

CASE 5282: Application of UNION
TEXAS PETROLEUM FOR DOWNHOLE
COMMINGLING, LEA COUNTY.

CASE No.

5282

Application,

Transcripts,

Small Exhibits

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
July 24, 1974

EXAMINER HEARING

IN THE MATTER OF:)
)
)

Application of Union Texas Petroleum)
Corporation for downhole commingling,)
Lea County, New Mexico.)
-----)

Case No.
5282

BEFORE: Richard L. Stamets, Examiner.

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil
Conservation Commission:

William Carr, Esq.
Legal Counsel for the
Commission
State Land Office Bldg.
Santa Fe, New Mexico

CASE 5282

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MR. STAMETS: Call the next Case, 5282.

MR. CARR: Case 5282. Application of Union Texas Petroleum Corporation for downhole commingling, Lea County, New Mexico.

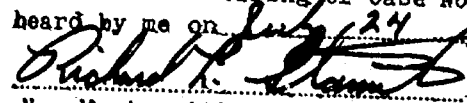
MR. STAMETS: The Commission has received a request to continue this Case until August the 7th, and it will be continued.

STATE OF NEW MEXICO)
)
COUNTY OF SANTA FE) SS.

I, RICHARD L. NYE, Court Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.



RICHARD L. NYE, Court Reporter

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 5282, heard by me on July 24, 1974.


Examiner
New Mexico Oil Conservation Commission

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
August 7, 1974

EXAMINER HEARING

IN THE MATTER OF:)
)
Application of Union)
Texas Petroleum Corpora-) Case No. 5282
tion for downhole)
commingling, Lea County,)
New Mexico)

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil
Conservation Commission: Thomas Derryberry
Legal Counsel for the Commission
State Land Office Building
Santa Fe, New Mexico

For the Applicant: Paul W. Eaton, Jr., Esq.
HINKLE, BONDURANT, COX &
EATON
Hinkle Building
Roswell, New Mexico

I N D E X

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MR. NUTTER: Call Case Number 5282.

MR. DERRYBERRY: Case Number 5282, application
of Union Texas Petroleum Corporation for downhole commingling,
Lea County, New Mexico.

MR. EATON: Paul Eaton for Hinkle, Bondurant, Cox
& Eaton, representing the applicant and we have two witnesses.

(THEREUPON, the witnesses were sworn.)

DOYLE HARTMAN

called as a witness, having been first duly sworn, was
examined and testified as follows:

DIRECT EXAMINATION

BY MR. EATON:

Q Your name is Doyle Hartman?

A That is correct.

Q And you are the same Doyle Hartman who testified
in the previous case Number 4946 as a Petroleum Engineer
for Union Texas Petroleum Company?

A That is correct.

Q Mr. Hartman, are you familiar with the application
in this particular case?

A Yes, sir.

Q What is your understanding of what Union Texas
Petroleum seeks by the application?

HARTMAN-DIRECT

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A. Well actually, at this time we feel like our application is really not permission to downhole commingle in our Langlie-Jal unit, downhole commingle the Jal Mattix and Langlie-Mattix pools in the Langlie-Jal pool, but what we would like to do based on extensive study of Union Texas studies in the past year and a half of this unit we would like to request to have the water flood or the oil interval that we are attempting to water flood which includes a portion of the Jalmat and the Langlie-Mattix reservoirs to be classified within the unit area of the Langlie-Jal unit as one reservoir for the purpose of efficient water flooding of this oil zone.

Q Have you prepared exhibits, Mr. Hartman, for your testimony?

A. Yes, I have. Exhibit Number One is a map outlining the unit area of the Langlie-Jal unit operated by the Union Texas Petroleum and also as displayed on there wells that will be shown in a cross section which is Exhibit Number Two. The cross section that we are going to show is the north-south cross section. It shows the Yates' picks and the Queen's picks on the cross section and we will try to give it a detailed explanation of the cross section and justify our reasoning at least to this point in time as to why we feel that portions

HARTMAN-DIRECT

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of the Jalmat and the Langlie-Mattix reservoirs should be classified as one reservoir for the purposes of water flooding within the Langlie-Jal unit.

Q Was this exhibit prepared under your supervision?

A Yes, sir, it was.

Q Now, would you please refer to what has been referred to as Exhibit Number Two?

A Right, Exhibit Number Two is a north-south cross section with many of the wells penetrating this entire 7 Rivers interval and to the Queen formation.

Q Now, what is the purpose of Exhibit Number Two? What are you trying to show?

A Okay, what we are actually trying to show and this is something that we have only actually proven to ourselves through some extent and effort and actually through some very expensive data gathering -- but what we are trying to show is what we feel the lower portion within the Langlie-Jal unit, the lower portion of the Jalmat reservoir, is the continuous oil column that is continuous on into the Langlie-Mattix pool. But due to the fact that it is a continuous oil column that it would be prudent to try to water flood this all at one time instead of designating it as two separate pools and the fact that we will

HARTMAN-DIRECT

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be able to adhere to all of the commingling requirements, you know, set out by the state of New Mexico as we get down the road in time due to the nature of water flooding.

Q How are the pools presently designated?

A Well, the definition of the top of the Langlie-Mattix reservoir or pool occurs one hundred feet about the top of the Queen.

But in our particular situation, due to the fact that the portion of the Langlie-Jal unit are in structurally low positions this lower portion of the Jalmat reservoir is also within an oil column.

That the oil column continues from the lower portion of the Jalmat reservoir on into the Langlie-Mattix reservoir.

Q All right, Mr. Hartman. If you will proceed to testify about Exhibit Two in greater detail?

A Okay. I think one of the major points that should be proven at least by Union Texas is that within this unit the Jalmat reservoir is oil productive because we do realize that, say, in the larger portion of the Jalmat pool the greater area of it covers -- the larger percentage of it is a gas reservoir --

But we are having a counterstructural position

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which allows it to be within the oil column and so what I would like to do is to start in on our south end of our cross section which would be within the neighborhood of wells 86 and 87, for example, and a well such as 87 was drilled essentially through the Jalmat. It did slightly penetrate into the Langlie-Mattix pool.

