

**CASE 4755: Application of TEXACO  
INC. FOR DOWNHOLE COMMINGLING,  
LEA COUNTY, NEW MEXICO.**

Case Number

4755

Application

Transcripts

Small Exhibits

ETC.

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
CONFERENCE HALL, STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO  
July 12, 1972

EXAMINER HEARING

IN THE MATTER OF:

Application of Texaco, Inc.  
for downhole commingling, Lea  
County, New Mexico.

CASE NO. 4755.

BEFORE: Richard L. Stamets  
Examiner

TRANSCRIPT OF HEARING

dearnley, meier & mc cormick

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1 MR. STAMETS: Case 4755.

2 MR. HATCH: Case 4755: Application of Texaco, Inc.,  
3 for downhole commingling, Lea County, New Mexico.

4 MR. BATEMAN: Ken Bateman of White, Koch, Kelly  
5 and McCarthy, Santa Fe, appearing on behalf of the Applicant.  
6 We have one witness who was sworn in the previous case, Mr.  
7 Peters, and who also stated his qualifications.

8 MR. STAMETS: Are there any other appearances  
9 in Case 4755?

10 (No response.)

11 MR. STAMETS: You may proceed, Mr. Bateman.

12 \* \* \* \* \*

13 KENNETH L. PETERS,  
14 appeared as a witness and, after being duly sworn, testified  
15 as follows:

16 DIRECT EXAMINATION

17 BY MR. BATEMAN:

18 Q Mr. Peters, will you again state your name and  
19 occupation for the record, please?

20 A My name is Kenneth Land Peters and I am a petroleum  
21 engineer employed by Texaco, Inc., in Hobbs, New  
22 Mexico, as an acting production engineer.

23 Q Mr. Peters, I refer you to what has been marked as  
24 Exhibit 1, the location map previously described.  
25 What does Texaco desire from this Application?

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1 A With the first Exhibit in this Case, Texaco requests  
2 approval be granted to wellbore commingling of fluids  
3 from the Skaggs-Drinkard, Skaggs-Glorieta and East  
4 Weir-Blinebry Pools for its C.H. Weir "B" Well  
5 Number 5 located in Unit G of Section 11, Township  
6 20 South, Range 37 East, Lea County, New Mexico.

7 The well is located 1650 feet from the west  
8 line and 1980 from the north line of Section 11,  
9 Township 20 South, Range 37 East.

10 With Exhibit Number 1 we have the subject well  
11 designated with the red arrow and this is located on  
12 a 320 acre tract operated by Texaco.

13 The offset operators are designated on the plat  
14 and they have been notified of the subject recommendation  
15 and Texaco makes the recommendation in order to  
16 economically recover additional oil that would not be  
17 recovered under present field rules and regulation.

18 Q Go on to Exhibit 2 and describe how the well is  
19 presently completed.

20 A The well is presently completed with three strings of  
21 tubing, it is a triple completion in the Skaggs-  
22 Glorieta, Weir-Blinebry, and Skaggs-Drinkard formations.

23 The Skaggs-Drinkard was perforated in the present  
24 interval and on a twenty-four hour potential test  
25 conducted on March 7, 1962, after being stimulated with

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1 500 gallons of acid, the well produced thirty-three  
2 barrels of oil -- correction, the Pool produced thirty-  
3 three barrels of oil and twenty-nine barrels of water  
4 with a GOR of T.S.T.M.

5 The Blinebry zone was perforated from an interval  
6 of 5094 to 5984 and was acidized and fractured and  
7 this zone proved not to be productive and was squeezed  
8 with 350 sacks of cement.

9 The interval was then perforated to the present  
10 completion interval and was then acidized and fractured  
11 and on a twenty-four hour potential test, dated February  
12 18, 1962, the Blinebry Pool produced fifty barrels of  
13 oil and no water with a GOR of 22,000.

14 The Skaggs --

15 MR. STAMETS: 22,000?

16 THE WITNESS: Yes, sir, that was correct.

17 A (Continuing) The Skaggs-Glorieta zone was perforated  
18 at the present completion interval and was acidized and  
19 fractured on initial completion. On the twenty-four  
20 hour potential test, the well produced -- correction,  
21 the zone produced thirty-three barrels of oil and twenty-  
22 seven barrels of water, on March 9, 1962, with a GOR  
23 of T.S.T.M.

24 At the present time, the Glorieta zone is shut-in.

25 On January 1, 1970, this Glorieta zone was shut-in because

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- 1 remedial work failed to retrieve a pump that was in the  
2 tubing. We failed to unlatch the packer and also  
3 failed to run another pump in the hole because of  
4 restrictions at 1100 feet. At the present time it is  
5 not economical for Texaco to perform additional  
6 remedial work in the Glorieta zone to recover the  
7 7,660 barrels of assigned reserves.
- 8 The Weir-Blinebry at the present time has no  
9 remedial prospects and it has reserves of 3,470 barrels.
- 10 The Skaggs-Drinkard has no remedial or secondary  
11 prospects and has assigned reserves of 1,825 barrels  
12 of reserves.
- 13 I would like to correct the lower perforated  
14 interval in the Skaggs-Drinkard. The completion  
15 interval is 6,870 to 6,890. The Exhibit has a lower  
16 perforation of 6,980.
- 17 Q How are the Blinebry and Drinkard being produced at  
18 the present time?
- 19 A The Blinebry and Drinkard are both being produced  
20 through tubing with the use of a road pump in each  
21 zone.
- 22 Q Go on to Exhibit 3, please, and explain how you  
23 propose to complete the well.
- 24 A Texaco proposes to complete the three wells by  
25 downhole commingling them and producing them with a

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1 single string of two and three-eighths inch tubing with  
2 a road pump. The bottomhole pressure of the Skaggs-  
3 Glorieta is 500 PSI and the Weir-Blinebry has a bottomhole  
4 pressure of 1,120 PSI and the Skaggs-Drinkard has a  
5 bottomhole pressure of 700 PSI.

6 Also, the lower perforated interval is in error  
7 on Exhibit 3. That lower perforated interval is  
8 6,890. At the present time, this Brinebry well is  
9 flowing and that was a correction to a statement made  
10 about Exhibit 2. The Drinkard well is producing by  
11 means of a road pump and the Blinebry well is flowing  
12 at the present time with the use of a road pump.

