereby continued in full force and effect.
- (3) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

> STATE OF NEW MEXICO OIL CONSERVATION DIVISION

JOE D. RAMEY

Director

dr/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
13 September 1978

EXAMINER HEARING

TN MITT NAMMED OF

IN THE MATTER OF:

Application of Coquina Oil Corporation for an increase in casinghead gas allowable, Lea County, New Mexico.

CASE 6318

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

APPEARANCES

For the Oil Conservation Division:

Lynn Teschendorf, Esq. Legal Counsel for the Division State Land Office Bldg. Santa Fe, New Mexico 87501

For the Applicant:

W. Thomas Kellahin, Esq. KELLAHIN & FOX 500 Don Gaspar Santa Fe, New Mexico 87501

INDEX

JOESEPH C. SOLARI	
Direct Examination by Mr. Kellahin	3
Cross Examination by Mr. Stamets	13
Cross Examinación 21	

EXHIBITS

Applicant Exhibit One, Plat	13
Applicant Exhibit one, The	13
Applicant Exhibit Two, Data Sheet	13
Applicant Exhibit Three, Letter	13
	13
Applicant Exhibit Four, Letter	1.2
Applicant Exhibit Five, Data	13
Applicant Banzaro 1200	13
Applicant Exhibit Six, Plat	

MR. STAMETS: We'll call now Case 6318.

MS. TESCHENDORF: Case 6318. Application of Coquina Oil Corporation for an increase in casinghead gas allowable, Lea County, New Mexico.

(Witness sworn.)

JOSEPH C. SOLARI

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

DIRECT EXAMINATION

BY MR. KELLAHIN:

- Q Would you please state your name, by whom you're employed, and in what capacity?
- A. My name is Joseph C. Solari. I'm employed by Coquina Oil Corporation as Manager of Reservoirs.

MR. KELLAHIN: If the Examiner please, my name is Tom Kellahin, Kellahin & Fox, as attorney for the applicant, Coguina Oil Corporation.

- Q (Mr. Kellahin continuing.) Mr. Solari, have you previously testified before the Oil Conservation Division?
 - A. I have not.
 - Would you state briefly for the Examiner your

educational background and working experience?

- A. I have a BS in Mechanical Engineering from the University of California in 1956. I worked for Chevron Oil Company as District Engineer and Senior Reservoir Engineer for twenty years, and I've been employed by Coquina Oil Corporation for two years as Production Manager and Manager of Reservoirs.
- Q Have you made a study of the facts surrounding this application by Coquina Oil Corporation?
 - A. Yes, I have.

MR. KELLAHIN: If the Examiner please, we tender Mr. Solari as an expert witness.

MR. STAMETS: Mr. Solari is considered qualified. How do you spell your last name?

A. S-O-L-A-R-I.

MR. STAMETS: Thank you.

- Q (Mr. Kellahin continuing.) Would you please refer to what I have marked as Applicant Exhibit Number One, identify it, and tell us what you're seeking to accomplish?
- A. Exhibit Number One is a plat of the subject well, Coquina Vivian No. 1 Well, located in proration unit F of Section 30, Township 22 South, 38 East.
- Q What's the current status of this well, Mr.
 Solari?
 - A. A brief history of this well, it was completed

in 1971 as a producer from the Drinkard zone and produced until December of 1977 from that particular zone, when it was deepened to the Granite Wash pay interval.

A packer was set between the two zones, a single string of tubing, sliding sleeve, above the packer.

The Granite Wash zone has been producing since that time.

In early 1978 application was made to the Commission for multiple completion of this well. Toward the end of — about two or three months after we made application, verbal conversation with Mr. Nutter indicated that our application would be denied to flow the Drinkard zone up the tubing casing annulus. At that time it was suggested and we performed tests on each of the individual zones. The sliding sleeve was opened after setting the tubing plug unit, tubing string. The Drinkard zone was tested and it was discovered at that time or it qualified at that time as an oil zone rather than a gas zone.

Subsequent to that application was made for administrative approval for commingling the two zones, both oil zones, and meeting all the requirements of the Commission.

We received approval for the commingling and we have not yet done the commingling work. We're waiting to get the purchasers of both zones, the oil purchasers of

both zones, resolved to one, and it should be forthcoming toward the end of October.

- Q What is the specific purpose for appearing here today, Mr. Solari?
- A. The commingling authorization under Rule 303(C)4 gave a gas limit attributable to the lower ratio zone, which was the Granite Wash, of 374 Mcf a day allowable to the total commingled stream.
 - Q You're seeking an exception to that?
 - A. We're seeking an exception to that provision.
 - Q All right, sir.

Let me refer you to what we've marked as Exhibit

Number Two, and ask you identify it and explain what information it contains?

A Exhibit Number Two was the data sheet worked up for the application to commingle. The test data on each zone, the Drinkard pool, the upper zone, and the Granite Wash pool, the lower zone, are indicated on this form. Also, we make reference to other exhibits submitted at that time that indicated the production history of each zone, the pressure data on each zone, and gave a basis for commingled production and a split of the oil and gas production from the commingled stream to each zone.

Of significance is the GOR limit on the Drinkard pool of -- not GOR limit, the gas/oil ratio for the Drinkard

zone was 6000 gas/oil ratio, whereas, for the Wantz-Granite Wash pool it was 2000 ratio.

The top allowable oil for the Granite Wash pool is 187 and a 2000 ratio applied to that gives a gas limit of 374 Mcf a day through the commingled stream.

- Q Okay. Refer to Exhibit Three and identify it?
- A Exhibit Three is a copy of the letter from the Commission indicating the administrative approval to commingle the well. Administrative Order Number DHC255, and at the lower part of that particular page it gives the split of oil and gas attributable to the upper pool, Drinkard, and the lower pool, Granite Wash, and of significance is 62 percent of the gas to the upper zone and 38 percent of the gas to the Granite Wash pool.
- Q Would you refer to what we've marked as Exhibit
 Number Four and identify it?
- A Exhibit Four are copies, with the exception of some of the earlier exhibits, that were submitted to the Conservation Division with our application to commingle.
- Q. Now let me refer you to Exhibit Number Five and have you explain that.
- A. Exhibit Number Five was included in our application to commingle and took the representative data from our well tests on each zone and added them together and came up with a total stream anticipated for the commingling and

then to break out the percentages that were later indicated in the administrative approval.

- Q Okay.
- A. It's probably significant that at the time of our tests the Drinkard zone produced 503 on test at the end of the 72-hour flow period, as desired by the Commission, the last 24 hours we went back to prior production history before that zone was shutin and felt a more representative oil -- steady oil production rate, or gas production rate, should be about 329 Mcf a day. And then matching that with a 205 Mcf of gas as the steady production from the Granite Wash, we came up with a total commingled of 534 Mcf.
- Q Okay. Let me ask you some questions about Exhibit Number Five. I notice under the gas entry for the Drinkard history it shows 329 Mcf per day. Where did you obtain that figure?
- A. In our data submitted for application to commingle, we have a plot of the historical history of the well and the last production over the last several months indicated that about 10,000 a month might be representative of the production of the well at the time we last produced it steady.
- That 329 Mcf per day also appears on Exhibit

 Number Two, does it not?
 - A. Yes, it does.

- Q Does that figure for the Drinkard represent the maximum or minimum capacity of the well based upon the wellbore test?
- A. Our best indication, we are continuing to choke production on that well; it is not producing wide open.

 We are choking the production on the Drinkard -- on the Drinkard zone to make as much oil as we can with the amount of gas we produce.
- Q All right, so the 329 Mcf per day is a minimum figure?
 - A. It is a minimum figure we feel.
- Q Okay. Now, let me understand. Under the Division Rules and Orders applicable to this well, what is the total gas allowable per day for the Drinkard and Granite Wash?
 - A As it's commingled now it is 374 Mcf per day.
- Q Okay, and based upon your calculations shown on Exhibit Number Five this well has a capacity to produce commingled Drinkard and Granite Wash gas of at least 534 Mcf per day?
- A. We believe that's a good -- the best representative production at this time. Both zones indicate a high ratio character and probably in the future will continue the higher ratio.
 - Q Okay. Follow up question to your last response,

what do you anticipate to be the gas production from the commingled zone in the forseeable future?

Will it maintain the 534 or will it be something more or less than that figure?

- A. We anticipate it will increase with time.
- All right. Do you have a recommendation to the Examiner as to the specific number or the specific volume of gas production for the combined zones that you would like for an exception for this case?
- A For this particular case we feel that a limiting factor would be the gas allowable on the Granite Wash zone. We also have indications that 38 percent of the gas commingled would be attributable to that zone.

We would suggest that dividing the 374 by 38 percent would result in 984 Mcf, and that would preclude over-producing any gas allowable on the Granite Wash zone. That number would be 984 Mcf a day.

- Q If I understand you, it's your desire, then, to have the casinghead gas allowable for this particular well increased to 984 as the maximum Mcf per day?
 - A That is correct.
- Q Okay. What, if any, effect will this have upon the oil production from either of these zones?
- A. We will still be subject to the 50 barrels of oil per day limit on oil for the commingled well. We would

operate the well in such a manner as to maximize oil production with the amount of gas being produced up to 50 barrels a day.

