

DHC - 247  
Duc - 7/24/78

# Gulf Oil Exploration and Production Company

June 30, 1978

C. D. Borland  
PRODUCTION MANAGER, HOBBS AREA

P. O. Box 670  
Hobbs, NM 88240

Re: Scarborough Estate No. 8  
Unit L, Section 31-22S-38E  
Lea County, New Mexico

CERTIFIED-RETURN RECEIPT

Mr. Joe D. Ramey  
Energy and Minerals Department  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, NM 87501

*Blinebry Old lease  
So. Brunson Ell*

Dear Sir:

Your administrative approval is requested for an exception to Rule 303-C to downhole commingle marginal production in the subject dually completed well. The Blinebry and South Brunson Ellenburger production on this lease is currently downhole commingled in the well bore of Well No. 5 under Order No. DHC-43.

There is no evidence of fluid incompatibility and we do not expect any waste or reservoir damage due to downhole commingling in the well bore. Ownership in the two pools is common, and correlative rights will not be violated. The Blinebry zone at present will not flow and downhole commingling will allow the recovery of additional hydrocarbons from this well. For the purpose of this application, expected production has been estimated from the Blinebry decline curve. Both zones will have to be pumped.

The subject well was drilled and dualled in the Blinebry and South Brunson Ellenburger zones in December of 1963. Attached is a complete history and production curves for each pool.

Upon completion of the subject well, Gulf will consult with the Supervisor of the Hobbs District Office of the Energy and Minerals Department to determine an allocation formula based on the subtraction method.

Should secondary recovery operations become practical in the future, the two zones could be separated at that time without damaging either reservoir.

Also attached are other pertinent data regarding this application as outlined in Rule 303c-2.

Yours very truly,

*C. D. Borland*  
C. D. BORLAND

Attachments  
RDW/dch

cc: Energy and Minerals Department  
P. O. Box 1980  
Hobbs, NM 88240

Texaco Inc.  
P. O. Box 3109  
Midland, TX 79701

Aztec Oil & Gas Company  
1100 Wall Towers West  
Midland, TX 79701

Cities Service Oil Company  
P. O. Box 1919  
Midland, TX 79701

Amoco Production Company  
P. O. Drawer A  
Levelland, TX 79336



SCARBOROUGH ESTATE  
LEA COUNTY, NEW MEXICO

- A. Operator: Gulf Oil Corporation, P. O. Box 670, Hobbs, NM 88240
- B. Lease and Well Name: Scarborough Estate No. 8  
1830'FSL & 660'FWL Section 31-22S-38E,  
Lea County, New Mexico
- C. Pools and Dual  
Authorization: Blinebry Oil and South Brunson Ellenburger, OCC Order  
No. MC-1426, December 26, 1963
- D. Current Test: See attached Form C-116
- E. Decline Curves and Well History: Attached
- F. Estimated BHP: Bottom-hole pressure surveys and fluid level surveys in the  
area indicate 600 psi for the Blinebry zone and 375 psi for  
the South Brunson Ellenburger zone.
- G. Fluid Characteristics: Blinebry and South Brunson Ellenburger are currently  
being commingled in the well bore of Scarborough  
Estate No. 5 under Order No. DHC-43. There is no  
evidence of incompatibility.
- H. Value of Commingled Fluids:

	<u>BOPD</u>	<u>API Gravity</u>	<u>\$/Bbl</u>	<u>Rev/Day</u>
Blinebry Oil (Estimated)	10	34.8	\$ 14.77	\$ 147.70
South Brunson Ellenburger	<u>5</u>	38.7	14.92	<u>74.60</u>
Total	15			\$ 222.30
Commingled	15	36.1	\$ 14.85	\$ 222.75
Approximate Difference				(\$ + 0.45)

- I All offset operators have been notified by copy of the attached letter:  
  
Aztec Oil & Gas Company, 1100 Wall Towers West, Midland, TX 79701  
Texaco Inc., P. O. Box 3109, Midland, TX 79701  
Cities Service Oil Company, P. O. Box 1919, Midland, TX 79701  
Amoco Production Company, P. O. Drawer A, Levelland, TX 79336

