

CASE 5471: UNION TEXAS PETROLEUM FOR
DOWNHOLE COMMINGLING, LEA COUNTY,
NEW MEXICO.

CASE No.

5471

Application,

Transcripts,

Small Exhibits

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
14 May 1975

EXAMINER HEARING

IN THE MATTER OF:)
)
)

Application of Union Texas Petroleum for)
downhole commingling, Lea County, New)
Mexico. Applicant, in the above-styled)
cause, seeks approval for the downhole commingling) NO.
of Justis Blinbry and Justis Tubb-Drinkard) 5471
production in the wellbore of its Carlson "B")
Wells Nos. 1 and 2 located in Unit P of Section)
23 and Unit H of Section 26 respectively,)
Township 25 South, Range 37 East, Lea County,)
New Mexico.)

BEFORE: Daniel S. Nutter, Examiner.

For the New Mexico Oil Conservation Commission: William R. Carr, Esq.
Legal Counsel for the Commission
State Land Office Building
Santa Fe, New Mexico 87501

For the Applicant, Paul Eaton, Esq.
Union Texas Petroleum: HINKLE, BONDURANT, COX & EATON
Roswell, New Mexico

I N D E X

Testimony of Norman Mason

Direct Examination by Mr. Eaton 3

Questions by Mr. Nutter 9

E X H I B I T S

Exhibit Number One

11

MR. NUTTER: Case 5471.

MR. CARR: Case 5471. Application of Union Texas Petroleum for downhole commingling, Lea County, New Mexico.

MR. EATON: Paul Eaton, Roswell, New Mexico, representing the applicant. We have one witness.
(Witness sworn.)

NORMAN MASON,
being called as a witness and being duly sworn
upon his oath, testified as follows, to-wit:

DIRECT EXAMINATION

BY MR. EATON:

Q Will you please state your name and by whom you are employed and in what capacity?

A Norman Mason. I'm employed by Union Texas Petroleum, Midland, Texas; Petroleum Engineer.

Q Have you previously testified before this Commission in that capacity?

A Yes, I have.

Q What does Union Texas Petroleum seek by its application in this case?

A We seek authority to downhole commingle in the

Justis Blinebry and the Justis Tubb-Drinkard Fields, both at Carlson "B" Wells Number One and Number Two, and in conjunction we seek exemption from the production limitation and seek authority to produce the wells at capacity.

Q Mr. Mason, --

MR. NUTTER: Before we go any further, that's not included in the call of the hearing, so you may not direct any of your testimony to that.

MR. EATON: The call of the hearing seeks approval of the downhole commingling?

MR. NUTTER: Right; right.

Q (By Mr. Eaton) Please refer to what has been marked as Applicant's Exhibit Number One and state what this exhibit contains.

A Exhibit Number One contains an application to downhole commingle the two subject wells through administrative procedures to the Oil Conservation Commission, which have been previously submitted, and in addition it contains production curves showing more history for the two wells than the original production curves contained in the application, and in addition it shows downhole schematics of the two wells, which will show the present flow paths of the two wells.

Q All right, now before getting into these exhibits will you explain why it is necessary for you to appear before the Commission?

A It's necessary to appear before the Commission because the provision regarding the maximum production limitation was not satisfied in the application, according to the Commission's interpretation.

Q Well, how did it happen that you have a commingling problem at this time?

A The wells were originally approved as dual completions. In both cases, in the case of Well Number One in 1969 and in the case of Well Number Two in 1971, the lower Tubb-Drinkard zone was temporarily abandoned; however it was abandoned with production tubing remaining in place and into the packer maintaining separation between the zones. Recently it was determined that it would be advisable to recover this tubing due to the increase in value of tubing and the necessity for its use. An attempt to recover the tubing, instead of unlatching from the packer as it was designed, in order that a plug might be set in the packer to continue the separation, instead of unlatching from the packer, both cases the tubing would not unlatch from the packer and it parted.

And based on recovery of the tubing itself we determined that it had parted in the vicinity of the top of the packer. As a result of this the two wells were commingled, there was communication existed between the lower zone and the upper zone and we were unable to set a plug in the packer to effect the separation.

Q All right, now referring to exhibit Number One would you refer to the next exhibit or sheet thereof from which you desire to testify?

A Yes. We have here the production curves for the Carlson "B" Number One which show data back to 1961 for both producing zones, and you can see the point at which the Tubb-Drinkard ceased to be produced, the continuous production of the Blinebry, the point at which communication occurred in both cases. You can also observe from the curves that although the Tubb-Drinkard does show production at some times, it has a history of rapid decline, and we feel since the production from the Tubb-Drinkard has affected the increase after the communication that we reasonably anticipate that we will have a rapid decline right below the thirty barrel a day limit, and in fact, this is what is occurring. The original test submitted with the application, which was

3/27/1975 --

Q Are you referring to one of the parts of your exhibit?

A Yes, right. I'm referring to the original test submitted with the application, dated 3/27/1975, showed that Carlson "B" Number One tested forty barrels per day. This well is currently averaging approximately 32 barrels a day. It has already produced several days below the 30 barrel a day limit and it is anticipated that probably by the end of this month it will be averaging less than 30 barrels a day. In the case of Well Number Two, the original test submitted with the application dated 3/25/1975 showed a test of 55 barrels of oil a day. Currently the production is averaging between 40 and 45 barrels a day. We've had one day where the production has been less than 40 barrels a day and several days where the production has been at 40 barrels a day. And so we can see from the original test and from the current production that the rapid decline is occurring which will soon bring the total production from the commingled wells below the 30 barrel a day limit, and it would not be economically feasible, of course, for us to attempt a dual completion to recover

this production and it would result in additional cost and loss in production and loss of economically recoverable reserves to go back and affect a separation which would not allow what production there is from the Tubb-Drinkard to be produced.

Q All right, Mr. Mason, refer to the schematics on the two wells and state what these are intended to show.

A These schematics are intended to show the flow path. We've shown the casing and the cement, the perforations, the packer and the approximate setting of the tubing. Now they don't have any configurations on here which show seating nipples, pumps and the rods, et cetera, but they show the flow paths in which the fluid from the two zones are now taking from the Tubb-Drinkard up through the portion of the tubing that is left and then being pumped and commingled with the Blinebry production up what was originally the single Blinebry production.

Q Q That's likewise true of the Carlson "B" Number Two, is that correct?

A That's true in both cases.

Q Mr. Mason, you are familiar, are you not, with

the Rule 302-C pertaining to downhole commingling?

A Yes, sir, I am.

Q Paragraph 1 under C sets forth various conditions is that correct?

A That's correct.

Q Do the wells in question comply with all of the conditions except for the production limitation?

A Yes, they do.

Q Were these exhibits prepared by you or under your supervision?

A Yes.

MR. EATON: I have no further questions of this witness, Mr. Nutter.

QUESTIONS BY MR. NUTTER:

Q Mr. Mason, as I understand both wells were abandoned, one in '69, or the Tubb was abandoned in '69 in one well and '70 in the other well. They were originally equipped with parallel strings of tubing, I assume?

A That's correct.

Q And both strings were left in the well when the Tubb was abandoned.

A That's correct.

Q So now recently when you went in to pull the Tubb tubing string, the tubing parted rather than unlatching from the packer.

A That's correct.

Q So now you've got the one string of tubing which was the original Blinebry tubing in the well.

A That's correct.

Q Now in order to allocate production to each of these two zones with a rapid decline that you apparently have in the Tubb, how should we go about allocating production?

A I believe --

Q Do you have an estimate on the total number of barrels that each of these wells would produce from the Tubb before declining to nothing or --

A Yes, I believe we have a firmly established decline in the Blinebry zone with sufficient production history to establish a decline in the Blinebry zone and the believe that the difference between this established decline in the Blinebry and the total production could logically be attributed to the Tubb-Drinkard.

Q So you expect some -- or for the production level to fall at the anticipated Blinebry decline line

and from there on you could say it's all Blinebry production?

A Plus or minus the little that might come in from the Tubb-Drinkard from time to time, yes, sir.

MR. NUTTER: Are there any further questions of this witness?

(No response.)

MR. NUTTER: He may be excused.

MR. EATON: We offer Exhibit Number One into evidence.

MR. NUTTER: The whole sheaf is Exhibit Number One, Mr. --

MR. EATON: Yes, sir.

MR. NUTTER: Exhibit Number One will be admitted in evidence. Do you have anything further?

MR. EATON: No, sir.

MR. NUTTER: Does anyone have anything they wish to offer in Case Number 5471?

(No response.)

MR. NUTTER: We'll take the case under advisement.

(Hearing concluded.)

CASE 5471

Page.....12

STATE OF NEW MEXICO)

) ss REPORTER'S CERTIFICATE
COUNTY OF SANTA FE)

I, Sally Walton Boyd, Notary Public and General Court Reporter, Santa Fe, New Mexico, DO HEREBY CERTIFY that the facts stated in the caption hereto are true and correct; that I reported the captioned proceedings; that the foregoing 11 pages of typewritten matter, numbered pages 1 through 11 inclusive, is a full, true and correct transcript of my notes taken during the hearing.

WITNESS my hand this 22nd day of May, 1975, at Santa Fe, New Mexico.

Sally Walton Boyd
Sally Walton Boyd
Notary Public and General Court Reporter

My Commission expires:
10 September 1975

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 5471 heard by me on 5/14/75
[Signature] Examiner
New Mexico Oil Conservation Commission

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



OIL CONSERVATION COMMISSION

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

I. R. TRUJILLO
CHAIRMAN

**LAND COMMISSIONER
PHIL R. LUCERO
MEMBER**

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

May 22, 1975

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

Re: CASE NO. 5471
ORDER NO. R-5022

Applicant:

Union Texas Petroleum

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. 5471
Order No. R-5022

APPLICATION OF UNION TEXAS PETROLEUM
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 May 14, 1975,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 22nd day of May, 1975, 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, Union Texas Petroleum, is the
owner and operator of the Carlson "B" Wells Nos. 1 and 2,
located in Unit P of Section 23 and Unit H of Section 26,
respectively, Township 25 South, Range 37 East, NMPM, Lea
County, New Mexico.