- Q Let me ask you to identify Exhibit Number Six and explain what information it contains.
- A. Exhibit Number Six locates the Coquina Vivian

 No. 1 Well and the surrounding producers, and of significance
 on this, we have put on that particular exhibit the monthly
 production for the month of May, which is the last record
 we had on the offset wells, and also converted that to Mcf
 per day per well, and the average for the seven producing
 offset wells is, for the month of May, was 470 Mcf a day, and
 the three direct offsets averaged 504 Mcf a day, from the
 Drinkard zone.
- Q All right. The ceiling request you are applying for for the casinghead gas allowable is 984 Mcf per day?
 - A. Yes, sir.
- Q. What portion of that figure is attributable to the Drinkard gas?
- A. The Drinkard gas portion of that, which would be 62 percent of the total, amounts to 610 Mcf a day from the Drinkard zone.
- Q All right. How does that 610 Mcf a day compare to the Drinkard gas production of the offsetting wells?
 - A. There are wells offsetting this particular one

that range from as high as 846 Mcf a day during May, and we feel that's in the ballpark average of the adjacent wells and what they're making.

- Q If an exception is not granted for this well,
 Mr. Solari, what, if any, effect will it have upon this well?
- A. We feel with the high ratio nature of the Drinkard zone there would be a substantial gas migration from our lease to the adjacent leases.
- Q In your opinion, Mr. Solari, are you currently suffering drainage from offsetting production?
- A. We believe so. Obviously, we have been since that zone has been shutin since the first of the year, but under the commingling ruling that's apparently in effect, the 374, we feel we would suffer continued migration of gas from our lease.
- Q In your opinion, Mr. Solari, will approval of this exception be in the best interests of conservation, the prevention of waste, and the protection of correlative rights?
 - A. Definitely.
- Q. Were Exhibits One through Six, excluding the administrative order of the Division, prepared by you or compiled under your direction and supervision?
- A. They were compiled under my supervision and direction.

MR. KELLAHIN: We move the introduction of Exhibits One through Six.

MR. STAMETS: These exhibits will be admitted.

MR. KELLAHIN: That concludes our examination.

CROSS EXAMINATION

BY MR. STAMETS:

Mr. Solari, the two zones here were completed individually either as a dual completion or as individual wells.

My calculations show that you'd be allowed 374 Mcf a day in Granite Wash and 852 Mcf a day in the Drinkard.

- A. That is correct, so the total of the two zones would be 1226 Mcf a day.
- Q So what you've asked for is well below that figure.
- A. Well below it, and it's also geared to not exceed the gas limit on the Granite Wash zone.
- Q. Okay. Now, is the Granite Wash capable of producing, physically producing more than 374 Mcf a day?
- A. We believe it is. We have choked the well back to keep from coning gas in on that -- on that well.
- Okay. Now, when you combine, when you commingle the production here, are you going to be able to keep the gas production down in the Granite Wash?

A. We're going to complete low and attempt to get as much oil with the gas lift that we can up through the tubing string.

Q Is it possible with the downhole commingling that you would be producing more than 374 Mcf a day from the Granite Wash?

A We don't believe so. The pressures in each zone on our measurements and everything were comparable and we feel that it would be effective to use the Drinkard gas to help lift the oil out of the Granite Wash zone, also.

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

Anything further in this case?

MR. SOLARI: Thank you.

MR. STAMETS: We'll take the case under advisement.

(Hearing concluded.)

REPORTER'S CERTIFICATE

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

Sally W. Boyd, C.S.R.

to hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 63/6

Drechart L. Hand, Examiner

Oll Conservation Division

EL_YUNIT:	A Comment of States and the second of the se	Sohio	(Seel y) Mabee Hay May Soo mis meerer	Neil Ossozs	019029 019029	A
	of the second of the con-	Soho where the humble control of the	Beiner Dint THinners	Neil 4.5. 029029 Goo. W. Sime, S. etal	U.S. U.Sima eta!	<u>ا</u> ج
20-77	es la la mish es Lesse la mish es la la mis	**************************************	Traste of Society Control of Cont	Sutshine Pay. Louis	015 mm /	6 0
A Page 18 Control of the Control of	Stories (19)	Citacion Grander Grand	Marghani di Ai da	Geo. W. Sime gast 11.8	Cities Service H.B.P.	
Spring Sp	3	Transfer () Sarquee	Combuter us		B.9308 Summit Energy Cat H B P B 1 417 Store	T
1133113	The state of the s	Months (1997)	Conformation Services	Zonia Miller Mil Zonia Miller Mil Triple Leo Sime	Lunor Coro. Cascoco Gascoco	s
Pacific 6 L 48 22 mumb p 1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	A S (2) is all 2007 B 2	24.70	Gulf Gunt	20	Spear Fed Take 2	
Control of the second School	English Control	Casar To	Gridan Gue Stinebry	Dual Du- 032104 Blinehry 18	032104 Tatera, 2 35 OU.S., MI A.M. Orrnkhard	
LANGLE MATTIX PENROSE SOUNIS	Tieny IA	Ter Pocifie File Do	Sing 1344 St. A. Virian - Guill.	oual Coal Texac Coust 28	33 11 22 3 34 1 27 1 7 340 032 104	·
NA DARKO (OPER)	Andrew Angres of the second	LE 6408 - 3 Ella Dr nkard	were on the name	3 Morance	د ها المادية 1 28 سية المادة	
Purpose (C. a.)	MA CO.	guis Samil	Suments Surface Surfac	Guif	164.000 Maria	Tan Tanany
Anedaras Anadaras	and areas	Smortd Sime Simps Summit Energy Sterming (Gular Summit Energy Sterming (6.1712) Sterming (6.1712) Sterming (6.1712) Sterming (6.1712) Sterming (6.1712)	ievere 2 Gulf	San Amer Suif	S & water of Same and the same	
3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3	See of the	131222 4 6 14		C 1 Serv	03200 gg	
Treeso Torse	at the property of the second	3:42 Arte (and A	tuci Ostaraeraugh	300 8.9307 31 8.9307 32 33 34 34 34 34 34 34	Emery .	1 1
Shells (20 15)	Security and the second of the	POR Stolet Coas Arter Coas Stolet Coas Stolet Coas Arter Coas Arte	Evelyn Lineberg Chief Confined	eers fed flom Lineberg (5)	U.S. M. 18 2000 1.52 1000	
Sims to Sustain	Bullet Comments of the Comment	133 (19-cm 063564	and the state of t	117 HEE 2971 170-725	25"5558 Bondan 1000 Co. b354974	Tom Linebery IS: Line 1.4 S.B
SKELLY STORY TO THE TOTAL AND	1 demonds	Sorah B. Hughes 1A RCo I Samedan oper J. 1A RCo 1H.B.P. 063557 2244 INC Culiach Oil Ve. Soradan	A A CO Union Ter Young And Co Union Ter Young And Co Union Ter Young And Co Co Company And Co	hest heli Attinich, C.G. Compositi A. S. C. C. Compositi H.B.P. 12.25 063564 12.25 063564 12.25 063564 12.25 063564 12.25 063564 12.25 063564 12.25 063564 12.25 063564	4/2 forstood 6/10/2014 7:11-82 15931	35.20g —
75 mg / 6 com 6 co	9 43' State State Dis Nutris Charles State Char	Anti Victoria Sareh B. Signal		LO Cincol (Atl Sch	And the second	
EULY (OPER)	en 1 Cief E Sharp	7 : 15 : 73 Open 2244 15 : 73 15 : 74 15 : 75	011 7 173 1 15050 	130-11-83 2-1 130-11-83 3-1 87 19216 C69466 15050 7374	September 1	LLI
36 3 January 1 7 17 19 17 19 17 19 17 19 17 19 17 19 17 19 17 19 17 19 17 19 17 19 17 19 17 19 17 19 17 19 17 19 17 19 17 19 17 19 19 19 19 19 19 19 19 19 19 19 19 19	Ning Pes Imp Aner	Geo. W. Sims, ST Sarah B. Huyhee Signal Sarah B Samedan, oper. MBP H.Q.P. 2244 NBP Oper. 0324528 NBP	Defease 1	Baster 10-1-18 Baster 10-18 Baster 1	8 C Bonden (187)	onebercus)
33777.9	French Ballone Compan Deer Freign 2244 Uneder, etgi	0324528 1252 Signed 1224 USL U.J Hecustor USL U.J 101 vz	Uctuber the Cultering M Lange 199 Anno Ol Runnels 190 Anno 199 199 199 199 199 199 199 199 199 19	H Boule Bow den A C Conden	U.S., hu 3	
(antinents) etg.	(Continental etal)	Continental, (2) etal Coctus' 030186 Continent Taigest Disk 10572	4042 Due 2	(92 A) 1916 Peneri 2027/4 069465 1926 7077/4 069465 1926	Maretron H.B.P. A.2614	
93 (4 °C) (4 ° 0 30 9 6	030188 174 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	; ;;;;; i3	Branner	93 Forest	1617	7
TO LINE OF STATE OF S	Fig. "Fed-Cline" U.S., MI Exelon Linotory , S	U.S., MI Evelyn Lineberg S	U.S., MI Evelya Lineberg, S	3-1 83 N.H. Brunson One		\prec
22 (2.2) (2.	A Campa A may Services	Astero (G Salanan ABA	Humble H.B.P. 8-934	Continental H.B.P. B-2657	Continental C H.B.P. : B-2557	23 S
	•	3.14 HSpear;	it desert to announced	,	1	

