

Gulf Oil Corporation

ROSWELL PRODUCTION DISTRICT

W. B. Hopkins
DISTRICT MANAGER
M. I. Taylor
DISTRICT PRODUCTION
MANAGER
F. O. Mortlock
DISTRICT EXPLORATION
MANAGER
H. A. Rankin
DISTRICT SERVICES MANAGER

April 22, 1963

P. O. Drawer 1938
Roswell, New Mexico

Oil Conservation Commission
State of New Mexico
Post Office Box 871
Santa Fe, New Mexico

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

Re: Case No. 2784 - Application of Continental Oil Company
for Permission to Conduct Interference Tests, Oil Center
Blinebry Pool, Lea County, New Mexico

Gentlemen:

Gulf Oil Corporation has been furnished a copy of Continental Oil Company's application in Case No. 2784, scheduled for Examiner Hearing on April 24, 1963. We desire to cooperate with Continental during the test period providing that our wells do not suffer any loss of allowable as a result of shutting in wells.

The following facts exist concerning Gulf's wells:

- (1) The Heasley State Well No. 8 located in Unit A of Section 5-21S-36E, is in the process of being completed and tested. It appears now that this well will be marginal and to shut in the well will result in loss of allowable which cannot be made up. If it is mandatory that all wells be shut in for the pressure build up period, then Gulf objects to this part of the application. In view of this well's location, we believe that to continue to produce it will not interfere with the test.
- (2) The Bell-Ramsay (NCT-A) Well No. 12 located in Unit E of Section 4-21S-36E, is a penalized well due to high gas-oil ratio. A new GOR test was submitted to the Commission in March, 1963, with a request for allowable increase. The well flowed 62 barrels of oil, 14 barrels of water and 227 MCF of gas for a GOR of 3,661. This would change the daily allowable from 40 barrels to 46 barrels. The May and June daily producing rate as shown on Exhibit 2, attached to Continental's application, will have to be revised. We believe that any order issued approving Continental's application should provide that a penalized well, in addition to top allowable wells, will be allowed to produce in excess of the 125 per cent maximum rate as specified by statewide rules.



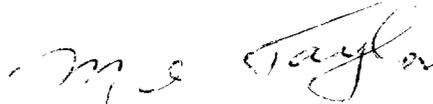
April 22, 1963

- (3) It is noted on Continental's Exhibit No. 2, attached to their application, that Gulf loses sixteen barrels of allowable as indicated in columns 10 and 11. This apparently is caused by dropping fractional barrels when calculating May and June daily allowables. It is recommended that any order written should provide each well will receive an allowable equal to its normal monthly allowable for the period of May and June so that the above loss will not occur.

Gulf Oil Corporation has no objections to the application of Continental Oil Company, provided marginal wells are not required to be shut in and also provided that no allowable is lost as a result of shutting in penalized and top allowable wells.

Yours very truly,

GULF OIL CORPORATION



M. I. Taylor

JHH:dch

cc: Continental Oil Company
Post Office Box 1377
Roswell, New Mexico

CLASS OF SERVICE

This is a fast message unless its deferred character is indicated by the proper symbol.

WESTERN UNION TELEGRAM

W. P. MARSHALL, PRESIDENT

1201 (4-60)

SYMBOLS

DL=Day Letter

NL=Night Letter

LT=International Letter Telegram

The filing time shown in the date line on domestic telegrams is LOCAL TIME at point of origin. Time of receipt is LOCAL TIME at point of destination

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1963 APR 23 PM 1 07

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OIL CONSERVATION COMMISSION=
SANTA FE NMEX=

ATTENTION ELVIS A UTZ, REGARDING CASE #2784 SINCLAIR
HAS NO OBJECTION TO CONTINENTAL'S APPLICATION
PROVIDED THE INTERFERENCE TESTS DO NOT INCLUDE
SINCLAIR LEASES. SINCLAIR IS IN THE PROCESS OF
COMPLETING ITS FIRST WELL IN THE POOL AS A PROBABLE
MARGINAL PRODUCER=
JOE MEFFORD DIVISION PRODUCTION SUPT SINCLAIR
OIL AND GAS CO=

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

CLASS OF SERVICE

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WESTERN UNION TELEGRAM

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D LUA310 PD=FAX LUBBOCK TEX 23 414P CST=
NEW MEXICO OIL CONSERVATION COMMISSION=
SANTA FE NMEX=

DEAR SIRs:

PAN AMERICAN SUPPORTS CONTINENTAL OIL COMPANY IN
CASE NO. 2784 SCHEDULED FOR HEARING APRIL 24 IN THEIR
APPLICATION FOR AUTHORITY TO CONDUCT INTERFERENCE TEST
AND TRANSFER ALLOWABLES OF WELLS IN THE OIL
CENTER=BLINEBRY POOL