This well was drilled, I believe, in late 1952 or early 1953. The oil recovery from it has been approximately forty-seven thousand barrels of oil indicating that it is very definitely an oil well.

We feel that our correlations are correct in that by definition the oil production does fall within the Jalmat reservoir.

MR. NUTTER: Let me, Mr. Hartman, interrupt you just a second. You said that structurally you are low here and as a result the Jalmat is oil productive. Does this mean that the upper formations of the Jalmat gas pool, the Tansill and the Yates and the upper portions of the 7 Rivers is not gas productive in the area at all?

A. No, that does not mean that.

MR. NUTTER: Do you have Jalmat gas wells in the Langlie-Jal unit area?

HARTMAN-DIRECT

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A. Yes, sir. But there are large portions of the Jalmat that have been produced as oil wells. We feel like wells like 86 and 87 due to the fact that they were not drilled as Langlie-Mattix wells and the fact they have had good oil recovery that we are talking about oil wells within the interval.

MR. NUTTER: I presume that on this cross section that the black lines to the left side of each log illustrates either the perforated or the open hole interval on each well, is this correct?

A. Yes, sir.

MR. NUTTER: And the crosses between the two pools?

A. That is correct. That dotted line is the boundary line between the two pools, yes -- of the Jalmat and the Langlie-Mattix.

Also, we would like to go back -- we feel that this area is an extremely complex area geologically and until you start understanding it and getting some data to work with due to the fact that you are dealing with such large amounts of porosity and such a large interval that you could be very easily misled as to really where you are.

If you will notice on our well histories, our engineering aid in Midland, Texas, worked these up for us.

HARTMAN-DIRECT

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When he put the productive zones on some of these wells I noticed that he classified some of them as having the Queen as the horizon. Well, in some of these different wells when they were originally drilled they, you know, never even encountered the Queen. This is one of the things that has led to some confusion over the Queen, the fact that the operators who operated some of these particular wells were just -- maybe felt that they were in the Queen but actually were producing in the 7 Rivers.

What has happened is that we have come back and have tried to classify things really as they should be, you know, and has led to some confusion.

Let's take, for example, wells like 64 and 74.

These two wells were drilled in the late 1930's, and I believe that No. 74 had an ultimate recovery of around a hundred and seventy thousand barrels of oil. Well No. 64 produced around a hundred and fifty thousand barrels of oil. As you can see, both of these wells drastically overlap the Jalmat and Langlie-Mattix.

I would say just due to logic that you would probably have some gas, a zone that was originally a gas zone, in a well like No. 64 open because we do know that there is a gas-oil contact in there and our next priority,

HARTMAN-DIRECT

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there was a priority before this hearing was ever called, is to define this gas-oil contact where it occurs and we are planning to do that. We have a drilling program probably starting in September, ten additional producing wells.

We have approximately two of these wells designated for extensive coring work. It appears that really that this is one way at this point in time due to the fact that these reservoirs over the period of years and the firms that we have been talking about, et cetera, that good core analysis is one of the few ways of defining approximately what the original situation might have been there.

What we are going to do is when we core we are going to core the entire 7 Rivers and Queen interval from top to bottom. We plan on running routine core analysis over, essentially, this entire interval. Then, we are going to go back and run a special core analysis in order to be able to determine relative permeability characteristics of gas and oil and oil and water. We feel like this pool offers an awful lot of potential from the water flood recovery and that what is in our best interest will also be in yours, too.

Q (Mr. Eaton continuing.) Why is it to your interest

HARTMAN-DIRECT

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to have a more thorough understanding of the productive area of the Langlie?

A. Well, one of the things is this. There is an awful lot of oil in place. We need to know how much of that is recoverable.

Also, because we are dealing with water flooding, water flooding is only as good as, I guess, the efficiency of the water you are putting in the ground. If you are not putting it in the right place, say, you are putting in a gas zone, for example, you are not sweeping oil towards a producing well.

What we are going to try to do is define the vertical limits of this and do a detailed engineer study to determine the volumes of water injection that will be required to be able to flood this within a reasonable period of time and put the water where it needs to go.

Well, for example, like in water flooding when you get a breakthrough in a well. It is just going to take longer to get that oil after the breakthrough occurs -- so what we want to do is to come up with the maximum amount of water which is going to be needed instead of operating it at lower capacities. We feel that this is one of the problems that maybe some of the operators, we don't know

Q. Now, what was the purpose of this well?

A. The purpose of this well was to get water for the use of the people of the village of Kibira.

Q. Now, you say that the well was dug in the early days of the village?

A. Yes, it was dug in the early days.

Q. Now, you say that the well was dug in the early days of the village?

A. Yes, it was dug in the early days of the village. No, it was not a well that was dug in the early days. As you can see, it does not penetrate both the Jambati and the Jambati Maiti parts. It does not quite penetrate the Queen reservoir. Even though the depth of the Queen was not encountered. Even though the Queen was not actually encountered. The type of tool that we are using here, you get essentially material off of the grain density curve when it is in the left-hand end of the log.

The grain density curve is a curve that is used to determine the density of the material. It is a curve that is used to determine the density of the material. It is a curve that is used to determine the density of the material.

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HARTMAN-DIRECT

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top of the Queen even though it has not been encountered.

Like in this particular well there is again a possibility that there was some Jalmat gas open when the well was originally completed but the porosity development is very poor in the upper part of the Jalmat. The lower part of the Jalmat corresponds to the oil productive interval that you had in 86 and 87, which are predominantly Jalmat wells.

Well 88 is a well we deepened in approximately April of this year. The reasoning for deepening this well is you can see the Yates has got an excellent porosity development right in the bottom of the Yates development. This well was opened in the Yates and made fantastic volume of gas.