13 Texaco will reduce the pumping and take the  
14 pressure of the wellbore to 100 PSI and this will prevent  
15 any possible cross-flow in the wellbore by maintaining  
16 bottomhole pressure of 100 PSI.

17 No cross-flow will occur and this can be assured  
18 through the use of computerized surveys and this will  
19 give us a very quick read-out of the wellbore  
20 conditions and one of the elements of information is  
21 the pump-in take pressure on the pump and this can be  
22 determined within fifteen minutes of hookup.

23 Q Exhibit Number 4 is data on the wellbore commingling,  
24 is it not?

25 A Yes, sir.



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1 Exhibit 4 contains the data for the three pools.  
2 The upper Skaggs-Glorieta has a shut-in bottomhole  
3 pressure of 500 PSI with gravity of 37.0. The field  
4 GOR limit is 2,000 and the present completion interval  
5 is shown and the date of the last test when the well  
6 was shut-in and it is dated December of 1969 with a  
7 showing of ten barrels of oil and one barrel of water  
8 and a GOR of T.S.T.M.

9 The selling price accrued at that time was \$3.39.

10 The middle pool, the Weir-Blinebry, is a flowing  
11 well with a bottomhole pressure of 1,120 PSI and a  
12 gravity of 42.2.

13 The GOR limit on the well is 2,000 completed in the  
14 designated interval. The current test date of June 9,  
15 1972, showed eight barrels of oil and two barrels of  
16 water with a GOR of 2,600. The selling price of crude  
17 oil at that time was \$3.45.

18 The lower pool, which is the Skaggs-Drinkard is  
19 pumping with a bottomhole pressure of 700 PSI and a  
20 gravity of 32.4. The GOR limit is 2,000 with completed  
21 designated intervals. The current test showed six  
22 barrels of oil and no water with a present GOR of 5,100.  
23 The selling price of crude oil at that time was \$3.29  
24 for a daily income of \$19.75.

25 The crude that is being presently produced from the

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1 Blinebry and Drinkard and commingled at the surface  
2 and by commingling the zones downhole, there will be  
3 no problem with production or loss of revenue.

4 If the Application is approved production will be  
5 allocated on a test basis and the Skaggs-Glorieta will  
6 have 42 percent of the production; the Blinebry, 33  
7 percent of production; and the Drinkard will have 25  
8 percent of the production.

9 Q What would be the allowable if the Application is  
10 granted?

11 A By field rules for downhole completions of two zones --  
12 the commingling of two zones downhole, the field rules  
13 will allow an allowable of 40 barrels of oil per day  
14 and we will produce a total of 24 barrels of oil per  
15 day based on the present tests.

16 Q Will you go on to Exhibit Number 5 and explain what  
17 that is?

18 A Exhibit 5 is a performance curve from 1968 to the  
19 present time on the Skaggs-Drinkard Pool. This curve  
20 exhibits a steady and established decline rate with  
21 the economic limits based on four barrels of oil per  
22 day. The well contains a reserve life of 1,825 barrels  
23 of oil per day and, at the present time, each producing  
24 zone is assigned economic limits of four barrels of  
25 oil per day per zone. If this Application is approved

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1 the economic limits of the three zones combined would  
2 then be a total of four barrels of oil per day and this  
3 will permit each zone to produce a separate lower  
4 economic limit of one and one-third barrels a day. This  
5 will give a combined economic limit to the wells of  
6 four barrels of oil per day.

7 The life of the Drinkard zone will be extended  
8 and the reserve life at that time will be 4,730 barrels  
9 of oil per day. So with approval of the Application an  
10 additional 2,905 barrels of oil per day will be produced.

11 With Exhibit 5-B, we have the Blinebry Pool  
12 performance curve exhibited from 1968 to the present  
13 time. It also has established a decline rate. Under  
14 the present economic limits of four barrels of oil per  
15 day, the reserve life is 3,470 barrels per day for this  
16 well.

17 With the granting of the Application, the reserve  
18 life will be extended to 6,000 barrels of reserve and  
19 this is an increase of 2,530 barrels of reserves.

20 Going to Exhibit 5, this is a performance curve  
21 from 1968 until the present on the Glorieta zone.  
22 It was shut-in on January 1, 1970, and if this zone is  
23 accepted, and this zone is allowed to produce its  
24 economical limit of one-third barrels of oil per day,  
25 this will result in increased reserves of 4,640 barrels

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1 of oil over the assigned reserve of 7,660 barrels of  
2 oil. In essence, this will give a total reserve life  
3 of 12,500 barrels.

4 To summarize, to combine the three zones, will  
5 result in a reserve life increase of 13,710 barrels of  
6 oil reserves increased with an additional 7,660 barrels  
7 of oil that are presently assigned to the shut-in  
8 Glorieta zone.

9 Q Will you refer to Exhibit 6 and explain what that is?

10 A I will like to make a correction on Exhibit 5. The  
11 increase in reserves from the granting of the Application  
12 would be 10,275 instead of 13,710 barrels.

13 Exhibit 6 is a surface pressure buildup of the  
14 Drinkard and Blinebry zones. From these curves, we  
15 noted the data and obtained the static bottomhole  
16 pressures of the Brinebry and Drinkard zones.

17 Q Will you refer to Exhibit Number 7 and explain what  
18 that is?

19 A Exhibit 7 is the New Mexico Oil Conservation Commission  
20 form C-1116 and it contains the test on the Skaggs-  
21 Glorieta and Weir-Blinebry and Skaggs-Drinkard pools  
22 showing the Glorieta was shut-in and tested and the  
23 result of the test was ten barrels of oil and two  
24 barrels of water -- correction, eight oil and two water  
25 on the Blinebry and six oil and six water on the Drinkard

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- 1 zone.
- 2 Q Mr. Peters, would you summarize the needs for the
- 3 approval of your request?
- 4 A With the granting of the subject Application, this
- 5 will allow the recovery of 7,000 barrels of reserves
- 6 that are assigned to the Glorieta Pool and an additional
- 7 10,275 barrels of reserves through the triple downhole
- 8 commingling of wellbore fluids and will have no
- 9 detrimental effect on the wellbore such as fluid
- 10 compatibility.
- 11 Q Will the granting of your request protect correlative
- 12 rights and prevent waste?
- 13 A Yes, it will.
- 14 Q Were Exhibits 1 through 7 prepared by you or under
- 15 your direction?
- 16 A Yes, they were.
- 17 MR. BATEMAN: I move for the introduction of
- 18 Exhibits 1 through 7.
- 19 MR. STAMETS: Are there any objections to the
- 20 entrance of these Exhibits?
- 21 (No response.)
- 22 MR. STAMETS: They will be admitted.
- 23 (Whereupon, Applicant's Exhibits 1 through 7 were
- 24 admitted in evidence.)
- 25 MR. BATEMAN: That completes our Direct Testimony.