DATA SHEET FOR WELLBORE COMMINGLING

Operator: (Coquina Oil Corpo	ration	
Address:	P. O. Drawer 2960	, Midland, Texa	s 79702
Lease and Well No.:	Vivian No. 1		
	Unit F, 1,787' FN Range 38E, Lea Co		, Section 30, Township 22S, o.
WELL DATA:			
Name of Pool		ool kard	Pool Wantz (Granite Wash)
Producing Method	F1	OW	F1ow
BHP (Static @ Mid-Per	f) 603 PSIG to	725 PSIG(1)	634 PSIG to 745 PSIG (2)
Type Crude		eet	Sweet
Gravity	41.4	API	36.3 API
GOR Limit	6,	000	2,000
Completion Interval		-6,448'	7,256'-7,284'
Current Test Date	7-1-78	(3) Prod'n History	
Oil BO/D	17.9	13.5	19.4
Water BW/D	6	-	0
Gas MCF/D	503	329	205
GCR	28100	24370	10600
Oil Price \$/BB1	15	.27	15.27
Gas Frice \$/MCF	0.	338	0.65
Daily Income \$/Day	Shu	t-In	\$429/Day
COMMINGLED DATA:			
Gravity of Oil	38.40	API	<u>.</u>
Commingled Product Pr	ices <u>0il \$15.</u> 2	27/BB1	Gas \$0.34 & \$.65/MCF
Daily Gross Income	$ \begin{array}{r} 32.9 \text{ B0} \\ .65 = $74 \end{array} $		/D X .338 + 205 MCF/D X
NOTES:			BEFORE EXAMENER STAMETS OIL CONSELVATION TOWNSION
(1) See attached pre	ssure survey date	ed 6-26-78.	CASE NO.
(2) See attached pre	essure survey data	ed 6-22/23-78.	Heaving Date
(3) Attached Drinkar	d Production Tes	t Data on 7-1-78	8 was for the last 24 hrs
of 72 hr flow pe	eriod. The zone	had been S. I. 1	for about six months and
probably is a fl	ush rate, as com	pared to stabil	ized flow data from attached

Production Decline Curve Historical Data. The historical decline data

appears better for commingling basis.



ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

JERRY APODACA

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

August 14, 1978

Coquina Oil Corporation P. O. Drawer 2960 Midland, Texas 79702

Attention: J. C. Solari

	ME ER STAMETS
	NOR WILLD NON
	A 100. 3
CAST WALLET	
Submittee	
Hearing Date	

Administrative Order No. DHC-255 Vivian Well No. 1, Unit F, Section 30, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico, Drinkard and Wantz-Granite Wash Pools

Gentlemen:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations for the subject well to permit the commingling of the production from both pools in the well-bore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303-C, and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above.

In accordance with the provisions of Rule 303-C, total commingled oil production from the subject well shall not exceed 50 barrels per day, and total water production from the well shall not exceed 100 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by multiplying 2000 by top unit allowable for the Wantz-Granite Wash Pool.

TA = 16700000

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

3 - 33 - 5 - -

Upper Pool: 0i1 41%, Gas 62% Lower Pool: 0i1 59%, Gas 38%

(3)

Pursuant to Rule 303-C 5, the commingling authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Very truly yours,

JOE D. RAMEY Division Director

JDR/CU/og

cc: Oil Conservation Division

Box 1980

Hobbs, New Mexico



COQUINA OIL CORPORATION

MIDLAND, TEXAS 79702

(915) 682-6271

July 21, 1978

Department of Energy and Minerals Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501 CASE Peda

Hearing Dela

Re: Downhole Commingling Vivian No. 1 Well

Attention: Mr. Joe D. Ramey Secretary Director

Gentlemen:

Coquina Oil Corporation respectfully requests administrative approval to commingle production from the Drinkard and Wantz Granite Wash Pools in the wellbore of its Vivian No. 1 well in accordance with New Mexico Oil Conservation Commission Rule 303-C and that its earlier request for multiple completion be cancelled.

Approval to downhole commingle the Drinkard and Wantz Granite Wash Pools has been previously obtained for Texaco's A.H.Blinebry Federal (NCT-1) Well No. 38 under NMOCC Order No. R-5657.

Coquina had requested dual completion on subject well with a hearing held before examiner Mr. Nutter. By telephone conversation with Mr. Nutter on June 12, 1978, testing of the shut-in Drinkard zone was required to evaluate its status as either a flowing oil or flowing gas zone. After setting a tubing plug to exclude Granite Wash production, a sliding sleeve was opened for testing of the Drinkard through tubing. A 24 hr. test on July 1, 1978, at the end of a 72 hr. flow period, flowed 17.9 BO, 6 BW, 503 MCF(GOR 28100) and reflected flowing oil well status and commingling potential with the Granite Wash flowing oil zone.

The attached "Data Sheet for Wellbore Commingling" provides the data required by NMOCC Rule 303-C-2(a,b,f,g, and h). Form C-ll6's are attached showing test data for the Granite Wash just prior to shut-in on June 22, 1978 to test the Drinkard and for the Drinkard test on July 1, 1978. Production data tabulations and decline curves for each zone are attached as are a well and lease plat and wellbore diagrams for existing and proposed completion.

Department of Energy & Minerals July 21, 1978 Page 2

This well was operated as a single completion from the Drinkard until recompletion as a single from the Granite Wash in December 1977. The Drinkard production history decline curve appears to offer a more stabilized basis for commingling than the July 1, 1978 test which probably reflects "flush" rates after six months shut-in.

Coquina proposes to pull tubing and packer and rerun tubing with a tubing anchor to accommodate commingled flowing oil production from both zones now and articicial lift when later required.

It is recommended that 41% of the commingled oil and 62% of the gas be assigned to the Drinkard zone with 59% of the oil and 38% of the gas assigned to the Wantz Granite Wash in accordance with decline curve and test data.

Ownership of the two zones is common throughout. Static bottom hole pressure for the zones are in the same range and both zones are flowing oil status with the commingled oil rate less than 50 BOPD. Commingling will not jeopardize efficiency of any secondary recovery operations. All offset operators have been notified of this application by copy of this letter.

Yours very truly,

COQUINA OIL CORPORATION

J. C. Solari

Manager of Reservoir

JCS:kyr
attachments

cc: Off-set Operators
 (see attached list)

Mr. Jason Kellihan P. O. Box 1769 Santa Fe, New Mexico 87501

NMOCC P. O. Box 1980 Hobbs, New Mexico 88240

COQUINA OIL CORPORATION

VIVIAN WELL NO. 1

Sec. 30, 22S, 38E Lea County, New Mexico

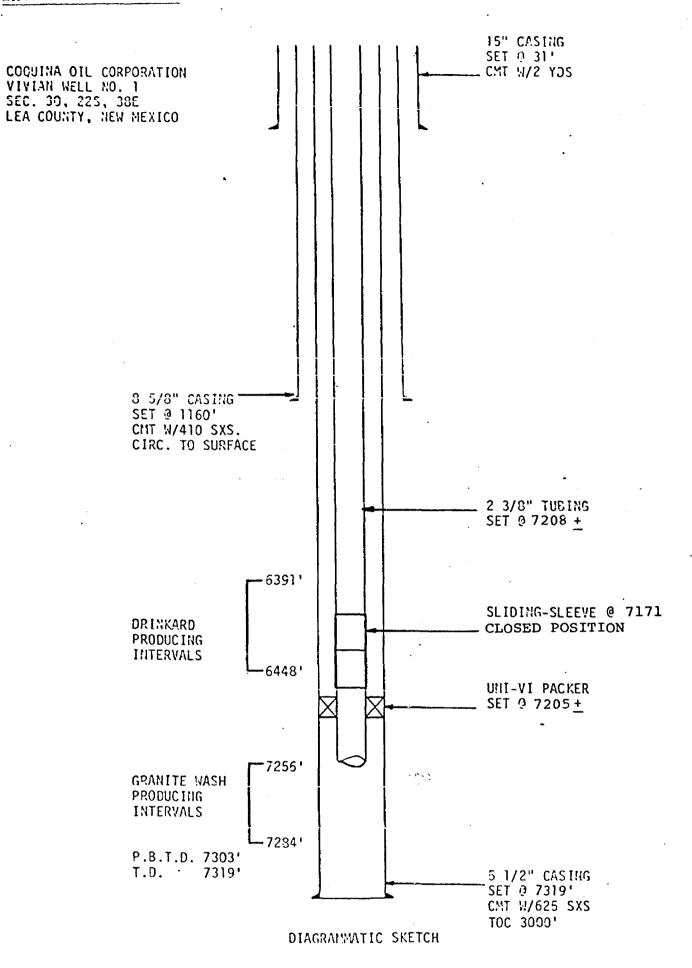
LIST OF OFFSET OPERATORS

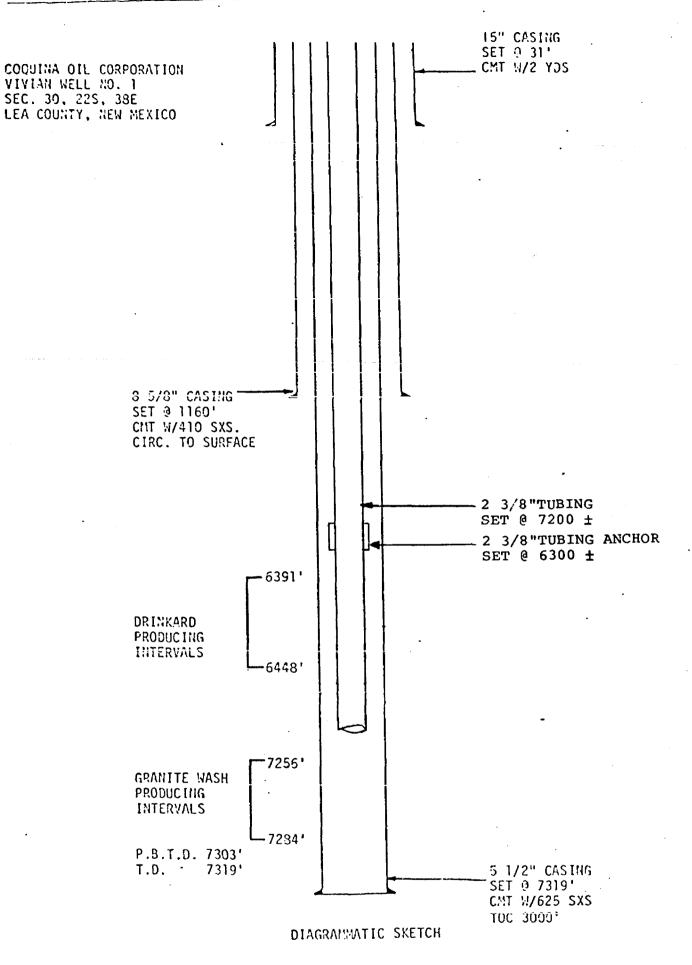
Texaco, Inc. P. O. Box 728 Hobbs, New Mexico 88240