So, what we were attempting to do, we wanted to go in and run a liner across that Yates to shut that Yates gas off.

We felt that we would have much better production efficiency down the road if we went ahead and deepened the well and got the liner set and prove the interval that we were going to perforate so that we could pump the wells down and get the maximum draw down. This was one of the major driving forces of deepening to the point that we did.

HARTMAN-DIRECT

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We did encounter additional pay below or into the Langlie-Mattix interval when we deepened the well. For example, we feel like the additional porosity that was encountered, it was perforated below the Jalmat and should yield up approximately on forty acre, a forty acre tract, one hundred and ten thousand barrels on water flood. So, that was an extremely, you know, profitable venture from our standpoint.

86 and 87 have been discussed. They are again wells that were drilled in the fifties, in the early fifties, and were predominantly Jalmat with a slight amount of Langlie-Mattix.

Well No. 82 was drilled back in the 1930's and its oil recovery, if I am not mistaken, was approximately seventy thousand barrels of oil. I would say the predominant portion of the good pay would be Langlie-Mattix pay.

If you will notice some of these porosity kicks out here are due to some shot holes where we have had to log an old shot hole. But for correlation purposes we don't really believe that that bothers us that much due to the fact that it represents only a small portion of the total vertical interval and we can get our formations

HARTMAN-DIRECT

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from other portions of the total vertical.

Well No. 78, it happened to be our first response well for our water flood.

Again, for definition it overlaps both the lower Jalmat and Langlie-Mattix pools.

Well No. 74 was discussed earlier. It again overlaps both and it was drilled in the 1930's.

Well No. 64 was drilled in the 1930's and it overlaps both.

Well No. 46, this one is a well that I know the Commission had some concern about when it was originally drilled. It was drilled in about 1955 by R. Olson and so was 88 drilled by R. Olson.

No. 46, when we obtained the well and re-entered it to put it back on production, we found that the plug back in Well No. 46 was approximately thirty-four hundred feet which except for the one interval that had been perforated between thirty-two and thirty-three hundred, it would be above any of the other newly perforated intervals in this well.

So, we could not see any pay on the logs hardly for the well. Again, we recognized that it didn't appear to be deep enough either and so we deepened this well.

HARTMAN-DIRECT

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We picked up what I think are three very nice little porosity stringers right below the Langlie-Mattix. This well was not fractured or anything when we placed it on production. It started making thirty barrels a day. It is now up around fifty barrels a day. It apparently is receiving some response from Well No. 37 and that is what prompted our deepening Well No. 37.

37 was partially or barely penetrated the Langlie-Mattix interval -- well, I will take that back -- barely penetrated the Queen interval and like I said in Well 46 when I said the Langlie-Mattix I actually meant the top of the Queen.

But it had barely penetrated the Queen. We deepened it so that it would have the same zones open for injections that the 47 had and we have already seen some increase in oil production in 46 in doing the work on 37.

Well No. 25 is a well that the Commission had classified as a gas well. It did produce a large volume of oil also so apparently it did straddle some gas-oil contact.

This is an old Atlantic Refining Company well. The only records we have on it indicated in 1947 it went to gas but it had a pretty large oil recovery up to that

HARTMAN-DIRECT

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point.

This well was placed on injection this year. It was a well that we were also concerned about, the cement job, but after running a log and so forth it appears that we are confining the injection to the open hole interval.

Well No. 20 is a well that penetrates quite a bit of the Queen pay. What happens here, the reason it does we are getting up structurally high enough that when they drilled the wells in the older days they penetrated more of the Queen interval. These wells were drilled to a minus three hundred depth so therefore what they encountered was a function, structurally, of where they are. It was just fortunate that they had oil pay overlapping these intervals.

Well No. 21, this is again a well that we deepened and the reason for that, deepening Well No. 21, 21 was an excellent producer before we deepened it but the reason we went ahead and deepened it was 22 was a new well that we drilled last summer as you can see in the 7 Rivers portion of the Langlie-Mattix, for example, a very poor porosity development. We felt that we had to open up something being that we already had the pipe set on the well and so we went ahead and tested down to roughly thirty-six fifty in the Queen.

HARTMAN-DIRECT

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But to make sure that the well would perform we wanted to have this same interval open to water injection, to offset wells and 21 is an offset well, and so it was deepened on down so it would be at least open through the Queen in the offset.

Well No. 7, it was a very poor producer until we deepened it and cleaned it out. It was a very poor injector prior to taking any water whatsoever. This well produced on original production ten thousand barrels of oil. What we did, we did go in and we deepened it from the base where there is a liner shown approximately at thirty-five fifty and we deepened it down to total depth and did some additional perforating in there and did some acidizing and put in injection and it is an excellent injection well.

Q Had you called upon Schlumberger to help you in this work?

A Well, the reason we worked with the Schlumberger as you can see we are using Schlumberger's Coriband log for correlation. We are talking about a situation out here where we don't have a constant system. That is, the lithology is changing and also the fluid content of the rock is changing and it makes log interpretation very difficult.

HARTMAN-DIRECT

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We feel that this is one of the problems that operators have encountered in the Langlie-Mattix and Jalmat work over the years. So, the basic concept of the Coriband is running two porosity logs and coming up with a computed log based on these two that really brings everything down more to a common denominator. They offer excellent correlation. It is an excellent correlation tool. It also gives us some fairly reasonable quantitative values to use for porosity and we feel like in this point in time that this is the last shot that we are going to have when you are water flooding this stuff. We need to know what is there and so we felt that it was well justified to spend the additional money in a logging program like this costs.

So, that's the reason we have worked closely with Schlumberger on this field out here. All wells within the field when our logging program is completed will have Coriband logs on it. So we will be able to correlate from well to well, you know, and in any direction and have it well defined.

Q What conclusion can you draw at this time from your work and particularly from this Exhibit Number Two?

