

CASE 5499: TEXACO INC. FOR DOWNHOLE
COMINGLING, LEA COUNTY, NEW MEXICO

CASE NO.

5469

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
June 10, 1975

EXAMINER HEARING

IN THE MATTER OF:

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

CASE NO. 5499

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:

William F. Carr, Esq.
Legal Counsel for the
Commission
State Land Office Building
Santa Fe, New Mexico 87501

For the Applicant:

W. Booker Kelly, Esq.
WHITE, KOCH, KELLY & McCARTHY
220 Otero
Santa Fe, New Mexico 87501

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

CASE 5499

Page..... 2

I N D E X

PAGE

WAYNE C. PIERCE
Direct Examination by Mr. Kelly
Cross Examination by Mr. Nutter

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9

E X H I B I T S

Applicant's Exhibits Nos. 1 through 6

9

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MR. NUTTER: Case 5499.

MR. CARR: Case 5499. Application of Texaco, Inc., for downhole commingling, Lea County, New Mexico.

MR. KELLY: Booker Kelly of White, Koch, Kelly and McCarthy, Santa Fe, on behalf of the Applicant. We have one witness and we ask that he be sworn.

(Witness sworn.)

WAYNE C. PIERCE

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

DIRECT EXAMINATION

BY MR. KELLY:

Q Would you state your name, position and employer, please?

A My name is Wayne Pierce. I am currently employed by Texaco, Incorporated in Hobbs, New Mexico as District Production Engineer.

Q Have you previously qualified as a petroleum engineer expert witness in that field before the Commission?

A I have.

Q Would you briefly state, referring to Exhibit No. 1, what Texaco seeks by their Application?

A Texaco seeks authority to downhole commingle production from the Blinebry, Drinkard and Tubb Pools in the C. H. Lockhart Federal Well No. 4 located in Unit J of Section 18, Township 22 South, Range 38 East, Lea County, New Mexico.

As indicated on the plat, the subject lease is outlined in yellow and the subject well is indicated by the red arrow.

Q Are there similar downhole completions on that lease?

A There are. Well No. 3, the south offset is currently downhole commingled in the identical three zones, and Well No. 5, the northwest diagonal offset is currently commingled in the same three zones.

Q Now, referring to what has been marked as Exhibit No. 2, would you describe the three zones?

A The upper pool -- well, starting with the lower zone -- the Drinkard was completed in July of 1953 for an initial potential of 117 oil and no water. It is currently being artificially lifted. We have an estimated bottomhole pressure of 600 PSI. The crude is sweet. The gravity is 38 API. The Drinkard is currently complete from 6810 to 7025 feet. The current test on this zone

is 2 barrels of oil per day and no water. The middle zone is the Tubb. It is currently being artificially lifted. We estimate the bottomhole pressure at 800 PSI. The type of crude is also sweet and the gravity is the same, and current tests on this zone is 3 barrels of oil per day and no water.

I might add that the Tubb and Drinkard zones are currently downhole commingled and are currently surface commingled also. This was approved by Order No. DAC-127, May 20th, 1973.

The upper pool is the Blinebry Zone. The proposed completion interval is from 5597 to 5719 and we are anticipating a production increase of 20 barrels per day and an increase in recovery of 18,000 barrels of reserves.

Q Now, your total increase, then, you estimate from the Blinebry?

A That is correct. Due to the mechanical configuration of the well and its completion status, we cannot economically recover these Blinebry reserves by attempting a triple completion. We feel like by downhole commingling, commingling all three zones, we will achieve the most efficient means of production in producing these three zones, and in effect, recover these reserves from the Blinebry Zone.

PIERCE-DIRECT

Q And the three crudes are all compatible?

A That is correct, they are.

Q You have shown on Exhibit 2 your estimate of increased dollar value per day?

A Yes, sir.

Q Now, your estimates of 3 and 2 barrels of oil on your Drinkard and Tubb is based upon your allocation in that Order allowing the commingling?

A That is correct.

Q Now, referring to Exhibit No. 3, your present completion, would you explain that briefly?

A As indicated, the well was drilled to a total depth of 7130 feet at which 5 $\frac{1}{2}$ -inch casing was set and cemented. We also have a 13 and 3/8-inch surface casing set at 338 feet. Cement was also circulated on this string. And then 8 and 5/8-inch intermediate casing was set at 2830 feet, and likewise, cement was circulated.

The Drinkard Zone was completed in the interval of 6810 to 7025 feet in July of 1953, and the Tubb Zone was completed from 6180 to 6210 in October of 1960. In May of 1973, we were granted approval to downhole commingle these two zones and the figuration as indicated was placed in the well and is currently the means by which we produce

PIERCE-DIRECT

the two zones.

Q All right, go ahead and refer to your proposed completion, Exhibit No. 4.

A With the granting of our Application, we will pull the production equipment currently in the well, we will set a bridge plug above the Tubb Zone and below the Blinebry Zone. We will then open the proposed interval in the Blinebry Zone from 5597 to 5719. This zone will be tested in order to arrive at an appropriate allocation of production and we will then pull the bridge plug and run our production string and place all three zones on production.

Q You are going to test the Blinebry?

A That is correct.

Q So, you will base your allocation upon the actual test?

A Yes, sir.

Q Now, Exhibits 5 and 6 are your performance curves on the two zones that are now on production, is this correct?

A That is correct.

Q And they show that both of these zones are at the advanced stage of depletion?

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A That is correct.

Q As I understand it, you are not claiming that there be any increase in production from these zones?

A Not initial production increase or anything that we could attribute to the fact that the rate that these two zones are currently being produced at now is below that at which they were producing before our previous order to downhole commingle these two zones. So, we don't feel like we are getting any production increase initially.

Q The Blinebry production will probably outlast these two zones?

A That is correct. We will, in effect, extend the producing life of the two zones. We will recover additional reserves, but we don't anticipate any production increase.

Q All right. In your opinion, will the granting of this Application have any adverse effect on correlative rights?

A No, sir.

Q And the allocation formula will be subject to your actual test, as I understand it?

A That is correct.

Q Were Exhibits 1 through 6 prepared by you or

under your supervision?

A They were.

MR. KELLY: I move the introduction of Texaco's Exhibits 1 through 6.

MR. NUTTER: Texaco's Exhibits Nos. 1 through 6 will be admitted in evidence.

(Whereupon, Applicant's Exhibits Nos. 1 through 6 were marked for identification, and were offered and admitted into evidence.)

MR. KELLY: We have no further questions of this witness.

CROSS EXAMINATION

BY MR. NUTTER:

Q Mr. Pierce, in the event you should encounter high pressures in a real good zone in the Blinebry, you would just leave the bridge plug in there and produce the Blinebry until some later date and go back into the other zones?

A Yes, sir. Based upon these other two wells on this lease that we performed the same type of completion on, the bottomhole pressure was compatible with the other zones and we don't anticipate any abnormal difference in the pressures, but we can leave the plug.

PIERCE-CROSS

Q In the event you should encounter some high pressures?

A Yes.

MR. NUTTER: Are there any further questions of the witness? He may be excused.

(Witness dismissed.)

MR. NUTTER: Do you have anything further, Mr. Kelly?

MR. KELLY: Nothing further.

MR. NUTTER: Does anyone have anything they wish to offer in Case 5499?

We will take the case under advisement.

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.

COURT REPORTER

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 5499 heard by me on 6/10 1973.
Examiner
New Mexico Oil Conservation Commission

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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. 5499
Order No. R-5049

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 10, 1975, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 17th day of June, 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, Texaco Inc., is the owner and operator of the C. H. Lockhart Federal (NCT-1) Well No. 4, located in Unit J of Section 18, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico.

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

(4) That from the Blinebry zone, the subject well is expected to be capable of marginal production only.

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

(6) That from the Tubb zone, the subject well is capable of low marginal production only.

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

-2-

Case No. 5499
Order No. R-5049

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

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

(10) That upon completion of the subject well in the manner described above, the applicant should consult with the Supervisor of the Hobbs District Office of the Commission to determine the proper formula for allocation of production to each of the commingled zones.

(11) That Administrative Order DHC-127, which authorized downhole commingling of Tubb and Drinkard production in the subject well, should be superseded.

IT IS THEREFORE ORDERED:

(1) That the applicant, Texaco Inc., is hereby authorized to commingle Blinebry, Drinkard, and Tubb production within the wellbore of the C. H. Lockhart Federal Well No. 4, located in Unit J of Section 18, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico.

(2) That upon completion of the subject well in the manner authorized above, the applicant shall consult with the Supervisor of the Hobbs District Office of the Commission and determine the proper formula for allocation of production to each of the commingled zones.

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

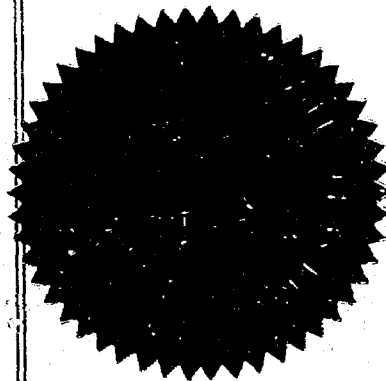
(4) That Administrative Order DHC-127 is hereby superseded.

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

-3-
Case No. 5499
Order No. R-5049

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



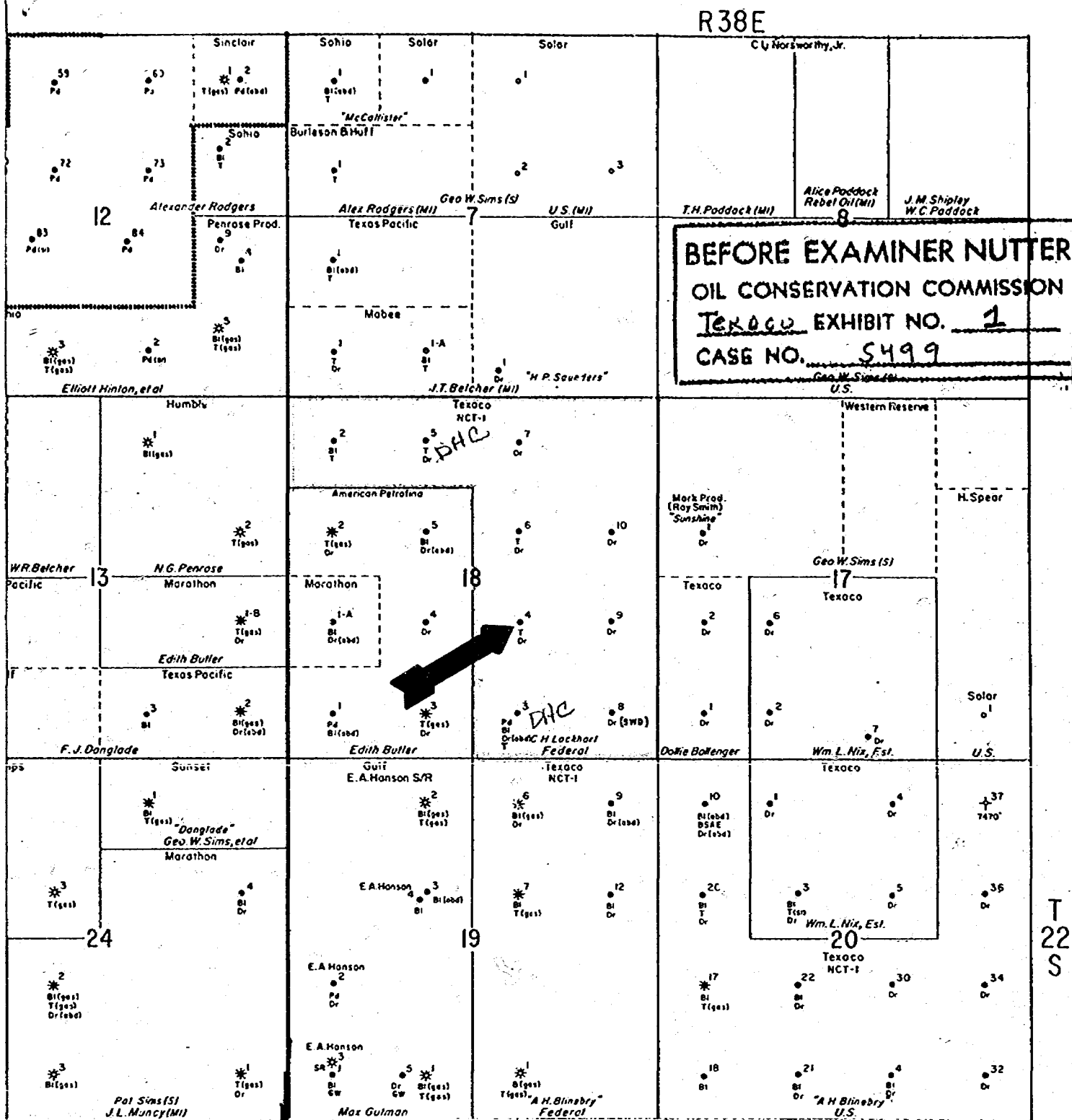
I. R. Trujillo
I. R. TRUJILLO, Chairman

Phil R. Lucero
PHIL R. LUCERO, Member

Joe D. Ramey
JOE D. RAMEY, Member & Secretary

S E A L

dr/



R 37 E

R 38 E

ABBREVIATIONS:

BEE - BRUNSON ELLENBURGER EAST	GW - GRANITE WASH (UNDESIGNATED)
BGW - BRUNSON GRANITE WASH	LM7RQ - LANGLEY MATTIX 7 RIVERS QUEEN
BGWE - BRUNSON GRANITE WASH EAST	PJ - PADDOCK
BI - BLINEBRY	PS - PENROSE SKELLY GRAYBURG
BWE - BRUNSON McKEE EAST	SA - SANTA ROSA (UNDESIGNATED)
BSE - BRUNSON SAN ANDRES EAST	T - TUBB
Dr - DRINKARD	

TEXACO INC.
MIDLAND DIVISION
BLINEBRY FIELD AREA
S.E. LEA COUNTY, NEW MEXICO

SCALE: 0' 1000' 2000'

DRAWN BY: FMR DATE: 1-9-69

DATA SHEET FOR WELLBORE COMMINGLING

Operator: TEXACO Inc.