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

(4) That from the Justis-Blinebry zone, each of the sub-
ject wells is capable of marginal production only.

(5) That from the Justis Tubb-Drinkard zone, each of the
subject wells is capable of low marginal production only.

(6) 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 correla-
tive rights.

-2-

Case No. 5471
Order No. R-5022

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

(8) 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 either of the subject wells is shut-in for 7 consecutive days.

(9) That in order to allocate the commingled production to each of the commingled zones in each of the subject wells, Blinebry production should be determined on the basis of the previously established production decline curve, and Tubb-Drinkard production determined by subtracting said Blinebry production from total production.

IT IS THEREFORE ORDERED:

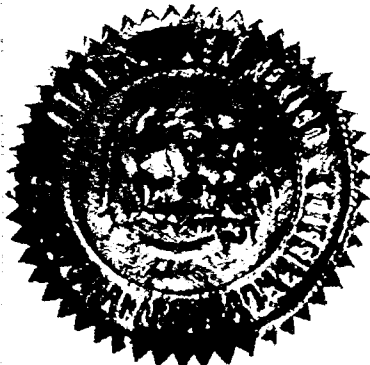
(1) That the applicant, Union Texas Petroleum, is hereby authorized to commingle Justis-Blinebry and Justis Tubb-Drinkard production within the wellbore of the Carlson "B" Wells Nos. 1 and 2, located in Unit P of Section 23 and Unit H of Section 26, Respectively, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.

(2) That the Blinebry production from each well shall be determined from the previously established production decline curve for the Blinebry zone, and the Tubb-Drinkard production from each well shall be determined by subtracting the Blinebry production from the well's total production.

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

(4) 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.



S E A L
jr/

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

I. R. Trujillo
I. R. TRUJILLO, Chairman

Phil R. Lucero
PHIL R. LUCERO, Member

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



Union Texas Petroleum Division

ALLIED CHEMICAL CORPORATION

1300 WILCO BUILDING • MIDLAND, TEXAS 79701

915, 682-0515

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

Attention: Mr. A. L. Porter, Jr.

BEFORE EXAMINER NUTTER

OIL CONSERVATION COMMISSION

Appl EXHIBIT NO. 1

CASE NO. 5471

Re: Application for Downhole Commingling
Union Texas Petroleum Carlson "B"
Well No. 1 and No. 2
Justis Blinebry and Justis Tubb-Drinkard Fields
Lea County, New Mexico

Gentlemen:

Union Texas Petroleum respectfully requests administrative approval to downhole commingle two wells, the Carlson "B" No. 1 and the Carlson "B" No. 2 in the Justis Blinebry and Justis Tubb-Drinkard Fields. Both wells are currently producing with the Blinebry and the Tubb-Drinkard communicated downhole. In both cases, this situation occurred when an attempt was made to recover the string of tubing which was formerly used to produce the lower Tubb-Drinkard zone. The Tubb-Drinkard zone has been temporarily abandoned in Well No. 1 since 1969 and in Well No. 2 since 1971, but with the production tubing left in place.

While attempting to pull the Tubb-Drinkard tubing, the lower part of the string parted instead of unlatching from the packer leaving a portion of the tubing in the packer, and therefore unable to set a plug in the packer to separate the zones. This situation occurred in both wells.

The purpose of this application is to obtain approval to downhole commingle the Blinebry and Tubb-Drinkard zones in order to continue to produce the two subject wells and thereby avoid any unnecessary and unproductive well work while assuring that maximum economical recoveries are achieved for the wells and zones involved.

Attached is additional data and information in support of the above request as qualifications under Statewide Rule 303, Paragraph "C".

Yours very truly,

UNION TEXAS PETROLEUM

Norman T. Mason, Jr.

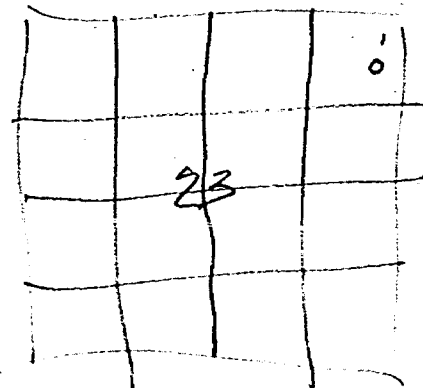
Norman Mason, Jr.

NM:cr
Attachment

APPLICATION FOR DOWNHOLE COMMINGLING
UNION TEXAS PETROLEUM CARLSON "B" WELL NO. 1
660' FNL & 330' FEL SECTION 23, T-25-S, R-37-E
FSL LEA COUNTY, NEW MEXICO

1. The well is a dual completion in the Justis Blinebry and Justis Tubb-Drinkard Field authorized by Commission Order DC-895.
2. The well is currently classified as a producing well (pumping) from the Justis Blinebry. The Tubb-Drinkard has been classified as Temporarily Abandoned since 1971 and prior to being temporarily abandoned tested 1/2 BOPD + 20 BWP; last measured GOR was 4615. The current production from the well is 40 BOPD, 20 BWP, GOR 7800, pumping (Form C-116 attached).
3. The current production curve for the producing Blinebry zone is attached. There is no production curve for the Tubb-Drinkard Zone during this period due to the length of shut in time since last production.
4. Bottom hole pressures for both zones are low and will require artificial lift to produce.
5. The bottom perforation of the lower-most pool is 5781'. Oil production prior to commingling does not equal 30 barrels per day. Both zones produced less water than the 30 BPD limit.
6. The produced fluids are compatible and have been previously successfully commingled both downhole and surface in other operations for these two fields.
7. Total value of the crude will not be decreased by the commingling, and the value of the produced hydrocarbons will be increased by the value of the Tubb-Drinkard production.
8. A plat of the well location showing offset properties is attached with the subject well and lease indicated.
9. Commingling will not jeopardize future secondary recovery operations.
10. Ownership of both zones is common.
11. All offset operators and the USGS have been notified via copy of this application of the proposed commingling. A list of parties notified is attached.

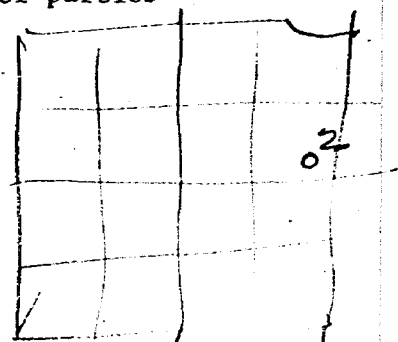
NM:cr



APPLICATION FOR DOWNHOLE COMMINGLING
UNION TEXAS PETROLEUM CARLSON "B" WELL NO. 2
1650' FNL & 330' FEL SECTION 26, T-25-S, R-37-E
JUSTIS BLINEBRY AND JUSTIS TUBB-DRINKARD FIELDS
LEA COUNTY, NEW MEXICO

1. The well is a dual completion in the Justis Blinebry and Justis Tubb-Drinkard Field authorized by Commission Order DC-829.
2. The well is currently classified as a producing well (pumping) from the Justis Blinebry. The Tubb-Drinkard has been classified as Temporarily Abandoned since 1971 and prior to being temporarily abandoned tested 2 BOPD + 3 BWPD; last measured GOR was 777. The current production from the well is 55 BOPD, 12 BWPD, GOR 3491, pumping (Form C-116 attached).
3. The current production curve for the producing Blinebry zone is attached. There is no production curve for the Tubb-Drinkard zone during this period due to the length of shut in time since last production.
4. Bottom hole pressures for both zones are low and will require artificial lift to produce.
5. The bottom perforation of the lower-most pool is 5808'. Oil production prior to commingling does not equal 30 barrels per day. Both zones produce less water than the 30 BPD limit.
6. The produced fluids are compatible and have been previously successfully commingled both downhole and surface in other operations for these two fields.
7. Total value of the crude will not be decreased by the commingling, and the value of the produced hydrocarbons will be increased by the value of the Tubb-Drinkard production.
8. A plat of the well location showing offset properties is attached with the subject well and lease indicated.
9. Commingling will not jeopardize future secondary recovery operations.
10. Ownership of both zones is common.
11. All offset operators and the USGS have been notified via copy of this application of the proposed commingling. A list of parties notified is attached.