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CROSS-EXAMINATION

BY MR. STAMETS:

Q Mr. Peters, looking through these Exhibits, it doesn't look like water is a problem in any of these wells, is that correct?

A Yes, that is correct.

Q And oil is currently commingled at the surface?

A Yes, sir.

Q So you are experiencing no problems there and the crude is being sold as commingled crude so there will be no change in value?

A That is correct.

Q Now, you discussed the percentages for dividing up the oil production if this Application is granted. What about gas production, have you made any studies along those lines?

A This would also be allocated on the present producing rate of the wells and would be divided up on a percentage basis.

Q Do you have those percentages with you?

A No, I do not.

Q Would you furnish those to the Examiner?

A Yes, I will.

Q Also, if you will furnish us with the last rate of gas production for any producing Skaggs-Glorieta well

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- 1 and break it down on a daily basis?
- 2 A Yes, sir.
- 3 Q Now, you mentioned pressure differential between the
- 4 Blinebry and the other zones. In this well (indicating)
- 5 the Blinebry has some 1,120 pounds of bottomhole pressure?
- 6 A Yes, sir.
- 7 Q Indicating that the equipment that you put in would
- 8 keep this from becoming a factor in the draining of
- 9 the fluids from one wellbore to another?
- 10 A Yes, sir.
- 11 Q Will this equipment be maintained and observed often
- 12 enough so it will not shut down and allow oil to be lost?
- 13 A Yes, sir. Under Texaco's present operations each
- 14 producing well in each zone is inspected a minimum
- 15 number of two times per day.
- 16 Q If this well were to be shut down for any period of time,
- 17 could there be a loss of oil from one zone to another?
- 18 A Only at that time would there be a possibility. The
- 19 only time there would be a possibility is if the well
- 20 were shut down for changing a pump or something, but
- 21 this can be done in such a fast time that it would
- 22 limit the possibility of this occurring.
- 23 Q But you don't anticipate that under normal operations?
- 24 A No, sir, we do not.
- 25 Q Would Texaco have any objection to notifying the

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1 District Office of the Commission if this well would  
2 be shut down for any extended period of time?  
3 A No, no objection.  
4 Q Do you have any suggestion as to what might be an  
5 extended period of time?  
6 A More than one day.  
7 MR. STAMETS: Are there any other questions of  
8 this witness?  
9 (No response.)  
10 MR. STAMETS: If not, the witness may be excused.  
11 (Witness excused.)  
12 MR. STAMETS: Is there any other testimony in this  
13 Case?  
14 (No response.)  
15 MR. STAMETS: Any statements?  
16 (No response.)  
17 MR. STAMETS: The Case will be taken under  
18 advisement.  
19  
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1 STATE OF NEW MEXICO )  
2 ) ss  
3 COUNTY OF BERNALILLO )

4 I, RICHARD E. MCCORMICK, a Certified Shorthand Reporter,  
5 in and for the County of Bernalillo, State of New Mexico,  
6 do hereby certify that the foregoing and attached Transcript  
7 of Hearing before the New Mexico Oil Conservation Commission  
8 was reported by me; and that the same is a true and correct  
9 record of the said proceedings to the best of my knowledge,  
10 skill and ability.

11 *Richard E. McCormick*  
12 CERTIFIED SHORTHAND REPORTER  
13  
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21

22 I do hereby certify that the foregoing is  
23 a correct record of the proceedings in  
24 the Hearing before the New Mexico Oil Conservation Commission  
25 held by me on *July 17, 1972*  
*Richard E. McCormick*, Reporter  
New Mexico Oil Conservation Commission

I N D E XWITNESS:PAGEKENNETH L. PETERS

Direct Examination by Mr. Bateman

3

Cross-Examination by Mr. Stamets

14

E X H I B I T SAPPLICANT'SOFFEREDADMITTED

Texaco, Inc.

Exhibit Number 1

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Exhibit Number 2

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Exhibit Number 3

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Exhibit Number 4

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Exhibit Number 5

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Exhibit Number 5-B

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Exhibit Number 6

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Exhibit Number 7

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## OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO  
P. O. BOX 2088 - SANTA FE  
87501

GOVERNOR  
BRUCE KING  
CHAIRMAN

LAND COMMISSIONER  
ALEX J. ARMIJO  
MEMBER

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

September 6, 1972

Mr. Ken Bateman  
White, Koch, Kelly & McCarthy  
Attorneys at Law  
Post Office Box 787  
Santa Fe, New Mexico

Re: Case No. 4755  
Order No. R-4366  
Applicant:  
Texaco Inc.

Dear Sir:

Enclosed herewith are two copies of the above-referenced  
Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, Jr.  
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC X

Artesia OCC       

Aztec OCC       

Other

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

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

CASE NO. 4755  
Order No. R-4366

APPLICATION OF TEXACO INC.  
FOR DOWNHOLE COMMINGLING,  
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on July 12, 1972, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 6th day of September, 1972, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

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

(2) That the applicant, Texaco Inc., is the owner and operator of the C. H. Weir "B" Well No. 5, located in Unit G of Section 11, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant seeks authority to commingle production from the Skaggs-Drinkard, Skaggs-Glorieta, and East Weir-Blinbry Pools in the wellbore of the above-described well and to produce the commingled production through a single string of tubing.

(4) That from the Skaggs-Drinkard zone, the subject well is capable of low marginal production only.

(5) That from the Skaggs-Glorieta zone, the subject well is capable of low marginal production only and is currently shut-in due to mechanical difficulties.

(6) That from the East Weir-Blinbry zone, the subject well is capable of low marginal production only.

-2-

CASE NO. 4755

Order No. R-4366

(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 is such that underground waste would not be caused by the proposed commingling provided that the well is not shut-in for an extended period.