A Well, one real strong conclusion that is based on the older wells is that we do have oil production that

HARTMAN-DIRECT

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overlaps or includes a portion of the lower Jalmat and also the Langlie-Mattix. That we feel it is to the best interest of Union Texas Petroleum and its partners in the Langlie-Jal unit and also the people of New Mexico that we be allowed to water flood this as one reservoir instead of breaking it up into two.

Q In other words, is it your opinion that there are not two separate pools there?

A Well, let's put it this way, within this geographical area we feel like there is one pool.

We feel like designation -- separation of Jalmat and Langlie-Mattix over the broad area that both pools encounter is a very good designation of the two pool intervals. However, we just happen to be getting in a structural position where we get oil production within the Jalmat portion and we want to be able to try to water flood it in the most efficient manner.

Q Believing that in this geographical area and you are working with the one pool, is it then the company's opinion that the rules pertaining to downhole commingling do not apply to this area?

A This is the reason we would rather not request to downhole commingle but request to have a designation as

HARTMAN-DIRECT

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one pool for the particular unit because we do feel like it is one continuous oil column over here. We feel like part of the burden is on us to prove that and that is one of the reasons even before the hearing was called that we were trying to solve this in our minds. I think if we find out that we have got some gas open that shouldn't be open and we are losing water injection and not if it is not doing us any good either then it is in our best interest to shut that off. But what we want to do is to be able to find this and water flood it all as one reservoir when we get it defined.

Q You testified earlier that your company plans to continue its investigative work in this unit?

A That is correct.

Q And is it continuing that work right now?

A Yes. We have had a continuous workover program since the first of the year. During the majority of this time we have had to workover rigs on this unit the majority of the time. The work goes slow. We are doing deepening work. We are doing cleanout work. And when you talk about ninety-four wells you are talking about quite a bit of workover work.

I feel economically that it is justified especially

HARTMAN-DIRECT

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with ten dollar oil but even with a little bit less than ten dollar oil I think it is justified.

Q Do you feel that perhaps this case might be continued to some later period so that the data you get from your additional work can be or should be presented to the Commission?

A. I feel like data that most certainly would shed more light on the situation, providing we have not satisfied the Commission at this time, I do recommend that it be continued, you know, if we have given sufficient evidence at this time. We would appreciate a ruling but if they feel like they would like to have more data then we would request that.

MR. EATON: I have no further questions of Mr. Hartman and -- was Exhibit Number Two prepared by you or under your supervision?

A. That was prepared by me, yes.

MR. EATON: We would offer Exhibits Number One and Two into evidence.

MR. NUTTER: Exhibits One and Two will be admitted into evidence.

(THEREUPON, Applicant's Exhibits One and Two were admitted into evidence.)

HARTMAN-CROSS

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CROSS EXAMINATION

BY MR. NUTTER:

Q Mr. Hartman, are you attempting in any of these injection wells to selectively inject them at specified intervals or are you just putting it into the well wide open?

A Right now we are putting it into it wide open, I guess you would have to say.

Again, to give some explanation, we want to be able to have effective injection when we wind up. This is a time-consuming program and another reason I felt going with the best logs we could in this is trying to use this quantitative data in order to determine if a particular zone should be taking water.

As time goes on and we become more familiar and we are not getting effective injection in a zone, our intention is to treat that well, you know, so that all of the zones will be taking it.

But honestly I can't say we are getting total effective injection at this time due to the fact of what we encountered when we first went out and started the work. But our goal is to effectively inject over the entire oil column. We don't want to put water into the gas cap.

HARTMAN-CROSS

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Q Well, even down in the oil column there may be some stringers that you won't want to put water into?

A Well, my theory is -- let me put it this way -- if we do have some zones and you have higher porosity zones, some real good zones, that first little zone in the top of the Queen, you know, that is ultimately going to flood out before others and work will have to be done to shut off, injection, off to that at a later date. We feel like we would rather go ahead and flood that at this time and hopefully have other zones open.

That is what we want to be able to do is to be able to determine how much total injection we need instead of just going out there with a limited volume of water and having it go exactly where it pleases. We ultimately want to be able to flood the whole thing.

Q What does the Langlie-Jal unit agreement define as the vertical limits of the unit?

A The vertical limits extend from the top of the 7 Rivers to the base of Queen. So fortunately, we do have common ownership over this entire interval, both royalty and working interest ownerships.

Q Now, you said that you were launching on a drilling program where you were going to drill ten or so

HARTMAN-CROSS

Page.....25.....

wells?

A. Yes, sir.

Q Are those undeveloped forties in the unit at the present time or are they replacement wells?

A. They are undeveloped forties and then we will also drill one additional injection well and that is down in section seventeen, the lower part of section seventeen there is an undeveloped forty there as an injection well location. We will also have an AFE in progress on that well, too.

Q Now, do you know if this south Langlie-Jal unit to the west has completions crossing the line between the lower Jalmat and the upper Langlie-Mattix pool?

A. I am not sure but I believe knowing and just studying their wells that a large percentage of the original oil at least came from above the Langlie-Mattix.

I know they have shut off -- many of their original completions were also open in the Yates and I know that they have shut that off with liners or at least that is what our records indicate.

MR. NUTTER: Are there any other questions of this witness? If not, you may be excused.

MR. EATON: May I take one second?

HARTMAN-CROSS
--REDIRECT

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Mr. Examiner, could I call Mr. Hartman back. We believe that with him we can introduce Exhibit Number Three rather than bringing on the second witness.

MR. NUTTER Okay, that will be fine.

REDIRECT EXAMINATION

BY MR. EATON:

Q Mr. Hartman, you are still under oath.

Mr. Hartman, I refer you to what has been marked for identification as Exhibit Number Three and ask you to state what that exhibit portrays?

A What Exhibit Number Three is is just showing the typical logging program that we are running on our leasehold wells. We are also supplementing this logging program in our open hole wells with additional resistivity type logs.