SCARBOROUGH ESTATE  
LEA COUNTY, NEW MEXICO

WELL HISTORY

BLINEBRY

Completed 1/31/64  
Perforated 5 - 1" JH in a plane @ 5585', 5649', 5691',  
5708' and 5733'. Treated w/325 gal 15% NE acid,  
fraced w/30000 gal oil w/1 - 3# 20-40 SPG,  
Flwd 80 BOPD

SOUTH BRUNSON ELLENBURGER

Completed 1/31/64  
Perforated w/2 - 1/2" JHPF 7813-23', 7826-36', 7340-59',  
7864-86'. Treated w/6000 gal 15% NE FE acid  
Flwd 192 BOPD  
11/24/64 3000 gal acid  
3/15/65 Pumping equipment installed

*Bottom of 7886  
max prod = 50 BOPD*

NEW MEXICO OIL CONSERVATION COMMISSION  
GAS-OIL RATIO TESTS

C-116  
Revised 1-1-65

Operator		Pool				County																							
Gulf Oil Corporation		South Brunson Ellenburger, South				Lea																							
Address		WELL NO.		LOCATION		DATE OF TEST		TYPE OF TEST - (X)		SCHEDULED		COMPLETION		SPECIFIC															
P. O. Box 670, Hobbs, NM 88240		8		L 31 22 38		6-25-78		P		21" w/o		140		5		24		0		38.7		5		25.0		5000			
LEASE NAME		U		S		T		R		DATE OF TEST		CHOKE SIZE		TBG. PRESS.		DAILY ALLOWABLE		LENGTH OF TEST HOURS		WATER BLS.		GRV. OIL		OIL BLS.		CAS M.C.F.		GAS - OIL RATIO CU.FT/BBL	
Scarborough Estate																													

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.

Keep 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]*  
 Well Tester  
 (Signature)

June 30, 1978 (Title)

46 6693

K&E 5 YEARS BY MONTHS X 3 LOG CYCLES KEUFFEL & ESSER CO. MADE IN U.S.A.

