

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. 7736
Order No. R-7238

APPLICATION OF GULF OIL CORPORATION
FOR DOWNHOLE COMMINGLING, LEA COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on November 23, 1982, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 21st day of March, 1983, 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, Gulf Oil Corporation, is the owner and operator of four wells located on the H. T. Mattern (NCT-D) Lease in Township 22 South, Range 37 East: No. 11 in Unit F, No. 12 in Unit K, and No. 13 in Unit N, all in Section 6, and No. 14 in Unit C of Section 7, NMPM, Lea County, New Mexico.

(3) That the applicant seeks authority to commingle Drinkard, Tubb, and Blinebry production within the wellbores of the above-described wells.

(4) That from the Drinkard zone, the subject wells are capable of low marginal production only.

(5) That from the Tubb zone, the subject wells are capable of low marginal production only.

(6) That from the Blinebry zone, the subject wells are capable of low marginal production only.

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

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

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

(10) That production should be allocated to the commingled zones in said wells in accordance with the following schedule:

H. T. MATTERN (NCT-D Well No.)	DRINKARD		TUBB		BLINEBRY	
	OIL	GAS	OIL	GAS	OIL	GAS
11	10%	40%	25%	15%	65%	45%
12	21%	31%	8%	9%	71%	60%
13	14%	48%	14%	25%	72%	27%
14	13%	33%	24%	22%	63%	45%

IT IS THEREFORE ORDERED:

(1) That the applicant, Gulf Oil Corporation, is hereby authorized to commingle Drinkard, Tubb, and Blinebry production within the wellbores of the following four wells located on the H. T. Mattern (NCT-D) Lease in Township 22 South, Range 37 East, NMPM, Lea County, New Mexico: No. 11 in Unit F, No. 12 in Unit K, and No. 13 in Unit N, all in Section 6, and No. 14 in Unit C of Section 7.

(2) Production shall be allocated to each of the commingled zones in said wells in accordance with the following schedule:

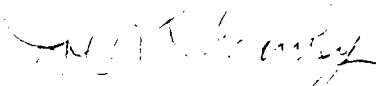
H. T. MATTERN (NCT-D WELL NO.)	DRINKARD		TUBB		BLINEBRY	
	OIL	GAS	OIL	GAS	OIL	GAS
11	10%	40%	25%	15%	65%	45%
12	21%	31%	8%	9%	71%	60%
13	14%	48%	14%	25%	72%	27%
14	13%	33%	24%	22%	63%	45%

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

(4) 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.