What we wanted to show here is to allow the Commission to have maybe a better understanding of the basic logging package we are running. We are running a compensated neutron log and a formation density compensation log in our old wells.

Then we are taking the data from these and cross plotting the data to come up with a truer porosity as is displayed on this Coriband log.

This was a typical well and we felt that the

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HARTMAN-REDIRECT

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Commission would be interested in seeing what we were running and we also brought along Mr. Art Smith of Schlumberger for any further information on their logs.

Q Coriband is a Schlumberger process method?

A. That is correct but it is a computed log that crossplots the data from the porosity data from the neutron and the cross data from the density log to arrive at what should be considered a more truer porosity for the rock encounter.

Q Well, that is not a log that is actually run but a computer calculation, isn't it?

A. That is correct. And also one of the other functions that you do get out of the Coriband is the grain density correlation which is in the left, the very left track here.

This is an excellent correlation tool and one of the other things that it does do, we have attempted to use it in helping to define also a gas-oil contact because the assumption, when the grain density is computed, the assumption that is made is that we have got a liquid filled rock.

When the computer runs out the calculation and it encounters, say, a lower bulk density, then the lower bulk density is due really to the gas content in the rock

HARTMAN-REDIRECT

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instead of a lighter type of grain density so what it will display is a very light grain density and we know that it is really not there in nature and instead of that being the true grain density we know that we have probably got a gas zone, especially behind pipe or where another operator or someplace it has been produced off of lower reservoir pressure.

They show up very dramatically. One of the places it shows up like here in well No. 20, say, at roughly thirty-five sixty-eight. You can see how it kicks way out there, the grain curve, reading about two point five and we feel that the grain density of these sequences here in these sands, the dolomite sands, is approximately two point seven or two point seven two so we know -- we are pretty damn sure that that right there is a gas zone.

One of the very interesting things you can see what happens when you are just dealing with one log and you have an awful lot of gas in the Jalmat, say, like on the C & L log for that same interval. You can see that the porosity kicks way back to the right indicating very low porosity. But on the density log the density log is taking the direct opposite. The density log is reading higher due to the fact there is gas there.

HARTMAN-REDIRECT
-CROSS

Page.....29

But a cross plot of these two indicate a truer porosity and also the presence of gas and really we are solving two equations simultaneously, in essence.

MR. NUTTER: Are there any questions of the witness?

MR. LYON: May I ask one question, please? I am V.T. Lyon with Continental Oil Company.

CROSS EXAMINATION

BY MR. LYON:

Q This is referring back to your previous testimony, but as I understand your testimony the unitized interval is from the top of the 7 Rivers to the base of the Queen?

A. That is correct.

Q Did I understand you correctly to say there is no production being commingled in these wells from the intervals in the Yates or the Tansill?

A. No, they are not producing, the Yates, at all in these wells.

Q So, you don't have the problem, maybe, of diversity of ownership in your operations?

A. That is correct.

MR. LYON: Thank you.

MR. EATON: We offer Exhibit Number Three at this time.

HARTMAN-CROSS

Page.....30.....

MR. NUTTER: Union Texas Exhibit Number Three will be admitted.

(THEREUPON, Applicant's Exhibit Number Three was admitted into evidence.)

MR. EATON: We have no further questions and we have no further witnesses.

MR. NUTTER: If there are no further questions the witness may be excused.

(THEREUPON, the witness was excused.)

Does anyone have anything else to offer in case Number 5282? We will take the case under advisement -- oh, you want to make a statement?

MR. LYON: I want to make a statement.

MR. NUTTER: Okay.

MR. LYON: Continental Oil Company is a small interest owner in this unit.

We have the same situation in several units that we operate. We consider that it is only logical to water the oil producing intervals whether they are in one pool or two pools as long as it is continuous and we are doing this in a number of water floods that we operate and we recommend that Union Texas be permitted to do so in this case.

MR. NUTTER: Thank you, Mr. Lyon. Is there any-

CASE 5282


Page.....31.....

thing further in Case 5282? If not, we will recess until
eleven o'clock.

THE NYE REPORTING SERVICE
STATE-WIDE DEPOSITION NOTARIES
228 JOHNSON STREET
SANTA FE, NEW MEXICO 87501
TEL. (505) 982-0386

STATE OF NEW MEXICO)
)ss.
COUNTY OF SANTA FE)

I, SIDNEY F. MORRISH, Court Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.


SIDNEY F. MORRISH
Court Reporter

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of case No. 83 heard by me, on 8/7, 1974.

[Signature] Examiner
New Mexico Oil Conservation Commission

THE NYE REPORTING SERVICE
STATE-WIDE DEPOSITION NOTARIES
228 JOHNSON STREET
SANTA FE, NEW MEXICO 87501
TEL. (805) 982-0386



OIL CONSERVATION COMMISSION

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

December 5, 1974

I. R. TRUJILLO
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

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

Mr. Paul Eaton
Hinkle, Bondurant, Cox & Eaton
Attorneys at Law
Post Office Box 10
Roswell, New Mexico 88201

Re: CASE NO. 5282

ORDER NO. R-4930

Applicant:

Union Texas Petroleum Corp.

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.

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. 5282
Order No. R-4930

APPLICATION OF UNION TEXAS PETROLEUM
CORPORATION 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 August 7, 1974,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 3rd day of December, 1974, the Commission,
a quorum being present, having considered the record and the
recommendations of the Examiner, and being fully advised in the
premises,

FINDS:

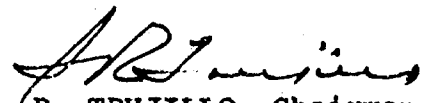
- (1) That the subject matter relating to this case has been
disposed of by Order No. R-4929 in Case No. 5368.
- (2) That Case No. 5282 should be dismissed.