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

(10) That in order to allocate the commingled production to each of the commingled zones in the subject well, 25% of the commingled oil production should be allocated to the Skaggs-Drinkard zone, 42% of the commingled oil production to the Skaggs-Glorieta zone, 33% of the commingled oil production to the East Weir-Blinebry zone, 60% of the commingled casing-head gas production to the Skaggs-Drinkard zone, and 40% of the commingled gas production to the East Weir-Blinebry zone.

(11) That Commission Order No. R-2181, as amended by Order No. R-2181-A, should be superseded.

IT IS THEREFORE ORDERED:

(1) That the applicant, Texaco Inc., is hereby authorized to complete its C. H. Weir "B" Well No. 5, located in Unit G of Section 11, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, in such a manner as to commingle in the wellbore the production from the Skaggs-Drinkard, Skaggs-Glorieta and East Weir-Blinebry Pools and to produce said commingled production through a single string of tubing until further order of the Commission.

(2) That 25% of the commingled oil production shall be allocated to the Skaggs-Drinkard zone, 42% of the commingled oil production shall be allocated to the Skaggs-Glorieta zone, 33% of the commingled oil production shall be allocated to the East Weir-Blinebry zone, 60% of the commingled casinghead gas production to the Skaggs-Drinkard zone, and 40% of the commingled gas production to the East Weir-Blinebry zone.

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

-3-

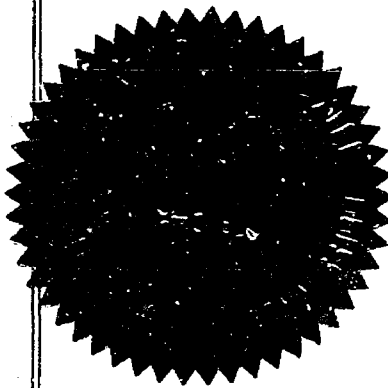
CASE NO. 4755

Order No. R-4366

(4) That Commission Order No. R-2181, as amended by Order No. R-2181-A, is hereby superseded.

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

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



STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*Bruce King*  
BRUCE KING, Chairman

*Alex J. Armejo*  
ALEX J. ARMEJO, Member

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

S E A L

dr/

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 12, 1972

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

The following cases will be heard before Richard L. Stamets, Examiner, or Elvis A. Utz, Alternate Examiner:

- CASE 4753: Application of Roger C. Hanks for a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an 80-acre non-standard oil proration unit in the East Shoe Bar-Devonian Pool comprising the NW/4 SW/4 and the SW/4 NW/4 of Section 29, Township 16 South, Range 36 East, Lea County, New Mexico, to be dedicated to a well to be drilled 1980 feet from the South line and 660 feet from the West line of said Section 29.
- CASE 4754: Application of Texaco Inc. for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to complete its C. H. Lockhart (NCT-1) Well No. 3 located in Unit O of Section 18, Township 22 South, Range 38 East, Lea County, New Mexico, in such a manner as to produce oil from the Paddock and Blinebry Pools through one string of tubing and the Tubb Pool through a parallel string of tubing.
- CASE 4755: Application of Texaco Inc. for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks as an exception to Rule 303 of the Commission Rules and Regulations, authority to commingle production from the Skaggs-Drinkard, Skaggs-Glorieta, and East Weir-Blinebry Pools in the wellbore of its C. H. Weir "B" Well No. 5 located in Unit G of Section 11, Township 20 South, Range 37 East, Lea County, New Mexico.
- CASE 4756: Application of Blackrock Oil Company for the creation of a new gas pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new pool for the production of gas from the Delaware formation for its Jennings Federal Well No. 1 located in Unit O of Section 33, Township 25 South, Range 32 East, Lea County, New Mexico. The Commission will also consider whether or not an associated pool should be created for the above-described well.
- CASE 4757: Application of Beard Oil Company for a unit agreement, Sierra County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Jornada Del Muerto Unit Area comprising 115,180 acres, more or less, of Federal, State, and Fee lands in Townships 13, 14, and 15 South, Ranges 1 East and 1 West, Sierra County, New Mexico.
- CASE 4758: Application of Amoco Production Company for allowable transfer, San Juan County, New Mexico. Applicant, in the above-styled cause, proposes to conduct 90-day shut-in and pressure build-up tests on its Gallegos Canyon Unit Com "H" Well No. 180 and its Unit Com "E" Well No. 161 located, respectively, in Unit J of Section 28, Township 29 North, Range 12 West, and Unit C of Section 23, Township 29 North, Range 13 West, Basin-Dakota Pool, San Juan County, New Mexico. Applicant seeks authority to transfer the allowable from the two wells during said period to its Unit Well No. 202 located in Unit B of Section 33, Township 29 North, Range 12 West, during said test period or to some other well or wells suitable to the Commission.

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

May 26, 1972

*Case 4755*

DOCKET # 4755

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

Date *6/22/72*

Attention: Mr. J. V. Gannon

Re: Case 4728  
Downhole commingling for  
C. H. Weir "B" Well No. 5

Gentlemen:

In response to your letters of May 24, 1972, I wish to advise you that Case 4728 will be continued to June 28, 1972. Please contact other operators in the pool so they will not make an unnecessary trip to Santa Fe. As there is no provision for administrative approval for downhole commingling of three zones, the matter concerning the C. H. Weir "B" Well No. 5 will be set for hearing before an examiner on June 28, also.

Yours very truly,

GEORGE M. HATCH  
Attorney

GMH/dr

C  
O  
P  
Y





PETROLEUM PRODUCTS

RECEIVED  
MAY 26 1972

CONSERVATION COMM.  
Santa Fe

May 24, 1972

TEXACO INC.  
DRAWER 728  
HOBBS, NEW MEXICO 88240

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

*Case 4755*  
*set for hearing*

Re: Wellbore Commingling  
C.H. Weir 'B' Well No. 5  
Skaggs Drinkard, Skaggs Glorieta,  
and Weir East Blinebry Pools

Attention: Mr. George M. Hatch

Gentlemen:

Texaco Inc. desires to commingle in the wellbore oil production from the Skaggs Drinkard, Skaggs Glorieta, and Weir East Blinebry Pools which are triple conventional completions as authorized by Commission Order R-2181 dated January 24, 1962. Well No. 5 on the C. H. Weir 'B' Lease is located in Unit G of Section 11, T-20-S, R-37-E, Lea County, New Mexico.