NM:cr



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

Amerada Hess Corporation
2207 Industrial Avenue
Midland, Texas 79701

El Paso Natural Gas Corp.
600 Bldg. of the Southwest
Midland, Texas 79701

New Mexico Oil Commission
P. O. Box 1980
Hobbs, New Mexico 88240

Terra Resources, Inc.
5416 South Yale Avenue
Tulsa, Oklahoma 74135

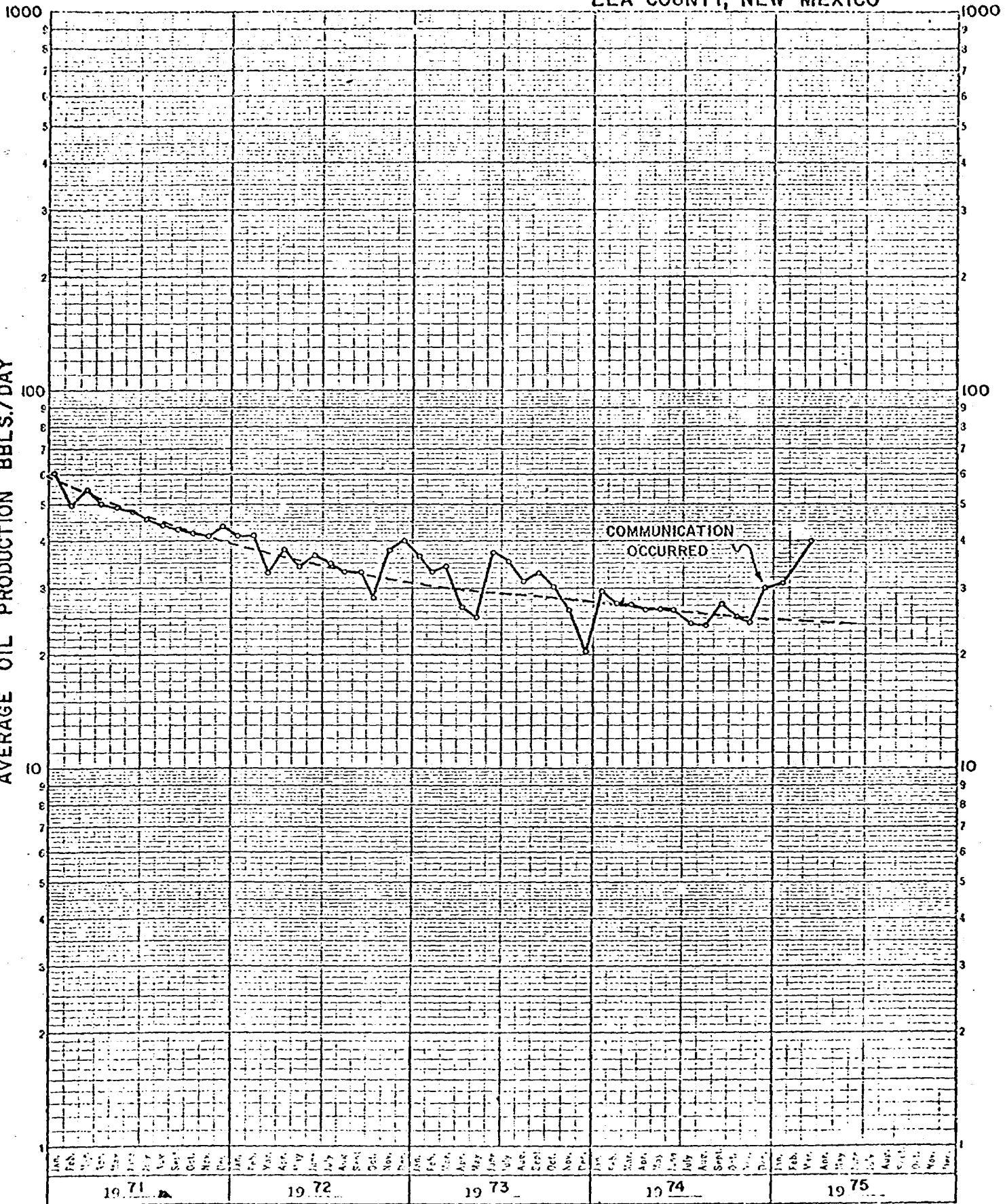
Texas Pacific Oil Company
P. O. Box 4067
Midland, Texas 79701

Westates Petroleum Company
Box "SS"
Jal, New Mexico 88252

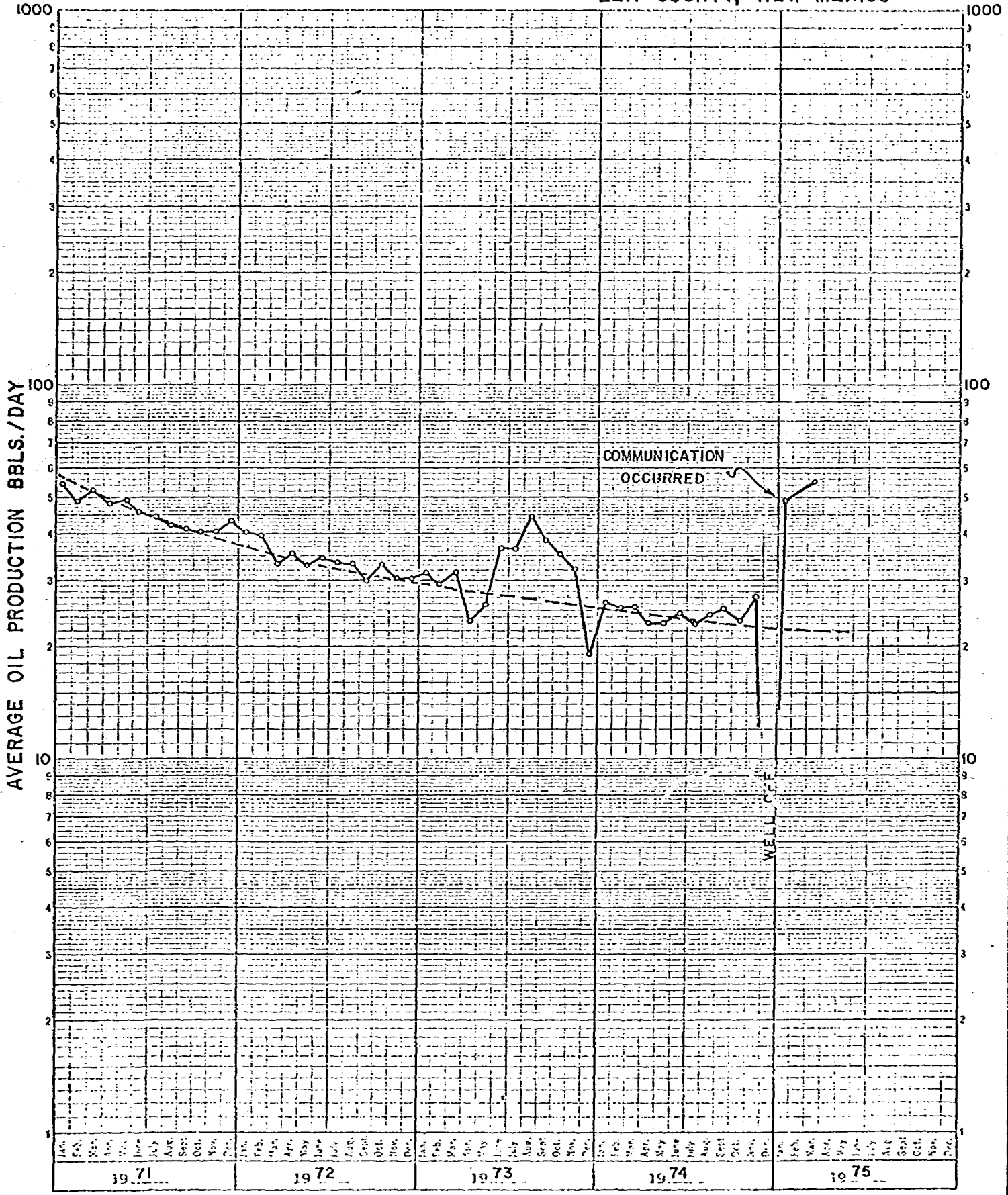
U.S. Geological Survey
P. O. Box 1157
Hobbs, New Mexico 88240

UNION TEXAS PETROLEUM
 CAFE SON "B" NO. 1
 JUS...S (Blindbry) FIELD
 LEA COUNTY, NEW MEXICO

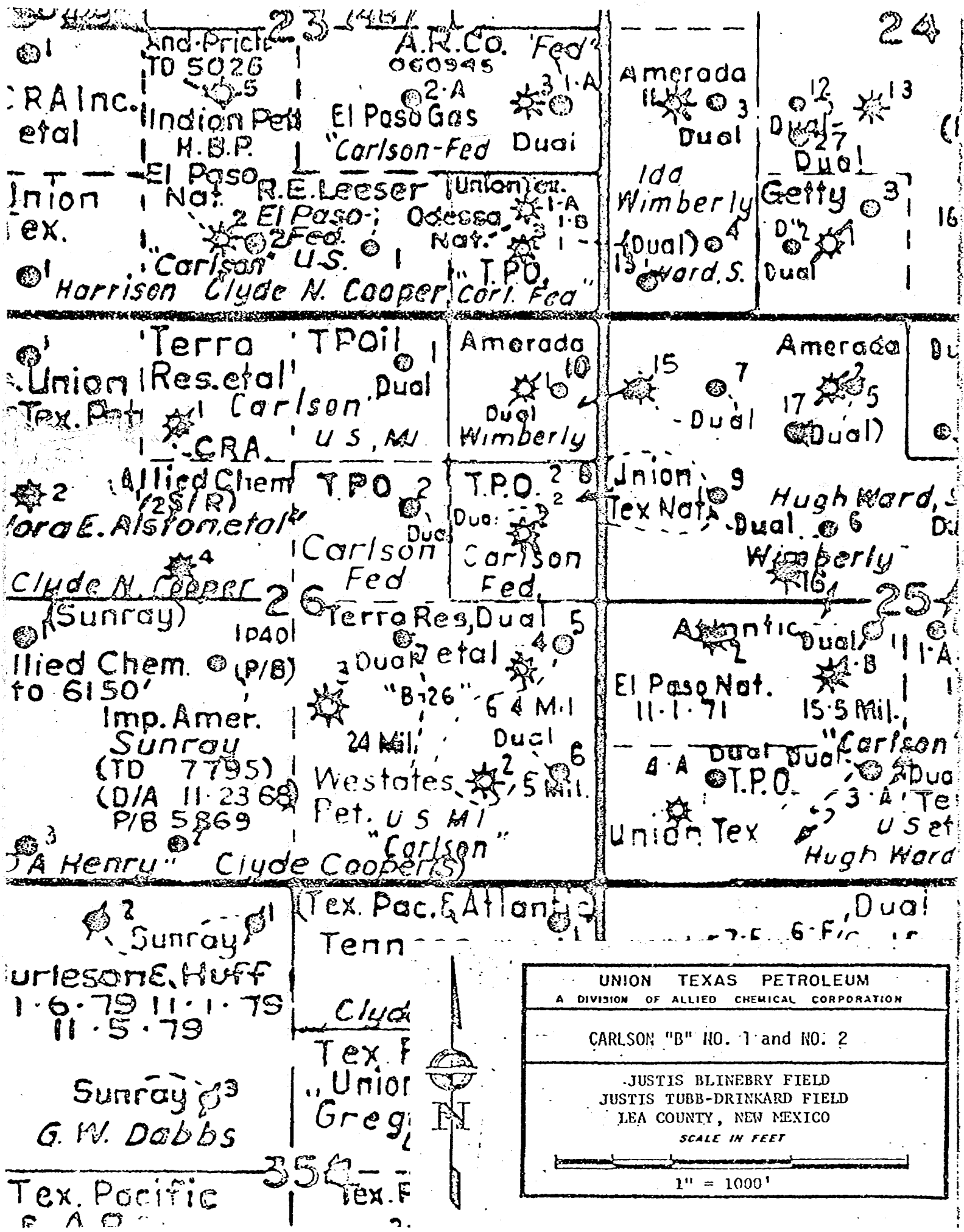
1 1/2" X 3" LOG CYCLES
 KEUFFEL & ESSER CO.
 MADE IN U.S.A.
 AVERAGE OIL PRODUCTION BBL./DAY