IT IS THEREFORE ORDERED:


That Case No. 5282 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member


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

SEAL
jr/

Dockets Nos. 24-74 and 25-74 are tentatively set for hearing on August 21 and September 4. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - AUGUST 7, 1974

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

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

CASE 4749: (Reopened) (Continued from the July 10, 1974, Examiner Hearing)

In the matter of Case No. 4749 being reopened pursuant to the provisions of Order No. R-4338-A, which order continued special rules for the Humble City-Strawn Pool, Lea County, New Mexico. All interested parties may appear and show cause why said pool should not be developed on 40-acre spacing.

CASE 4946: (Reopened) (Continued from the July 10, 1974, Examiner Hearing)

In the matter of Case No. 4946 being reopened pursuant to the provisions of Order No. R-4581, which order established temporary rules for the Crosby-Fusselman Associated Pool, Lea County, New Mexico. All interested parties may appear and show cause why said rules should not be rescinded.

CASE 5282: (Continued from the July 24, 1974, Examiner Hearing)

Application of Union Texas Petroleum Corporation for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Jalmat and Langlie-Mattix production in certain of its wells in the Langlie-Jal Unit Area, currently being waterflooded under authority of Commission Order No. R-4051.

CASE 5287: Application of Mobil Oil Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the N/2 of Section 12, Township 21 South, Range 26 East, adjacent to the Burton Flats-Morrow Gas Pool, Eddy County, New Mexico, to form a standard 320-acre unit to be dedicated to applicant's Federal 12 Com Well No. 1 to be drilled at a previously approved unorthodox location 660 feet from the North and East lines of said Section 12. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 5288: Application of Merrion & Bayless for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of hydrocarbon production from the top of the Gallup formation at 5434 feet to the base of the Dakota formation at 6570 feet in its Keeling Federal Well No. 1 located in Unit B of Section 20, Township 25 North, Range 8 West, Dufers Point-Dakota Pool, San Juan County, New Mexico.

CASE 5033: (Reopened)

In the matter of Case No. 5033 being reopened pursuant to the provisions of Order No. R-4539-A, which order established a special gas-oil ratio limitation of 5000 to 1 for the Bell Lake-Bone Spring Pool, Lea County, New Mexico. All interested parties may appear and show cause why said pool should not be produced under the standard 2000 to 1 gas-oil ratio limit.

CASE 5289: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit LeRoy Sumruld, American Employers Insurance Co., and all other interested parties to appear and show cause why the LeRoy Sumruld South Roberts SWD Well No. 2 located in Unit M of Section 14, Township 9 South, Range 32 East, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5290: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Western Oil Producers, Inc., U.S. Fidelity & Guaranty Co., and all other interested parties to appear and show cause why the Western Oil Producers State A Well No. 1 located in Unit L of Section 34, Township 13 South, Range 33 East, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5291: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Wil-Mc Oil Corporation, Trinity Universal Insurance Co., and all other interested parties to appear and show cause why the Wil-Mc Oil Corporation New Mexico State Well No. 2 located in Unit K of Section 11, Township 10 South, Range 32 East, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5292: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit El Paso Natural Gas Company, United States Fidelity and Guaranty Co., and all other interested parties to appear and show cause why each of the following wells should not be plugged and abandoned in accordance with a Commission-approved plugging program:

EPNG Ludwick Well No. 11, located in Unit B,
Section 19, Township 30 North, Range 10 West,
San Juan County, New Mexico;

(Case 5292 continued from Page 2)

EPNG Rincon Unit Well No. 127, located in Unit A, Section 28, Township 27 North, Range 6 West, Rio Arriba County, New Mexico; and

EPNG Warren A Well No. 2, located in Unit A, Section 23, Township 28 North, Range 9 West, San Juan County, New Mexico.

CASE 5293: Southeastern nomenclature case calling for the creation and extension of certain pools in Chaves, Eddy and Lea Counties, New Mexico.

(a) Create a new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production and designated the South Carlsbad-Delaware Pool. Further, to assign approximately 22,270 barrels of oil discovery allowable to the discovery well, the Hannifin & Cook Merland Well No. 1, located in Unit J of Section 24, Township 22 South, Range 26 East, NMPM. Said well was completed February 26, 1974. The top of the perforations is at 4454 feet. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 26 EAST, NMPM
Section 24: SE/4

(b) Extend the Antelope Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM
Section 9: N/2

(c) Extend the Blinebry Oil and Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 6: SE/4

(d) Extend the East Morton-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 35 EAST, NMPM
Section 3: NW/4

(e) Extend the Ranger Lake-Bough Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 12 SOUTH, RANGE 34 EAST, NMPM
Section 26: SW/4

- (f) Extend the West Sawyer-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 37 EAST, NMPM
Section 32: SE/4

- (g) Extend the Tres Papalotes-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM
Section 5: SE/4

- (h) Extend the Vest Ranch-Queen Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 30 EAST, NMPM
Section 16: SE/4
Section 21: NE/4

Docket No. 18-74

DOCKET: COMMISSION HEARING - TUESDAY - AUGUST 13, 1974

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

- ALLOWABLE: (1) Consideration of the allowable production of gas from seventeen prorated pools in Lea, Eddy, Roosevelt, and Chaves Counties, New Mexico, for September, 1974;
- (2) Consideration of the allowable production of gas from five prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for September, 1974.

CASE 5264: Application of El Paso Natural Gas Company for the amendment of Order No. R-1670, Blanco Mesaverde Pool, San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled cause, seeks the amendment of the pool rules promulgated by Order No. R-1670, as amended, for the Blanco Mesaverde Pool in San Juan and Rio Arriba Counties, New Mexico, to authorize the Secretary-Director of the Commission to approve the drilling of a second well on an existing proration unit without notice and hearing, provided that the second well would be drilled in the quarter section of the unit which does not contain a well, and provided further that in calculating the allowable for a proration unit containing two wells, the deliverability of both wells would be combined for determining the unit's "AD Factor", and the unit allowable could be produced from either or both wells. For purposes of balancing underproduction or overproduction, both wells on a proration unit would be considered as one well; for determining whether a unit would be classified marginal or non-marginal, the production from both wells would be compared with the unit's allowable; and for reporting production, the total unit production for the month would be reported as well as the individual well production.



