BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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

> CASE NO. 1695 Order No. R-1475

APPLICATION OF TEXACO, INC. FOR AN OIL-GAS-OIL TRIPLE COMPLETION IN THE BLINEBRY OIL POOL, THE TUBB GAS POOL, AND THE DRINKARD POOL, AND FOR PER-MISSION TO COMMINGLE THE PRODUCTION FROM THREE SEPARATE POOLS, AND FOR A NON-STANDARD GAS PRORATION UNIT IN LEA COUNTY, NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on August 5, 1959, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this <u>3rd</u> day of September, 1959, the Commission, a quorum being present, having considered the application the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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 A. H. Blinebry NCT-4 Well No. 1, located in the SE/4 SE/4 of Section 31, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico.

(3) That the applicant proposes to triple complete the above-described A. H. Blinebry NCT-4 Well No. 1 in such a manner as to permit the production of oil from the Blinebry Oil Pool through tubing, the production of gas from the Tubb Gas Pool through the tubing-tubing annulus to a triple flow tube at 5497 feet, thence through the casing-tubing annulus to the surface, and the production of oil from the Drinkard Pool through tubing. -2-Case No. 1695 Order No. R-1475

(4) That with the exception of the proposal that the Tubb gas be produced through the casing-tubing annulus, the mechanics of the proposed triple completion are feasible and in accord with good conservation practices.

(5) That the evidence adduced indicates that the Tubb gas zone of the triple completion is capable of producing relatively large amounts of liquid, and should, therefore, in the interest of more efficient flow, be produced through tubing.

(6) That the subject well should be so equipped that each of the three zones can be artificially lifted if necessary.

(7) That the applicant further proposes to commingle the liquids produced from the Blinebry, Tubb, and Drinkard formations from the above-described A. H. Blinebry NCT-4 Well No. 1 after separately metering the production from each pool.

(8) That the applicant further proposes the establishment of a non-standard gas proration unit in the Tubb Gas Pool consisting of the S/2 S/2 of Section 31, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico, said unit to be dedicated to the above-described A. H. Blinebry NCT-4 Well No. 1.

(9) That approval of the subject application will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Texaco, Inc., be and the same is hereby authorized to triple complete its A. H. Blinebry NCT-4 Well No. 1, located in the SE/4 SE/4 of Section 31, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico, in such a manner as to permit the production of Oil from the Blinebry Oil Pool through tubing, the production of gas from the Tubb Gas Pool through the tubing-tubing annulus to a triple flow tube at 5497 feet, thence through $1\frac{1}{2}$ inch Hydrill tubing set in the triple flow tube to the surface, and the production of oil from the Drinkard Pool through tubing.

PROVIDED HOWEVER, That the above-described well shall be so equipped that each of the three zones can be artificially lifted if necessary.

 $\frac{PROVIDED \ FURTHER, \ That \ applicant \ shall \ complete, \ operate, \ and \ produce \ said \ well \ in \ accordance \ with \ the \ pro-visions \ of \ Section \ V, \ Rule \ 112-A.$

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PROVIDED FURTHER, That applicant shall take packer-leakage tests upon completion and annually thereafter during the gas-oil ratio test period for the Drinkard Pool. Applicant shall also take packer-leakage tests semiannually midway between the aforementioned gas-oil ratio test periods.

IT IS FURTHER ORDERED: That jurisdiction of this cause is hereby retained by the Commission for such further order or orders as may seem necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of applicant to comply with any requirement of this order, after proper notice and hearing the Commission may terminate the authority hereby granted and require applicant or its successors and assigns to limit its activities to single zone or dual-zone production in the interests of conservation.

(2) That the applicant be and the same is hereby authorized to commingle the liquids produced from the Blinebry, Tubb, and Drinkard formations from said A. H. Blinebry NCT-4 Well No. 1, provided the production from each of said pools is separately metered prior to being commingled.

PROVIDED HOWEVER, That meters shall be operated, treated, and maintained in such a manner as to prevent corrosion and to ensure an accurate measurement of the production at all times.

PROVIDED FURTHER, That meters shall be checked for accuracy at least once each month until further direction by the Secretary-Director. Meters shall be calibrated against a master meter or against a test tank of measured volume and the results of such calibration filed with the Commission on the Commission form entitled "Meter Test Report."

(3) That a 160-acre non-standard gas proration unit in the Tubb Gas Pool consisting of the S/2 S/2 of Section 31, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico, be and the same is hereby established, said unit to be dedicated to the above-described A. H. Blinebry NCT-4 Well No. 1.

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

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STATE OF NEW MEXICO OIL CONSERVATION COMMISSION 7 ~ ~ v JOHN BURROUGHS, Chairman

MURRAY E. MORGAN, Member

A. L. PORTER, Mømber & Secretary

SEAL

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