Gulf Oil Co., U. S. P. O. Box 670 Hobbs, New Mexico 88240

Hanson Oil Corp. P. O. Box 1515 Roswell, New Mexico 88201

Summit Energy, Inc. 1925 Mercantile Dallas Bldg. Dallas, Texas 72501





NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS

Bearing Isless

	(X) (-1	GAS - OIL	CU,FT BBL	10600	dsh) zone was prior to setting tubing plug and to opening sliding sleeve tubing as discussed w/NMDCC's Mr. Motter on 6/12/78 or possible application.	
		TEST	¥.C.F.	205	liding s ible app	
		URITE	931.5	36.3 19.4	ning s r poss	
	Gengalistica [800. c	0 10	36.3	o obe	
Lea	書き	Ы	BBLS.	0	and t 6/12	
oty			10.00	24	plug er on	
County	Concluded []	DAILY	ABLE	33	tubing ir. Nott	
	ause	TBG.	FRESS	120	etting OCC's M	
sh)	TYPEOF TEST - (X)	CHOXE	SIZE	16/64	T to w/NM	
Ma	7 P E ST	SAL	472	<u> </u>	s s o	
Wantz (Granite Wash)		DATEOF	TEST	6-22-78 F 16/64	e was p s discu	
ntz ((0	æ		ing as	
Ma	_	z		38		
Pool	as 7	LOCATION	-	22	ough ough	
=	Tex.	٥٦	v	30	Granite We through	:
	land		3	Ľ.	zone	
ration	D, Mid	WELL	ŏ.	_	of Wardinkard	
Coquina Oil Corporation	P. O. Orawer 2960, Midland, Texas 79		L EASE NAME	Vivian	NOTE: Above test of Wantz (Granite I to test Drinkard zone through to commingle.	
. er 310r	dress					

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

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

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

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

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

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

Manager of Reservoirs July 20, 1978

NEW MEXICO OIL CONSERVATION COMMISSION GAS-OIL RATIO TESTS

C-116 Increed 1-1-65

erator				P3							100	unty	***				
ittens	Coquina Oil Corpo	ration		l		Wantz	(Granite						Lea	! . 			
11088	P. O. Drawer 296	O, Mid	land	, Texa	is 797	03			E OF [= {X}]	1 54	Outra []		să nạ	detra. [13.0	1-01 [X]
		WELL		LOC	ATION		DATEOF	3	CHOKE	тас.	DAILY	LNGTH	·		PURING	TEST	GAS - OIL
	LEASE NAME	NO.	U	\$	т	R	TEST	57.4	į į	PRESS	ALLOW-	TEST HOURS	WATER BBLS.	GHAV.	OIL BBLS.	GAS M.C.F.	RATIO CU.FT. BBL
	Vivian	1	F	30	22	38	6-22-78	F	16/64	120	33	24	0 .	36.3	19.4	205	10600
				·			e :										•
	NOTE: Above test to test Dr to comming	inkard	tz zone	Grani thro	te Wa ugh 1	sh) z ubing	one was pr as discus	io se	r to s d w/NM	etting OCC's	tubing Mr. Not	plug er o	and t n 6/12	o ope /78 o	ning s r poss	liding s ible app	leeve lication .
				6		·											
			i									 	i [] [•
] 								, *	

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

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

Gas volumes must be reported in MCF measured at a pressure base of 15,025 psia and a temperature of 60° F. Specific gravity base will be 0.60,

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

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

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

(Signature)

Manager of Reservoirs

(Title)

July 20, 1978

(Dere)

Null		
COQUIMA OIL CORD VIVIAN #1 WANTZ GRANITE WASH LEA N. MEX		
 0006/22/10 TEST ENTE 205 M/O (6232 MCC/Mo)		10290
	:	1000 HILTONIA
LIZZITE TEST RATE IQ.4 BOPD (500 BORH)		100

Operator COQUINA Vinera #1 FIND MANTE (GAMAITT WASH State N.M. STRINGER OIL GOR STEINPER UTL

OF Remarks

Yield CASTRIEE: 65 4 Jan. Oil or Condensate - Bbls. Gos - MCF Water Prod, Year to Date | Cumulative Year to Date Cumulative Monthly Bbls. FARANTE WASA 1/73 222 2580 570 11483 139 9969 2011 1.32. 6722 يوه بهزواه زمار 11 12. 3 4 5 6 7 8 12 Total 12

Total

Bennett Wire Line Service 305 McArthur Ave. Ph. (505) 746 - 3281 Artesia, New Mexico - 38210

BOTTOM HOLE PRESSURE SURVEY REPORT

·	NSE			'	VIV.	lan	/ O	Gra	nit	e K	ash						720	08 7	Pt.	Flo	Pi ow. nin.	485	;	Lbs	بنده ه		Hrs	. 61
MEI	LL N	0			<u> </u>					_								51			11	540		11			11 11	62 62
DA.	TE.	6,	/22	, 23,	/78	TI	ME_		24	iirs	• P	res	sur	e L	uil	à				5		550)				ti	62
																1				0		560		! !		16	11	62
							ST [_	_	irs.	570		11 		17 18		62 62
							IP L													3	11	580 585		11 11		-	10	62
							P C									l				4	11	590)	_			11	62
EL	EY.					FL	UID	TO	P							1				~	11		5 0 1			21	11	€2 62
							TER													_	11		3 1			23	**	63
Q.	JCK	NO.				GA	UGE	: NO)											_	11		•	11		24	41	63
EL	EMEI	N TP	0																	9 0				 				
			_			-				-				7	00						**		5	*				
	1	-40					60				600		I::::		~	-1-	1000					. (¥::::		1:4:		
Line.		(/ (曲							Pres	SUP													
		2		鼺		壨	▦										Ш	▦		==								
						膃	ᇤ	圔	17																			
							#			╚																		
							圖																					
							H													==								
		×	***				-		H	14		===											: :::::		1::::			
						鼺	豐					臣													1=:			
	些						歱	壨		EE		壨																
									#																			
																									1			ΞĒ
		7															1	•••• •		ليسما				*****		-	I	
									 								24	hr	. SI	BHI	?	6	531	psi	at	72	180	(. .
		>					 		≣		1						1					(534	psi	. at	. /2	70'	(MPP)
																	Bu	ild	-UD	exi	orapo	olate	es c	n H	lorr	er	type	e plo
	\blacksquare	>					1:::	1		::: <u>:</u>	#	 					to	74	5 ps	i i	prapo at Mi	P a	t T	+ t	/t	= 1	•	
				1.5.1																							,	
#		ij				1111		:=:					<u> </u>						::::				<u> </u>					
								1::::				1::::																
		/																						J:-::	1			
								1																				
							1:::																					
				 	 		 	:::		1::::		::::	 				1											
##		>				-	##	1::::			-}						1:::							-				
						Ш	##						 				 											
		<u> </u>				1	1:::					<u> </u>	1				::::							1	1	1		
		£																										
								1	::::								 											
														Ī.														
	::::::	1::::				1			1					1														
		*		1-2-2		 	1	ļ	1	İ	1		1	1	1		1						: :::	T:::		1		
		.						تتناب	1	1	4	ļ:	1	; ;;;;	ł::::		1::::		::::	::::				i		1::::	 ::::	
							1:::		1::::	4::::		22.23		4				+	1:::::				- 7			1	1:::	
	7																											
		\(\frac{1}{2}\)																										
	\$	X																										
	\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	X																										
	,																											

Bennett Wire Line Service 305 McArthur Ave. Ph. (505) 746 - 3281 Artesia, New Mexico - 88210

BOTTOM HOLE PRESSURE SURVEY REPORT

LEASE Viv					ian	JINA OIL CORP. ian / Granite Wash											DEF	PTH	PRESSURE						GRADIENT					
	FII	ELD TE					TIM	(E														PAG	GE 1	io.	2					
,	ST. TIA CA	ATU AE S S. P	S .l RES				TE: LA: BH!	ST D ST T P L/	EP'	TH . TES	TE	_																		
	EL DA TE CL	EY. TUN MP. OCK	(HO	•			FLI WA' RUI GAI	UID TER N B'I UGE	TOF TO: NO	P						_														
ELEMENT NO																					 ····									
≝																SUTO														
#																														
≣																														
																									::::					
÷																												===		===
Ö																														
											====												:::::							
											<u> </u>												1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1							
																						1:::: 								
														{ 																
								1::::																						