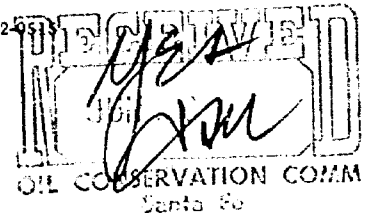
Union Texas Petroleum Division

ALLIED CHEMICAL CORPORATION

1300 WILCO BUILDING • MIDLAND, TEXAS 79701

915, 682-6513

June 21, 1974



Oil Conservation Commission
State Land Office Building
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Union Texas Petroleum Corporation
Langlie-Jal Unit
Lea County, New Mexico
Request for Downhole Commingling
Langlie Mattix and Jalmat Pools

Gentlemen:

On September 30, 1970, hearings were held under Case Nos. 4429 and 4430 concerning the proposed Langlie-Jal Unit Agreement and waterflood project. Subsequently, approvals under Order Nos. R-4036 and ~~R-4051~~ were received. Order No. R-4051 approved, in part, injection of water into the Seven Rivers and Queen formations in both the Jalmat and Langlie Mattix Pools.

Injection commenced in May, 1972. Response to the injection was observed in late 1973 and has continued to date. In order to efficiently produce the oil from this project, it will be necessary to produce the oil from both Pools in a common bore hole with downhole commingling. Otherwise, the drilling of a number of twin wells will be required so that adequate lifting capacity for both Pools can be maintained. This would result in a waste of badly-needed casing and necessitate the expenditure of a great deal of money for no benefit whatsoever.

Ownership of oil is common as the proposal covers only the already unitized interval in the approved Unit Area. No reduction of value of the oil will be occasioned by the downhill commingling as the gravity of the oil is the same. Bottom hole pressure likewise is identical as injection is into wells which are open over the entire interval and subject to the same injection pressure.

Some 28% of the production within the Unit Area can be attributed to Jalmat Pool production with the remaining 72% being from the Langlie Mattix Pool. The unit was formed on the assumption that secondary reserves would approximately equal ultimate primary production. At this point, we see no reason to alter that assumption. It follows that the ratio of oil will remain in the same proportion; that is, production will be primarily from the Langlie Mattix portion of the unitized interval. To follow the findings of the

DOCKET MAILED

Date 7-12-74

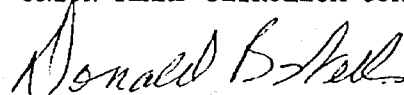
Oil Conservation Commission
State Land Office Building
June 21, 1974
Page 2

Commission as stated in Order No. R-4051 and prevent waste, we request that authority for Jalmat Pool and Langlie Mattix Pool downhole commingling be granted in the Langlie-Jal Unit to coincide with the previously approved injection into the same intervals. As the majority of wells in the Unit are presently assigned to the Langlie Mattix Pool, we further request that all wells in the Langlie-Jal Unit be assigned to the Langlie Mattix Pool for reporting purposes. Such action would result in the reduction of paper work for the Commission as well as Union Texas Petroleum Corporation since only one Pool would then be involved.

Although our original proposal did not specifically call for downhole commingling of production, we did point out that injection wells would be open in the entire unitized interval with no separation between Pools. The approval of that plan and subsequent installation of the waterflood project have followed that premise. We therefore respectfully request that administrative approval be granted for downhole commingling the Jalmat Pool and Langlie Mattix Pool production in the Langlie-Jal Unit with all wells assigned to the Langlie Mattix Pool for reporting purposes. Should administrative approval not be possible, please set the matter for hearing at the earliest open docket. If additional information is required, please contact me by calling collect AC 915/682-0511. We are looking forward to your approval.

Yours truly,

UNION TEXAS PETROLEUM CORPORATION


Donald B. Wells
District Engineer

DBW:cr

cc: Oil Conservation Commission
P. O. Box 1980
Hobbs, New Mexico 88240
Attention: Mr. Joe D. Ramey

CLARENCE E. HINKLE
W. E. BONDURANT, JR.
LEWIS C. COX, JR.
PAUL W. EATON, JR.
CONRAD E. COFFIELD
HAROLD L. HENSLEY, JR.
STUART D. SHANOR
C. O. MARTIN
PAUL J. KELLY, JR.

LAW OFFICES
HINKLE, BONDURANT, COX & EATON

600 HINKLE BUILDING
POST OFFICE BOX 10

ROSWELL, NEW MEXICO 88201

TELEPHONE (505) 622-6510

July 16, 1974

MIDLAND, TEXAS OFFICE
521 MIDLAND TOWER
(515) 683-4631

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

Attention: Mr. Daniel Nutter
Hearing Examiner

Gentlemen:

Appearing on the Examiner's Docket for July 24, 1974, is Case No. 5282, being an Application by Union Texas Petroleum Corporation for downhole commingling in connection with certain wells in the Langlie-Jal Unit Area, currently being waterflooded under authority of Commission Order No. R-4051.

We represent Union Texas Petroleum and due to the unavailability of witnesses for the July 24 hearing, please consider this as a motion on behalf of Union Texas to continue this case until the Examiner's hearing on August 7.

Respectfully submitted,

HINKLE, BONDURANT, COX & EATON

By Harold L. Hensley, Jr.
Harold L. Hensley, Jr.

HLH:jg

cc: Mr. Donald W. Wells
Union Texas Petroleum Corporation
1300 Wilco Building
Midland, Texas 79701

P.S. We would appreciate your confirming this continuance, as well as confirming the fact that Case No. 4947 has also been continued to August 7, 1974.

