

# Gulf Energy and Minerals Company-U.S.

PRODUCTION DEPARTMENT  
HOBBS AREA

C. D. Borland  
AREA PRODUCTION MANAGER

October 14, 1976

P. O. Box 670  
Hobbs, New Mexico 88240

Re: Manda "B", Tract C No. 1,  
Unit C, Section 28-22s-37E,  
Lea County, New Mexico

Mr. Joe D. Ramey  
New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, NM 87501

Dear Sir:

Your administrative approval is requested for an exception to Rule 303-A to permit down-hole commingling of marginal production in the subject well from the Drinkard, Tubb Oil and the Blinebry Oil and Gas pools. Production from the same three pools is presently being commingled in surface storage on Gulf's Mark Owen Lease under Order No. PC-139 and Amended Order No. PC-139. There is no evidence of fluid incompatibility, and we do not expect any waste or reservoir damage due to down-hole commingling in the well bore.

Ownership in the three pools is common, and correlative rights will not be violated. This well cannot be equipped with multiple tubing strings due to the small (5-1/2" OD) oil string casing. Downhole commingling will allow the recovery of additional hydrocarbons from this well due to improved operating efficiency and a lower economic limit. Should secondary recovery operations become practical in the future, the three zones could be separated at that time without damaging any of the reservoirs.

The well was completed in the Drinkard Pool in June, 1976 and produced from the Drinkard through August 15, 1976. The Drinkard zone was temporarily abandoned in August, 1976 and the Tubb Oil zone was opened and evaluated. The Tubb Oil zone was temporarily abandoned in September, 1976, at which time the Blinebry zone was opened and evaluated. The Blinebry zone is still producing. All three zones require artificial lift equipment to produce. If down-hole commingling is permitted, the existing pumping equipment will be utilized to lift the fluids from the three commingled zones.

Pertinent data regarding this application, as outlined in Rule 303-C, are attached for your consideration.

Yours very truly,



C. D. BORLAND

Attachments  
CRK/dch



October 14, 1976

cc: New Mexico Oil Conservation Commission  
P. O. Box 1980  
Hobbs, NM 88240

C. F. Kalteyer  
Gulf Energy and Minerals Co. U.S.  
P. O. Box 1150  
Midland, TX 79701

Offset Operators:

Continental Oil Company  
P. O. Box 460  
Hobbs, NM 88240

Atlantic Richfield Company  
P. O. Box 1610  
Midland, TX 79701

Millard Deck Oil Company  
216 Texas Avenue  
Eunice, NM 88231

Anadarko Production Company  
P. O. Box 247  
Eunice, NM 88231

Robert L. Parker Trust  
518 National Bank of Tulsa Building  
Tulsa, OK 74101

MANDA "B", TRACT C, WELL NO. 1

- (1) Operator: Gulf Oil Corporation  
P. O. Box 670  
Hobbs, NM 88240
- (2) Lease and Well Number: Manda "B", Tract C, Well No. 1  
430'FNL & 1980'FWL Section 28, T22S, R37E,  
Lea County, New Mexico
- (3) Pools: Drinkard  
Tubb Oil  
Blinebry Oil and Gas
- (4) Decline Curves: Decline curve on Drinkard Pool attached. This is a new well.  
No decline curves available on Blinebry and Tubb Oil Pools.  
Stabilized tests shown below.
- (5) Estimated BHP (based on most recent average BHP data within vicinity of this well):

| <u>Pool</u>          | <u>Datum</u> | <u>Pressure @ Datum</u> |
|----------------------|--------------|-------------------------|
| Drinkard             | -3050'       | 650                     |
| Tubb Oil             | -2700'       | 700                     |
| Blinebry Oil and Gas | -2400'       | 600                     |

- (6) Fluid Characteristics: These are all Intermediate crude oils. Production from these same three pools are presently being surface commingled on Gulf's Mark Owen Lease, Order No. PC-139 and Amended Order No. PC-139. There has been no evidence of incompatibility.