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

Lease and Well No.: C. H. Lockhart Federal (HCT-1) Well No. 4

Location: 1978' FSL & 1975' FEL, Section 18, T-22-S, R-38-E

WELL DATA

	<u>Upper Pool</u>	<u>Middle Pool</u>	<u>Lower Pool</u>
Name of Pool	<u>Blinebry</u>	<u>Tubb</u>	<u>Drinkard</u>
Producing Method	<u>Pump</u>	<u>Pump</u>	<u>Pump</u>
BHP	<u>500 (Est.)</u>	<u>300 (Est.)</u>	<u>600 (Est.)</u>
Type Crude	<u>Sweet</u>	<u>Sweet</u>	<u>Sweet</u>
Gravity	<u>37.8 (Est.)</u>	<u>38.0</u>	<u>38.0</u>
GOR Limit	<u>6000</u>	<u>2000</u>	<u>6000</u>
Completion Interval	<u>Proposed 5597'-5719'</u>	<u>6180'-6210'</u>	<u>6810'-7025'</u>
Current Test Date	<u>-----</u>	<u>April 3, 1975</u>	<u>April 3, 1975</u>
Oil	<u>20 (EST.)</u>	<u>3</u>	<u>2</u>
Water	<u>0 (EST.)</u>	<u>0</u>	<u>0</u>
GOR	<u>5000 (EST.)</u>	<u>8250</u>	<u>8250</u>

Selling Price of Crude -
\$/BBL.

-

7.22

7.22

Daily Income - \$/Day

-

21.66

14.44

Tubb and Drinkard are downhole
commingled and surface commingled.
COMMINGLED DATA:

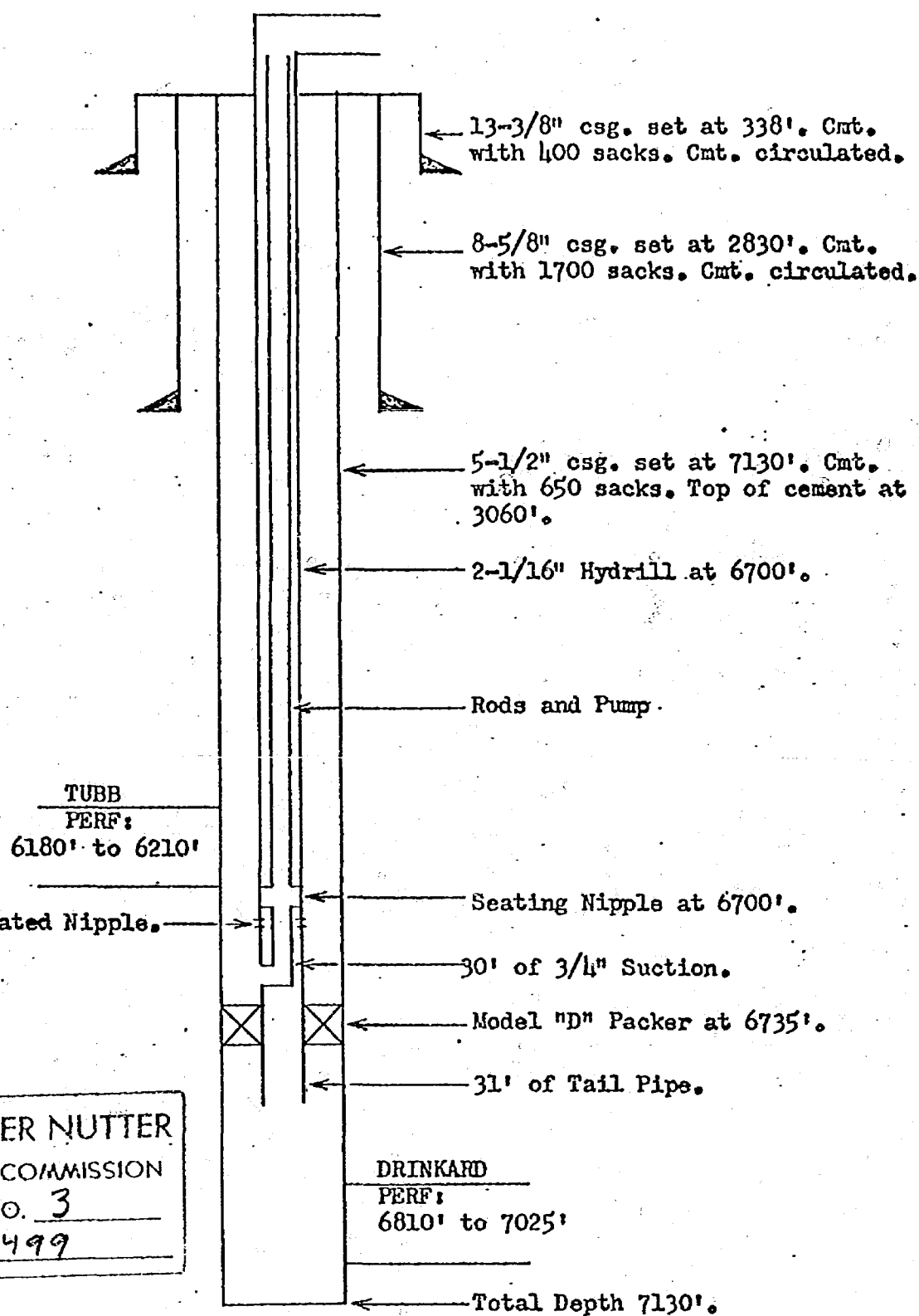
Gravity of Commingled Crude 37.9

Selling Price of Commingled Crude - \$/BBL. 7.22

Daily Income - \$/Day 36.10

Net (Gain) ~~(Loss)~~ from Wellbore Commingling - \$/Day 144.40 (Production increase of
based on current producing rates. 20 BOPD)

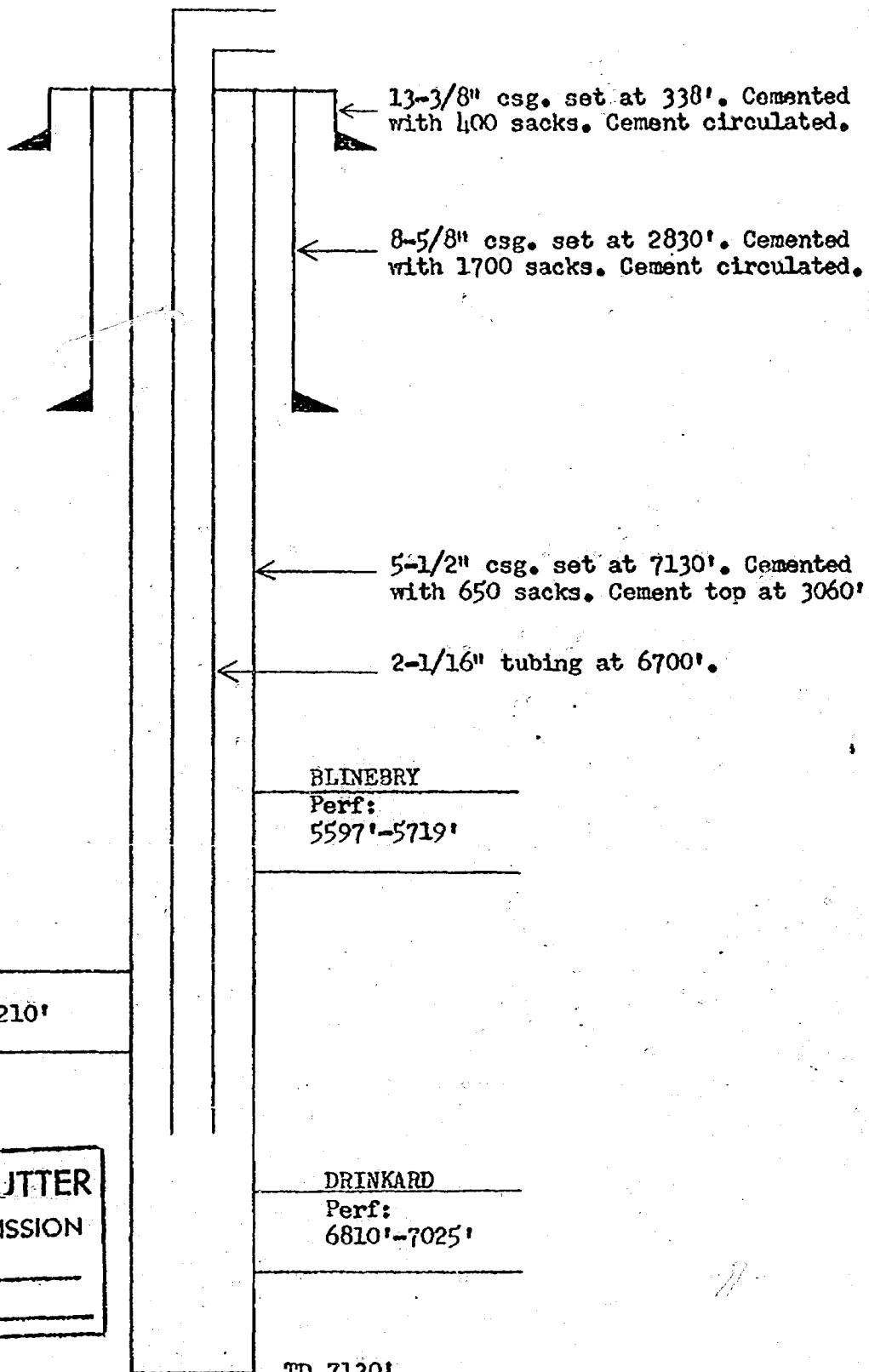
BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
TEXACO EXHIBIT NO. 2
CASE NO. 5499



BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
Texaco EXHIBIT NO. 3
CASE NO. 5499