NEIL S WHITMORE LUBBOCK=

=2784 24

WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

ATLANTIC

THE ATLANTIC REFINING COMPANY

INCORPORATED - 1870

PETROLEUM PRODUCTS

339 APR 18 1963

DOMESTIC PRODUCING DEPARTMENT
NEW MEXICO DISTRICT

BOONE MACAULAY, DISTRICT MANAGER
R. F. CHAMPION, DISTRICT LANDMAN
W. T. EASTES, DISTRICT GEOPHYSICIST
E. R. DOUGLAS, DISTRICT GEOLOGIST
A. D. KLOXIN, DISTRICT DRLG. & PROD. SUP'T.
W. P. TOMLINSON, DISTRICT ENGINEER
B. R. WARE, ADMINISTRATIVE SUPERVISOR

MAILING ADDRESS
P. O. BOX 1978
ROSWELL, NEW MEXICO

April 18, 1963

File 2784

New Mexico Oil Conservation Commission
Post Office Box 871
Santa Fe, New Mexico

Re: Application of Continental
Oil Company For Permission
To Conduct Interference Tests
In The Oil Center Blinebry
Field, Lea County, New Mexico

Gentlemen:

Continental Oil Company has furnished us a copy of their application for permission to conduct interference tests and to transfer allowables on their Meyer B-4 Lease in the Oil Center Blinebry Pool. We are a part-interest owner in that lease. Atlantic is in full accord with Continental's proposal and urges that you give it approval. Such tests and transfer of allowables will not damage the reservoir and should yield information valuable for proration and engineering purposes.

Yours very truly,

W. P. Tomlinson

W. P. Tomlinson

WPT:pam

cc: Mr. A. B. Slaybaugh
Continental Oil Company
Post Office Box 1377
Roswell, New Mexico



CONTINENTAL OIL COMPANY

P. O. BOX 1377
ROSWELL, NEW MEXICO

March 8, 1965

825 PETROLEUM BUILDING
TELEPHONE: MAIN 2-4202

PRODUCTION DEPARTMENT
NEW MEXICO DIVISION

WM. A. MEAD
DIVISION SUPERINTENDENT
A. B. SLAYBAUGH
ASSISTANT DIVISION SUPERINTENDENT

New Mexico Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr., Secretary-Director

Re: Application for Permission
to Conduct Interference
Tests - Oil Center Elinebry
Pool, Lea County, New Mexico.

Gentlemen:

We forward herewith application in triplicate
for permission to conduct interference tests in the
captioned pool. We should appreciate your setting the
matter for hearing at the earliest examiner hearing.

Yours very truly,

W. A. Mead

VTL-pr
cc: RSP OF JMK JWP

DOCKET MAILED

Date 4-11-63

DOCKET MAILED

Date 3/29/63

GOVERNOR
JACK M. CAMPBELL
CHAIRMAN

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
E. S. JOHNNY WALKER
MEMBER

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

P. O. BOX 871
SANTA FE

May 3, 1963

Mr. Jason Kellahin
Kellahin & Fox
Attorneys at Law
Box 1713
Santa Fe, New Mexico

Re: Case No. 2784
Order No. R-2476
Applicant:
Continental Oil Company

Dear Sir:

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

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ir/

Carbon copy of order also sent to:

Hobbs OCC x

Artesia OCC

Aztec OCC

OTHER Mr. Randall F. Montgomery

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

July 9, 1963

C
O
P
Y

Continental Oil Company
P. O. Box 1377
Roswell, New Mexico

Attention: Mr. A. B. Slaybaugh

Gentlemen:

Reference is made to your letter of June 26, 1963, wherein you request an extension to the interference test and allowable transfer provisions authorized for a 60-day period by Order No. R-2476, Oil Center-Blinebry Pool, Lea County, New Mexico.

The provisions of Order No. R-2476 insofar as they relate to the shut-in test period of the Continental Meyer B-4 Well No. 19 and the transfer of the allowable from said well to other wells on the same basic lease are hereby extended until August 10, 1963.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/DSM/esr

cc: Case No. 2784

Oil Conservation Commission - Hobbs



CONTINENTAL OIL COMPANY

P. O. BOX 1377
ROSWELL, NEW MEXICO

PRODUCTION DEPARTMENT
NEW MEXICO DIVISION
A. B. SLAYBAUGH
DIVISION SUPERINTENDENT
V. C. EISSLER
ASSISTANT DIVISION SUPERINTENDENT

June 26, 1963

825 PETROLEUM BUILDING
TELEPHONE: MAIN 2-4202

New Mexico Oil Conservation Commission
Post Office Box 871
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr., Secretary-Director

Gentlemen:

Continental Oil Company requests administrative approval to extend the interference test in the Oil Center Blinebry Pool, Lea County, New Mexico, for an additional 30 days, as provided by Order No. R-2476 dated May 3, 1963. This additional time will be required to complete the test. Our Eunice office is keeping close contact with your Mr. J. D. Ramey in Hobbs to establish coordination with the Commission and Continental doing the transfer of allowables.

Yours very truly,
A. B. Slaybaugh

RLF-pr

cc: J. D. Ramey, N.M.O.C.C., Hobbs, New Mexico