CARLSON "B" NO. 2
 JUS S (Blinbry) FIELD
 LEA COUNTY, NEW MEXICO



NOTE: 3 YEARS BY MONTHS 48 6603
 X 3 LOG CYCLES
 KEUFFEL & ESSER CO.



And-Prich
TO 5026
RA Inc.
etal
Indian Pet
H.B.P.
El Paso
R.E. Leeser
Union Tex.
El Paso
Odeesa
Carlson U.S.
Harrison Clyde N. Cooper
A.R.Co. Fed
060945
2-A
El Paso Gas
Carlson-Fed Dual
Union Tex.
Odeesa
Nat.
T.P.O.
Carl. Fed

24
Amerada
Dual
Ida
Wimberly
Dual
Getty
Dual
Ward.S.
Dual

Terra TPOil
Union Res.etal
Tex. Pet
Carlson
CRA
U.S.M.
Allied Chem
T.P.O.
Clyde N. Cooper
Sunray
Allied Chem.
to 6150
Imp. Amer.
Sunray
(TD 7795)
(D/A 11-23-68)
P/B 5869
A Henry
Clyde Cooper
Terra Res, Dual
Dual
"B-26"
64 Mil.
24 Mil.
Westates
Pet. U.S.M.
Carlson

Amerada
Dual
Wimberly
Dual
Union
Tex Nat
Dual
Hugh Ward
Wimberly
Atlantic
Dual
El Paso Nat.
11-1-71
15.5 Mil.
Carlson
Dual
T.P.O.
Union Tex
Dual
Hugh Ward

Sunray
Curleson E. Huff
1-6-79 11-1-79
11-5-79
Sunray
G.W. Dabbs
Tex. Pacific
Tex. F

Dual
6-F
Dual

GAS-OIL RATIO TESTS

Revised 1-1-83

Operator Union Texas Petroleum		Pool Justis Blinebry		County Lea												
Address 1300 Wilco Bldg., Midland, Texas 79701				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/BSL
		U	S	T	R							WATER BSL.	GRAV. OIL	OIL BSL.	GAS M.C.F.	
Carlson "B"	1	P	23	25S	37E	3/27/75	P	-	-	28	24	20	39	40	312	7800

*now makes
ave of 32 BOPD*

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.

Norman J. Pappas
(Signature)

Petroleum Engineer
(Title)

3-27/75
(Date)

GAS-OIL RATIO TESTS

Revised 1-1-65

Operator Union Texas Petroleum		Pool Justis Blinebry				County Lea										
Address 1300 Wilco Bldg., Midland, Texas 79701						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	TUB. PRESS.	DAILY ALLOWABLE	LENGTH OF TEST HOURS	PROD. DURING TEST				GAS - OIL RATIO CU.FT/BBL
		U	S	T	R							WATER BGLS.	GRAV. OIL	OIL DBLS.	GAS M.C.F.	
Carlson "B"	2	H	26	25S	37E	3/25/75	P	-	-	55	24	12	39	55	192	3491

currently averaging 40-45 BOPO

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

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

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

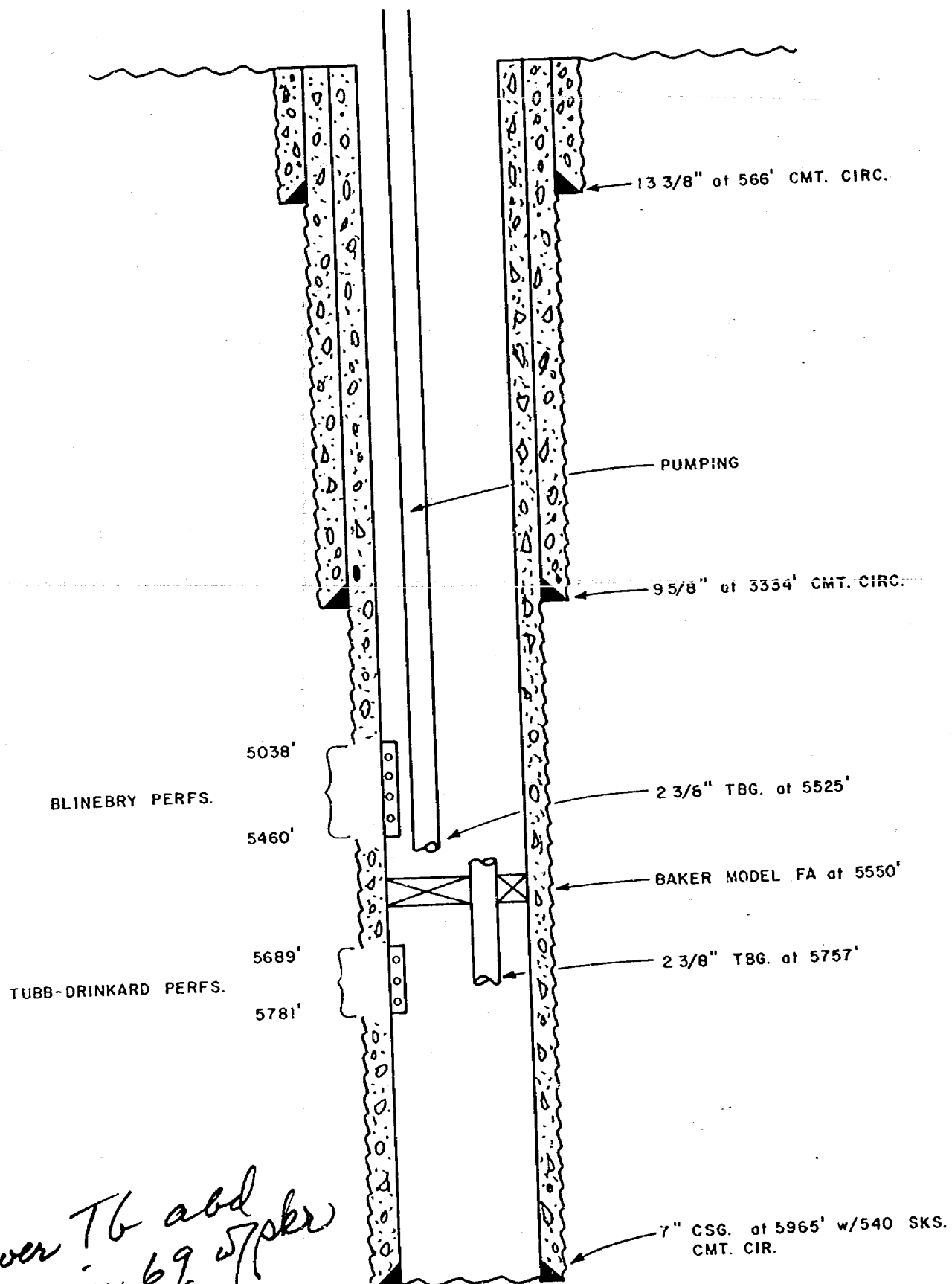
Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 301 and appropriate pool rules.