PRESENT COMPLETION
TEXACO INC.
C.H. LOCKHART (NCT-1) WELL NO. 4
TUBB AND DRINKARD POOLS
LEA COUNTY, NEW MEXICO

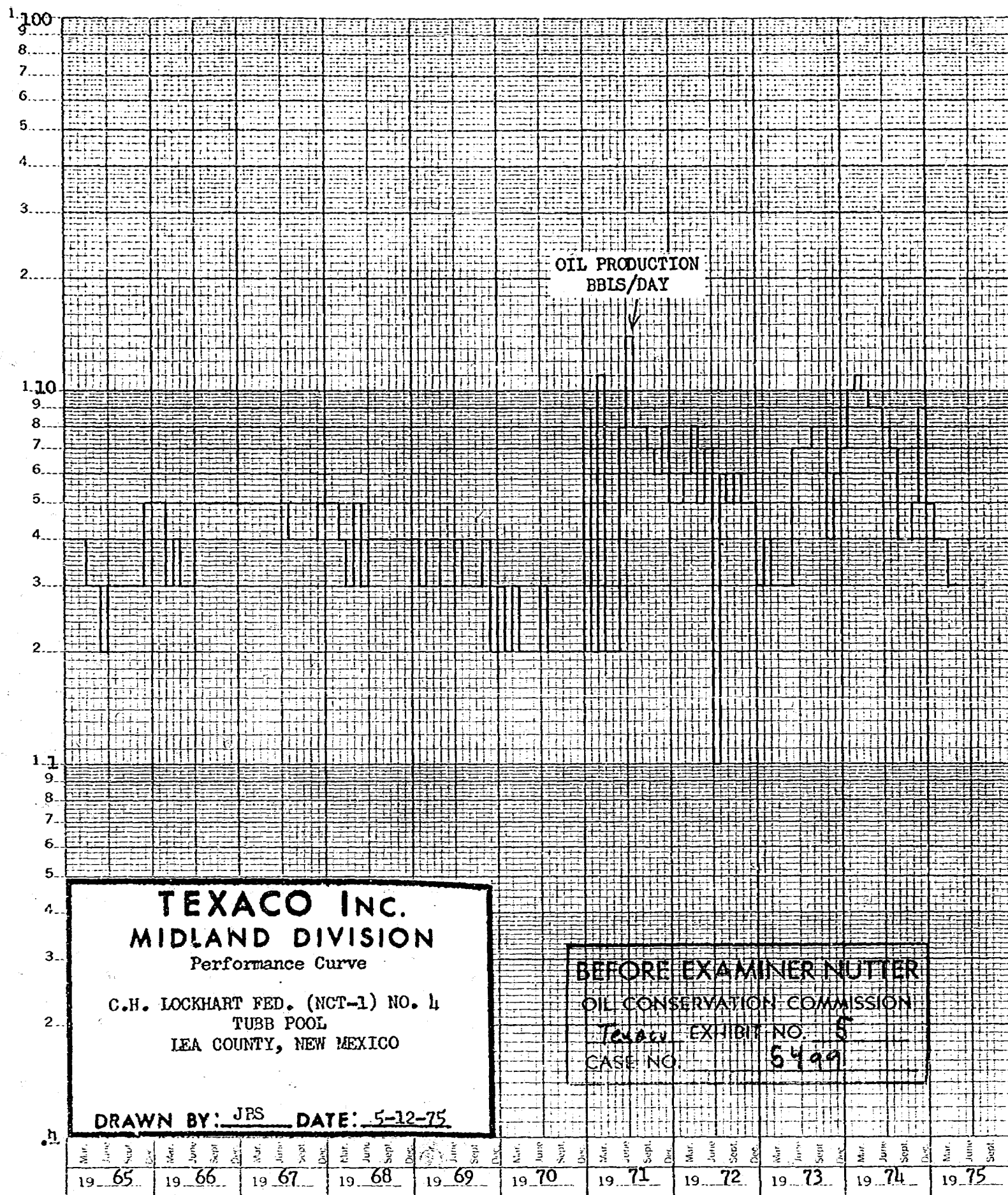
JBS 5-8-75

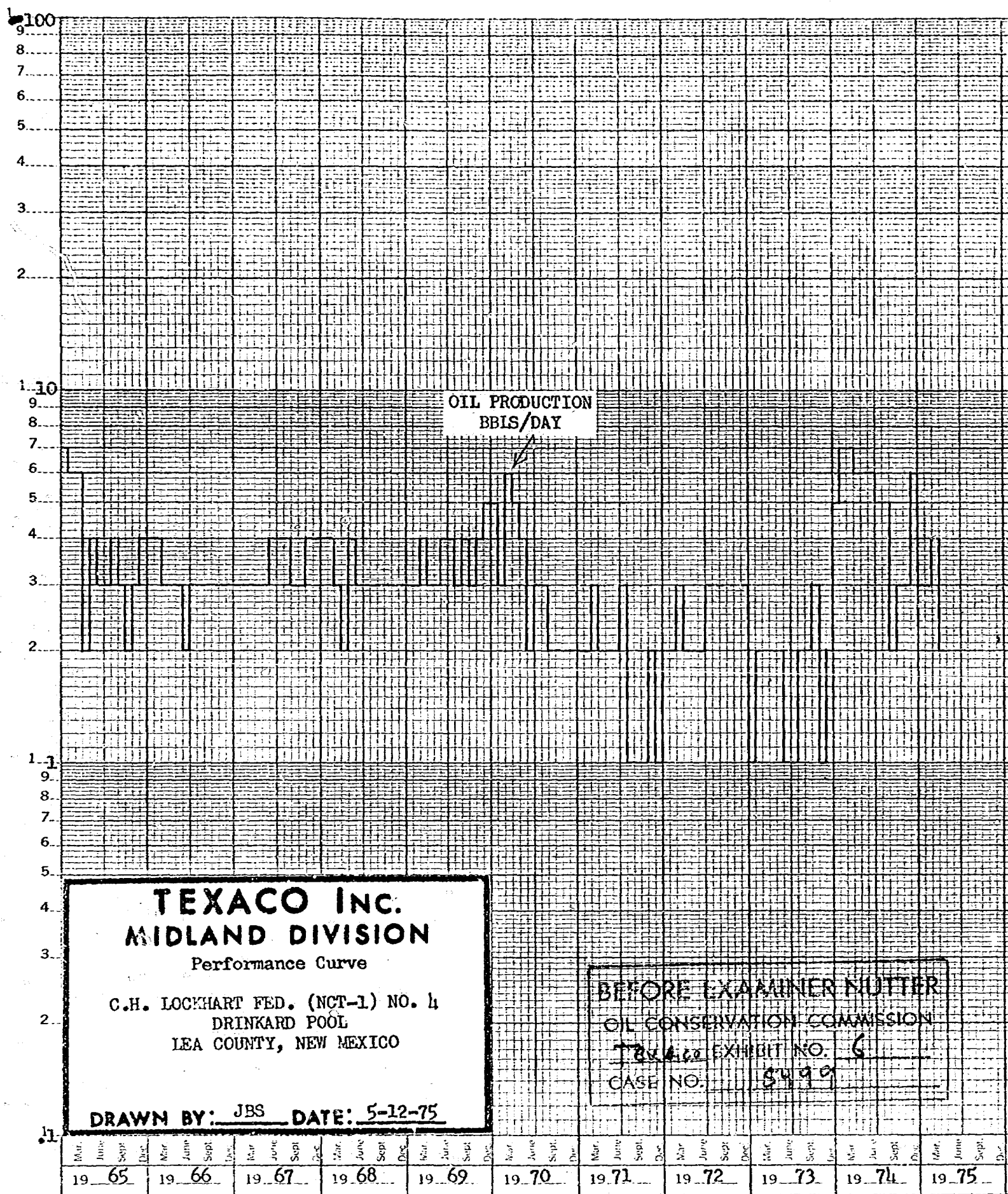


BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
Texaco EXHIBIT NO. 4
CASE NO. 5499

TD 7130'
PROPOSED COMPLETION
TEXACO INC.
C.H. LOCKHART (NCT-1) WELL NO. 1,
BLINEBRY, TUBB AND DRINKARD POOLS
LEA COUNTY, NEW MEXICO

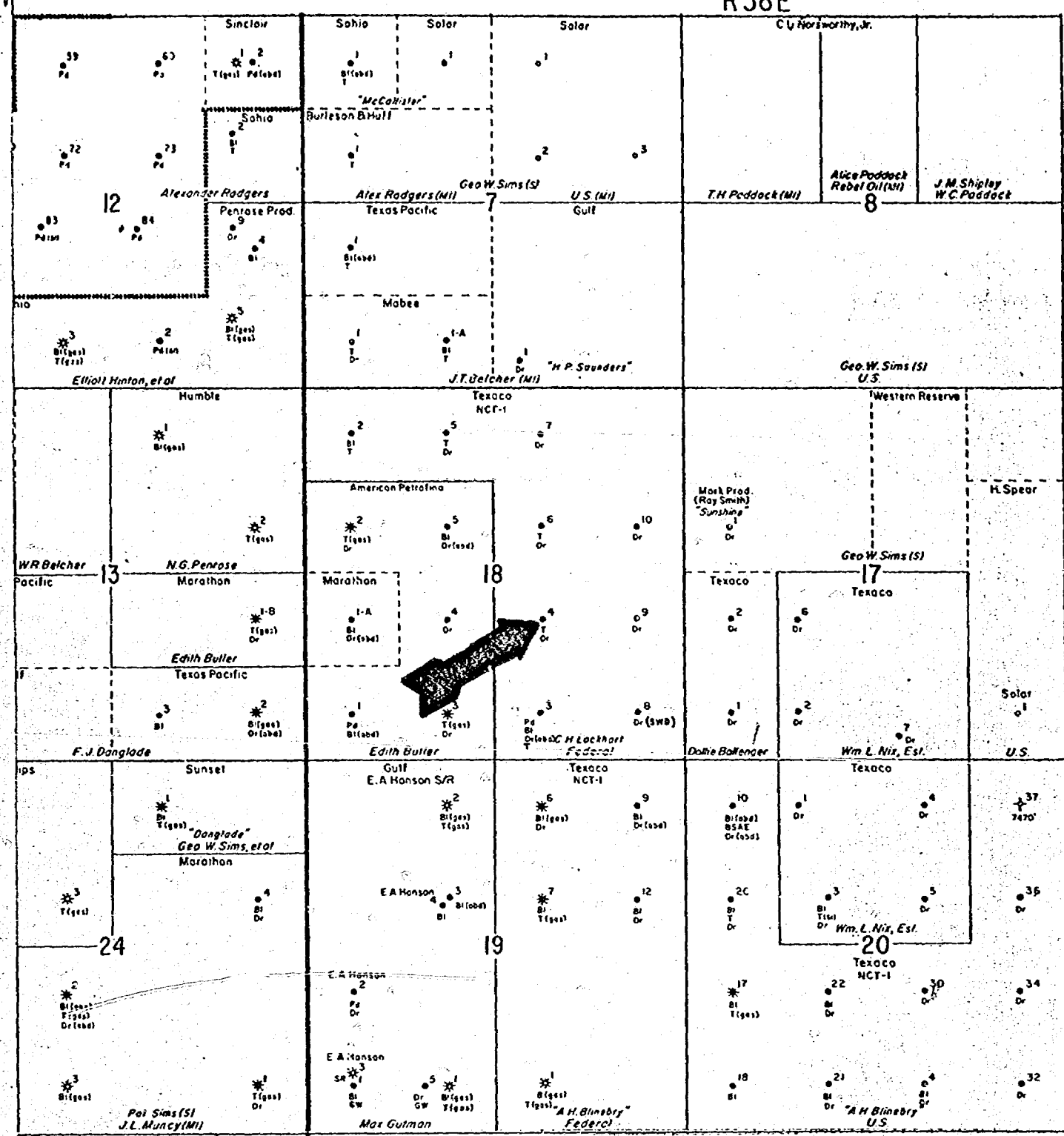
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R38E



R 37E

R38E

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| Dr - DRINKARD | |

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MIDLAND DIVISION
BLINEBRY FIELD AREA
S.E. LEA COUNTY, NEW MEXICO

SCALE: 0' 1000' 2000'

DRAWN BY: FMR DATE: 1-9-69

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Selling Price of Crude -
\$/BBL.

-

7.22

7.22

Daily Income - \$/Day

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14.44

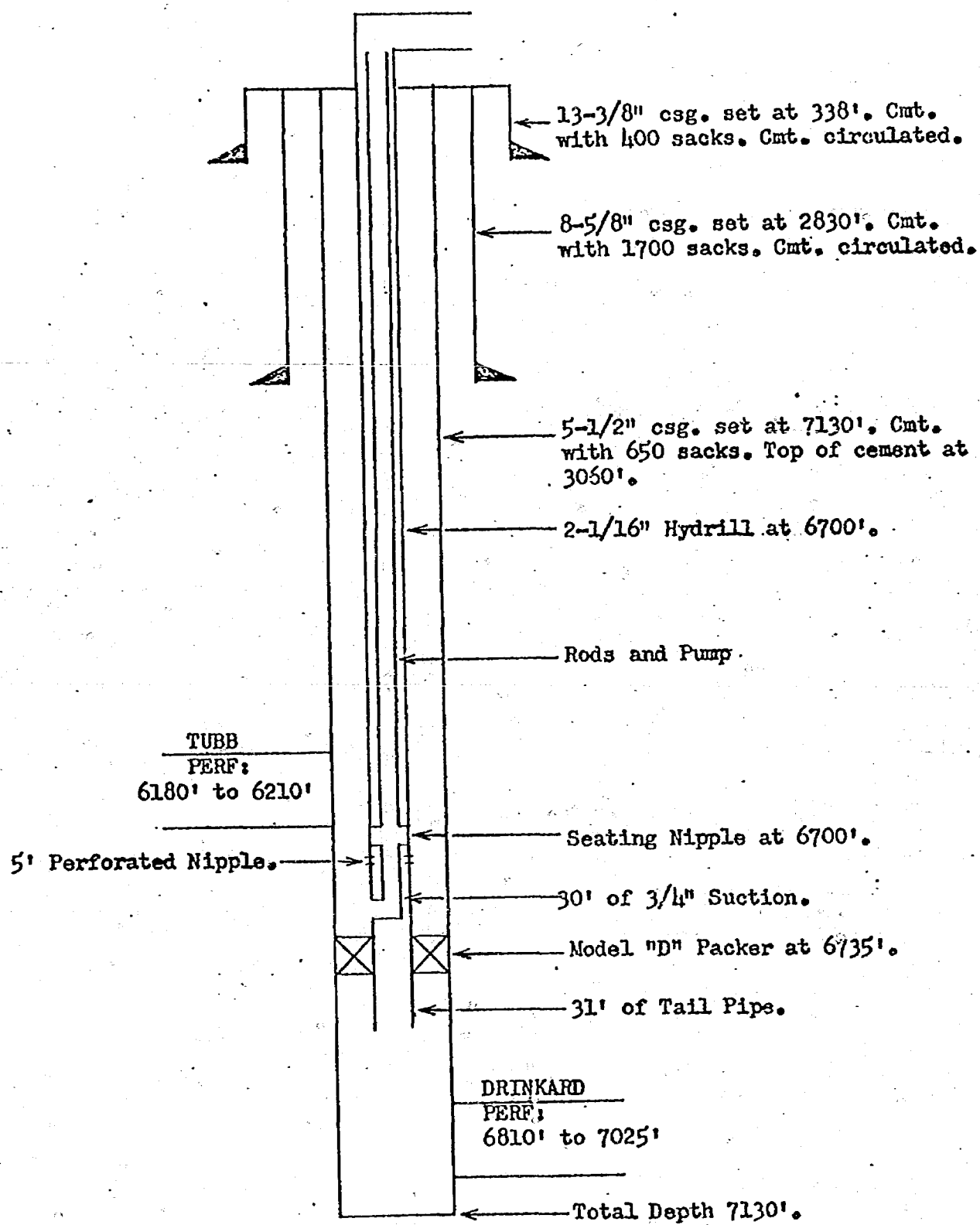
Tubb and Drinkard are downhole
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Gravity of Commingled Crude 37.9