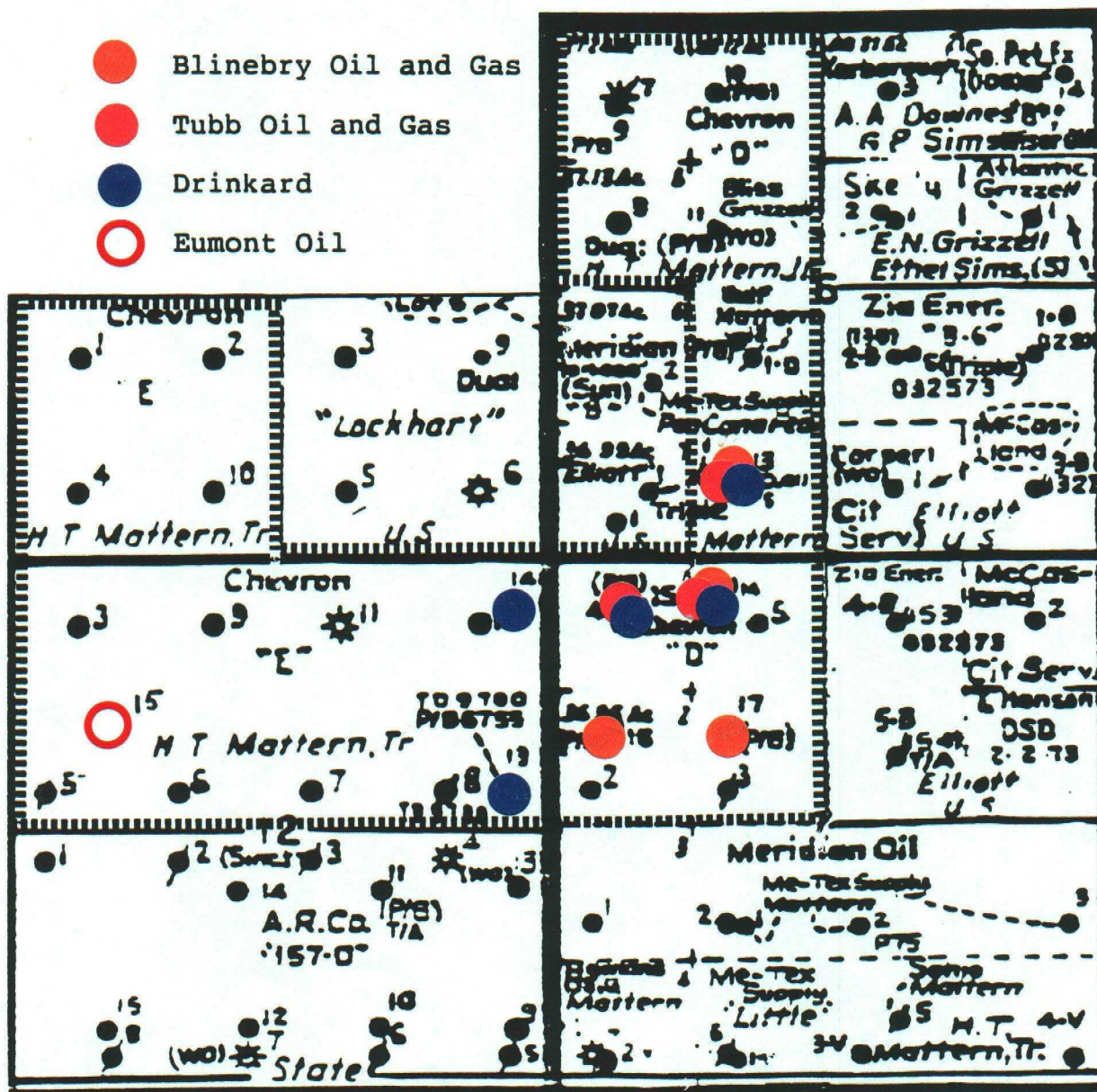
STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY,
Director

S E A L

CHEVRON U.S.A. INC.
H.T. Mattern (NCT-D & E) Lease
Sections 6 & 7, T22S, R37E
H.T. Mattern (NCT-E) # 15
Section 12, T22S, R36E
Lea County, New Mexico

Application For Surface Commingling
H.T. Mattern (NCT-E) # 15 Eumont Oil Production
To H.T. Mattern (NCT-D & E) Battery



T-22-S R-36-E

T-22-S R-37-E

37E

[illegible]