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

J. P. Brown
(Signature)
Petroleum Engineer
(Title)
3/27/75
(Date)

UNION TEXAS PETROLEUM
CARLSON "B" NO. 1

660' FSL & 330' FEL SECTION 26; T-25-S, R-37-E
LEA COUNTY, NEW MEXICO



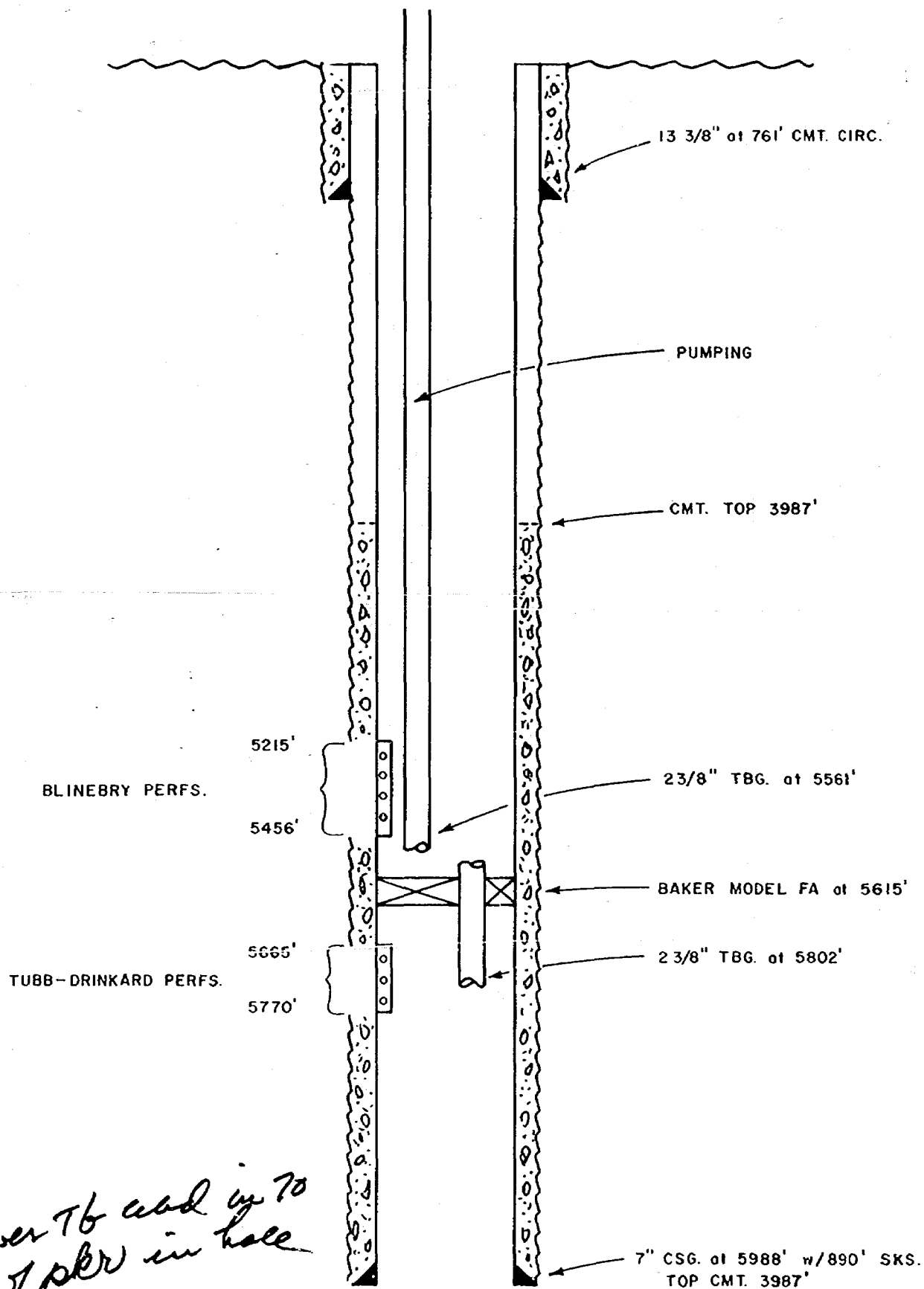
*lower TB add
in 69 57' per
in hole.*

UNION TEXAS PETROLEUM

CARLSON "B" NO. 2

1650' FNL & 330' FEL SECTION 26; T-25-S, R-37-E

LEA COUNTY, NEW MEXICO



Dockets Nos. 12-75 and 13-75 are tentatively set for hearing on May 28 and June 11, 1975. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 14, 1975

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.

- ALLOWABLE:
- (1) Consideration of the allowable production of gas from seventeen prorated pools in Lea, Eddy, Roosevelt and Chaves Counties, New Mexico, for June, 1975.
 - (2) Consideration of the allowable production of gas from five prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for June, 1975.

CASE 5429: (Continued from the March 5, 1975 Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Charles M. Goad and United States Fidelity & Guaranty Company and all other interested parties to appear and show cause why the Charles M. Goad, State No. 1 Well located in Unit M of Section 28, Township 2 South, Range 26 East, De Baca County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5408: (Continued from the April 2, 1975 Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit W. E. Medlock and Reliance Insurance Company and all other interested parties to appear and show cause why the Queen Ridge No. 1 Well located in Unit M of Section 36, Township 10 South, Range 26 East, Chaves County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5469: Application of Read & Stevens for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox gas well location of a well to be drilled at a point 990 feet from the South and East line of Section 7, Township 15 South, Range 28 East, Chaves County, New Mexico, in exception to the Buffalo Valley-Pennsylvanian Gas Pool Rules.

CASE 5470: Application of Maralo, Inc. for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Butler Springs Unit Area comprising 3841 acres, more or less, of state and federal lands in Townships 14 and 15 South, Range 28 East, Chaves County, New Mexico.

- CASE 5471: Application of Union Texas Petroleum for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Justis Blinbry and Justis Tubb-Drinkard production in the wellbore of its Carlson "B" Wells Nos. 1 and 2 located in Unit P of Section 23 and Unit H of Section 26, respectively, Township 25 South, Range 37 East, Lea County, New Mexico.
- CASE 5472: Application of Mesa Petroleum Co. for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox gas well location of a well to be drilled at a point 660 feet from the North and East line of Section 6, Township 26 South, Range 33 East, Red Hills Field, Lea County, New Mexico.
- CASE 5473: Application of Mesa Petroleum Co. for pool creation and special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new oil pool for Drinkard production for its West Knowles Well No. 1 located in Unit P of Section 34, Township 16 South, Range 37 East, Lea County, New Mexico, and for the promulgation of special rules therefore, including a provision for 80-acre spacing units.
- CASE 5474: Application of Gulf Oil Company for two non-standard locations and the amendment of Order Nos. R-2904 and R-2909, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Central Drinkard Unit Wells Nos. 101 and 401 located, respectively, 554 feet from the North line and 766 feet from the East line, and 660 feet from the North and East lines of Section 28, Township 21 South, Range 37 East, Drinkard Pool, Lea County, New Mexico. Applicant further seeks the amendment of Order No. R-2904 which order approved the Central Drinkard Unit Agreement to provide that the vertical limits of the unitized formation shall include the entire Drinkard formation; application further seeks the amendment of Order No. R-4909 which approved the Central Drinkard Unit Waterflood Project to provide an administrative procedure for the approval of additional unorthodox well locations.
- CASE 5475: Application of Mobil Oil Corporation for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Lower Siluro-Devonian formation in the open-hole interval from 12,188 feet to 12,525 feet in its Santa Fe Pacific Well No. 9, located in Unit E of Section 35, Township 9 South, Range 36 East, Crossroads Siluro-Devonian Pool, Lea County, New Mexico.
- CASE 5476: Application of Cities Service Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp formation underlying the NE/4 of Section 30, Township 22 South, Range 27 East, and in the Pennsylvanian formation underlying the E/2 of said Section 30, to be dedicated to a proposed gas well to be drilled at an orthodox location for both formations. 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 will be the designation of the applicant as operator of the well and a charge for the risk involved in drilling said well.

- CASE 5477: Application of Cities Service Oil Company for compulsory pooling and an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the W/2 of Section 18, Township 22 South, Range 27 East, South Carlsbad Field, Eddy County, New Mexico, to be dedicated to a well to be drilled at an unorthodox location for said unit 1650 feet from the South line and 1980 feet from the West line of said Section 18. 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 will be the designation of the application as operator of the well and a charge for the risk involved in drilling said well.
- CASE 5478: Application of Continental Oil Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Warren Unit Well No. 31 located in Unit O of Section 27, Township 20 South, Range 38 East, Lea County, New Mexico, in such a manner as to produce oil from the Blinbry Oil and Gas Pool and oil from the Warren-Tubb Gas Pool through parallel strings of tubing.
- CASE 5479: Application of Continental Oil Company for two non-standard gas proration units, two unorthodox locations, and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a non-standard gas proration unit comprising Lots 1, 2, and 3 and Lots 6 through 11 of Section 4, Township 11 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, to be dedicated to its Meyer B-4 Well No. 14 located in Unit G of said Section 4. Applicant further seeks approval of a 360-acre Eumont Gas proration unit comprising Lots 14, 15, and 16 and the SE/4 and E/2 SW/4 of said Section 4 to be simultaneously dedicated to its Meyer B-4 Well No. 4 and 29 at unorthodox locations in Units S and P, respectively, of said Section 4.
- CASE 5480: Application of Continental Oil Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Pennsylvanian formation through the perforated interval 7648 to 7690 feet in its SEMU Well No. 7 located in Unit F of Section 23, Township 20 South, Range 37 East, Cass-Pennsylvanian Gas Pool, Lea County, New Mexico.
- CASE 5481: Application of Phillips Petroleum Company for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of South Carlsbad-Atoka and South Carlsbad-Morrow gas production in the wellbore of its Tidwell-A "COM" Well No. 1 located in Unit E of Section 8, Township 23 South, Range 27 East, Eddy County, New Mexico.
- CASE 5482: Application of Phillips Petroleum Company for an unorthodox gas well location and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Lusk Deep Unit "A" Well No. 1 located in Unit A of Section 19, Township 19 South, Range 32 East, Lusk-Morrow Gas Pool, Lea County, New Mexico, and the simultaneous dedication of said Section 19 to the above well and to applicant's Lusk Deep Unit "A" Well No. 5 located in Unit J of said Section 19.

Examiner Hearing - Wednesday - May 14, 1975

Docket No. 11-75
-4-

CASE 5483: Application of Phillips Petroleum Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval to dually complete its Lusk Deep Unit "A" Well No. 12 located in Unit G of Section 20, Township 19 South, Range 32 East, Lusk Field, Lea County, New Mexico, in such a manner as to produce oil from the Wolfcamp formation through the casing-tubing annulus and gas from the Lusk-Morrow Gas Pool through tubing.