Gulf Oil Corporation  
Scarborough Estate No. 8  
Monthly Production - Blinbry



46 6693

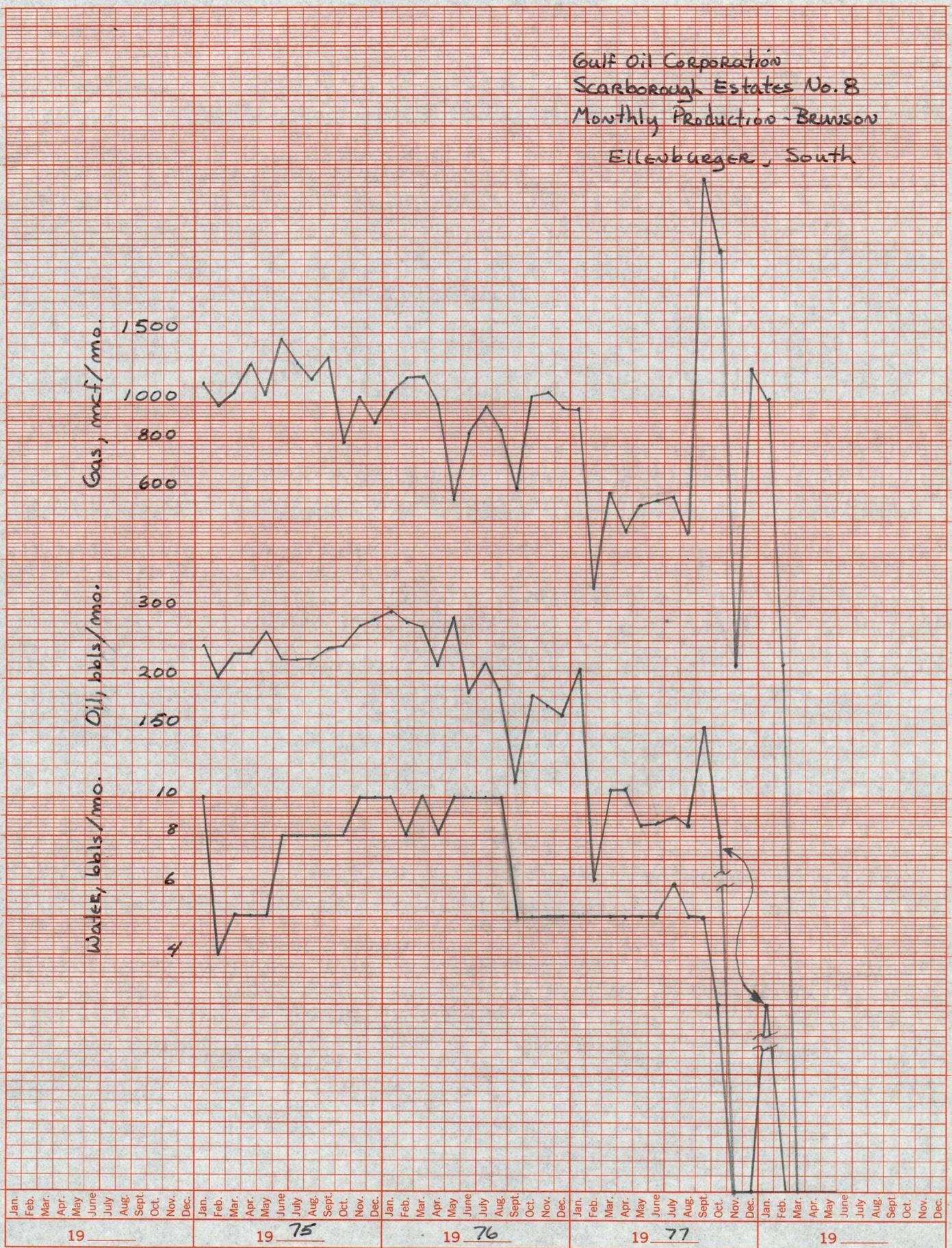
5 YEARS BY MONTHS X 3 LOG CYCLES  
KEUFFEL & ESSER CO. MADE IN U.S.A.