22

SECTION _____ TOWNSHIP _____ RANGE _____

SURFACE COMMINGLE APPLICATION
H.T. MATERN (NCT-D & E) BATTERY
SEC 7, T-22-S, R-36-E
LEA COUNTY, NEW MEXICO

PRODUCTION VALUES

42000 12-7238
12-547

WELL	POOL	OIL		CURRENT		COMMINGLED	
		PROD.	GRAVITY	PRICE	VALUE	PRICE	VALUE
		(BOPD)	(API)	(\$/BBL)	(\$/DAY)	(\$/BBL)	(\$/DAY)
H.T. MATERN (NCT-D) # 13	BLINEBRY OIL & GAS	9	34.3	\$28.37	\$255.33	\$28.38	\$255.42
	DRINKARD	1	36.8	\$28.42	\$28.42	\$28.38	\$28.38
	TUBB OIL AND GAS	1	37.2	\$28.43	\$28.43	\$28.38	\$28.38
H.T. MATERN (NCT-D) # 14	BLINEBRY OIL & GAS	5	34.3	\$28.37	\$141.85	\$28.38	\$141.90
	DRINKARD	1	36.8	\$28.42	\$28.42	\$28.38	\$28.38
	TUBB OIL AND GAS	2	37.2	\$28.43	\$56.86	\$28.38	\$56.76
H.T. MATERN (NCT-D) # 15	DRINKARD	2	36.8	\$28.42	\$56.84	\$28.38	\$56.76
	TUBB OIL AND GAS	2	37.2	\$28.43	\$56.86	\$28.38	\$56.76
H.T. MATERN (NCT-D) # 16	BLINEBRY OIL & GAS	6	34.3	\$28.37	\$170.22	\$28.38	\$170.28
H.T. MATERN (NCT-D) # 17	BLINEBRY OIL & GAS	4	34.3	\$28.37	\$113.48	\$28.38	\$113.52
H.T. MATERN (NCT-E) # 13	DRINKARD	4	36.8	\$28.42	\$113.68	\$28.38	\$113.52
H.T. MATERN (NCT-E) # 14	DRINKARD	3	36.8	\$28.42	\$85.26	\$28.38	\$85.14
H.T. MATERN (NCT-E) # 15	EUMONT OIL	79	34.4	\$28.37	\$2,241.23	\$28.38	\$2,242.02
CURRENT COMMINGLED VALUE (EXCLUDING H.T. MATERN (NCT-E) # 15):					\$1,135.65		
EXPECTED NEW COMMINGLED VALUE (EXCLUDING H.T. MATERN (NCT-E) # 15):							\$1,135.20
DIFFERENCE IN VALUE:							(\$0.45)
* MTI Posted Prices Effective 11-17-90							

** H.T. Matern (NCT-D & E) Battery has surface commingle approval through NMCD Commingling Order PLC-53, 1/31/76, which granted surface commingling approval for the Tubb Oil and Gas and Drinkard Oil Pools. The subject battery also has implied surface commingle approval through NMCD Commingling Order R-7238 and DHC-547, which granted DHC approval for the H.T. Matern (NCT-D) #13 and 14 in the Blinebry Oil and Gas, Tubb Oil and Gas, and Drinkard Oil Pools and DHC of the Tubb Oil and Gas and Blinebry Oil and Gas in the H.T. Matern (NCT-D) # 15, respectively.

*** Current commingled gravity @ H.T. Matern (NCT-D & E) Battery = 35.4 API

Proposed
Commingled Gravity = (11 BOPD)(36.8) + (5 BOPD)(37.2) + (24 BOPD)(34.3) + (79 BOPD)(34.4)
(API) 119 = 34.7 API

SURFACE COMMINGLE APPLICATION
H. T. MATTERN D & E
SEC. 07, T-22-S, R-36-E
LEA COUNTY, NEW MEXICO

PRODUCTION HISTORY

LEASE	WELL	POOL	MO/YR	BOPM	AVG BOPD
MATTERN H T /NCT-D/	13	BLINEBRY OIL & GAS	11/89	132	4
			12/89	179	6
			01/90	175	6
			02/90	232	8
			03/90	278	9
			04/90	203	7
			05/90	219	7
			06/90	242	8
			07/90	281	9
			08/90	245	8
			09/90	270	9
			10/90	272	9
		DRINKARD	11/89	26	1
			12/89	30	1
			01/90	36	1
			02/90	40	1
			03/90	67	2
			04/90	29	1
			05/90	31	1
			06/90	35	1
			07/90	54	2
			08/90	61	2
			09/90	48	2
			10/90	31	1
		TUBB OIL AND GAS	11/89	26	1
			12/89	30	1
			01/90	36	1
			02/90	40	1
			03/90	40	1
			04/90	58	2
			05/90	51	2
			06/90	35	1
			07/90	38	1
			08/90	31	1
			09/90	30	1
			10/90	31	1

TOP WELL ALLOWABLE - BLINEBRY OIL AND GAS POOL = 107 BOPD
TOP WELL ALLOWABLE - DRINKARD OIL POOL = 142 BOPD
TOP WELL ALLOWABLE - TUBB OIL AND GAS POOL = 142 BOPD