NEW MEXICO OIL CONSERVATION COMMISSION GAS - OIL RATIO TESTS

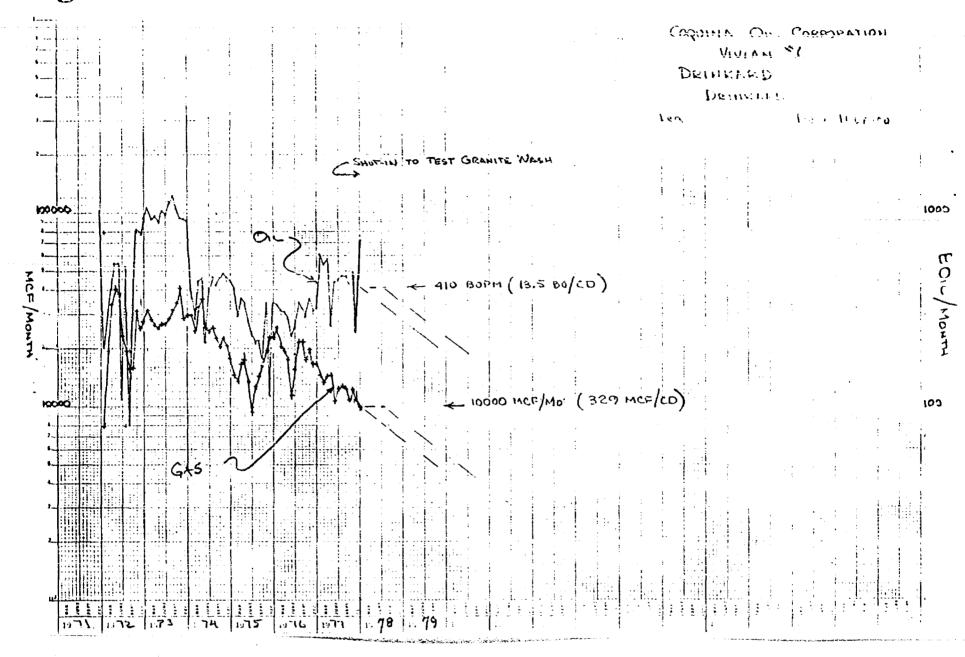
. itor

CHo frevland 1-1-65

(Signature)
Manager of Reservoirs

(Tide) 1978

	Coquina	0il Corporat	ion			 Dri	inkard	ľ				Lea						
-35								T		EOF								
	P. O. D	<u>rawer 2960, </u>	Midlan	d, T	exas	79702			: S 7	- (X)		a duted [-1		de tron [<u> 1 π [X]</u>
	LEASE NA	itt#	WELL		LOC	ATION	·	DATEOF	5	CHOKE	TBG.	DAILY	1 [NGTH			DURING	ı	GAS ~ OIL RATIO
	CCASE RA		NO.	U	s	Ŧ	R	TEST	*	SIZE	PRESS.	ABLE	1CST moas	BBLS.	GRAV.	OIL BBLS.	GAS M.C.F.	CU.FT BBL.
	Vivian		1	F	30	22	38	7/1/78	F	24/64	130	-0-	24	6	41.4	17.9	503	28100
· · · ·	NOTE:	Above test as Oil or G set to blan perforation of which th	as in k off l s for	respo Nant: a th	onse (Gra ough	to a i inite tubii	eques Wash) ig flo	t for dual and a sli w test. T	c di he	omplet ng sle above	ion or eve wa 24 ho	propos s opene ur test	sal to ed to t was	commi permit at the	ngle. flow end	A tu from of a 7	bing plu Drinkard 2 hr flo	g was
	·																	
located increase Cowill be 0	Ouring gas-of by more than d allowables Cas volumes (0.60, Report casing	e assigned an nilow I ratio test, each w 25 percent. Operate when authorized by t must be reported in pressure in lieu of t and one copy of thi	ell shall or is encounted to the Commistance MCF measubing pres	be produraged salon. Sured as	iuced at to take t a press or any we	a rate r advantag sure base	of exceeded of this of 15.00	eding the top units 25 percent toles 25 psia and a tem igh casing.	all anc	owable for e in order atur of 60	that well	can be ass	igned base	is true	•	omplet e :		e information of my know-



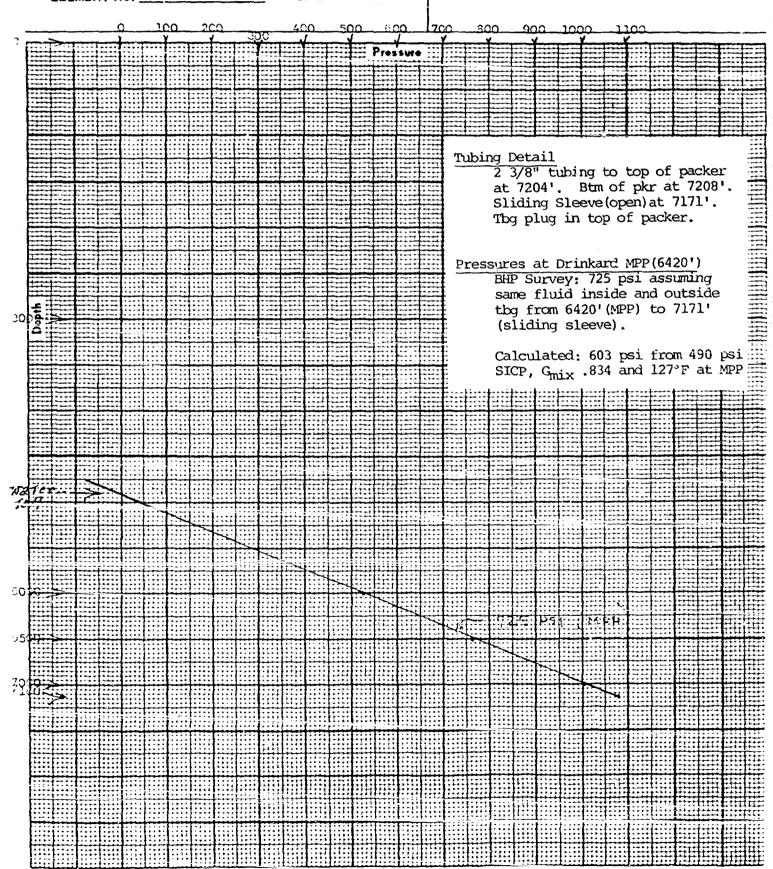
Leone 11. riold DELNEAND State Out 1 Programs County 1 -GOR Oil or Condensate - Bbls. Gas - MCF Water Frod. Remarks Date or Yield Monthly Year to Date Cumulative Year to Date Cumulative Monthly 851s. 652.251 Vag 29-129 403 2 24675 <u>: ১১১</u> 3 444 านุยยา 4 <u>401</u> 518 25564 6 1111 7 цьэ, 8 1133 33601 9 4101 20000 10 22215 4.15 11 402 12 447 12720 Total 400 14503 2 300 13454 16.552 . . . 17563 5 . . . 13640 6 7459 7 2 (4) 12772 8 212 14122 9 177 16317 10 30% 19446 11 113 21925 12 343 22862 Total 333 H 37100g 112,420 1,149 596 337 25460 316 20257 311 1021 4 295 17545 234 11412 6 حعد 15 524 7 સુપાપ 21,450 8 32.2 21436 9 500 17.357 10 165 19 300 11 16596 3.0% 12 ₹3 2. 16 4192 Total 222 371 32711

Operator Caryon

Bennett Wire Line Service 305 McArthur Ave. Ph. (505) 746 - 3281 Artesia, New Mexico - 88210

BOTTOM HOLE PRESSURE SURVEY REPORT

LEASE	QUINA OIL 10 (1000ATION vian Orinkard	DEPT	H PRESS		GRADIENT Lbs./100 Pt.
WELL NO1		l o	Ft.	00 Lbs.	
DATE 6/2-/73	TIME 5: 30 PM.	3000	. ti	00 "	
STATUS Shut-in	TEST DEPTH716	<u>0 만t.</u> ::000	, u <u> </u>	24 "	17.5
	LAST TEST DATE	3500	, 11 7	/gg II	47 . 3
TUB. PRES. 0	BHP LAST TEST BHP CHANGE	7000	10	102 11	47.3
ELEY.	FLUID TOP	71.0		79 4	48.1
TEMP EN 100		642:	C (MFF) T	こ き "	
ELEMENT NO. 9520					



Bennett Wire Line Service 305 McArthur Ave. Ph. (505) 746 - 3281 Artesia, New Mexico - 88210