DOCKET MAILED

Date 7-25-74
for Aug. 7th

Docket No. 21-74

Dockets Nos. 22-74 and 24-74 are tentatively set for hearing on August 7 and August 21. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 24, 1974

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 Daniel S. Nutter, Alternate Examiner:

CASE 4954: (Reopened)

In the matter of Case 4954 being reopened pursuant to the provisions of Order No. R-4555, which order established temporary special pool rules for the South Lindrith Gallup-Dakota Oil Pool, Rio Arriba County, New Mexico, including a provision for 160-acre spacing. All interested parties may appear and show cause why said pool should not be developed on 40-acre spacing.

CASE 5277: Application of Pierce & Dehlinger for the amendment of Order No. R-4560, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an extension of time in which to commence the drilling of the third well covered by Order No. R-4560, to be drilled in the NE/4 of Section 24, Township 9 South, Range 33 East, Vada-Pennsylvanian Pool, Lea County, New Mexico. Applicant further seeks the establishment of an administrative procedure for additional extension of time in which to comply with the drilling schedule as set forth in the subject order. Applicant further seeks the amendment of Orders Nos. 4 and 5 of Order No. R-4560 to provide certain changes in the time schedules outlined therein for the furnishing of estimated well costs and the payment of proportionate shares of well costs by all parties.

CASE 5278: Application of Texaco Inc. for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Blinebry, Drinkard, and Tubb production in the wellbores of its A. H. Blinebry Federal Wells Nos. 23 and 26, located in Units C and B, respectively, of Section 29, and its C. H. Lockhart Federal Well No. 5, located in Unit C of Section 18, all in Township 22 South, Range 38 East, Lea County, New Mexico.

CASE 5279: Application of Tom L. Ingram for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Delaware Sand in the perforated interval from 5012 feet to 5033 feet in his State "O" Well No. 2 located in Unit E of Section 7, Township 24 South, Range 33 East, Triple X-Delaware Pool, Lea County, New Mexico.

CASE 5280: Application of Coastal States Gas Producing Company for an unorthodox location and the amendment of Order No. R-4715, Lea County, New Mexico. Applicant, in the above-styled cause, seeks, as an exception to Order No. R-2746, approval for the unorthodox oil well location for its

Examiner Hearing - Wednesday - July 24, 1974

Docket No. 21-74
-2-

(Case 5280 continued from Page 1)

McGuffin Well No. 3 to be drilled 660 feet from the North line and 1980 feet from the West line of Section 29, Township 9 South, Range 33 East, Flying "M" San Andres Pool, Lea County, New Mexico, the N/2 NW/4 of said Section 29 to be dedicated to the well. Applicant further seeks the amendment of Order No. R-4715 which dedicated the W/2 NW/4 of Section 29 to its McGuffin Well No. 2 located 1980 feet from the North line and 660 feet from the West line of said Section 29. Applicant proposes that the N/2 NW/4 of said Section 29 be dedicated jointly to said McGuffin Well No. 2 and to its McGuffin Well No. 1 located in Unit F of said Section 29.

CASE 5281: Application of Morris R. Antweil for an extension of time, Order No. R-4772, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a 90-day extension of the July 15 deadline for the commencement of drilling operations in the S/2 of Section 17, Township 22 South, Range 27 East, South Carlsbad Field, Eddy County, New Mexico, which lands were pooled to form a standard 320-acre gas spacing and proration unit by Order No. R-4772.

CASE 5282: Application of Union Texas Petroleum Corporation for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Jalmat and Langlie-Mattix production in certain of its wells in the Langlie-Jal Unit Area, currently being waterflooded under authority of Commission Order No. R-4051.

CASE 4969: (Reopened)

In the matter of Case No. 4969 being reopened pursuant to the provisions of Order No. R-4557-A, which order continued the special depth bracket allowable for the Tocito Dome-Pennsylvanian "D" Pool, San Juan County, New Mexico, for an additional six months. All interested parties may appear and show cause why said special depth bracket allowable should not be rescinded.

CASE 5283: Application of Belco Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in formations of Pennsylvanian age or older underlying the W/2 of Section 5, Township 22 South, Range 27 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location for said unit in Unit F of said Section 5. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 5284: Application of Champlin Petroleum Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Nix-Yates Well No. 1 located in Unit G of Section 2, Township 22 South, Range 27 East, Eddy County, New Mexico, in such a manner as to produce gas from the Morrow formation through tubing and from the Wolfcamp formation through the casing-tubing annulus.


CASE 5152: (Reopened)

In the matter of Case No. 5152 being reopened pursuant to the provisions of Order No. R-4713, which order established a special depth bracket allowable for the Media-Entrada Oil Pool, Sandoval County, New Mexico. All interested parties may appear and show cause why said special depth bracket allowable should not be rescinded.

CASE 5285: Application of Texas Pacific Oil Co. for an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox gas well location of its Phantom Draw Unit Well No. 1 to be located at a point 800 feet from the South line and 1000 feet from the West line of Section 20, Township 26 South, Range 31 East, Eddy County, New Mexico, the W/2 of said Section 20 to be dedicated to the well.

CASE 5286: Application of Texaco Inc. for a Special Allowable, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for an injection response allowable increase for its Vacuum Grayburg-San Andres Unit Pressure Maintenance Project, Lea County, New Mexico. Applicant seeks an additional 2320 barrels of oil per day to be added incrementally to the current 4640 barrel per day allowable as injection response occurs. Applicant further seeks the establishment of an allowable of up to 240 barrels per day for lease line wells which have demonstrated a substantial response to water injection.

DRAFT

dr/ 

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. 5282

Order No. R- 4930

APPLICATION OF UNION TEXAS PETROLEUM
CORPORATION 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 August 7, 1974,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this day of December, 1974, the Commission,
a quorum being present, having considered the record and the recom-
mendations of the Examiner, and being fully advised in the premises,

FINDS:

~~That the applicant's request for dismissal should be granted~~

IT IS THEREFORE ORDERED:

That Case No. 5282 is hereby dismissed.

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

(1) That the subject matter relating to this case has been
disposed of by Order No. R- 4929 in Case No. 5368.

(2) That Case No. 5282 should be dismissed,