Selling Price of Commingled Crude - \$/BBL. 7.22

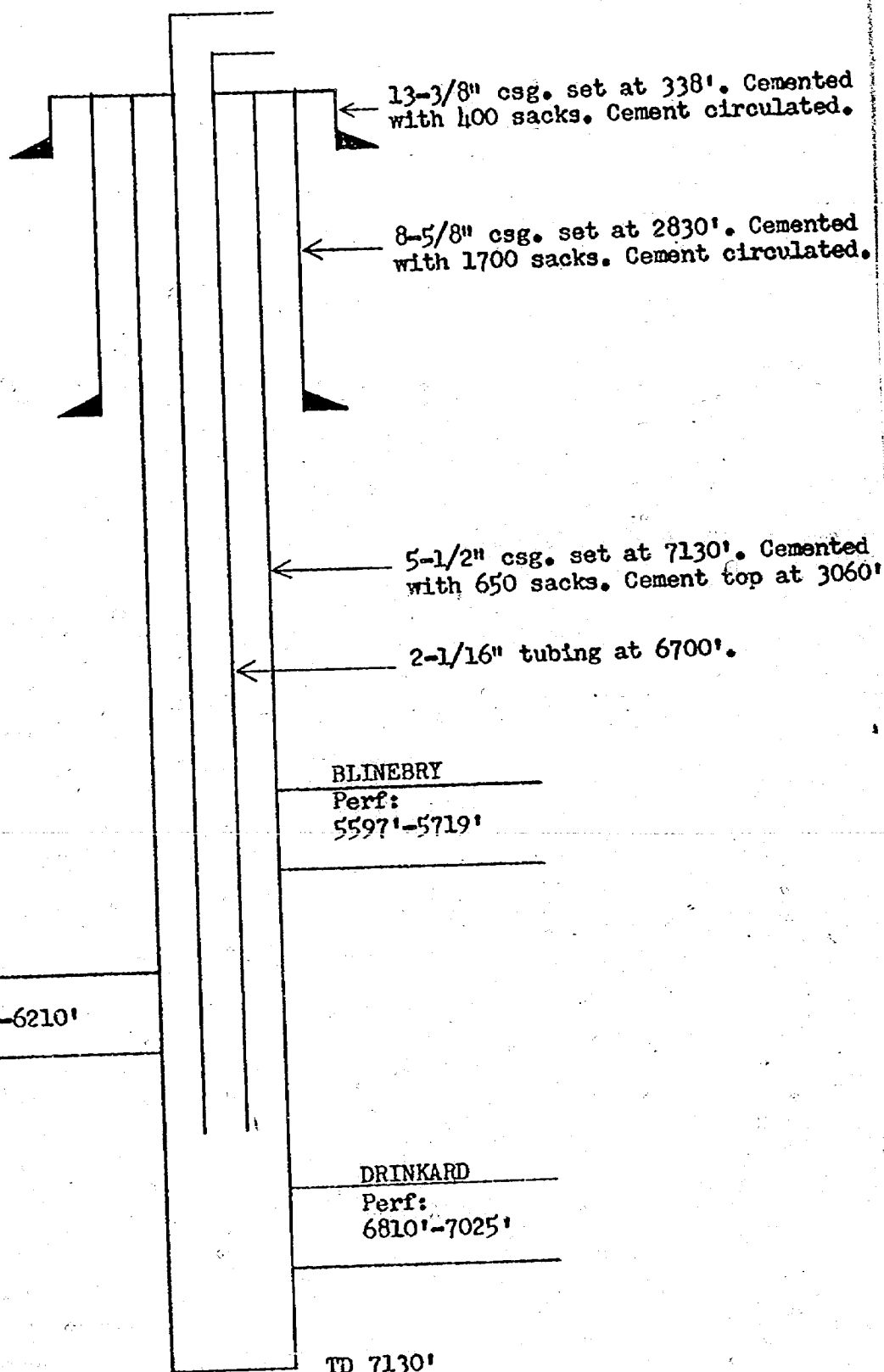
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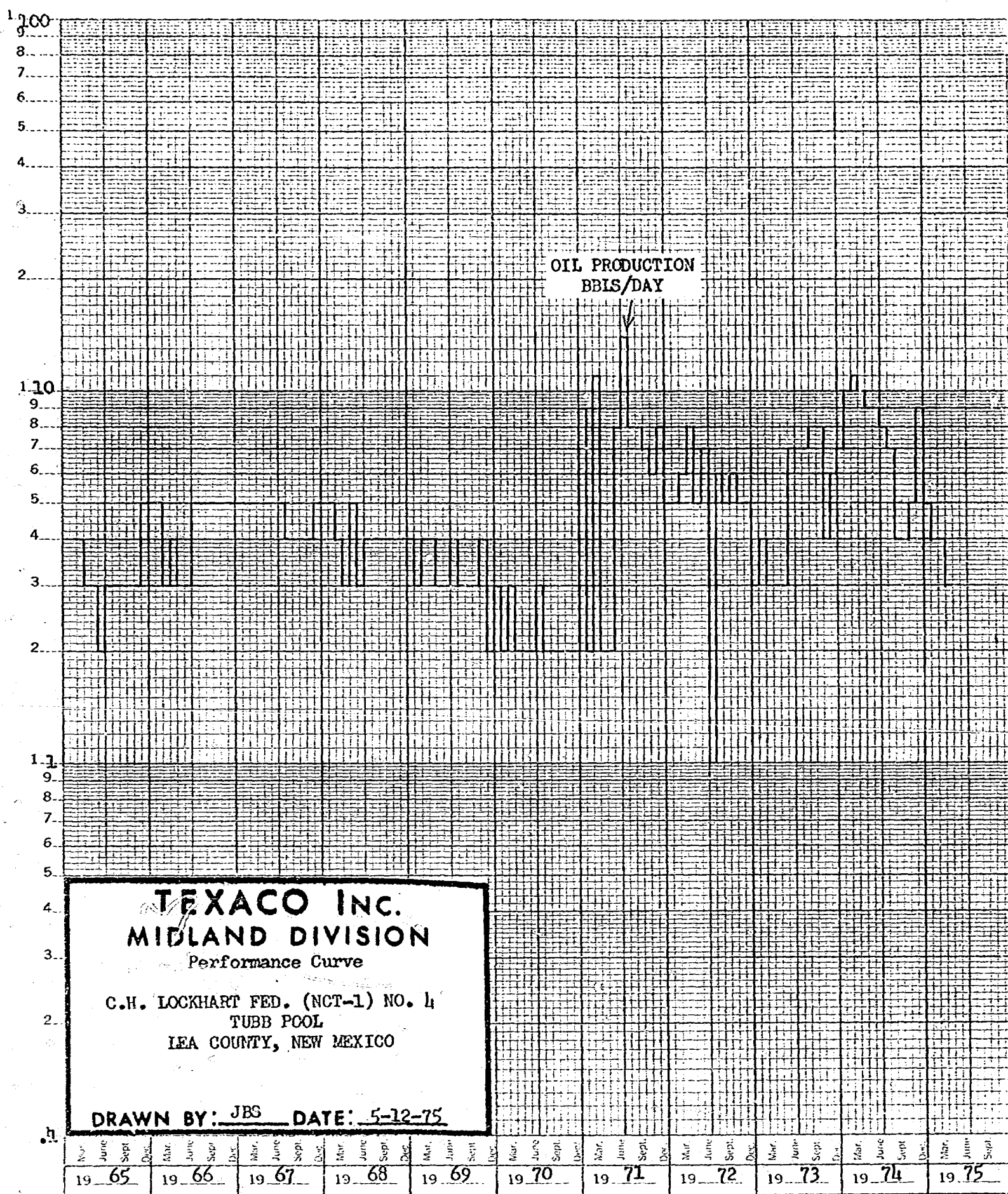
PRESENT COMPLETION
TEXACO INC.
C.H. LOCKHART (NCT-1) WELL NO. 1
TUBB AND DRINKARD POOLS
LEA COUNTY, NEW MEXICO

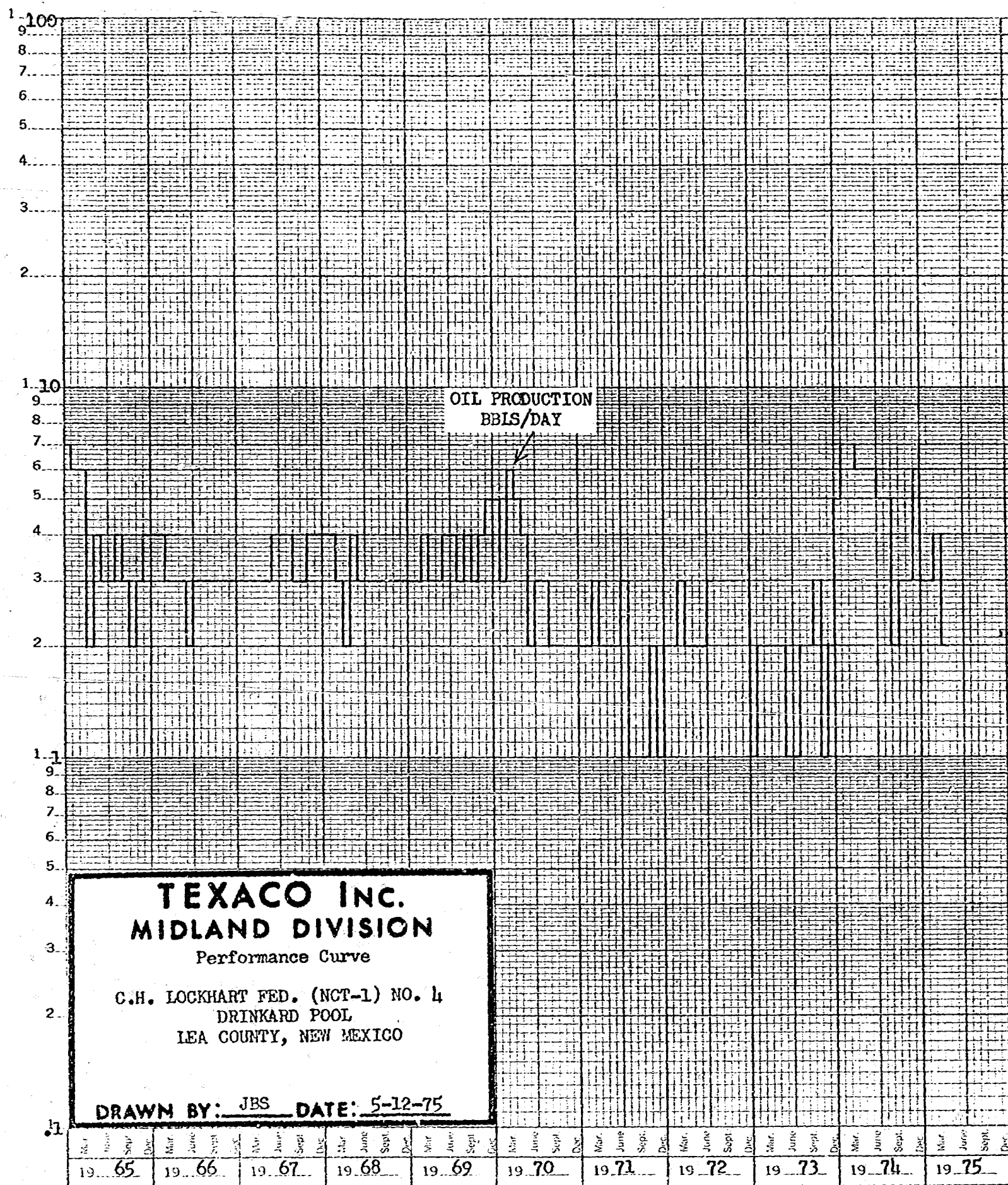
JBS 5-8-75



PROPOSED COMPLETION
TEXACO INC.
C.H. LOCKHART (NCT-1) WELL NO. 4
BLINEBRY, TUBB AND DRINKARD POOLS
LEA COUNTY, NEW MEXICO

JBS 5-8-75

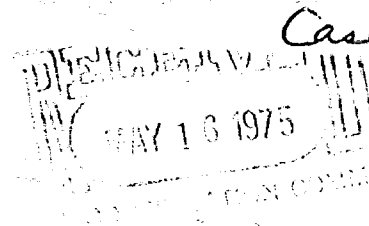






PETROLEUM PRODUCTS

May 15, 1975



TEXACO INC.
DRAWER 728
HOBBS, NEW MEXICO 88240

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

Re: Request for Examiner Hearing
Application for Downhole Commingle
C. H. Lockhart Federal (NCT-1) No. 4
Blinebry, Drinkard and Tubb Pools
Lea County, New Mexico

Gentlemen:

It is requested that an examiner hearing be scheduled to consider TEXACO's application to downhole commingle the Blinebry, Drinkard and Tubb Pools in the C. H. Lockhart Federal (NCT-1) Well No. 4 located in Unit J of Section 18, Township 22 South, Range 38 East, Lea County, New Mexico.

Please find enclosed three copies of exhibits required for hearing application.

All offset operators and the USGS are being notified of this application by copy of letter.

Yours very truly,

J. V. Gannon
J. V. GANNON
District Superintendent

JBS/kw
NMOCC-Hobbs
USGS-Hobbs
MAS, Jr.
Offset Operators
Enclosures

DOCKET MAILED

Date _____

Case 5499

DATA SHEET FOR WELLBORE COMMINGLING

Operator: TEXACO Inc.

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

Lease and Well No.: C. H. Lockhart Federal (HCF-1) Well No. 4

Location: 1978' FEL & 1975' FEL, Section 18, T-22-S, R-38-E

MAY 16 1975
OIL CONSERVATION COMM.
Santa Fe

WELL DATA

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GOR Limit	6000	2000	6000
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C-116
Revised 1-1-65

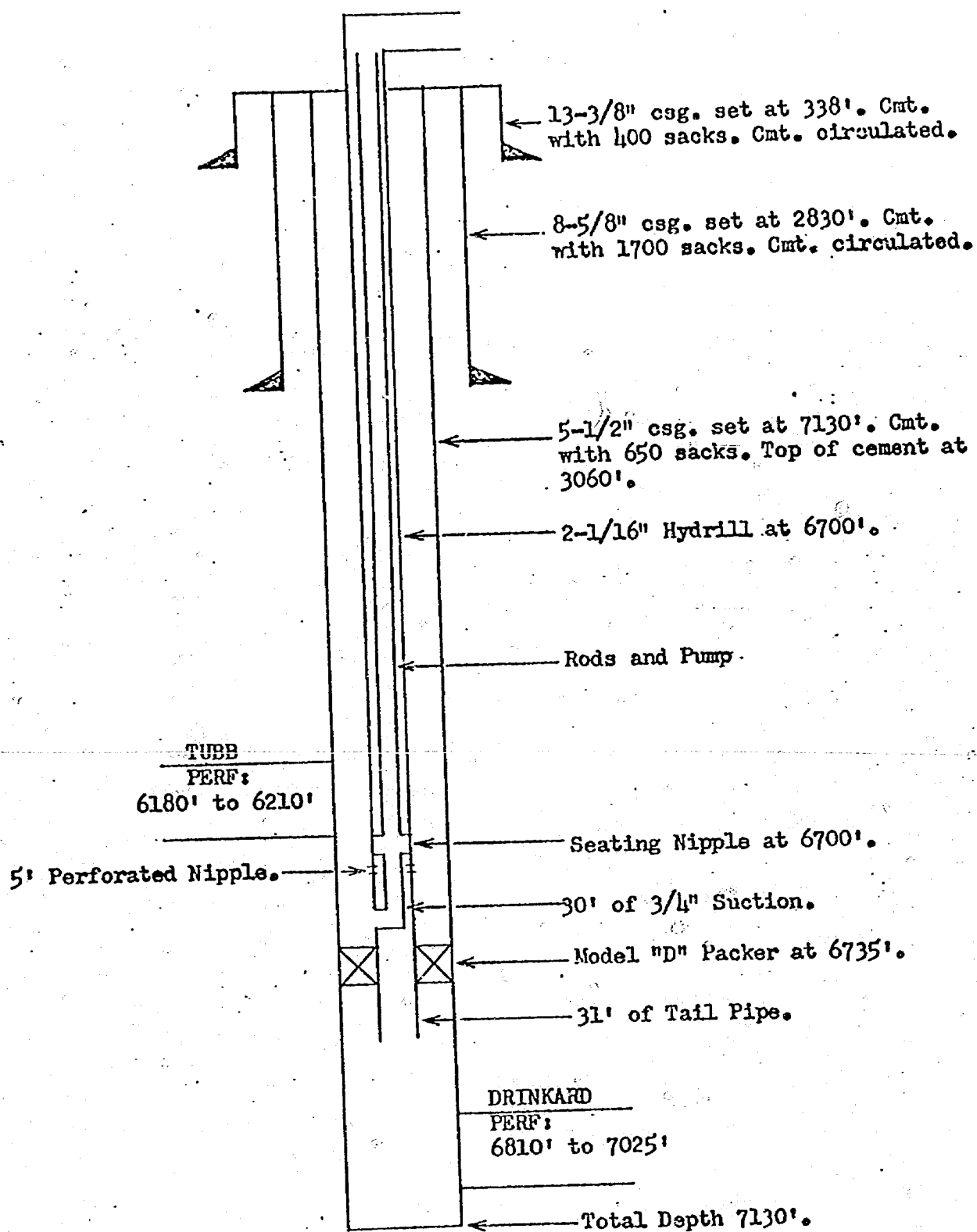
I hereby certify that the above information is true and complete to the best of my knowledge and belief.