- (7) Value of Commingled Fluids:

| <u>Pool</u>        | <u>BOPD</u> | <u>API Gvty @ 60°F</u> | <u>\$/Bbl.</u> | <u>Revenue/Day</u> |
|--------------------|-------------|------------------------|----------------|--------------------|
| Drinkard           | 7           | 35.6                   | \$12.20        | \$ 85.40           |
| Tubb Oil           | 9           | 36.6                   | \$12.22        | 109.98             |
| Blinebry Oil & Gas | 30          | 37.2                   | \$12.24        | 367.20             |
|                    |             |                        |                | <u>\$ 562.58</u>   |
| Commingled         | 46          | 36.8                   | \$12.22        | <u>\$ 562.12</u>   |
| Difference         |             |                        |                | - \$ 0.46          |

- (8) Current Tests: Drinkard (6-25-76) pumped 28 BOPD, 20 BWPD, 80 MCFPD, GOR 2857.  
However, production first 15 days in August, 1976 averaged 7 BOPD.  
Drinkard zone was TA'd 8-16-76 for recompletion in Tubb Oil.

Tubb Oil (9-13-76) pumped 9 BOPD, 16 BWPD, 5 MCFPD, GOR 556. This was stabilized production rate. Tubb Oil zone was TA'd 9-13-76 for recompletion in Blinebry Oil and Gas Pool.

Blinebry Oil and Gas (10-13-76) pumped 30 BOPD, 51 BWPD, 218 MCFPD, GOR 7,267. This is latest available production data.

- (9) All offset operators have been notified by copy of attached letter: Continental Oil Company, Atlantic-Richfield Company, Millard Deck Oil Company, Anadarko Production Company and Robert L. Parker Trust.

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

C-116  
Revised 1-1-65

|                                                  |  |                                            |  |                                                                      |  |
|--------------------------------------------------|--|--------------------------------------------|--|----------------------------------------------------------------------|--|
| Operator<br><b>Gulf Oil Corporation</b>          |  | Pool<br><b>Drinkard, Tubb and Blinebry</b> |  | County<br><b>Lea</b>                                                 |  |
| Address<br><b>P. O. Box 670, Hobbs, NM 88240</b> |  |                                            |  | Type of Test - (X)<br><input checked="" type="checkbox"/> TEST - (X) |  |
| LEASE NAME                                       |  | WELL NO.                                   |  | DATE OF TEST                                                         |  |
| Menda "B" (Tr C) Drinkard                        |  | 1                                          |  | 6/25/76                                                              |  |
| Menda "B" (Tr C) Tubb                            |  | 1                                          |  | 9/13/76                                                              |  |
| Menda "B" (Tr C) Blinebry                        |  | 1                                          |  | 10/13/76                                                             |  |
| LOCATION                                         |  | DATE OF TEST                               |  | CHOKE SIZE                                                           |  |
| U S T R                                          |  | DATE OF TEST                               |  | CHOKE SIZE                                                           |  |
| 28 22 37                                         |  | 6/25/76                                    |  | P 2 w/o 25                                                           |  |
| 28 22 37                                         |  | 9/13/76                                    |  | P 2 w/o 25                                                           |  |
| 28 22 37                                         |  | 10/13/76                                   |  | P 2 w/o 25                                                           |  |
| Application to Commingle Down Hole               |  | DAILY ALLOWABLE                            |  | LENGTH OF TEST HOURS                                                 |  |
|                                                  |  | -                                          |  | 24                                                                   |  |
|                                                  |  | -                                          |  | 24                                                                   |  |
|                                                  |  | 59                                         |  | 24                                                                   |  |
|                                                  |  | 20                                         |  | 35.6                                                                 |  |
|                                                  |  | 16                                         |  | 36.6                                                                 |  |
|                                                  |  | 51                                         |  | 37.2                                                                 |  |
|                                                  |  | 28                                         |  | 30                                                                   |  |
|                                                  |  | 80.0                                       |  | 218.0                                                                |  |
|                                                  |  | 2857                                       |  | 7267                                                                 |  |
|                                                  |  | 556                                        |  |                                                                      |  |
|                                                  |  |                                            |  |                                                                      |  |

No well will be assigned an allowable greater than the amount of oil produced on the official test.  
During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Commission.  
Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.  
Report casing pressure in lieu of tubing pressure for any well producing through casing.  
Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 301 and appropriate pool rules.