SURFACE COMMINGLE APPLICATION
H. T. MATTERN D & E
SEC. 07, T-22-S, R-36-E
LEA COUNTY, NEW MEXICO

PRODUCTION HISTORY

LEASE	WELL	POOL	MO/YR	BOPM	AVG BOPD
MATTERN H T /NCT-D/	14	BLINEBRY OIL & GAS	11/89	222	7
			12/89	209	7
			01/90	192	6
			02/90	105	4
			03/90	136	4
			04/90	149	5
			05/90	125	4
			06/90	120	4
			07/90	114	4
			08/90	92	3
			09/90	106	4
			10/90	146	5
		DRINKARD	11/89	53	2
			12/89	60	2
			01/90	46	1
			02/90	14	1
			03/90	19	1
			04/90	29	1
			05/90	31	1
			06/90	35	1
			07/90	38	1
			08/90	31	1
			09/90	30	1
			10/90	31	1
		TUBB OIL AND GAS	11/89	91	3
			12/89	90	3
			01/90	88	3
			02/90	63	2
			03/90	59	2
			04/90	58	2
			05/90	63	2
			06/90	51	2
			07/90	38	1
			08/90	31	1
			09/90	30	1
			10/90	52	2

TOP WELL ALLOWABLE - BLINEBRY OIL AND GAS POOL = 107 BOPD
TOP WELL ALLOWABLE - DRINKARD OIL POOL = 142 BOPD
TOP WELL ALLOWABLE - TUBB OIL AND GAS POOL = 142 BOPD

SURFACE COMMINGLE APPLICATION
H. T. MATERN D & E
SEC. 07, T-22-S, R-36-E
LEA COUNTY, NEW MEXICO

PRODUCTION HISTORY

LEASE	WELL	POOL	MO/YR	BOPM	AVG BOPD
MATERN H T /NCT-D/	15	DRINKARD	11/89	94	3
			12/89	119	4
			01/90	75	2
			02/90	40	1
			03/90	40	1
			04/90	29	1
			05/90	31	1
			06/90	35	1
			07/90	38	1
			08/90	31	1
			09/90	30	1
			10/90	76	2
			11/89	53	2
			12/89	60	2
			01/90	26	1
			02/90	0	0
			03/90	0	0
			04/90	29	1
			05/90	31	1
			06/90	15	1
			07/90	18	1
			08/90	31	1
			09/90	30	1
			10/90	53	2
			11/89	185	6
			12/89	209	7
			01/90	120	4
			02/90	165	6
			03/90	324	10
			04/90	290	10
			05/90	268	9
			06/90	201	7
			07/90	209	7
			08/90	183	6
			09/90	166	6
			10/90	179	6
			11/89	185	6
			12/89	209	7
			01/90	120	4
			02/90	165	6
			03/90	324	10
			04/90	290	10
			05/90	268	9
			06/90	201	7
			07/90	209	7
			08/90	183	6
			09/90	166	6
			10/90	179	6

TOP WELL ALLOWABLE - BLINERY OIL AND GAS POOL = 107 BOPD
TOP WELL ALLOWABLE - DRINKARD OIL POOL = 142 BOPD
TOP WELL ALLOWABLE - TUBB OIL AND GAS POOL = 142 BOPD