(Signature)
Assistant District Superintendent

(Title)
April 7, 1975

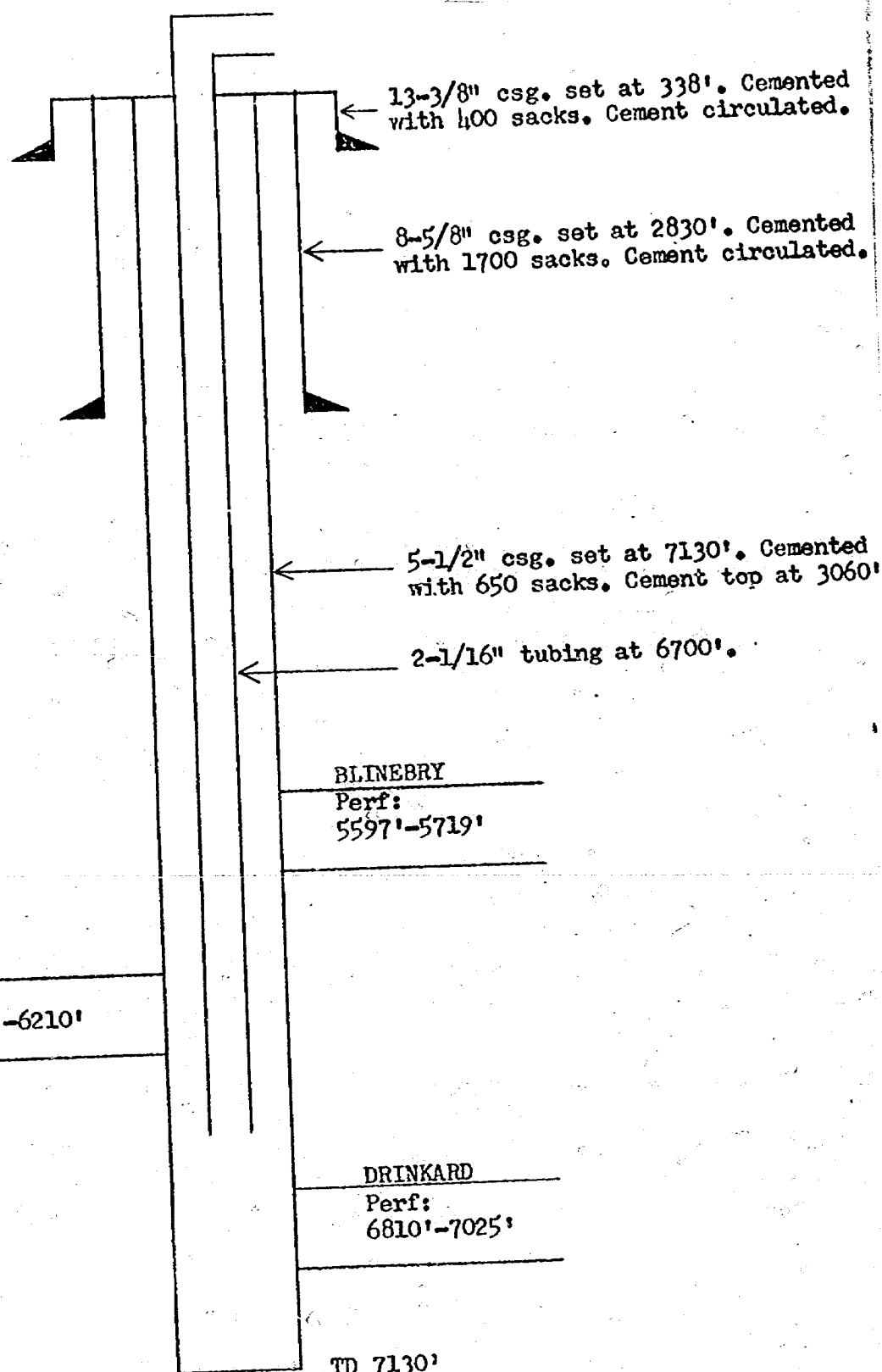
(Date)

Case 5499



PRESENT COMPLETION
TEXACO INC.
C.H. LOCKHART (NCT-1) WELL NO. 1
TUBB AND DRINKARD POOLS
LEA COUNTY, NEW MEXICO

JBS 5-8-75



TD 7130'
 PROPOSED COMPLETION
 TEXACO INC.
 C.H. LOCKHART (NCT-1) WELL NO. 4
 BLINEBRY, TUBB AND DRINKARD POOLS
 LEA COUNTY, NEW MEXICO

JBS 5-8-75

Case 5499

LIST OF OFFSET OPERATORS

TEXACO Inc.
C. H. Lockhart Federal NCT-1 Well No. 4
Lea County, New Mexico

American Petrofina Company of Texas
Drawer D
Artesia, New Mexico 88210

Gulf Oil Corp. - Hobbs Area
P.O. Box 670
Hobbs, New Mexico 88240

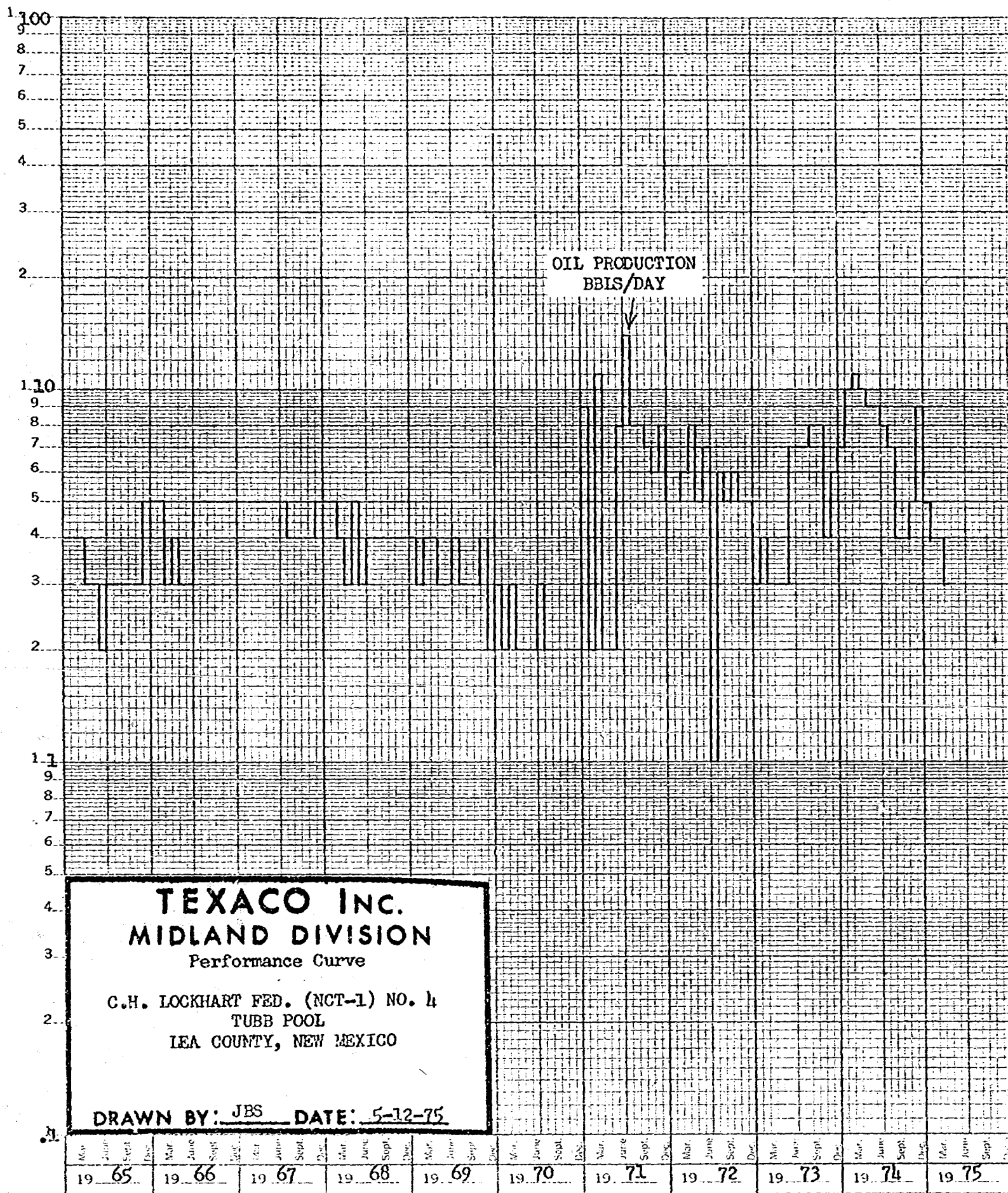
Exxon
P.O. Box 2100
Hobbs, New Mexico 88240

Mabes Petroleum Corp.
201 1st Savings Building
Midland, Texas 79701

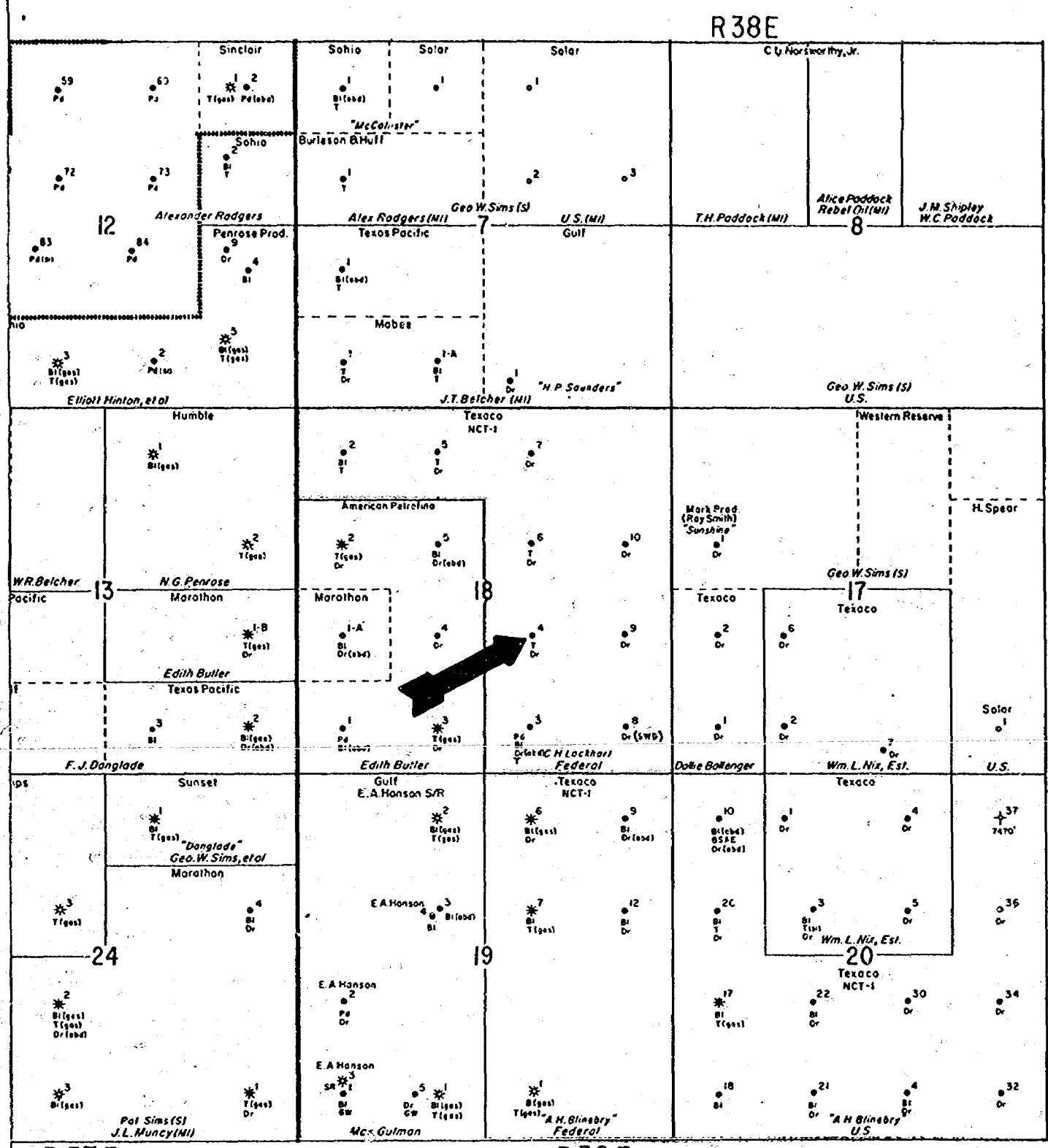
Mark Production
330 Citizens Bank Building
Tyler, Texas 75701

Penrose Production Company
P.O. Box 988
Emice, New Mexico 88231

Case 5499



Case 5499



- ABBREVIATIONS:
- | | |
|----------------------------------|---------------------------------------|
| BEE - BRUNSON ELLENBURGER EAST | GW - GRANITE WASH (UNDESIGNATED) |
| BGW - BRUNSON GRANITE WASH | LM7RQ - LANGLEY MATTIX 7 RIVERS QUEEN |
| BGWE - BRUNSON GRANITE WASH EAST | Pd - PADDOCK |
| BI - BLINBERRY | Ps - PENROSE SKELLY GRAYBURG |
| BME - BRUNSON McKEE EAST | SA - SANTA ROSA (UNDESIGNATED) |
| BSE - BRUNSON SAN ANDRES EAST | T - TUBB |
| Dr - DRINKARD | |

TEXACO INC.
MIDLAND DIVISION
BLINBERRY FIELD AREA
S.E. LEA COUNTY, NEW MEXICO
SCALE: 0' 1000' 2000'
DRAWN BY: FMR DATE: 1-9-69

DATA SHEET FOR WELLBORE COMMINGLING

Operator: TEXACO Inc.

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

Lease and Well No.: C. H. Lockhart Federal (HCP-1) Well No. 4

Location: 1978' FSL & 1975' FEL, Section 18, T-22-S, R-38-E

WELL DATA

	Upper Pool	Middle Pool	Lower Pool
Name of Pool	Blinebry	Tubb	Drinkard
Producing Method	Pump	Pump	Pump
BHP	500 (Est.)	800 (Est.)	600 (Est.)
Type Crude	Sweet	Sweet	Sweet
Gravity	37.8 (Est.)	38.0	38.0
GOR Limit	6000	2000	6000
Completion Interval	Proposed 5597'-5719'	6180'-6210'	6810'-7025'
Current Test Date	-----	April 3, 1975	April 3, 1975
Oil	20 (EST.)	3	2
Water	0 (EST.)	0	0
GOR	5000 (EST.)	8250	8250

Selling Price of Crude -
\$/BBL.