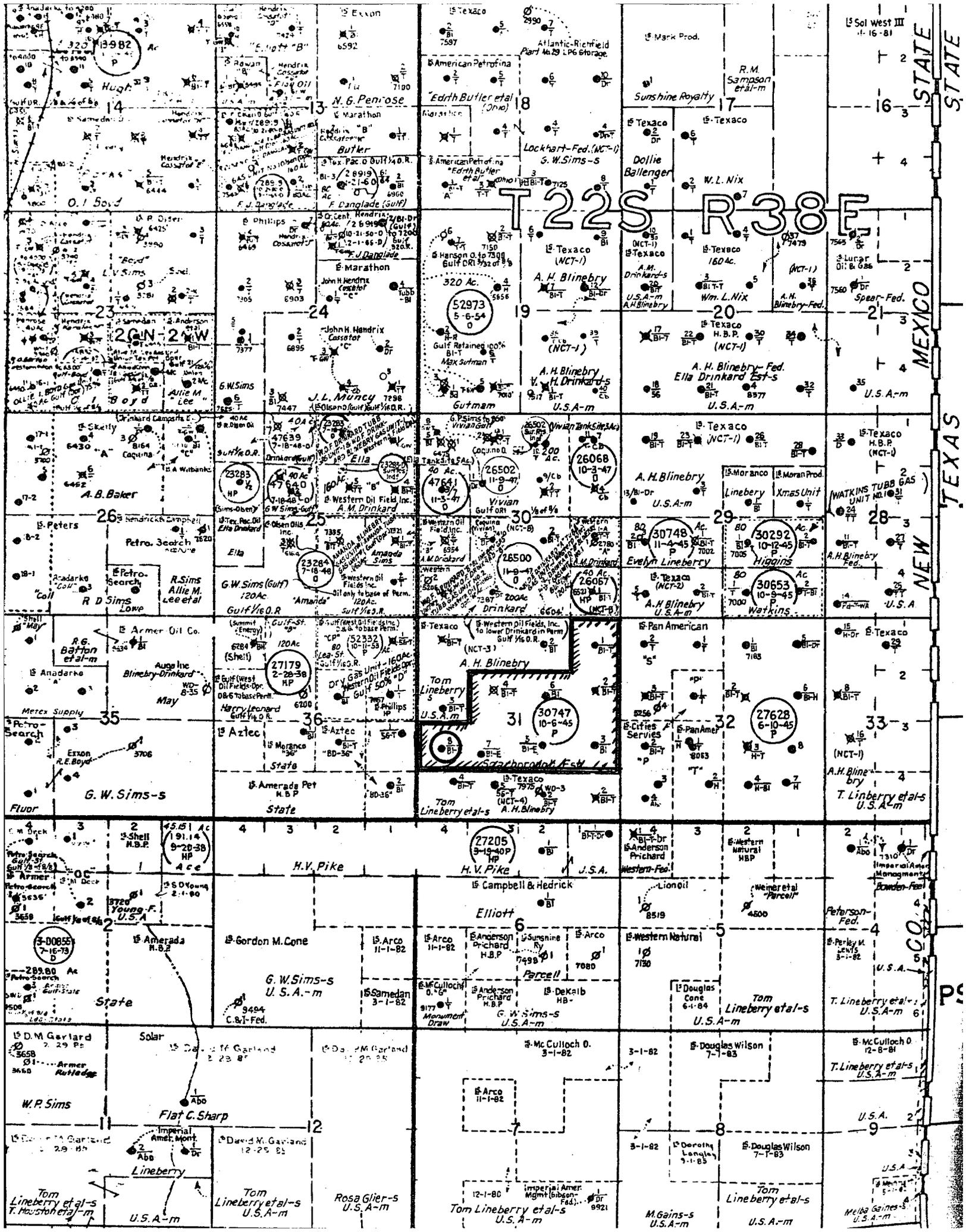
Gulf Oil Corporation  
Scarborough Estates No. 8  
Monthly Production - Bemson  
Ellenburger, South

Gas, mcf/mo.  
1500  
1000  
800  
600

Oil, bbls/mo.  
300  
200  
150

Water, bbls/mo.  
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STATE STATE  
MEXICO TEXAS  
NEW TEXAS

# T22S R38E

13 N. G. Penrose  
Marathon  
Edith Butler et al  
American Petrofina  
Lockhart-Fed. (NCT-1)  
S. W. Sims-s  
Sunshine Royalty  
R. M. Sampson et al-m  
W. L. Nix  
Dollie Ballenger  
A. H. Blinebry  
Wm. L. Nix  
A. H. Blinebry-Fed.

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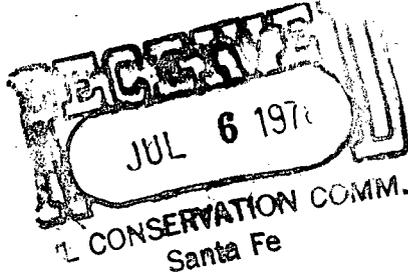
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OIL CONSERVATION COMMISSION  
HOBBS DISTRICT

OIL CONSERVATION COMMISSION  
BOX 2088  
SANTA FE, NEW MEXICO

DATE July 3, 1978

RE: Proposed MC \_\_\_\_\_  
Proposed DHC X \_\_\_\_\_  
Proposed NSL \_\_\_\_\_  
Proposed SWD \_\_\_\_\_  
Proposed WFX \_\_\_\_\_  
Proposed PMX \_\_\_\_\_



Gentlemen:

I have examined the application dated \_\_\_\_\_  
for the Gulf Oil Corp. Scarborough Estate #8-L 31-22-38  
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

O.K.---J.S.

Yours very truly,