Statewide Rule 303-C provides for administrative application and approval of downhole commingling for dually completed wells, but does not specify conditions for approval of triple completed wells. The subject well meets all the conditions specified under Rule 303-C when applied to the three pools under consideration.

Since no Statewide Rule exists regarding the commingling of a triple completed well, Texaco Inc. requests advisement as to whether the Commission's approval is to be sought by an Administrative Application or by an Examiner Hearing.

Yours very truly,

*J. V. Gannon*  
J. V. Gannon  
District Superintendent

CPC-HPO/BH

DOCKET MAILED

Date 6-30-72



PETROLEUM PRODUCTS

RECEIVED  
JUL 17 1972  
OIL CONSERVATION COMM.  
Santa Fe

July 13, 1972

TEXACO INC.  
DRAWER 728  
HOBBS, NEW MEXICO 88240

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

Re: Docket No. 15-72  
Case No. 4754

Attention: Mr. Richard L. Stamets

Gentlemen:

The following information was requested by the Commission after the subject case was heard on July 12, 1972.

The last measurable gas production from the Skaggs Glorieta Pool was during March, 1969 in which the pool produced at the rate of 11.09 MCF per day.

Gas production from the commingled zone will be assigned on a percentage basis of the present gas production. Therefore, the Weir Blinebry Pool would be assigned 40.5% and the Skaggs Drinkard would be assigned 59.5% of the gas production.

Yours very truly,

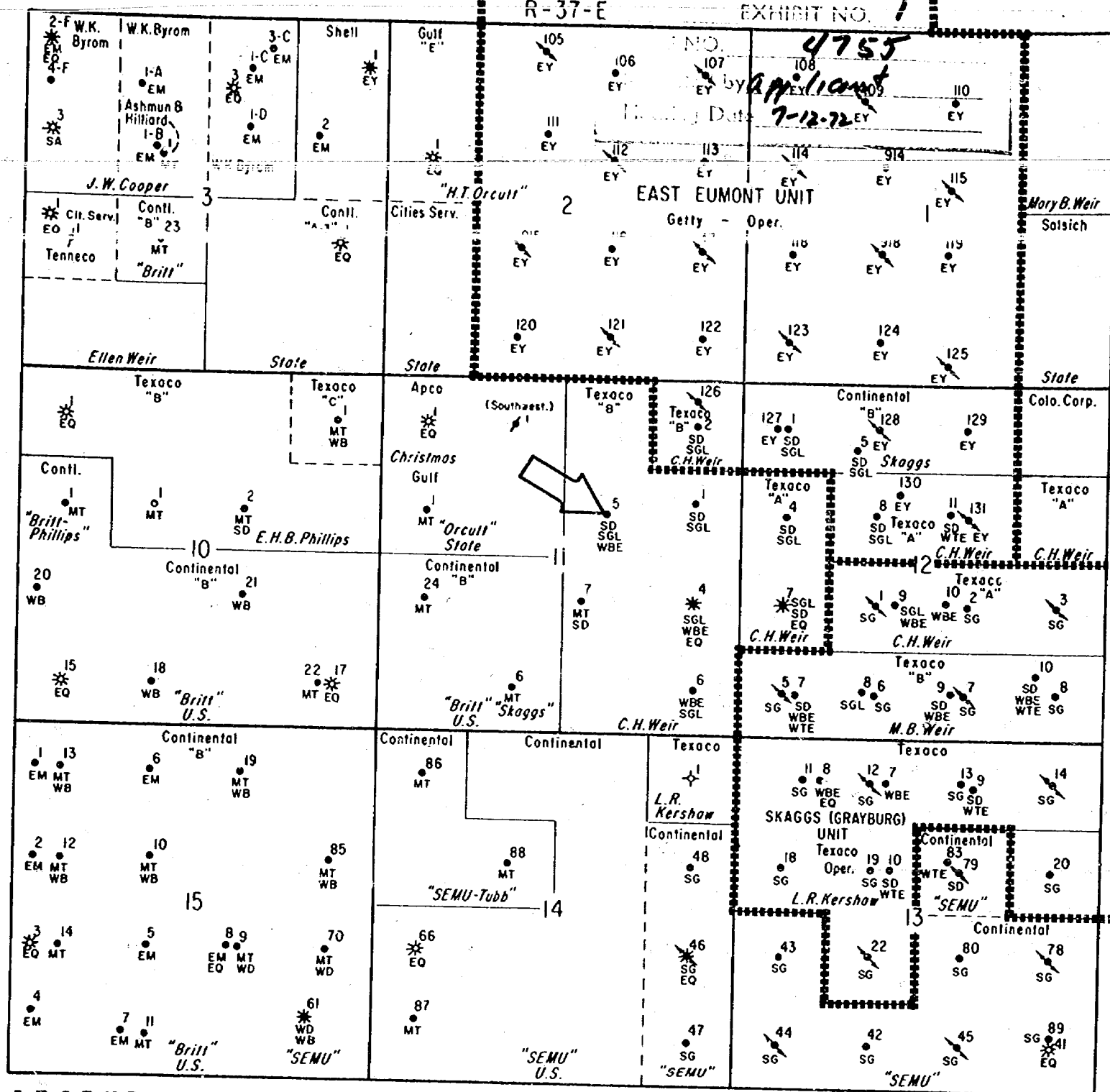
*J. V. Gannon*  
J. V. Gannon  
District Superintendent

KLP-BH

BEFORE EXAMINER STAMETS  
OIL CONSERVATION COMMISSION

R-37-E

EXHIBIT NO. 1



LEGEND:

EM - EUNICE MONUMENT GRAYBURG SAN ANDRES  
EQ - EUMONT QUEEN GAS  
EY - EUMONT YATES SEVEN RIVERS  
MT - MONUMENT TUBB  
SA - SAN ANDRES MIDDLE GAS  
SD - SKAGGS DRINKARD

SG - SKAGGS GRAYBURG  
SGL - SKAGGS GLORIETA  
WB - WEIR BLINEBRY  
WBE - WEIR BLINEBRY EAST  
WD - WEIR DRINKARD  
WTE - WEIR TUBB EAST