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

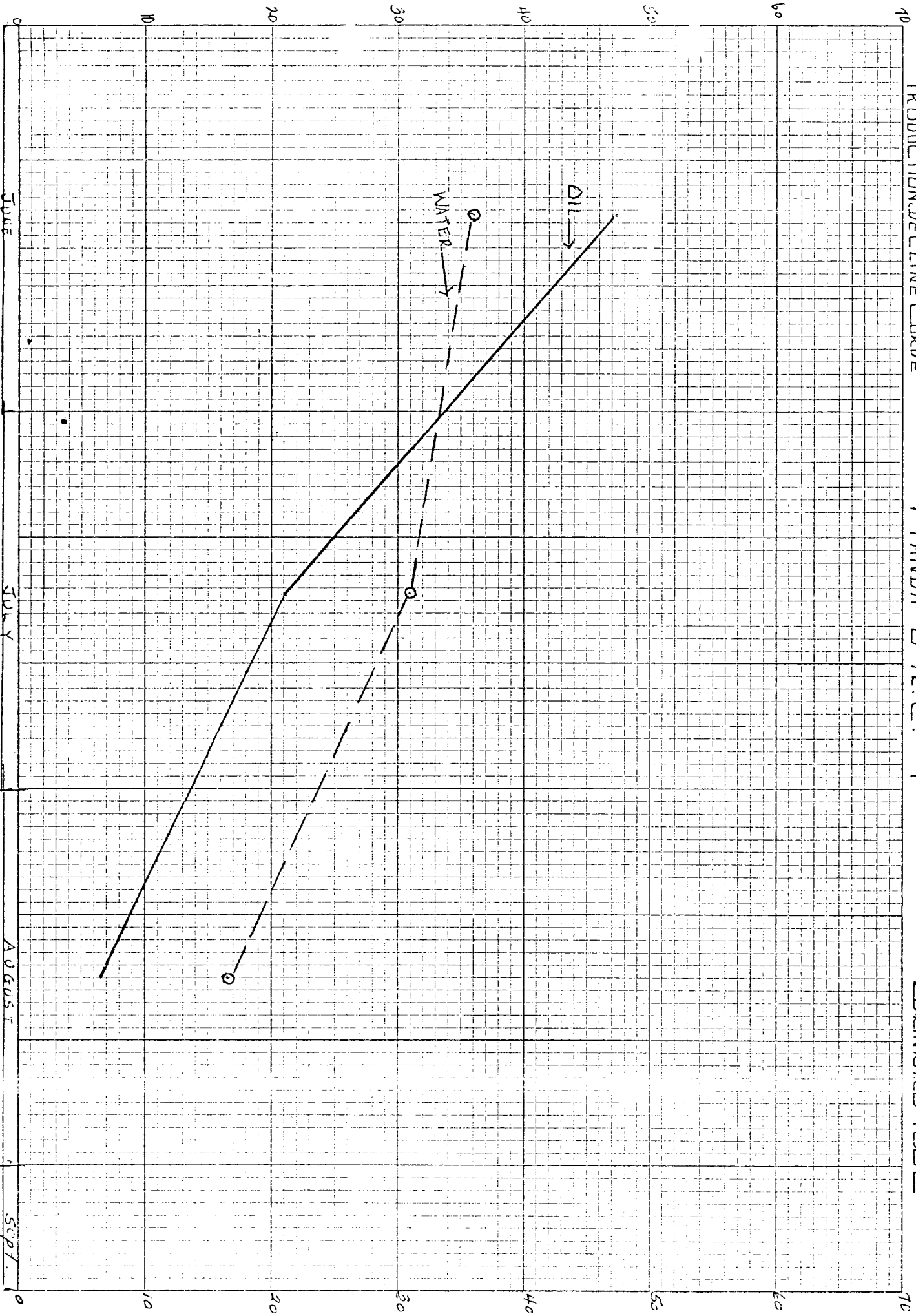
Well Tester

(Signature)

October 14, 1976

PRODUCTION DECLINE CURVE

MANDA "B" T.E.C. #1  
GULF OIL CORPORATION  
DRINKARD POOL



1976