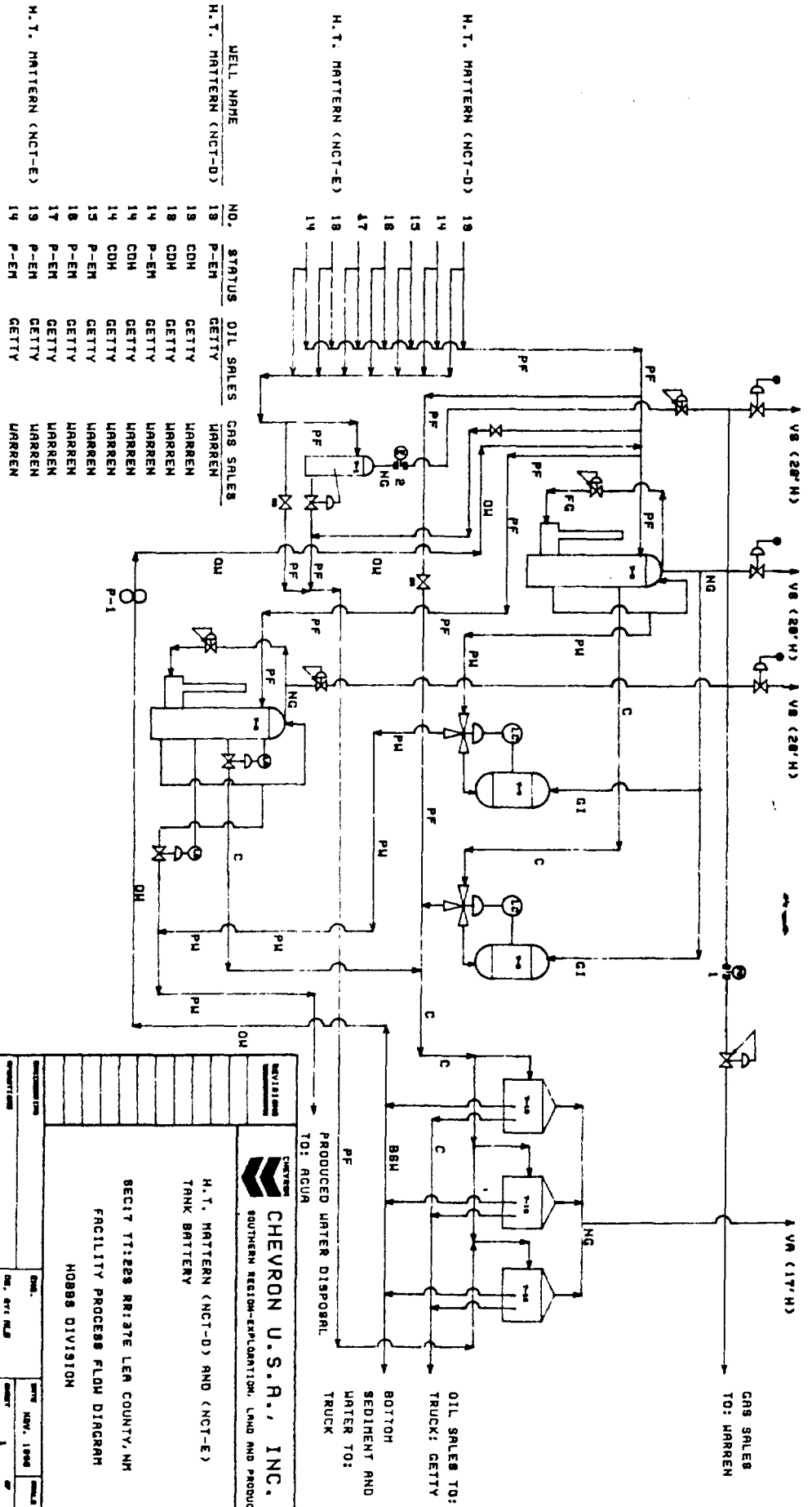
SURFACE COMMINGLE APPLICATION
H. T. MATTERN D & E
SEC. 07, T-22-S, R-36-E
LEA COUNTY, NEW MEXICO

PRODUCTION HISTORY

LEASE	WELL	POOL	MO/YR	BOPM	AVG BOPD
MATTERN H T /NCT-D/	17	BLINEBRY OIL & GAS	11/89	151	5
			12/89	149	5
			01/90	139	4
			02/90	107	4
			03/90	119	4
			04/90	145	5
			05/90	173	6
			06/90	164	5
			07/90	151	5
			08/90	122	4
			09/90	122	4
			10/90	125	4
MATTERN H T /NCT-E/	13	DRINKARD	11/89	79	3
			12/89	90	3
			01/90	92	3
			02/90	51	2
			03/90	46	1
			04/90	87	3
			05/90	81	3
			06/90	92	3
			07/90	135	4
			08/90	122	4
			09/90	105	3
			10/90	119	4
	14	DRINKARD	11/89	132	4
			12/89	149	5
			01/90	120	4
			02/90	87	3
			03/90	142	5
			04/90	87	3
			05/90	82	3
			06/90	118	4
			07/90	151	5
			08/90	122	4
			09/90	103	3
			10/90	94	3