CASE 5484: Southeastern New Mexico nomenclature case calling for the creation and extension of certain pools in Lea, Eddy, and Chaves Counties, New Mexico and for the assignment of certain oil well discovery allowables.

(a) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the East Carlsbad-Wolfcamp Gas Pool. The discovery well is the Champlin Petroleum Co. Nix-Yates Well No. 1, located in Unit G of Section 2, Township 22 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 36: SW/4

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM
Section 1: NW/4
Section 2: NE/4

(b) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the Cemetery-Wolfcamp Gas Pool. The discovery well is the Read & Stevens, Inc. Allirish Well No. 1, located in Unit P of Section 30, Township 20 South, Range 25 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM
Section 30: SE/4

(c) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Strawn production and designated as the Crooked Creek-Strawn Gas Pool. The discovery well is the C & K Petroleum Inc. Lowe State Well No. 1, located in Unit C of Section 16, Township 24 South, Range 24 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 24 EAST, NMPM
Section 16: N/2

(d) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for San Andres production and designated as the Dickenson-San Andres Pool. The discovery well is the Hanson Oil Corporation Santa Fe Well No. 1, located in Unit F of Section 35, Township 10 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 10 SOUTH, RANGE 36 EAST, NMPM
Section 35: NW/4

(e) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the Golden Lane-Atoka Gas Pool. The discovery well is the Meadco Properties Ltd. Harris 6 Well No. 1, located in Unit I of Section 6, Township 21 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 29 EAST, NMPM

Section 6: Lots 1, 2, 7, 8, 9, 10, 15, and 16

(f) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the Grayburg-Atoka Gas Pool. The discovery well is the Horizon Oil & Gas Co. of Texas State 28 Com Well No. 2, located in Unit K of Section 28, Township 17 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM

Section 28: S/2

Section 29: E/2

(g) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Premier production and designated as the High Nitro-Premier Gas Pool. The discovery well is the McClellan Oil Corporation Hinkle Federal Well No. 1, located in Unit A of Section 9, Township 16 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 29 EAST, NMPM

Section 3: SW/4

Section 4: SE/4

Section 9: NE/4

(h) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Hoag Tank-Morrow Gas Pool. The discovery well is the Yates Petroleum Corporation Allison CQ Federal Well No. 1, located in Unit P of Section 22, Township 19 South, Range 24 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM

Section 22: E/2

(i) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the N. W. Indian Basin-Morrow Gas Pool. The discovery well is the Charles A. Dean Northwest Indian Basin Well No. 1Y, located in Unit K of Section 28, Township 20 South, Range 23 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 23 EAST, NMPM

Section 28: W/2

(j) CREATE a new pool in Chaves County, New Mexico, classified as an oil pool for San Andres production and designated as the Lonesome-San Andres Pool. The discovery well is the Phillips Petroleum Company Luther A Well No. 1 located in Unit N of Section 18, Township 8 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 8 SOUTH, RANGE 32 EAST, NMPM

Section 18: SW/4

(k) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the South Rocky Arroyo-Wolfcamp Gas Pool. The discovery well is the El Paso Natural Gas Co. Patterson A Well No. 1, located in Unit N of Section 20, Township 22 South, Range 22 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 22 EAST, NMPM
Section 20: SW/4

(l) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the Sheep Draw-Atoka Gas Pool. The discovery well is the Hanagan Petroleum Corp. Mary Federal Well No. 1, located in Unit H of Section 11, Township 23 South, Range 25 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 25 EAST, NMPM
Section 11: E/2

(m) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Sheep Draw-Morrow Gas Pool. The discovery well is the Hanagan Petroleum Corp. Mary Federal Well No. 1 located in Unit H of Section 11, Township 23 South, Range 25 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 25 EAST, NMPM
Section 11: E/2
Section 12: W/2

(n) CREATE a new pool in Lea County, New Mexico, classified as an oil pool and designated as the Shipp-Drinkard Pool and assign 41,650 barrels of discovery allowable to the discovery well, the Mesa Petroleum Company West Knowles Well No. 1, located in Unit P of Section 34, Township 16 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
Section 34: SE/4

(o) EXTEND the Atoka-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 2: All

(p) EXTEND the North Benson Queen-Grayburg Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM
Section 32: N/2 NE/4

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

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 27: SE/4

(r) EXTEND the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 27 EAST, NMPM
Section 3: N/2

(s) EXTEND the Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 18: N/2

(t) EXTEND the South Carlsbad-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM
Section 3: W/2
Section 11: All

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM
Section 8: All
Section 17: N/2

(u) EXTEND the South Carlsbad-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM
Section 16: S/2

TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMPM
Section 1: W/2

(v) ESTABLISH a discovery allowable in the Casey-Strawn Pool in Lea County, New Mexico, and assign 56,630 barrels of discovery allowable to the discovery well, the C & K Petroleum, Inc. Shipp "27" Well No. 1, located in Unit O of Section 27, Township 16 South, Range 37 East, NMPM.

(w) EXTEND the Cerca-Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 13 SOUTH, RANGE 34 EAST, NMPM
Section 27: S/2 and NE/4

(x) EXTEND the East Chisum San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 11 SOUTH, RANGE 28 EAST, NMPM
Section 16: NE/4 NE/4

(y) EXTEND the Double L Queen Associated Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 29 EAST, NMPM
Section 23: NE/4

TOWNSHIP 14 SOUTH, RANGE 30 EAST, NMPM
Section 32: N/2 and SW/4

TOWNSHIP 15 SOUTH, RANGE 30 EAST, NMPM
Section 17: N/2

(z) EXTEND the Double X-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 32 EAST, NMPM
Section 27: NE/4

(aa) EXTEND the Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 36: SW/4

(bb) EXTEND the East Empire Yates Seven Rivers Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 34: W/2 NE/4

(cc) EXTEND the Kennedy Farms-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
Section 22: E/2

(dd) EXTEND the Penasco Draw-San Andres-Yeso Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 30: NW/4 SW/4

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

TOWNSHIP 12 SOUTH, RANGE 34 EAST, NMPM
Section 23: SW/4

(ff) EXTEND the Rock Tank-Lower Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 25 EAST, NMPM
Section 18: All

(gg) EXTEND the Round Tank San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM
Section 31: NW/4 NW/4

(hh) EXTEND the vertical limits of the Sand Hills-San Andres Pool in Lea County, New Mexico, to include the Grayburg formation.

(ii) EXTEND the Sulimar Queen Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 30 EAST, NMPM
Section 18: SW/4 SW/4

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

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

(kk) EXTEND the Turkey Track Queen-Grayburg Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 32: NE/4 NE/4



Union Texas Petroleum Division

ALLIED CHEMICAL CORPORATION

1300 WILCO BUILDING • MIDLAND, TEXAS 79701

915, 682-0515

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

Attention: Mr. A. L. Porter, Jr.

Re: Application for Downhole Commingling
Union Texas Petroleum Carlson "B"
Well No. 1 and No. 2
Justis Blinebry and Justis Tubb-Drinkard Fields
Lea County, New Mexico

*Det for Arg
5/14/75
consider this
letter the
written
application
Jen*

Gentlemen:

Union Texas Petroleum respectfully requests administrative approval to downhole commingle two wells, the Carlson "B" No. 1 and the Carlson "B" No. 2 in the Justis Blinebry and Justis Tubb-Drinkard Fields. Both wells are currently producing with the Blinebry and the Tubb-Drinkard communicated downhole. In both cases, this situation occurred when an attempt was made to recover the string of tubing which was formerly used to produce the lower Tubb-Drinkard zone. The Tubb-Drinkard zone has been temporarily abandoned in Well No. 1 since 1969 and in Well No. 2 since 1971, but with the production tubing left in place.

While attempting to pull the Tubb-Drinkard tubing, the lower part of the string parted instead of unlatching from the packer leaving a portion of the tubing in the packer, and therefore unable to set a plug in the packer to separate the zones. This situation occurred in both wells.

The purpose of this application is to obtain approval to downhole commingle the Blinebry and Tubb-Drinkard zones in order to continue to produce the two subject wells and thereby avoid any unnecessary and unproductive well work while assuring that maximum economical recoveries are achieved for the wells and zones involved.

Attached is additional data and information in support of the above request as qualifications under Statewide Rule 303, Paragraph "C".

Yours very truly,

UNION TEXAS PETROLEUM

Norman T. Mason, Jr.

Norman Mason, Jr.

DOCKET MAILED

Date 5-2-75

NM:cr
Attachment

APPLICATION FOR DOWNHOLE COMMINGLING
 UNION TEXAS PETROLEUM CARLSON "B" WELL NO. 1
 660' FNL & 330' FEL SECTION 23, T-25-S, R-37-E
 FSC LEA COUNTY, NEW MEXICO

1. The well is a dual completion in the Justis Blinebry and Justis Tubb-Drinkard Field authorized by Commission Order DC-895.
2. The well is currently classified as a producing well (pumping) from the Justis Blinebry. The Tubb-Drinkard has been classified as Temporarily Abandoned since 1971 and prior to being temporarily abandoned tested 1/2 BOPD + 20 BWPD; last measured GOR was 4615. The current production from the well is 40 BOPD, 20 BWPD, GOR 7800, pumping (Form C-116 attached).
3. The current production curve for the producing Blinebry zone is attached. There is no production curve for the Tubb-Drinkard Zone during this period due to the length of shut in time since last production.
4. Bottom hole pressures for both zones are low and will require artificial lift to produce.
5. The bottom perforation of the lower-most pool is 5781'. Oil production prior to commingling does not equal 30 barrels per day. Both zones produced less water than the 30 BPD limit.
6. The produced fluids are compatible and have been previously successfully commingled both downhole and surface in other operations for these two fields.
7. Total value of the crude will not be decreased by the commingling, and the value of the produced hydrocarbons will be increased by the value of the Tubb-Drinkard production.
8. A plat of the well location showing offset properties is attached with the subject well and lease indicated.
9. Commingling will not jeopardize future secondary recovery operations.
10. Ownership of both zones is common.
11. All offset operators and the USGS have been notified via copy of this application of the proposed commingling. A list of parties notified is attached.