BOTTOM HOLE PRESSURE SURVEY REPORT

		OPE	RAT	ror				-00	GUI	на	011	. 00	RPO	RAT	10%					DE	PTH		1	PRE	รรบ	RE		(GRA	DIE	NT	
∜		LEA	SE.			····		7 <u>i</u>	VLO	in 2	ric	kar	1																			
Ą		FIE	LD _																													
ŗ		DAT	E _3	/25	<u> કે</u>	27	<u>/7</u> 3	TIM	۱Ē _	13.	5 :(rs.	ЭН	Рb	uil	d-u	ນ_	ļ		ua. Was	pr le	ess 079	ure Lb	् । s.	sta:	rt	of :	13.5	5 h	•	tes	t
I		STA	TUS	Sh	ut-	in		TE	ST (DEP.	TH.				716	O F	t.			Pre	ssu	re	was	st	abi				ougi	n tl	1e	
K E		TIM	E S.I	5	OH	rs.	<u>L'b</u> s	LA	ST 1	rest	DA	TE								13.	5 h	rs,	107	9 L	bs.	ا و.	end.	•				
		TUB	. PR	:ES.		30	<u> </u>	&H	P C	HAN I CA	TE: GE	»						1														
H		ELE	٧					FL	UID	TOP	`							}														
3		DAT	UM IP		1	.09		WA'	TER N B	! TO Y	Р_				Ben	net	t															
s.		alc	CK	NO.				GA																·								
Ÿ		ELE	MEN	IT N	lO	<u>_</u>	528				_							ĺ														
Y				10	<u>co</u>	10	50	11	00									L														
0																Pres	SUFE	. ==														
<u>.</u>								:::																								
2	. !!!																															
3																																
	} {}																															
5	<u> </u>								1111																							
ô	*																															
7																																<u> </u>
8	\geq								1111																							
9					::::			1:::																								
10																																
11	3						1111	-	::::	<u> </u>																						
12	: =:-	==					::::			1		11																				
13		-															::::															
:02						::::				1222	111																					
											1::::	1														===						
			1:				::::																:::::									
							::::																									=
																													- 1 - 1			
								****		11111																						
		<u> </u>	E																	1::::												
				1	1	1 1								 																		{ } } + + ~
	1211	1:::					:::::		1::::		i i i				: E: I						### ###											
											i i i i																					
																壨		1111		: : : : : : : : : : : : : : : : : : :					1211							
					1:::::															11				::::								
																															4	
											1::::	1::::	1::::												::::				Ш			
																1.1.1		f::::	1::::	[::::	1::::	:::::		<u> </u>								
																	1															
																				İ			1::::	1::::	1::::	:::::	1:::::		1:::::	1::::	:::: ;	1111
										1																	::: <u>:</u>					
	T::::		1	1	1	1	1	1	4		1	Litte	1	1::::	1::::	+ - > - >	1:::::	1::::	4	4:::	4	+		1	4	+	+			≰:i[i	1:1:4	1:22:

ASSUME EMMEDING IN THE & MINISTER CARECTER STATIC FOR 13 HES DWT 490 (STRRUG 13 HES 6000 - MP 5000 5 7200

CALCULATIONS OF COMMINGLING RATIOS

COQUINA VIVIAN #1

Drinkard and Wantz (Granite Wash) Pools

TEST DATA	DRINKARD Production History	WANTZ GRANITE WASH 6-22-78	COMMINGLED
Oil BOPD & Commingled	13.5	19.4	32.9
	41.0%	59.0%	100.0%
Gas MCFPD	329	205	534
% Commingled	62%	38 ዩ	100%

Water production from only Drinkard zone.

OIL COM		O. MINON
		5
C.81113		and the second s
Ç., .		
	of the	

5)

D	C		
VIVIAN GULF	VIVIAN GULF	B VIVIAN GULF	A
.8	.1	.10	
19732 M/MO 637 M/D	24749 M/MO 798 M/D	1256 M/MO (41 M/D)	
E VIVIAN GULF	F VIVIAN COQ	GULF	Н
.3	.1		
3678 M/MO 119 M/D		0 W/D	
DRINKARD B SUMMIT	COO VIVIAN	J DRINKARD B GULF	I
.2	.2	.2	
26221 M/MO (846 M/D)	18431 M/MO (594 M/D)	7884 M/MO (254 M/D)	
		SEC. 30 T22S R38	ßE
		LEA COUNTY, NM	

- 7 PRODUCING OFFSETS 470 M/D AVERAGE/WELL
- 3 DIRECT PRODUCING OFFSETS 504 M/D AVERAGE/WELL

OFFSET DRINKARD GAS PRODUCTION TO

COQUINA VIVIAN #1

MAY, 1978

6

(6)

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 13, 1978

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

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

- ALLOWABLE: (1) Consideration of the allowable production of gas for October, 1978, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
 - (2) Consideration of the allowable production of gas for October, 1978, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.
- CASE 6314: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Overland Drilling & Exploration, Ltd., Ohio Casualty Insurance Company, and all other interested parties to appear and show cause why the Lowe State Well No. 1 located in Unit E of Section 15, Township 19 South, Range 29 East, Eddy County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.
- CASE 6315: In the matter of the hearing called by the 0il Conservation Division on its own motion to permit Hugh L. Johnston, Sr., General Insurance Co. of America, and all other interested parties to appear and show cause why the Continental State Well No. 5 located in Unit C of Section 30, Township 17 South, Range 29 East, Eddy County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.
- CASE 6316: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Cortez Corporation, Aetna Casualty & Surety Company, and all other interested parties to appear and show cause why the Fair Well No. 1 located in Unit D of Section 24, Township 18 South, Range 26 East, Eddy County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.
- CASE 6290: (Continued from August 16, 1978, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit R. A. Crane, Jr., Great American Insurance Co., and all other interested parties to appear and show cause why the Donella Well No. 1 located in Unit P of Section 3, Township 29 North, Range 15 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 6307: (Continued from August 30, 1978, Examiner Hearing)

Application of Exxon Corporation for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Drinkard and Wantz-Abo production in the wellbore of its F. F. Hardison B Weil No. 10, located in Unit A of Section 34, Township 21 Soith, Range 37 East, Lea County, New Mexico. (This case will be dismissed.)

- CASE 6317: Application of Harvey E. Yates Company for an unorthodox gas well location and a non-standard proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 301.75-acre non-standard gas proration unit comprising the N/2 of Section 18, Township 18 South, Range 29 East, Eddy County, New Mexico, to be dedicated to a well to be drilled 1980 feet from the North line and 660 feet from the East line of said Section 18 to test the Morrow formation.
- CASE 6318: Application of Coquina Oil Corporation for an increase in casinghead gas allowable, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 303-C-4 to increase the casinghead gas allowable for its Vivian Well No. 1, located in Unit F of Section 30, Township 22 South, Range 38 East, Lea County, New Mexico, the Drinkard and Granite Wash zones in said well being commingled pursuant to Order No. DHC-255 and subject to the GOR limit for the Wantz-Granite Wash Pool.
- CASE 6319: Application of Deleg Ferroteum Corporation for an unorthodox well location and compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp formation underlying the N/2 of Section 31, Township 21 South, Range 27 East, Eddy County, New Mexico, to be dedicated to its Mollie Com Well No. 1 located at an unorthodox location 1100 feet from the North line and 1575 feet from the East line of said section. Also to be considered will be the cost of recompleting said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

Dockets Nos. 31-78 and 32-78 are tentatively set for hearing on September 27 and October 11, 1978. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - MONDAY - SEPTEMBER 11, 1978

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205 STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 6289: (Continued from August 23, 1978, Commission Hearing)

Application of Bill Taylor for enforcement and amendment of Order No. R-5332, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination of well costs, an accounting of expenditures and costs withheld from production, and the amendment of Order No. R-5332 to remove the present operator of the pooled proration unit comprising the N/2 of Section 13, Township 22 South, Range 26 East, South Carlsbad Field, Eddy County, New Mexico, and designate another operator for said unit.

CASE 6146: (DE NOVO)

Application of Jerome P. McHugh for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Tapacito-Gallup and Basin-Dakota production within the wellbore of his Jicarilla Well No. 5 located in Unit D of Section 29, Township 26 North, Range 4 West, Rio Arriba County, New Mexico.

Upon application of Jerome P. McHugh this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 6328:

Application of Maralo, Inc., for statutory unitization, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order unitizing, for the purpose of secondary recovery, all mineral interests in the Jalmat Yates Unit underlying the following described lands in Township 25 South, Range 36 East:

Section 12: SE/4 Section 13: NE/4

and the following described lands in Township 25 South, Range 37 East:

Section 18: NW/4 and N/2 SW/4

all in Lea County, New Mexico.

The unitized interval would be all formations or zones extending from the top of the Yates formation down to 100 feet below the base of the Queen formation in the Humble-Winters "A" Well No. 2 located in Unit C of Section 18, Township 25 South, Range 37 East.

Among the matters to be considered at the hearing will be the necessity of unit operations; the designation of a unit operator; the determination of the horizontal and vertical limits of the unit area; the determination of a fair, reasonable, and equitable allocation of production and costs of production, including capital investment, to each of the various tracts in the unit area; the determination of credits and charges to be made among the various owners in the unit area for their investment in wells and equipment; and such other matters as may be necessary and appropriate for carrying on efficient unit operations, including, but not necessarily limited to, unit voting procedures, selection, removal, or substitution of unit operator, and time of commencement and termination of unit operations.

CASE 6313:

Application of Maralo, Inc., for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project on its Jalmat Yates Unit Area, Lea County, New Mexico, by the injection of water into various wells located in Township 25 South, Panger 25 and 27 Page.

- CASE 6320: Application of Texas Oil & Gas Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Coquina Federal Com. Well No. 1 to be drilled 660 feet from the North line and 1980 feet from the West line of Section 32, Township 18 South, Range 27 East, to test the Morrow formation, the W/2 of said Section 32 to be dedicated to the well.
- CASE 6321: Application of Texas Oil & Gas Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Shugart State Com. Well No. 1 to be drilled 660 feet from the South line and 1980 feet from the West line of Section 16, Township 18 South, Range 31 East, Eddy County, New Mexico, to test the Wolfcamp and Pennsylvanian formations, the N/2 of said Section 16 to be dedicated to the well.
- CASE 6283: (Continued from August 2, 1978, Examiner Hearing)

Application of Texas Oil & Gas Corporation for a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 320-acre non-standard gas proration unit comprising the W/2 of Section 16, Township 20 South, Range 36 East, North Osudo-Morrow Gas Pool, Lea County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon.