TOP WELL ALLOWABLE - BLINEBRY OIL AND GAS POOL = 107 BOPD
TOP WELL ALLOWABLE - DRINKARD OIL POOL = 142 BOPD
TOP WELL ALLOWABLE - TUBB OIL AND GAS POOL = 142 BOPD

V-1 TEST SEPARATOR 4' D x 24' H 499,000 BTU/H	V-2 TEST HEATER TREATER 8' D x 24' H 499,000 BTU/H	V-3 TEST OIL POT 18BL	V-4 TEST WATER POT 18BL	V-5 HEATER TREATER 8' D x 24' H 499,000 BTU/H	T-1R, B, C STOCK TANK 13' 8" x 18' H, 5808BL	P-1 RECIRCULATING PUMP ELECTRIC DRIVEN, SHP	FE-1 GAS SALES METER ORIFICE FLANGE NO: 000192	FE-2 TEST GAS METER ORIFICE FLANGE
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WELL NAME	NO.	STATUS	OIL SALES	GAS SALES
H.T. MATTERN (NCT-D)	13	P-EM	GETTY	WARREN
	14	CDH	GETTY	WARREN
	15	CDH	GETTY	WARREN
	16	P-EM	GETTY	WARREN
	17	CDH	GETTY	WARREN
	18	CDH	GETTY	WARREN
	19	P-EM	GETTY	WARREN
H.T. MATTERN (NCT-E)	14	CDH	GETTY	WARREN
	15	CDH	GETTY	WARREN
	16	P-EM	GETTY	WARREN
	17	P-EM	GETTY	WARREN
	18	P-EM	GETTY	WARREN
	19	P-EM	GETTY	WARREN

CHEVRON U.S.R., INC.

SOUTHERN REGION-EXPLORATION, LEAD AND PRODUCTION

H.T. MATTERN (NCT-D) AND (NCT-E)

TANK BATTERY

SECITY T7:228 RRI:ATE LER COUNTY, NM

FACILITY PROCESS FLOW DIAGRAM

HOBBS DIVISION

DATE: NOV. 1968

BY: [Signature]

NO. 830223

REV. 1

REV. 2

P 354 144 524

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

Sent to David E. Price	
Street and No. S. Birch Rd. Apt. 11-B	
P.O., State and ZIP Code Wanderdale, FL 33314	
Postage	\$.25
Certified Fee	.85
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Address of Delivery	.90
TOTAL Postage and Fees	\$ 2.00
Postmark or Date	

P 354 144 522

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

Sent to Main Street Holding Co	
Street and No. Attorney in Fact	
P.O., State and ZIP Code P.O. Box 381	
Shawnee Mission, KS 66201	
Postage	\$.25
Certified Fee	.85
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	.90
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 2.00
Postmark or Date	

P 354 144 520

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

Sent to Linwood Securities Trust	
Street and No. Commerce Bank of Kansas City	
P.O., State and ZIP Code P.O. Box 419248	
Kansas City, MO 64141	
Postage	\$.25
Certified Fee	.85
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	.90
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 2.00
Postmark or Date	

P 354 144 525

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

Sent to Dennis Ambroske	
Street and No. Merchants Bank	
P.O., State and ZIP Code 50 Main Street	
Kansas City, MO 64105	
Postage	\$.25
Certified Fee	.95
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	.90
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 2.00
Postmark or Date	

P 354 144 523

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

Sent to Amoco Prod. Co.	
Street and No. Oil Royalty Payments	
P.O., State and ZIP Code P.O. Box 297021	
Houston, TX 77297	
Postage	\$.25
Certified Fee	.85
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	.90
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 2.00
Postmark or Date	

P 354 144 521

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)

Sent to Charles H. Price II	
Street and No. 1 West Armour Blvd. Ste. 30	
P.O., State and ZIP Code Kansas City, MO 64111	
Postage	\$.25
Certified Fee	.85
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	.90
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 2.00
Postmark or Date	