NM:cr

(2) 5471

APPLICATION FOR DOWNHOLE COMMINGLING
UNION TEXAS PETROLEUM CARLSON "B" WELL NO. 2
1650' FNL & 330' FEL SECTION 26, T-25-S, R-37-E
JUSTIS BLINEBRY AND JUSTIS TUBB-DRINKARD FIELDS
LEA COUNTY, NEW MEXICO

1. The well is a dual completion in the Justis Blinebry and Justis Tubb-Drinkard Field authorized by Commission Order DC-829.
2. The well is currently classified as a producing well (pumping) from the Justis Blinebry. The Tubb-Drinkard has been classified as Temporarily Abandoned since 1971 and prior to being temporarily abandoned tested 2 BOPD + 3 BWPD; last measured GOR was 777. The current production from the well is 55 BOPD, 12 BWPD, GOR 3491, pumping (Form C-116 attached).
3. The current production curve for the producing Blinebry zone is attached. There is no production curve for the Tubb-Drinkard zone during this period due to the length of shut in time since last production.
4. Bottom hole pressures for both zones are low and will require artificial lift to produce.
5. The bottom perforation of the lower-most pool is 5808'. Oil production prior to commingling does not equal 30 barrels per day. Both zones produce less water than the 30 BPD limit.
6. The produced fluids are compatible and have been previously successfully commingled both downhole and surface in other operations for these two fields.
7. Total value of the crude will not be decreased by the commingling, and the value of the produced hydrocarbons will be increased by the value of the Tubb-Drinkard production.
8. A plat of the well location showing offset properties is attached with the subject well and lease indicated.
9. Commingling will not jeopardize future secondary recovery operations.
10. Ownership of both zones is common.
11. All offset operators and the USGS have been notified via copy of this application of the proposed commingling. A list of parties notified is attached.

NM:cr

(Case 547)

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

Amerada Hess Corporation
2207 Industrial Avenue
Midland, Texas 79701

El Paso Natural Gas Corp.
600 Bldg. of the Southwest
Midland, Texas 79701

New Mexico Oil Commission
P. O. Box 1980
Hobbs, New Mexico 88240

Terra Resources, Inc.
5416 South Yale Avenue
Tulsa, Oklahoma 74135

Texas Pacific Oil Company
P. O. Box 4067
Midland, Texas 79701

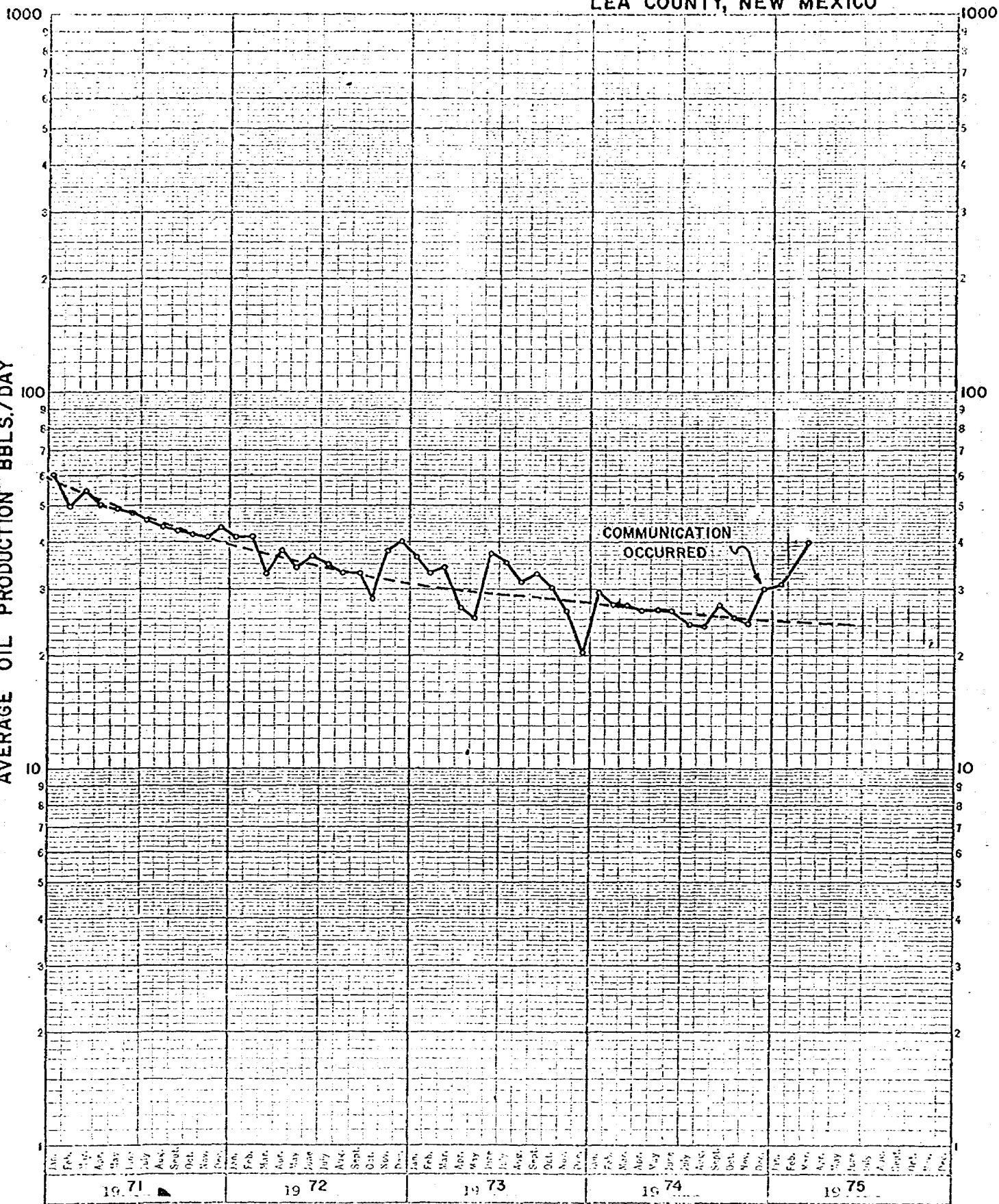
Westates Petroleum Company
Box "SS"
Jal, New Mexico 88252

U.S. Geological Survey
P. O. Box 1157
Hobbs, New Mexico 88240

K&E 5 YEARS BY MONTHS 46 6693
 X 3 LOG CYCLES
 MADE IN U.S.A.
 KEUFFEL & ESSER CO.

AVERAGE OIL PRODUCTION BBLs./DAY

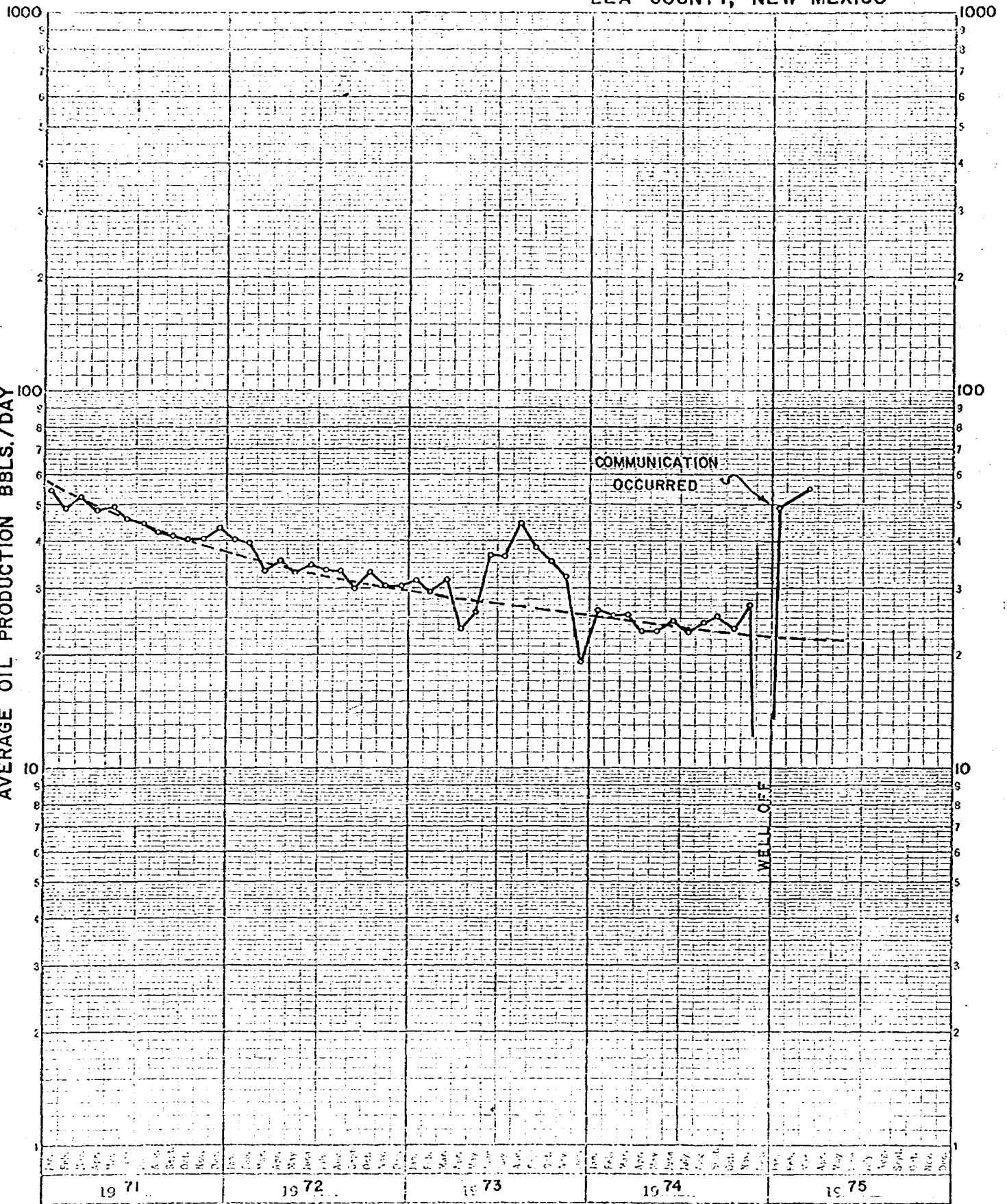
UNION TEXAS PETROLEUM
 CARLSON "B" NO. 1
 JUSTIS (Blinebry) FIELD
 LEA COUNTY, NEW MEXICO