-

7.22

7.22

Daily Income - \$/Day

-

21.66

14.44

Tubb and Drinkard are downhole
commingled and surface commingled.
COMMINGLED DATA:

Gravity of Commingled Crude 37.9

Selling Price of Commingled Crude - \$/BBL. 7.22

Daily Income - \$/Day 36.10

Net (Gain) ~~Loss~~ from Wellbore Commingling - \$/Day 14.44 (Production increase of
based on current producing rates. 20 BOPD)

NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS

C-116
Revised 1-65

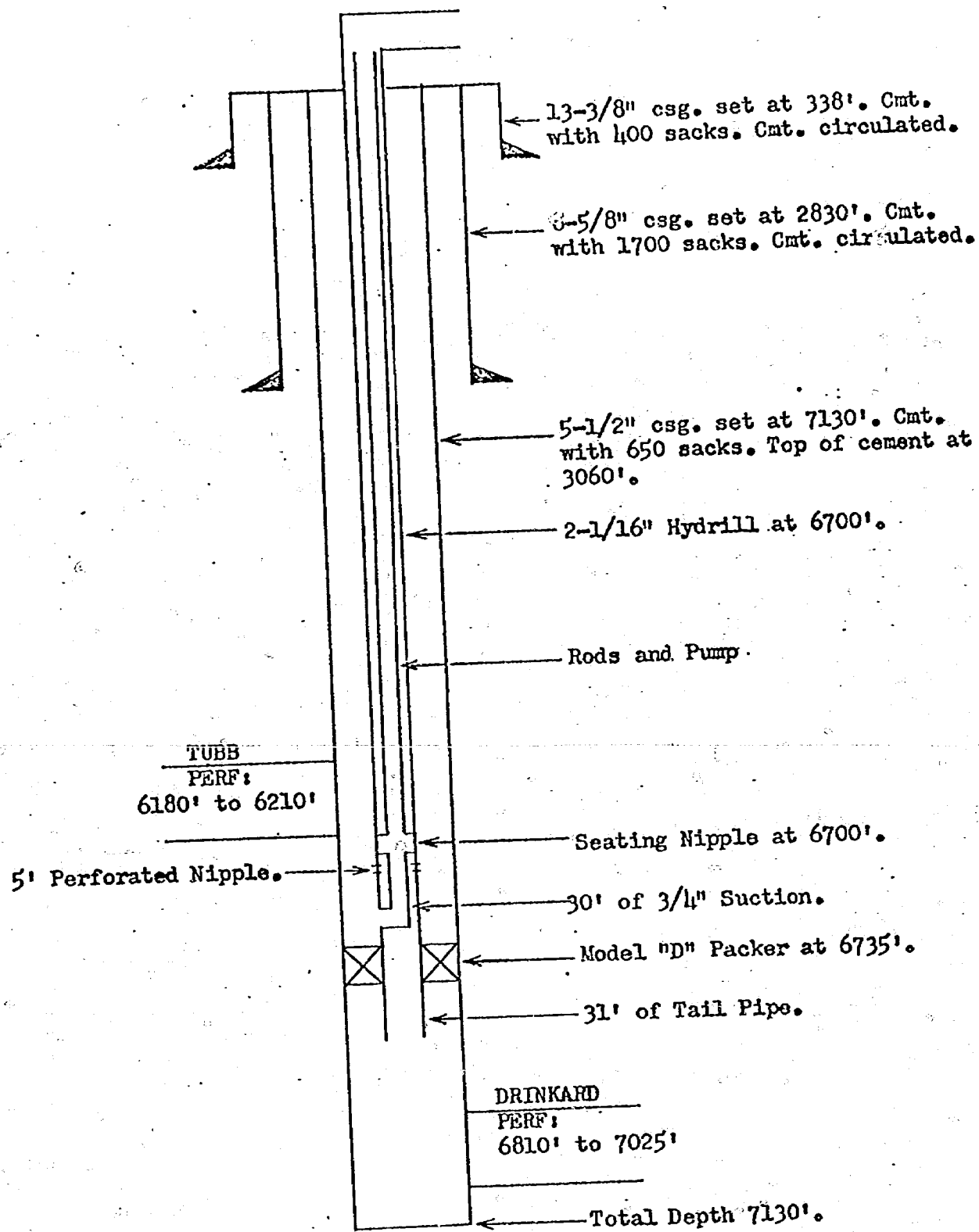
Operator TEXACO Inc.		Pool See Below		County Lea															
Address P. O. Box 728, Hobbs, New Mexico 88240		TYPE OF TEST - (X)		Completion ☐ Special ☒															
LEASE NAME	WELL NO.	LOCATION	DATE OF TEST	CHOKE SIZE	T.B.G. PRESS.	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST			GAS - OIL RATIO CU. FT./BBL.								
								WATER BBL.S.	GRAV. OIL BBL.S.	GAS M.C.F.									
C. H. Lockhart Fed. (NCP-1)	4	J 18 225 38E																	
TUBB			4-3-75			6	24	0	38.0	3	24.7	8250							
DRINKARD			4-3-75			4	24	0	38.0	2	16.5	8250							

No well will be assigned an allowable greater than the amount of oil produced on the official test.
 During and after each test, each well shall be produced at a rate not exceeding the top well in the pool in which it is located by more than 25 percent. Operator is instructed 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.

[Signature]
 Assistant District Superintendent
 April 7, 1975
 (Date)

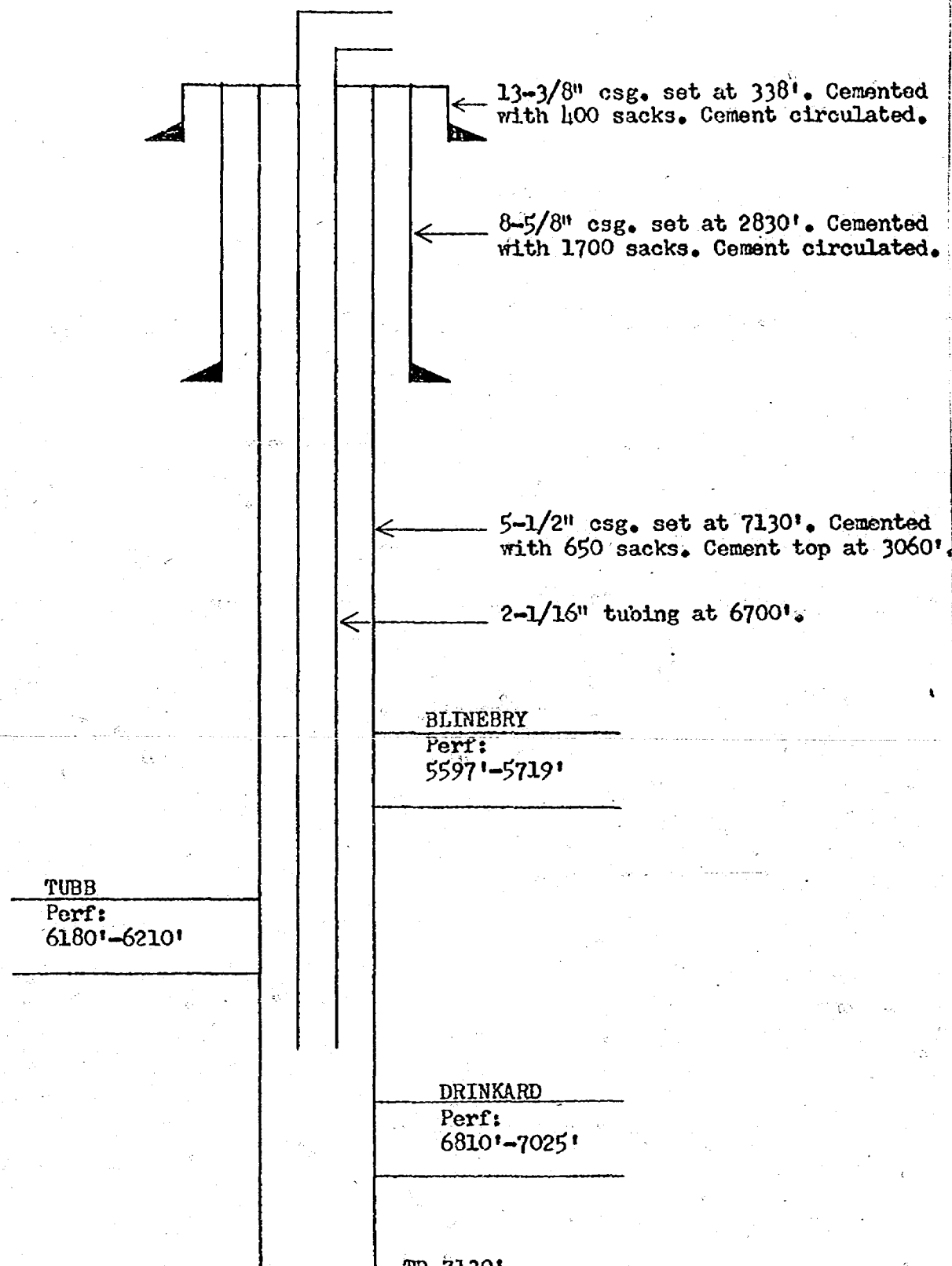
Case 5499



PRESENT COMPLETION
 TEXACO INC.
 C.H. LOCKHART (NCT-1) WELL NO. 4
 TUBB AND DRINKARD POOLS
 IEA COUNTY, NEW MEXICO

JBS 5-8-75

Case 5499



TD 7130'
PROPOSED COMPLETION
TEXACO INC.
C.H. LOCKHART (NCT-1) WELL NO. 1
BLINEBRY, TUBB AND DRINKARD POOLS
LEA COUNTY, NEW MEXICO

JBS 5-8-75

LIST OF OFFSET OPERATORS

TEXACO Inc.
C. H. Lockhart Federal NCT-1 Hall No. 4
Lea County, New Mexico

American Petrofina Company of Texas
Drawer B
Artesia, New Mexico 88210

Gulf Oil Corp. - Hobbs Area
P.O. Box 670
Hobbs, New Mexico 88240

Exxon
P.O. Box 2100
Hobbs, New Mexico 88240

Mabee Petroleum Corp.
201 1st Savings Building
Midland, Texas 79701

Mark Production
330 Citizens Bank Building
Tyler, Texas 75701

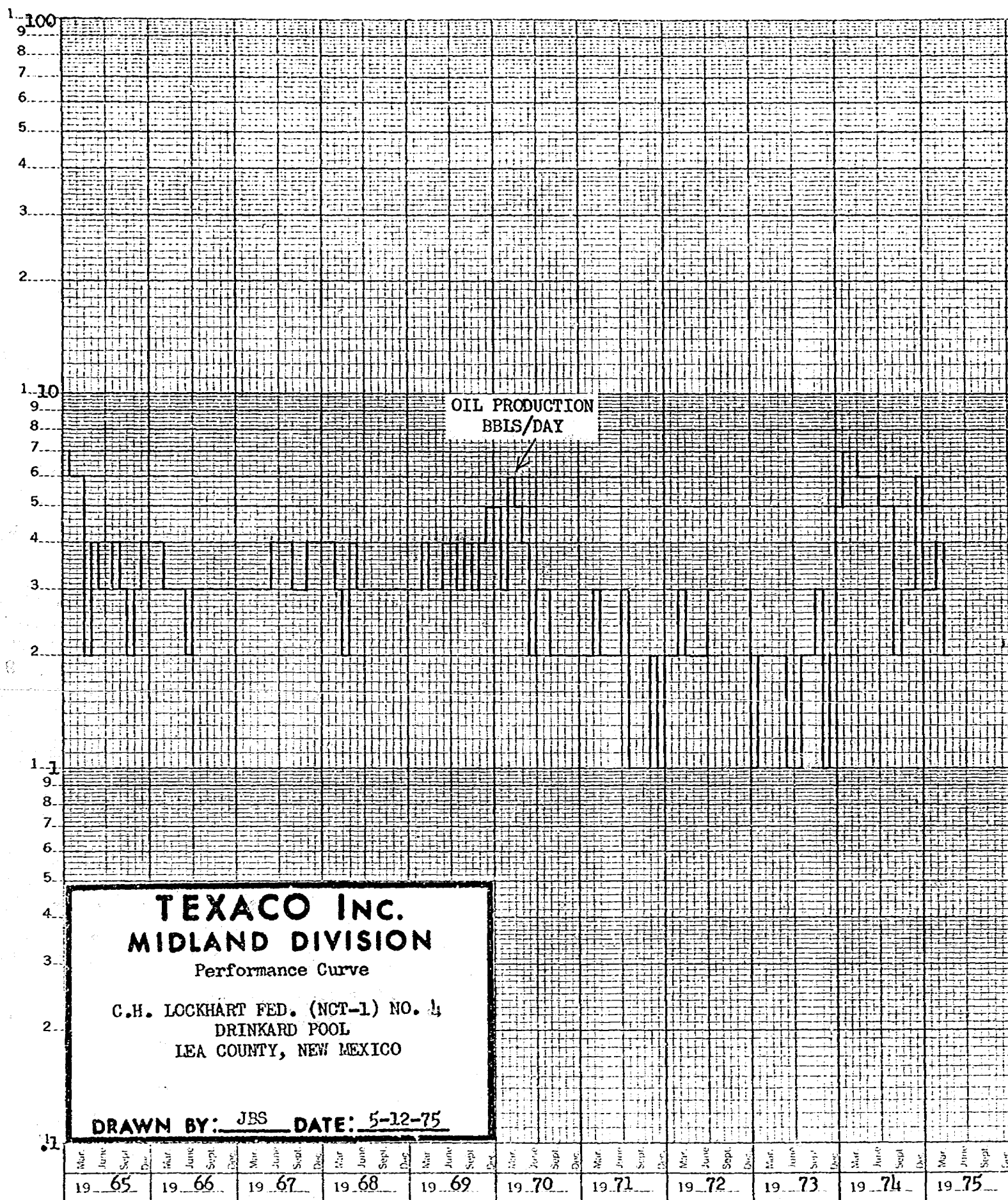
Penrose Production Company
P.O. Box 938
Eunice, New Mexico 88231