<u>CASE 6322:</u> Application of rates PetroLoum Corporation for pool contraction, Eddy County, New Mexico.

Applicant, in the above-styled cause, seeks the amendment of Order No. R-391 to contract the horizontal limits of the Empire-Pennsylvanian Gas Pool to the following:

All of Sections 28 and 29, Township 17 South, Range 28 East

In the alternative, applicant seeks to limit the special pool rules for said pool to the present horizontal limits of the pool.

- CASE 6323: Application of Yates Petroleum Corporation for compulsory pooling and an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the W/2 of Section 23, Township 17 South, Range 28 East, Empire-Pennsylvanian Gas Pool, Eddy County, New Mexico, to be dedicated to its Lucas Store JZ Well No. 1 located at an unorthodox location 1980 feet from the North line and 860 feet from the West line of said section. Also to be considered will be the cost of completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 6324: Application of Yates Petrolcum Corporation for downhole commingling or pool creation, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Wolfcamp and Upper Penn gas production in the wellbore of its Box Canyon GJ Fed. Well No. 1 located in Unit J of Section 13, Township 21 South, Range 21 East, Eddy County, New Mexico. In the alternative, applicant seeks the creation of a new Permo-Penn gas pool for said well.
- CASE 6325: Application of Amoco Production Company for unorthodox locations and directional drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox locations of the following South Hobbs Unit wells located in Township 19 South, Range 38 East, Hobbs Pool, Lea County, New Mexico:

Well No. 120 located 1272 feet from the North line and 1420 feet from the West line of Section 5; Well No. 121 located 1450 feet from the North line and 150 feet from the West line of Section 4; Well No. 123 located 2390 feet from the North line and 150 feet from the East line of Section 6; Well No. 124 located 1925 feet from the South line and 2380 feet from the East line of Section 4; Well No. 126 located 1295 feet from the South line and 1365 feet from the West line of Section 10; Well No. 122 located 1726 feet from the North line and 167 feet from the East line of Section 4; and Well No. 125 located 2016 feet from the North line and 763 feet from the West line of Section 3.

Applicant further seeks authority to directionally drill Wells Nos. 122 and 125 to bottomhole locations in the extreme southeast corners of Unit II of Section 4 and Unit E of Section 3, respectively.

- Application of Energy Reserves Group, Inc., for downhole commingling, Rio Arriba County, New Mexico.

 Applicant, in the above-styled cause, seeks authority to commingle South Blanco-Pictured Cliffs and Otero-Chacra production in the wellbore of its Jicarilla 35 Well No. 3, located in Unit B of Section 2, Township 24 North, Range 5 West, Rio Arriba County, New Mexico.
- CASE 6327: Application of O. H. Berry for an unorthodox gas well location, Lea County, New Mexico. Applicant in the above-styled cause, seeks approval for the unorthodox location of its J. L. Isabell Well No. 5-Y located 340 feet from the North line and 330 feet from the East line of Section 15, Township 24 South, Range 36 East, Santa Rosa formation, Lea County, New Mexico, the NE/4 of said Section 15 to be dedicated to the well.



COQUINA OIL CORPORATION

P. O. DRAWER 2960 MIDLAND, TEXAS 79701 August 17, 1978 RECEIVED

(915) 682-6271

AUG 2 1 1978

Oil Conservation Commission

Department of Energy and Minerals Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501

> Re: Request for Hearing to Consider Increase In Gas Allowable - Downhole Commingled Drinkard & Wantz Granite Wash Zones Vivian Well No. 1 Section 30, 225, 38E Lea County, New Mexico

Gentlemen:

Coquina Oil Corporation respectfully requests that a hearing be scheduled for the purpose of increasing the casing head gas allowable, an exception to the NMOCC Rule 303-C-4, for its Vivian No. 1 well.

By letter of August 14, 1978, your Administrative Order No. DHC-255 authorized downhole commingling of the Drinkard and Wantz Granite Wash zones in subject well. The proposed downhole mechanical changes to effect commingling are in progress.

Our letter of July 21, 1978 requesting downhole commingling presented results of substantial production and pressure testing in June and July 1978 on subject well. Attached are duplicate copies of the plat, data sheet for wellbore commingling, calculations for commingling ratios and wellbore diagram from our July 21, 1978 letter.

We believe the 374 MCFPD gas limit for the lower ratio Wantz Granite Wash pool applied to the commingled well will not protect against gas drainage from the lease in as much as the Drinkard has a gas limit of 825 MCFPD.

Your carly handling of this matter will be greatly appreciated.

Yours very truly,

COQUINA OIL CORPORATION

Manager of Reservoir

Energer of recorder

JCS:kyr attachments

CC: Offset Operators
Mr. Jason Kellihan
NMOCC - Hobbs, N.M.

AUG 21 10.3

COQUINA OIL CORPORATION

VIVIAN WELL NO. 1

Sec. 30, 22S, 38E Lea County, New Mexico

LIST OF OFFSET OPERATORS

Texaco, Inc. P. O. Box 728 Hobbs. New Mexico 88240

Gulf Oil Co., U. S. P. O. Box 670 Hobbs, New Mexico 88240

Hanson Oil Corp. P. O. Box 1515 Roswell, New Mexico 88201

Summit Energy, Inc. 1925 Mercantile Dallas Bldg. Dallas, Texas 72501

AUG 21 1973

εij	YUNT	Corese. Tr. A. H. B. Brenari, F. T.	Θεςςςς —Sohio	(Szel y) Modec Hog Modec Hog Language M	Correct OBSC29	C 6 Srcm MBF O19029	A-39
	the state of the s	1 (1) (1) (1) (1) (1) (1) (1) (1) (1) (1	In menoria () () () () () () () () () (o Ten. S. Hotcher, MI	Neili MRP 5 U.S. 079029 Geo. W. Sime, S. etal	U.S. L r. Sime eta	آج ج
		S S Hugh 6	Saha massa. Humble Jack Person Construction Extraction Extraction Extraction Extraction Fig. 1987 Greenese	172206 07 5.0 05 031000 07 5.0 000 07 031000 000 000 000 000 000 000 000 000	Mork Prod. Reserver 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Source: 22 (2) Bi (40) 2 (01) Mark 1	60
\$ 5	4 4 /	alsomadar grain and	Sirks Minister Conference	Martinol 10 gi A1 a4 a2 Lockhort	iesaco. Jang Miller, MI	Cities Service 21,8,P, 8,9308 Summit [mrgy Co*	
		67.50 (1.00	tell in Dergrose in Damp offer	ranson Guera, layers	Sallinger Page 25,40	B 1 412 Starte	22
	Anadoria .	teneria Constate	in the second se	(FE) (32 1 12	Cord 2 map Abilet Abi	678,000] 5
	Pocific 6 in 48 2 2 Humble! Aurase 3 2 Humble! Aurase 3 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	A Q CS of 3161 B2	1. ST 240011	Guet Cycl	20 20 32 33 34	Spear-fee"]
1		inches de la constant	un Mende 2 25 Cosae for 25 Cosa	Green Disc Blinebry Green Trac	00.1 0m 032104 81 metry 10	232104 Taepter Ta 25 OU.S., MI A.M. Orinkhord	
rae	LANGLIE MATTIX OF PENROSE SO. UNIT	Stery 73A Stery 73A 117 Barry Coquina 10053 10053 10053 10053		SI Guité SI VAI STAN TE SE Verran Guite Verran Guite	16 28 35 8 3 18 3 18 3 18 3 18 3 18 3 18 3 18 3	33 10121	
NA	DARKO (OPER) **	Anagarko : Ameropi di	Short one	Vision of the stern	Sinebrand Sign Franchis	21 +31	
3.5	S TO TO TO THE PARTY OF THE PAR	Star and Latinot spanner	Summit of Energy	Summits Westingth To Finance State of S	estie Cum lemit Miggins	0.01 0 5.41 0.014 4 44 4 133 64 25 4	
•	Humble of deren 2	2 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5	Amondo Sims Sims* Summitt (Gust) Summit Energy	Simple dien M. Orinkorolisis W. lexaco 2 Oulf	tsa ta Cual Cual Cual Cual Cual Cual Cual Cua	Complete Com]
	Anedorko	And and and and and and and and and and a	hear a Happ (GUT/Store Happ (Happ) 15 15 15 15 15 15 15 15 15 15 15 15 15	""····································	Ciseri 3. 91 92 6 Processors		
3	Anodarko	2 (M ford Deck) of moute Pos Armer to \$136	3.1/51. [6.3] 3.1/51. [6.3] 3.1/51. [6.3] 3.1/62. [6.3] 3.	Starzeraugh	17 01 18 18 18 18 18 18 18 18 18 18 18 18 18	Standard T	4
1	10 100 10 10 100 100 100 100 100 100 10	Bionche E. Boud, MI To Geo W Sims efolio	1040 Stafet E 6:45 Formunation (S) (£:614)	Dual U.S. Selted at Evelyn Linebery (1)	Politica (1) Paris (1) Serie (1) Ser	U.5 , M 1	
,	Skelig Skelig 24 22 23 24 Decision	America Social Personal Property Shell Property See Social Property Shell Property See See See See See See See See See Se	Stelle Jahre etal Stelle Court - reports Stelle Court - Stelle C	C.G Compbell, etal. Company	75.344 jissise jasses Fromes 35(2) (ASI, Rich Unon Est Promes 35(2) (ASI, Rich Unon Est 3 h NAP 069466 069460 j %355 (01076 05.55 (01076) (10076)	2536558 Bowde -	Tom Linebery/SZ Lord 1.4.5,6
123	22 0 1 25 25 ELLY COLOR	See Cure 10 20 20 11 18 P	5,19-62 063564 Soroh B. Hughes A RCo (5 nmedan eperal NSF 1H.B.P. 053557	FILE TO THE PROPERTY OF THE PR	oca wet At Rich (G Campbell 1314 26466 063364	Morsical EA agost	35,500 —
36	SE ASSINIT	1.50	HH.B.P. COSSST 2222 2222 2222 2222 2222 2222 2222	Cosser , 21076 12:11:30 (Forcell	O 25446 H.B.P. 063564	1599 17	
45 E1	Siely A2 Siely 40 A1 A1 A1 A1 A1 A1 A1 A1 A1 A1 A1 A1 A1	Caste Sage Lungroil Amer	7 13 73 Someton 2244 7 13 73 Open Lunor Oil HBP Lunor Oil HBP	CIT MICUITOCH CIS	VICULES UR Ficeett 1 45 5 6 10 10 1 10 1 1 83 069466	See of Life Way	- Zam Lineberg (St
M 11	Symy Skelly Symy Some Symy Symy Symy Symy Symy Symy Symy Sy	A O Cimc Atal	Shore and IOI is	15050	Sarte	Object 105	LL1
36	Sarahnugresen	King Res Impa Aner (Gerry) P3 To To To To To To To To To To To To To	Soroh B. Hughes Signat Soroh B. Soroh B	(06946 1 1/16 1/16 1/16 1/16 1/16 1/16 1/16	Boxter) 10. 1. 93 10.9521 1926 10.106 1. 75 1926 10.2557152 1926 H. Boule Bowler, R.C. Bonden	0554974	anebery(5)
a.	\$ 2255 Freign	Gertakon King a a ang manggan a ang		Aces Dool @	1	resolution St.	<u>_</u>
. 7	Tantinental etal profession his premium tonsers	(Continental etal)	030186 Contriction 030186 Contriction 15:0287 0.83:30:52	3.537 60	Signal Si	, ·	
100	warrentalistel 1 (antinentalistel 1 (fine) asoise	030186 - 11 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -	13	18	GJ Farrell	1619	
.a 	o to wrat, U.S., MU wo	"Fed-Cline" U.S., Al Evelyn Linebery , S	U.S., MI Evelyn Lineberg S	U.S., MI Evelyn Lineberg, S	U.S., wi G	Store	23
:2	12 Come (12)	a Coman And A Constitues	Ratecol EG Sa Union R P I Bidg Union Specif	Mumbia H.B.F. B-974 1 distance for the groups	Continental H.U.P. E-2657	Continental H.B.P. S. B-7657	S S
	·			· · · · · · · · ·			