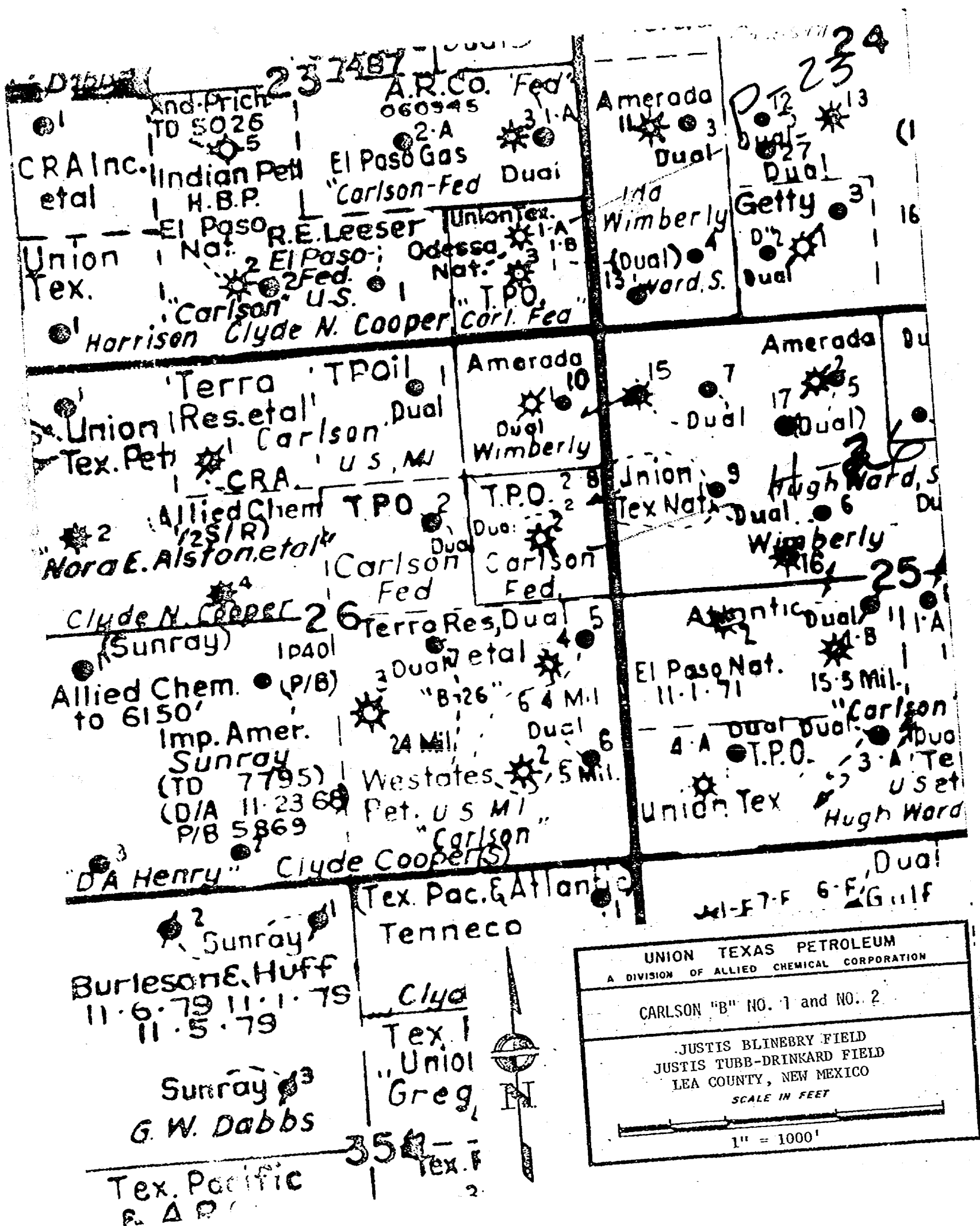


UNION TEXAS PETROLEUM
 CARLSON "B" NO. 2
 JUSTIS (Blinebry) FIELD
 LEA COUNTY, NEW MEXICO

KE 5 YEARS BY MONTHS 46 6693
 MADE IN U.S.A.
 KEUFFEL & ESSER CO.

AVERAGE OIL PRODUCTION BBLs./DAY





NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS

C-116
Revised 1-1-65

Operator Union Texas Petroleum		Pool Justis Blinebry				County Lea										
Address 1300 Wilco Bldg., Midland, Texas 79701						TYPE OF TEST - (X) <input checked="" type="checkbox"/>		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.	
Carlson "B"	1	P	23	25S	37E	3/27/75	P	-	-	28	24	20	39	40	312	7800

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

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

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 301 and appropriate pool rules.

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

Norman T. Pason
(Signature)
Petroleum Engineer
(Title)
3-27/75
(Date)

NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS

C-116
Revised 1-1-65

Operator Union Texas Petroleum		Pool Justis Blinebry				County Lea										
Address 1300 Wilco Bldg., Midland, Texas 79701						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/BBLS
		U	S	T	R							WATER BBLs.	GRAV. OIL	OIL BBLs.	GAS M.C.F.	
Carlson "B"	2	H	26	25S	37E	3/25/75	P	-	-	55	24	12	39	55	192	3491

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

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

Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 301 and appropriate pool rules.

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

Thomas M. Macan
(Signature)
Petroleum Engineer
(Title)
3/27/75
(Date)

Page 544

OIL CONSERVATION COMMISSION
Hobbs DISTRICT

OIL CONSERVATION COMMISSION
BOX 2088
SANTA FE, NEW MEXICO

DATE April 2, 1975

RE: Proposed MC _____
Proposed DHC X _____
Proposed NSL _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

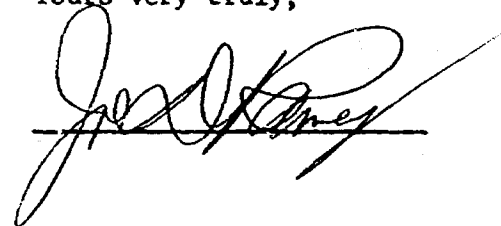
Gentlemen:

I have examined the application dated _____
for the Union Texas Pet. Corp. Carlson B #1-P 23-25-37 & #2-H 26-25-37
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

O.K.---J.D.R.

Yours very truly,



DRAFT

dr/

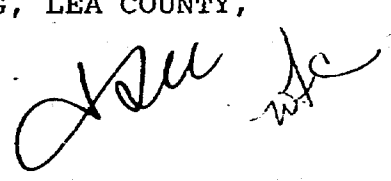
BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE No. 5471

Order No. R- 5022

APPLICATION OF UNION TEXAS PETROLEUM
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 May 14, 1975,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this day of May, 1975, 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, Union Texas Petroleum, is the
owner and operator of the Carlson "B" Wells Nos. 1 and 2,
located in Unit P of Section 23 and Unit H of Section 26,
respectively, Township 25 South, Range 37 East, NMPM, Lea
County, New Mexico.

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

(4) That from the Justis-Blinebry zone, ^{each of} the subject wells [^] is capable of ~~low~~ marginal production only.

(5) That from the Justis Tubb-Drinkard zone, ^{each of} the subject wells [^] is capable of low marginal production only.

(6) 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.

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

(8) 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 ^{either of} the subject wells [^] is shut-in for 7 consecutive days.

(9) That in order to allocate the commingled production to each of the commingled zones in ^{each of} the subject wells, ~~Blinebry production should be determined on the basis of the previously established production decline curve, and Tubb-Drinkard production determined by subtracting said Blinebry production from total production.~~ ^{production should be allocated to the Justis Blinebry zone, and percent of the commingled production to the Justis Tubb-Drinkard zone.}

IT IS THEREFORE ORDERED:

(1) That the applicant, Union Texas Petroleum, is hereby authorized to commingle Justis-Blinebry and Justis Tubb-Drinkard production within the wellbore of the Carlson "B" Wells Nos. 1 and 2, located in Unit P of Section 23 and Unit H of Section 26, respectively, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.

-3-

Case No. 5471

Order No. R-

That the Blinebry production from each well shall be determined from the previously established production decline curve for the Blinebry zone, and the Tubb-Drinkard production from each well shall be determined by subtracting the Blinebry production from the well's total production.

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

(4) 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 herein-
above designated.