TEXACO INC.
MIDLAND DIVISION
 Performance Curve

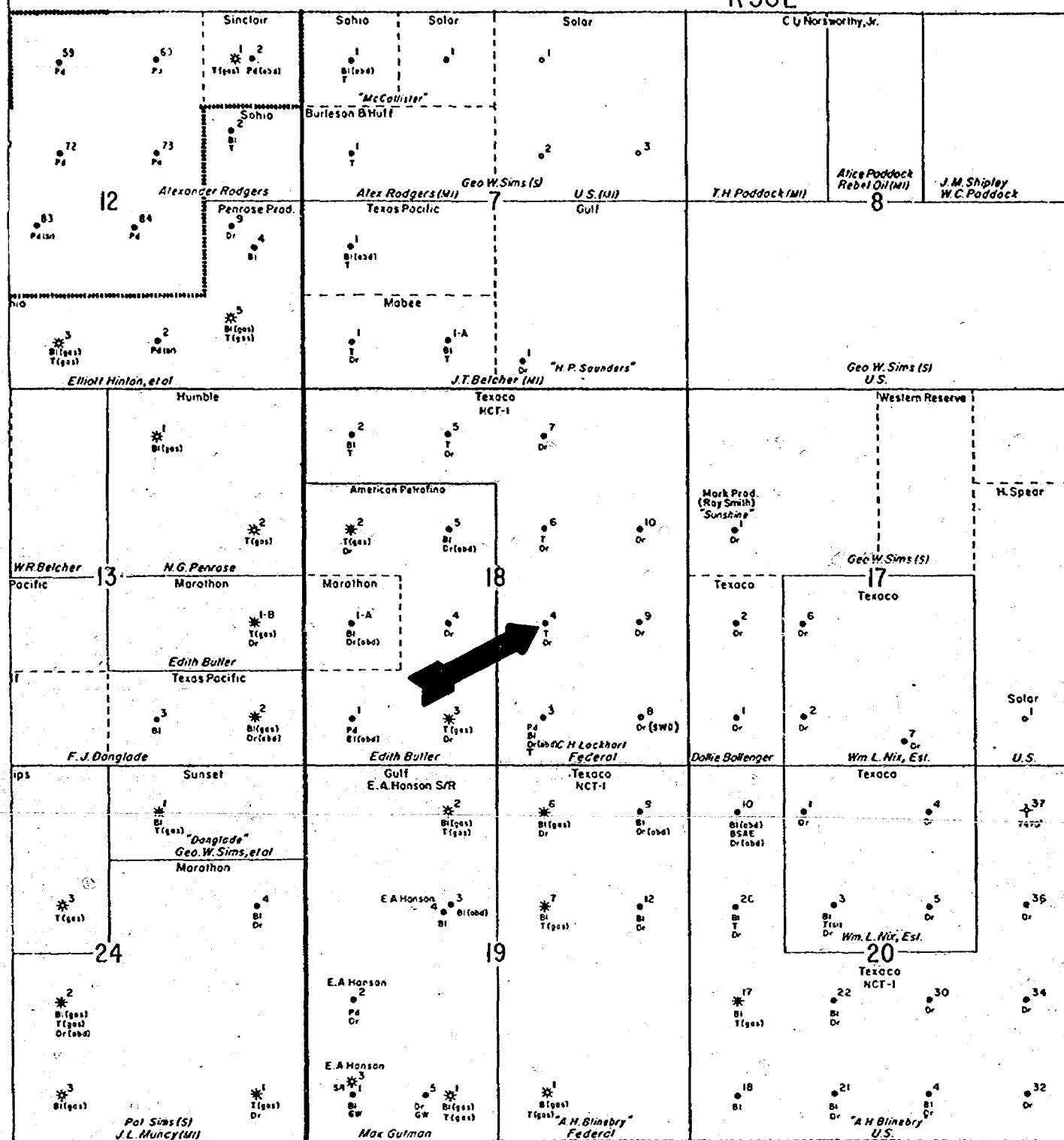
C.H. LOCKHART FED. (NCT-1) NO. 4
 TUBB POOL
 IEA COUNTY, NEW MEXICO

DRAWN BY: JBS DATE: 5-12-75

OIL PRODUCTION
 BBL/DAY



R 38E



R 37 E

R 38 E

BEE - BRUNSON ELLENBURGER EAST
BGW - BRUNSON GRANITE WASH
BGWE - BRUNSON GRANITE WASH EAST
BI - BLINEBERRY
BME - BRUNSON McKEE EAST
BSE - BRUNSON SAN ANDRES EAST
Dr - DRINKARD

GW - GRANITE WASH (UNDESIGNATED)
LM7RQ - LANGLEIE MATTIX 7 RIVERS QUEEN
PJ - PADDOCK
Ps - PENROSE SKELLY GRAYBURG
SA - SANTA ROSA (UNDESIGNATED)
T - TUBB

SCALE: 0' 1000' 2000'

SCALE: 0' 1000' 2000'

SCALE: 0' 1000' 2000'

Case 5499

DATA SHEET FOR WELLBORE COMMINGLING

Operator: TEXACO Inc.

Address: P. O. Box 723, Hobbs, New Mexico 88240

Lease and Well No.: C. H. Lockhart Federal (HCP-1) Well No. 4

Location: 1973' FSL & 1975' FEL, Section 18, T-22-S, R-38-E

WELL DATA

	Upper Pool	Middle Pool	Lower Pool
Name of Pool	Blinebry	Tubb	Drinkard
Producing Method	Pump	Pump	Pump
BHP	500 (Est.)	800 (Est.)	600 (Est.)
Type Crude	Sweet	Sweet	Sweet
Gravity	37.8 (Est.)	38.0	38.0
GOR Limit	6000	2000	6000
Completion Interval	Proposed 5597'-5719'	6180'-6210'	6810'-7025'
Current Test Date	-----	April 3, 1975	April 3, 1975
Oil	20 (EST.)	3	2
Water	0 (EST.)	0	0
GOR	5000 (EST.)	8250	8250
Selling Price of Crude - \$/BBL.	-	7.22	7.22
Daily Income - \$/Day	-	21.66	14.44

Tubb and Drinkard are downhole
commingled and surface commingled.

COMMINGLED DATA:Gravity of Commingled Crude 37.9Selling Price of Commingled Crude - \$/BBL. 7.22Daily Income - \$/Day 36.10

Net (Gain) ~~(Loss)~~ from Wellbore Commingling - \$/Day 144.40 (Production increase of
based on current producing rates. 20 BOPD)

NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS

C-116
Revised 1-1-65

Operator TEXACO Inc.		Pool See Below		County Lea								
Address P. O. Box 728, Hobbs, New Mexico 88240		TYPE OF TEST - (X) ☒ Scheduled ☐ Completion ☐ Special ☒										
LEASE NAME	WELL NO.	LOCATION U S T R	DATE OF TEST	CHOKE SIZE	TBG. PRESS.							
C. H. Lockhart Fed. (NCF-1)	4	J 18 225 38E	4-3-75	P	4							
						6	24	0	38.0	3	24.7	8250
TUBS			4-3-75	P	4	6	24	0	38.0	2	16.5	8250
DRINKARD												

No well will be assigned an allowable greater than the amount of oil produced on the official test.
If the well is not tested, such well shall be produced at a rate not exceeding the test rate until the pool is within 10% of the test rate. If the well is not tested, the test rate shall be the maximum rate at which the well can be produced.
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.

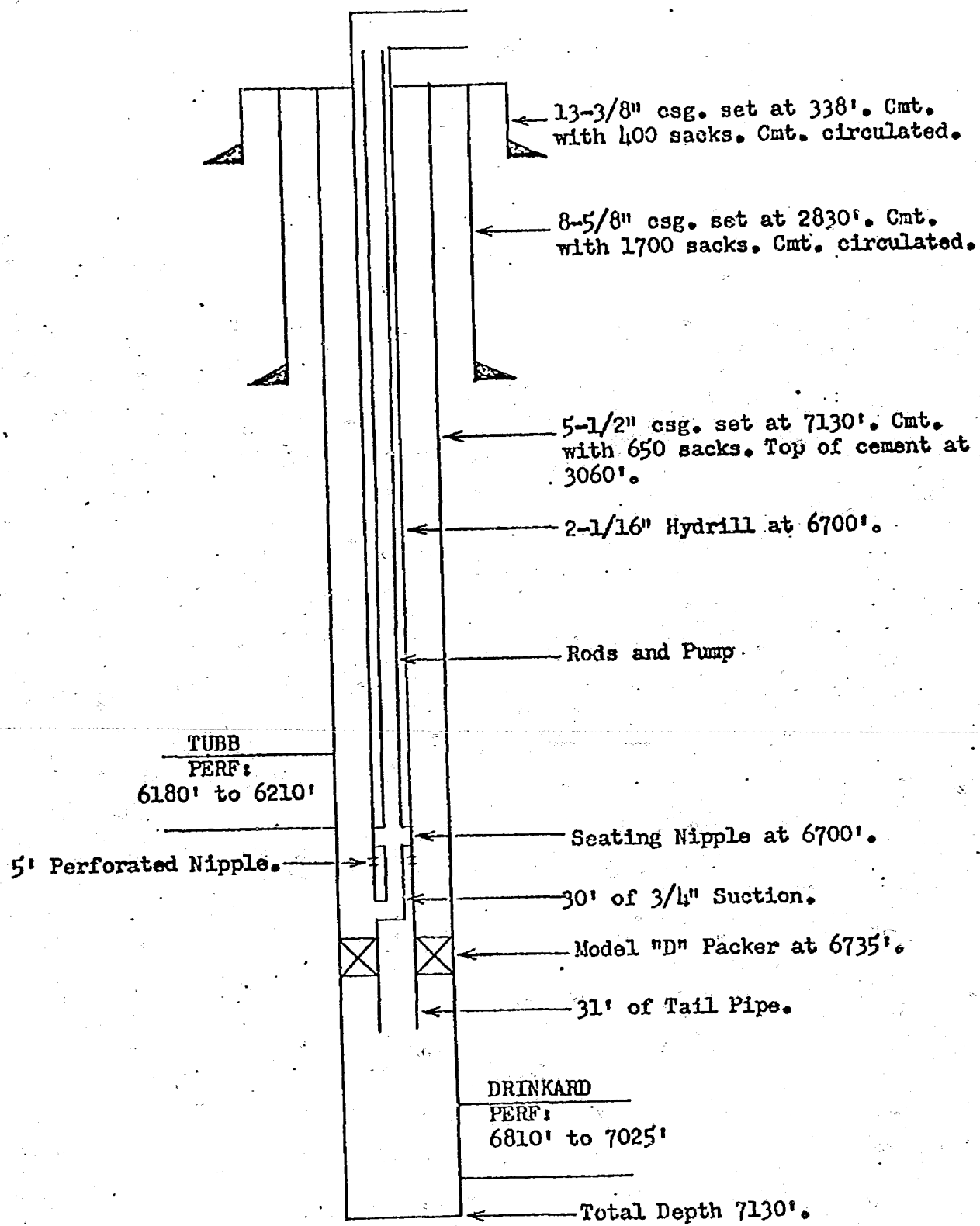
I hereby certify that the above information is true and complete to the best of my knowledge and belief.

[Signature]
Assistant District Superintendent
(Title)

April 7, 1975
(Date)

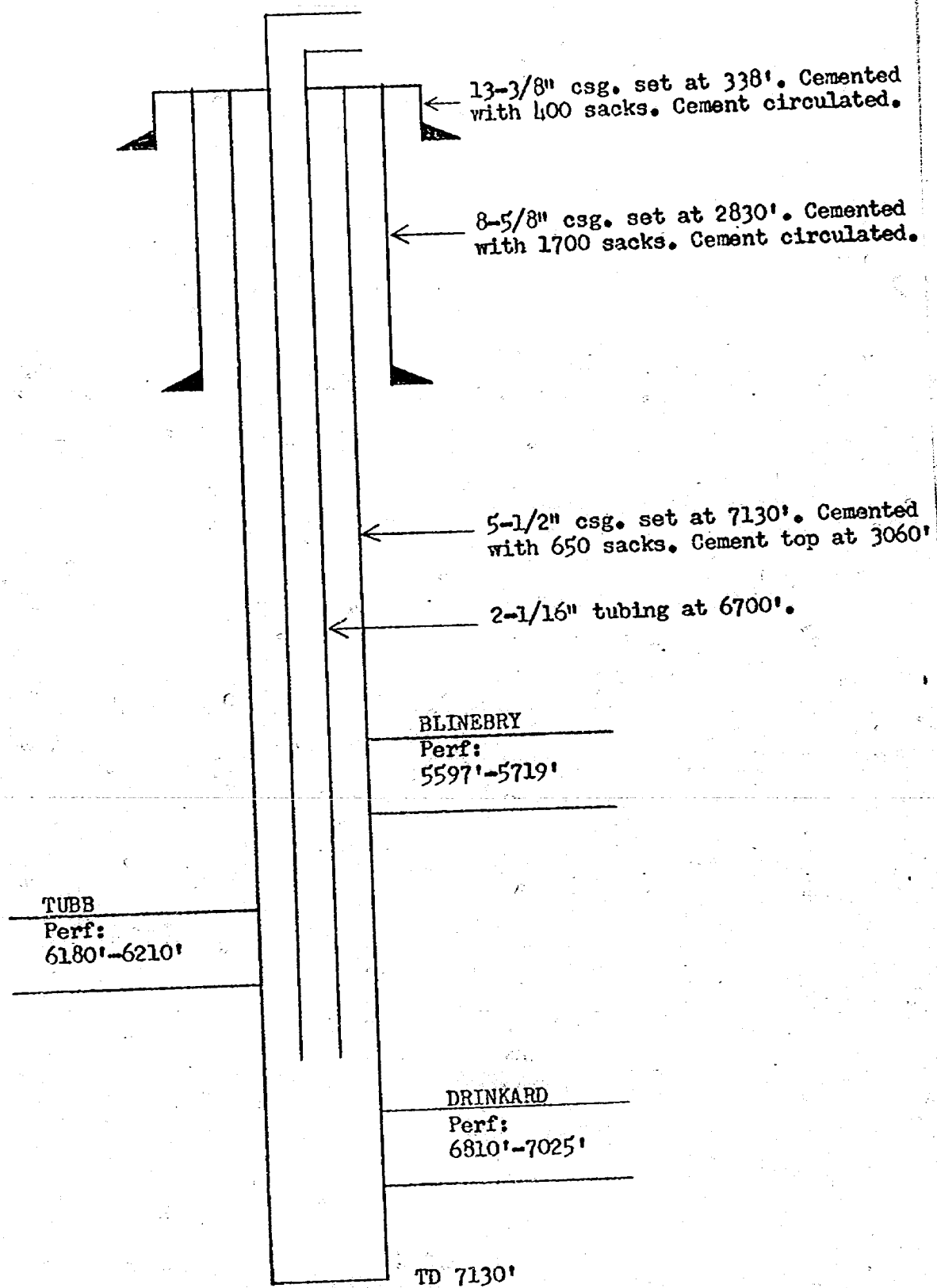
Case 5499

Case 5499



PRESENT COMPLETION
TEXACO INC.
C.H. LOCKHART (NCT-1) WELL NO. 1
TUBB AND DRINKARD POOLS
LEA COUNTY, NEW MEXICO

JBS 5-8-75



TD 7130'

PROPOSED COMPLETION
TEXACO INC.