TA SHEET FOR WELLBORE COMMINGLING

Operator:

Coquina Oil Corporation

Address:

P. O. Drawer 2960, Midland, Texas 79702

Lease and Well No.: Vivian No. 1

Location:

Unit F, 1,787' FNL, & 1,787' FWL, Section 30, Township 22S, Range 38E, Lea County, New Mexico.

WELL DATA:

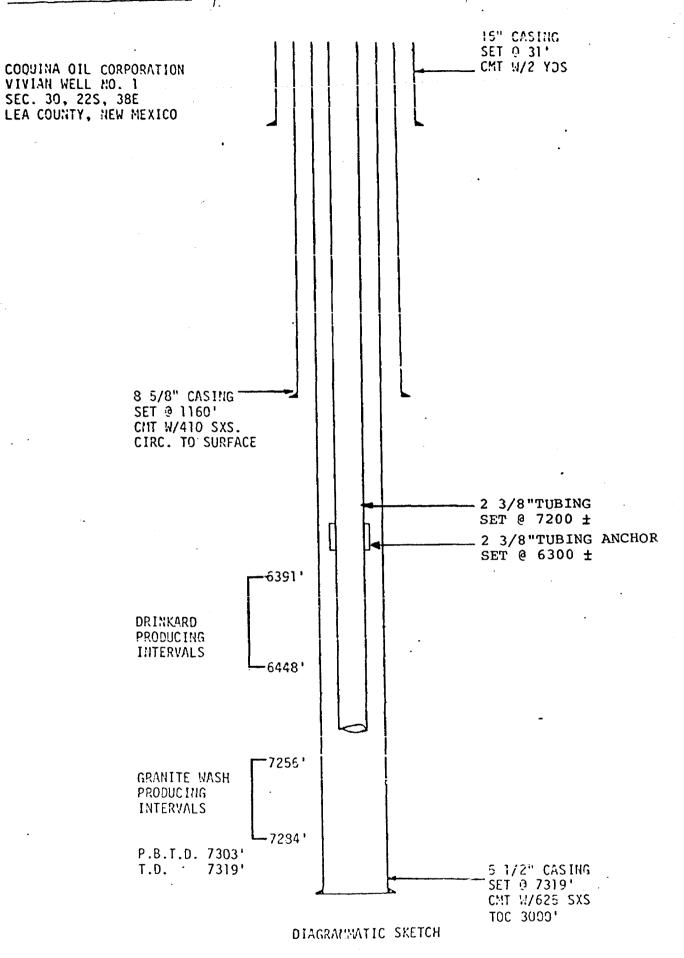
	<u>P</u>	001	Pool Pool			
Name of Pool	Dri	nkard	Wantz (Granite Wash)			
Producing Method		ĨOW	Flow			
BHP (Static @ Mid-Perf)	603 PSIG t	o 725 PSIG ⁽¹⁾	634 PSIG to 745 PSIG (2)			
Type Crude	Sı	veet	Sweet			
Gravity	41.	4 API	36.3 API			
GOR Limit	6	,000	2,000			
Completion Interval		1-6,448	7,256'-7,284'			
Current Test Date	7-1-78	3) (3) Prod'n History	6-22-78			
0il 80/D	17.9	13.5	19.4			
Water BW/D	6		0			
Gas MCF/D	503	329	205			
GOR	28100	24370	10600			
Oil Price \$/BB1	1	5.27	15.27			
Gas Price \$/MCF	0	. 338	0.65			
Daily Income \$/Day	Sh	ut-In	\$429/Day			

CALCULATIONS OF COMMINGLING RATIOS

COQUINA VIVIAN #1 Drinkard and Wantz (Granite Wash) Pools

TEST DATA	DRINKARD Production History	WANTZ GRANITE WASH 6-22-78	COMMINGLED
Oil BOPD	13.5	19.4	32.9
% Commingled	41.0%	59.0%	100.0%
Gas MCFPD	329	205	534
% Commingled	62%	38%	100%

Water production from only Drinkard zone.



ROUGH

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

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

Order No. R-5845

Application of Coquina Oil Corporation for an increase in casinghead gas allowable, Lea County, New Mexico.

K/3

ORDER OF THE DIVISION

ORDER OF THE DIVISION
BY THE DIVISION:
This cause came on for hearing at 9 a.m. on $9-13$ 19 8 , at Santa Fe, New Mexico, before Examiner 815
NOW, on this day of, 19, the
Division Director, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,
FINDS:
(1) That due public notice having been given as required
by law, the Division has jurisdiction of this cause and the

subject matter thereof.

(2) That the applicant Coquina Oil Corporation, sechs an exception to Rule 303-C-4 to increas the

seems an exception to Rule 303-0-4 to increas, the casinghead gas allowable for its Vivian Well No. 1. located in Unit F of Section 30, Township 22 South, Range 38 Fast, Lea County, New Mexico, the Drinkard and Granite Wash zones in said well being corningled pursuant to Order No. DMC-255 and subject to the GOR limit for the Wantz-Granite Wash Pool.

- (3) That the applicant seeks the assignment of a special casinghead gas allowable of 984 MCF per day to said Vivian Well No. 1.
- (3) That the daily casinghead allowables for said Drinkard and Granite Wash zones are 852 and 374, respectively.
- (5) That based upon the division of gas production set out in Order No. DHC-255 the proposed special casinghead gas allowable of 984 MCF per day may be produced by said Vivian Well No. 1 without causing over production of casinghead gas from either the Drinkard zone or the Granite Wash zone.
- allowable will permit the applicant to better recover his share of the oil and gas production in each of said zones, will not cause waste, and will not violate correlative rights.
 - (7) That the application should be approved.

IT IS THEREFORE ORDERED:

- (1) That Coquina Oil Corporation is hereby granted a special commingled cashinghead gas allowable of 984 MCF per day (610 MCF for the Drinkard zone and 374 MCF for the Granite Wash zone) for its Vivian Well No. 1 located in Unit F of Section 30, Township 22 South, Range 38 East, Lea County, New Mexico.
- (2) That any provisions of the Division's Order No. DHC-255 dated August 14, 1978, not in conflict herewith are hereby continued in full force and effect.
- (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.

allowater for the subject were of 984 MCF of gas per day, based mon an accordance of 374 MCF per day for the Grainte wash zone and 610 MCF per day for the Grainte wash zone and 610 MCF per day