TEXACO Inc.  
OIL & GAS COMPLETIONS  
IN PART OF  
T-20S R-37-E  
LEA COUNTY, NEW MEXICO  
CPC/FMR 5-25-72

PRESENT COMPLETION

8-5/8" OD CASING SET  
AT 1129'  
CEMENT CIRCULATED

BAKER PARALLEL ANCHOR  
AT 5288'

5-1/2" CASING SET AT  
6937'  
CEMENT TOP 2525'

BAKER MODEL "FA" PACKER  
AT 5352'

BAKER MODEL "D" PACKER  
AT 6740'

EXHIBIT STAMPS  
COMMISSION  
EXHIBIT NO. 2  
NO. 4755  
Submitted by Applicant  
Hearing Date 7-12-82

BAKER DUAL ZONE FLOW TUBE  
AT 5352'

NAME: SKAGGS GLORIETA  
COMPLETION THIS ZONE: OIL

5310' - 5318'

NAME: WEIR BLINEBRY EAST  
COMPLETION THIS ZONE: OIL

5811' - 5896'

NAME: SKAGGS DRINKARD  
COMPLETION THIS ZONE: OIL

6870' - ~~6980'~~ 6890'

TEXACO Inc.  
C. H. WEIR "B" NO. 5  
SKAGGS GLORIETA, SKAGGS DRINKARD &  
WEIR BLINEBRY EAST POOLS  
LEA COUNTY, NEW MEXICO  
CPC, HPO/FMR 5-25-72

FOUR EXAMINER STAMETS  
CONSERVATION COMMISSION

EXHIBIT NO. **3**

NO. **4755**

and by **Agg. Hunt**

Date **7-12-72**

PROPOSED COMPLETION

8-5/8" OD CASING SET  
AT 1429'  
CEMENT CIRCULATED

5-1/2" CASING SET AT  
6937'  
CEMENT TOP 2525'

*will be produced by  
rod pump*

NAME: SKAGGS GLORIETA  
COMPLETION THIS ZONE: OIL

5310' - 5318'

NAME: WEIR BLINEBRY EAST  
COMPLETION THIS ZONE: OIL

5814' - 5896'

NAME: SKAGGS DRINKARD  
COMPLETION THIS ZONE: OIL

6870' - ~~6980~~ 6890'

TEXACO Inc.  
C. H. WEIR "B" NO. 5  
SKAGGS GLORIETA, SKAGGS DRINKARD &  
WEIR BLINEBRY EAST POOLS  
LEA COUNTY, NEW MEXICO  
CPC, HPO/FMR 5-25-72

DATA SHEET FOR WELLBORE COMMINGLING

Operator: TEXACO Inc.

Address: P.O. Box 728, Hobbs, New Mexico 88240

Lease and Well No.: C. H. Weir 'B' Well No. 5

Location: Unit G: 1650 feet from the West Line and  
1980 feet from North Line of Section 11;  
Township 20S, Range 37E, Lea County.

BEFORE EXAMINER STAMETS  
OIL CONSERVATION COMMISSION

EXHIBIT NO. 4

CASE NO. 4755

Submitted by 7-12-72

Hearing Date 7-12-72

Well Data

	<u>Upper Pool</u>	<u>Middle Pool</u>	<u>Lower Pool</u>
Name of Pool	<u>Skaggs Glorieta</u>	<u>Weir Blinebry, East</u>	<u>Skaggs Drinkard</u>
Producing Method	<u>Shut-in</u>	<u>Flowing</u>	<u>Pumping</u>
BHP	<u>500</u>	<u>1120</u>	<u>700</u>
Type Crude	<u>Sour</u>	<u>Sour</u>	<u>Sour</u>
Gravity	<u>37.0</u>	<u>42.2</u>	<u>32.4</u>
GOR Limit	<u>2000</u>	<u>2000</u>	<u>2000</u>
Completion Interval	<u>5310-5318</u> <u>(Now Shut-in)</u>	<u>5814-5896</u>	<u>6870-<del>6900</del> 6890</u>
Current Test Date	<u>Dec. 1969</u>	<u>6-9-72</u>	<u>6-8-72</u>
Oil	<u>10</u>	<u>8</u>	<u>6</u>
Water	<u>1</u>	<u>2</u>	<u>0</u>
GOR	<u>TSTM</u>	<u>2600</u>	<u>5100</u>
Selling Price of Crude - \$/Bbl.	<u>3.39</u>	<u>3.45</u>	<u>3.29</u>
Daily Income - \$/Day	<u>0</u>	<u>26.60</u>	<u>19.75</u>

COMMINGLED DATA:

Gravity of Commingled Crude 35.4

Selling Price of Commingled Crude - \$/Bbl. 3.35

Daily Income - \$/Day 47.00

Net (Gain) (Loss) from Wellbore Commingling - \$/Day None - crudes now commingled on surface.