C.H. LOCKHART (NCT-1) WELL NO. 1
BLINEBRY, TUBB AND DRINKARD POOLS
LEA COUNTY, NEW MEXICO

JBS 5-8-75

LIST OF OFFSET OPERATORS

TEXACO Inc.
C. H. Lockhart Federal NCT-1 Well No. 4
Ira County, New Mexico

American Petrofina Company of Texas
Drawer B
Artesia, New Mexico 88210

Gulf Oil Corp. - Hobbs Area
P.O. Box 670
Hobbs, New Mexico 88240

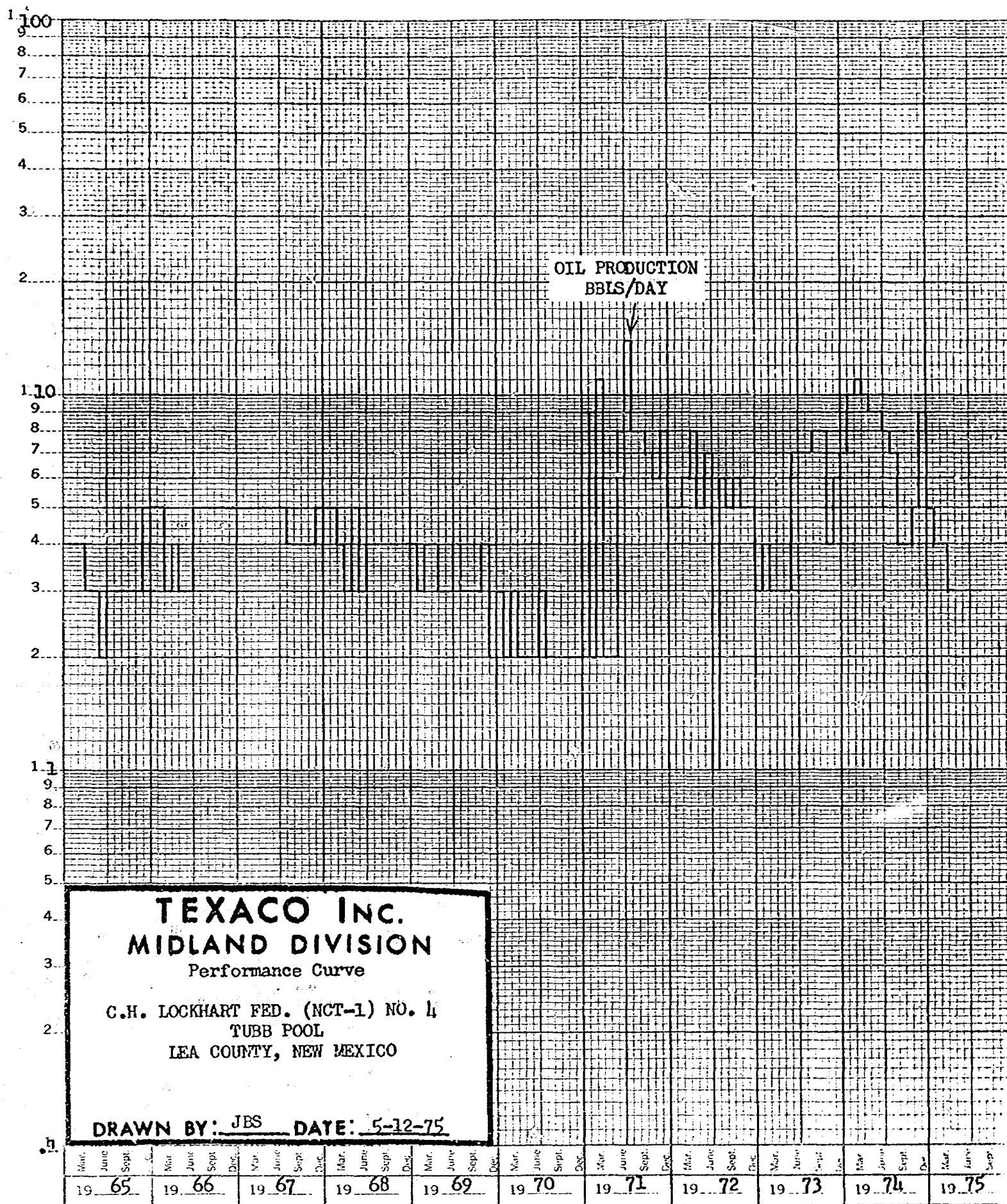
Exxon
P.O. Box 2100
Hobbs, New Mexico 88240

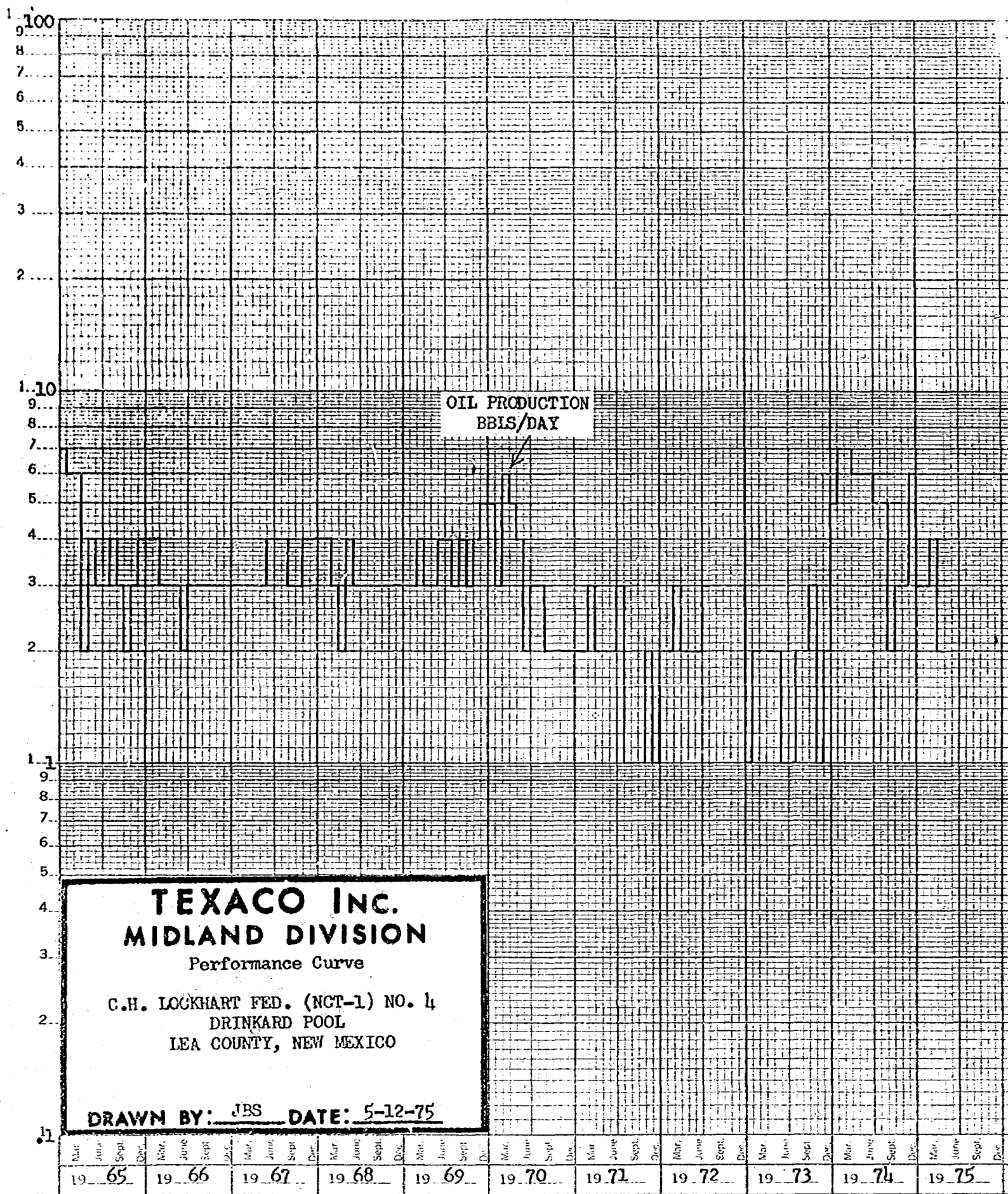
Mabee Petroleum Corp.
201 1st Savings Building
Midland, Texas 79701

Mark Production
330 Citizens Bank Building
Tyler, Texas 75701

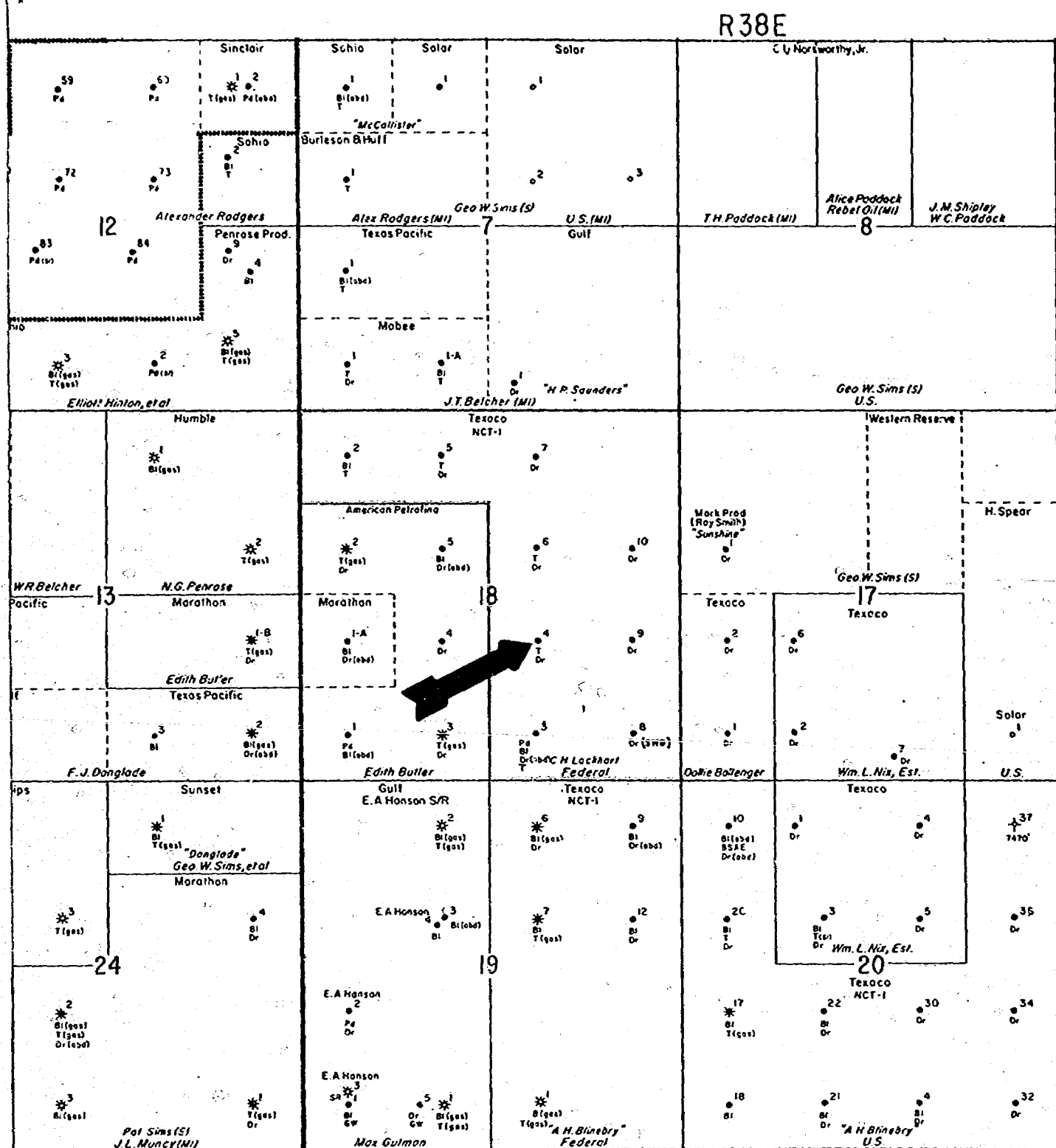
Penrose Production Company
P.O. Box 938
Eunice, New Mexico 88231

Case 5499





Case 5499



ABBREVIATIONS:

- | | |
|----------------------------------|---------------------------------------|
| BEE - BRUNSON ELLENBURGER EAST | GW - GRANITE WASH (UNDESIGNATED) |
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| BGWE - BRUNSON GRANITE WASH EAST | Pa - PADDOCK |
| BI - BLINEBRY | Ps - PENROSE SKELLY GRAYBURG |
| BME - BRUNSON MCKEE EAST | SA - SANTA ROSA (UNDESIGNATED) |
| BSE - BRUNSON SAN ANDRES EAST | T - TUBB |
| Dr - DRINKARD | |

TEXACO INC.
MIDLAND DIVISION
BLINEBRY FIELD AREA
S.E. LEA COUNTY, NEW MEXICO

SCALE: 0' 1000' 2000'

DRAWN BY: FMR DATE: 1-9-69

RAFT

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. 5499

Order No. R- 5049

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

Jan
we *JGR*

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 10, 1975,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this _____ day of June, 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, Texaco Inc., is the owner and operator
of the C. H. Lockhart Federal Well No. 4, located in Unit J of Section
18, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico.

-2-

Case No. 5499
Order No. R-

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

(4) That from the Blinebry zone, the subject well is capable of ~~low~~ ^{expected to be} marginal production only.

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

(6) That from the Tubb zone, the subject well is capable of low marginal production only.

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

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

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

(10) That ^{upon completion of the subject well in} ~~in order to allocate the commingled production to~~ the manner described above, ~~the applicant should~~ ^{consult with the Supervisor of the Hobbs District Office} ~~each of the commingled zones in the subject well,~~ ^{percent of the commingled production should be allocated} ~~consult with the Supervisor of the Hobbs District Office~~ ^{of the Commission to determine the proper formula} ~~percent of the commingled production should be allocated~~ ^{to the Blinebry zone, percent of the commingled} ~~to the Blinebry zone,~~ ^{for allocation of production to each of the commingled} ~~percent of the commingled production to the Drinkard zone, and percent of the~~ ^{zones:} ~~commingled production should be allocated to the~~ ^{Tubb zone.}

(11) That Administrative Order DHC-127, which authorized downhole commingling of Tubb and Drinkard production in the subject well, should be superseded.

IT IS THEREFORE ORDERED:

(1) That the applicant, Texaco Inc., is hereby authorized to commingle Blinebry, Drinkard, and Tubb production within the wellbore of the C. H. Lockhart Federal Well No. 4, located in Unit J of Section 18, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico.

(2) ~~That~~ *That upon completion of the subject well in the* ~~percent of the commingled~~ *manner authorized above, the applicant shall consult* ~~production shall be allocated to the Blinebry zone,~~ *with the Supervisor of the Hobbs District Office of* ~~percent of the commingled~~ *the Commission and determine the proper formula for* ~~production shall be allocated~~ *to the Drinkard zone, and* ~~percent of the commingled~~ *allocation of production to each of the commingled zones,* ~~production shall be allocated to the Tubb zone.~~

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

(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.

(4) That Administrative Order DNC-127, ~~which~~ *is hereby superseded.*