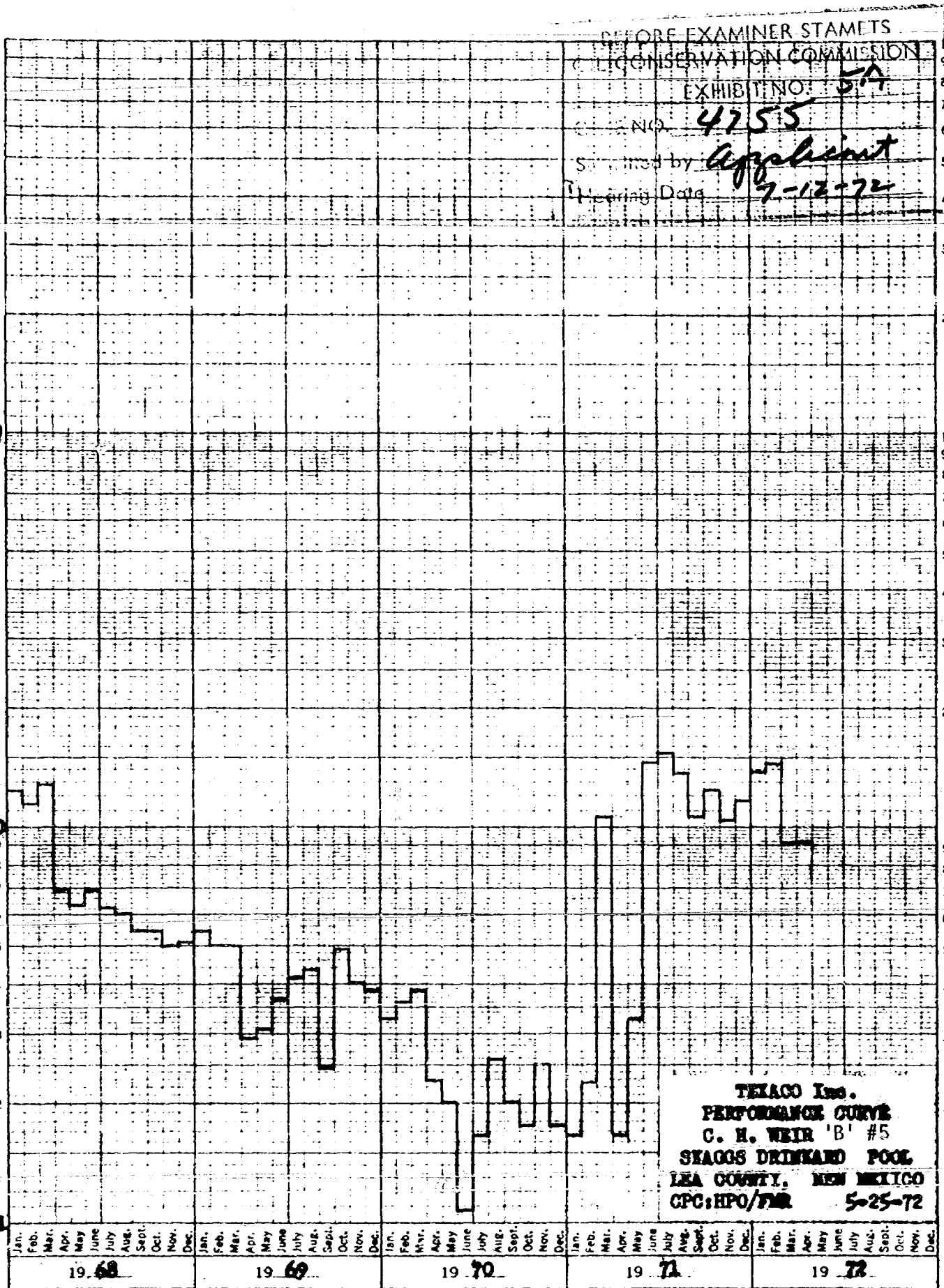
1,000

OIL PRODUCTION - BBLs./DAY

100

10

1



1,000

OIL PRODUCTION - BBLs./DAY

100

10

19 68 19 69 19 70 19 71 19 72

BEFORE EXAMINER SIGNATURES  
CONSERVATION COMMISSION

EXHIBIT NO. 58

NO. 4755

Submitted by: Applicant

Filing Date: 7-12-72

TEXACO Inc.  
PERFORMANCE CURVE  
C. H. WEIR 'B' #5  
WEIR BLINNEY EAST POOL  
IRA COUNTY, NEW MEXICO  
CPC:HPO/FMR 5-25-72



1,000

OIL PRODUCTION - BBL/DAY

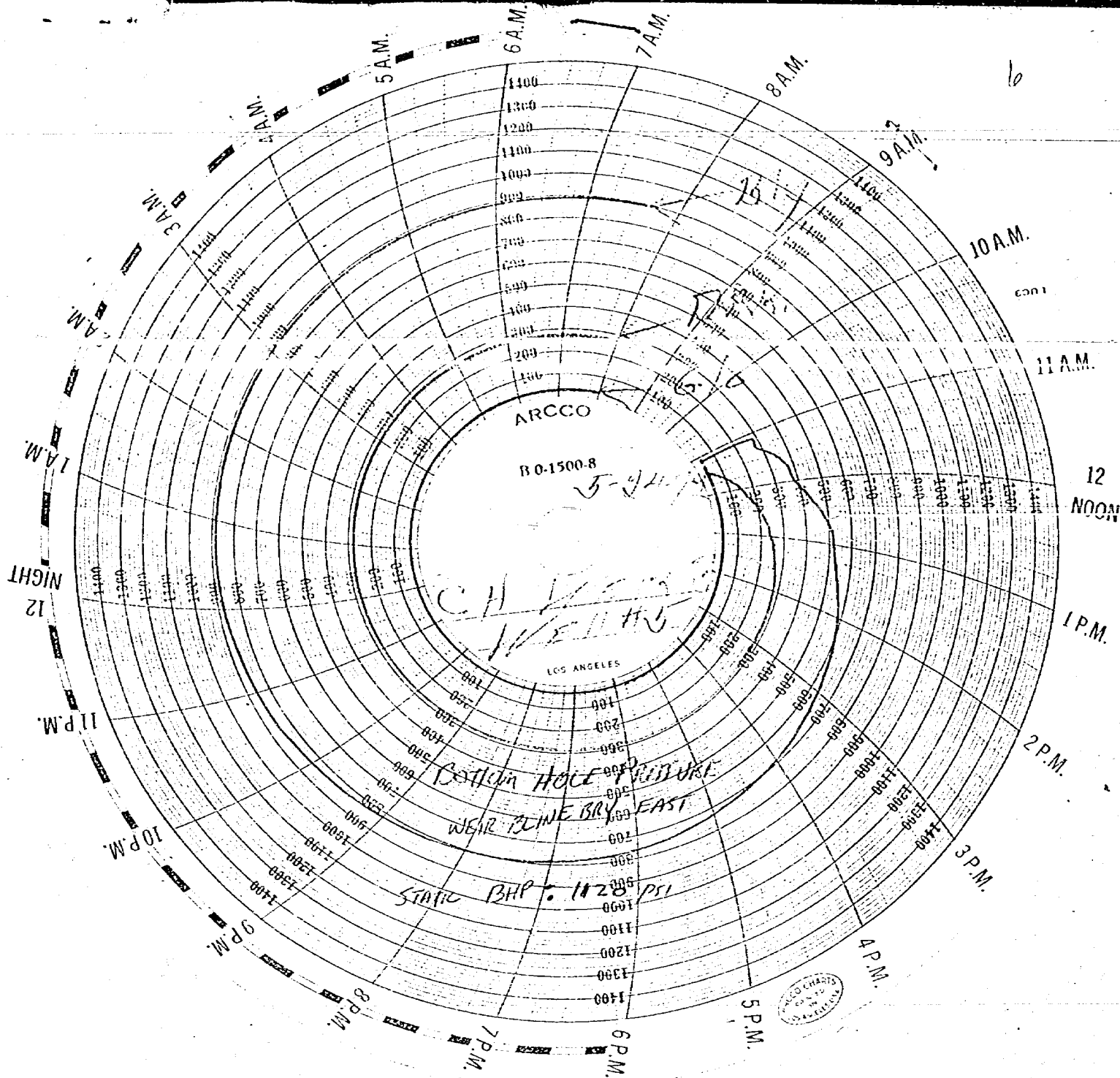
100

10

19 68 19 69 19 70 19 71 19 72

BEFORE EXAMINATION  
BY CONSERVATION COMMISSION  
EXHIBIT 5C  
CYCLE NO. 4755  
Submitted by Applicant  
Filing Date 7-12-72

TEKACO Inc.  
PERFORMANCE CURVE  
G. H. WILK 'B' #5  
MEAGOS GLORIAITA POOL  
LEA COUNTY, NEW MEXICO  
CPC/HPO/PMR 5-25-72



Dr. Hark +  
Blinchey

BEFORE EXAMINER STAMETS  
OIL CONSERVATION COMMISSION

EXHIBIT NO. 6

CASE NO. 4755

Submitted by Applicant

Hearing Date 7-12-72

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

C-116  
Revised 1-1-65

Operator <b>TEXACO Inc.</b>		Pool <b>See Below</b>				County <b>Lea</b>										
Address <b>P.O. Box 728, Hobbs, New Mexico 88240</b>						TYPE OF TEST - (X)		Scheduled <input type="checkbox"/>		Completion <input type="checkbox"/>		Special <input checked="" type="checkbox"/>				
LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	STATUS	CHOKE SIZE	TBG. PRESS.	DAILY ALLOWABLE	LENGTH OF TEST HOURS	PROD. DURING TEST				GAS - OIL RATIO CU.FT./BBL.
		U	S	T	R							WATER BBLs.	GRAV. OIL	OIL BBLs.	GAS M.C.F.	
<b>C. H. Weir 'B'</b>	<b>5</b>	<b>G</b>	<b>11</b>	<b>20S</b>	<b>37E</b>											
<b>Skaggs Glorieta</b>						<b>Shut-in</b>										
<b>Weir Blinebry, East</b>						<b>6-9-72</b>	<b>P</b>	<b>20/64</b>	<b>125</b>	<b>10</b>	<b>24</b>	<b>2</b>	<b>42.2</b>	<b>8</b>	<b>20.8</b>	<b>2,600</b>
<b>Skaggs Drinkard</b>						<b>6-8-72</b>	<b>P</b>	<b>-</b>	<b>-</b>	<b>6</b>	<b>24</b>	<b>6</b>	<b>32.4</b>	<b>6</b>	<b>35.6</b>	<b>5,100</b>

BEFORE EXAMINER STAMETS  
OIL CONSERVATION COMMISSION

EXHIBIT NO. 7

CASE NO. 4755

Submitted by Applicant

Hearing Date 7-12-72

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

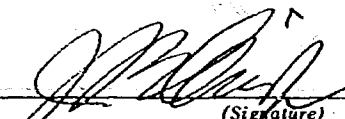
During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized 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 391 and appropriate pool rules.

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

  
 (Signature)  
**Assistant District Superintendent**  
 (Title)  
**June 13, 1972**  
 (Date)

DRAFT

GMH/dr

(Seal)

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

*DMH*

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

CASE No. 4755

Order No. R- 4366

APPLICATION OF TEXACO INC FOR  
DOWNHOLE COMMINGLING LEA  
COUNTY, NEW MEXICO.

*[Signature]*

*[Signature]*  
5-18-72

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on July 12, 1972,  
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this September day of July, 1972, the Commission, a  
quorum being present, having considered the testimony, the record,  
and the recommendations of the Examiner, and being fully advised  
in the premises,

FINDS:

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

(2) That the applicant, Texaco Inc., is the owner and  
operator of the C. H. Weir "B" Well No. 5, located in Unit G  
of Section 11, Township 20 South, Range 37 East, NMPM, Lea  
County, New Mexico.

(3) That the applicant seeks authority to commingle  
production from the Skaggs-Drinkard, Skaggs-Glorieta, and East  
Weir-Blinbry-Pools in the wellbore of the above-described  
well and to produce the commingled production through a single  
string of tubing.

R2181A

-2-

CASE NO. 4755  
Order No. R-

(4) That from the Skaggs-Drinkard zone, the subject

10 (1) That in order to allocate the commingled production to each of the commingled zones in the subject well, 25% of the commingled oil production should be allocated to the Skaggs-Drinkard zone, 42% of the commingled oil production to the Skaggs-Glorieta zone, 33% of the commingled oil production to the East Weir-Blinebry zone, ~~60%~~ 60% of the commingled casing-head gas production to the Skaggs-Drinkard zone, and

40% of the commingled gas production to the East Weir-Blinebry zone.

(1) That the applicant, Texaco Inc., is hereby authorized to complete its C. H. Weir "B" Well No. 5, located in Unit G of Section 11, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, in such a manner as to commingle in the wellbore the production from the Skaggs-Drinkard, Skaggs-Glorieta and East Weir-Blinebry Pools and to produce said commingled production through a single string of tubing until further order of the Commission.

CASE NO. 4755  
Order No. R-

(2) That 25% of the commingled oil production shall be allocated to the Skaggs-Drinkard zone, <sup>11.3%</sup>~~28%~~ of the commingled oil production shall be allocated to the Skaggs-Glorieta zone, 33% of the commingled oil production shall be allocated to the East Weir-Blinebry zone, <sup>60%</sup>~~and 100%~~ of the commingled casinghead gas production to the Skaggs - Drinkard zone, and

40%~~100%~~ of the commingled gas production to the East Weir-Blinebry zone.

(3) That the operator of the ~~well~~ subject well shall <sup>immediately</sup> notify the Commission's Hobbs district office any time the well has been shut-in for 7 consecutive days and shall, concurrently present, to the Commission, a plan for <sup>remedial</sup> ~~corrective~~ action.