

CASE 4276: Application of HUMBLE
FOR SPECIAL GAS-OIL RATIO LIMIT-
ATION, LEA COUNTY, NEW MEXICO.

Case Number

4276

Application

Transcripts.

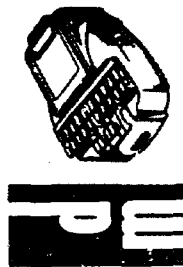
Small Exhibits

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SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

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BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
December 17, 1969

EXAMINER HEARING

IN THE MATTER OF:)
)
)
Application of Humble Oil and) Case No. 4276
Refining Company for a special)
gas-oil ratio limitation; Lea)
County, New Mexico.)
)

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

NEW MEXICO OIL CONSERVATION COMMISSION

EXAMINER HEARING

SANTA FE, NEW MEXICO

Hearing Date DECEMBER 17, 1969 TIME: 9 A.M.

NAME	REPRESENTING	LOCATION
Charles E. Ginn	Permian & Permian Co.	Permian
Louis C. Ross	Pan American Petroleum Corp.	Dallas
Charles Boyle	San American Petroleum Corp.	Dallas
FREY N. TRAD	HUMBLE OIL	Hobbs
A.L. CARPENTER	" "	"
Marty C. Gist	Southeastern Refining Co.	Midland Tex
Nemo I. DelBarrio	W. Byrum & Co.	Dallas
Wm. C. Briggs	Solo	Albany
Douglas W. Rice	Solo	Midland, Tex.
Arka Kudrinski	ECC	Cytec
A. R. Green	Benson-Monahan, Inc.	Farmington
V. T. Green	International	Hobbs
W. J. Cooley	Benson-Monahan, Inc.	Farmington, N.M.
Goodwin B. Macmillan	State Land	Midland Tex
John H. Smith	U.S. S.S.	Permian, Tex.
Jimmy W. Long	U.S. S.S.	Dallas, Tex.
Alton ...	Permian	Midland

MR. NUTTER: First case this morning will be Case 4276.

MR. HATCH: Case 4276, Application of Humble Oil and Refining Company for special gas-oil ratio limitation, Lea County, New Mexico.

MR. HINKLE: If the Commission please, Clarence Hinkle, Hinkle, Bondurant & Christy, Roswell, appearing on behalf of Humble. We have one witness and several exhibits here. We have already put an identifying number on each one of the exhibits, unless you also want to mark them.

MR. NUTTER: We'll have to have each one stamped.

(Whereupon, Applicant's Exhibits 1 through 9 were marked for identification.)

(Witness sworn.)

FREY N. RAD,

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

DIRECT EXAMINATION

BY MR. HINKLE:

Q State your name, residence, and by whom you're employed?

A I'm Frey Rad, employed by Humble Oil and Refining Company in Hobbs, New Mexico.

Q How do you spell your name?

A F-r-e-y R-a-d.

Q What is your position with Humble?

A I'm a senior project -- I'm a senior reservoir engineer with Humble Oil Company.

Q Have you previously testified before the Commission?

A No, sir.

Q Are you a graduate petroleum engineer?

A Yes, sir.

Q State briefly for the Commission your educational background.

A I have a Bachelor degree in Petroleum Engineering from Louisiana State University. I was graduated in 1963, had two years experience with Schlumberger, and subsequent to that, I was employed by Humble Oil and Refining Company, and I have been in Hobbs, New Mexico, during this five-year period.

Q Then you're familiar with Humble's operations in southeastern New Mexico?

A Yes, sir.

Q Are you familiar with the application of Humble in this case, Number 4276?

A Yes, sir.

Q What is Humble seeking to accomplish by this application?

A Humble seeks an exception to a State rule 506, to

provide for a produced gas, or rather a limit of six thousand standard cubic feet per barrel for the Oil Center-Blinebry Pool, in southeastern New Mexico.

Q Have you prepared, or has there been prepared under your direction certain exhibits in this case?

A Yes, sir.

Q Refer to Humble's Exhibit Number One and explain to the Commission what this is, and what it shows.

A Exhibit Number One is a regional map displaying the location of the Oil Center-Blinebry Pool in southeastern New Mexico. Other Blinebry pools have also been indicated here with the limiting gas-oil ratio. Note that there are other pools such as Blinebry, Teague, Fowler, Terry, and Justus with six thousand dual oil limit.

The Oil Center-Blinebry Pool is indicated on this plat by an arrow.

Q And the other pools to the north are all on the two thousand to one limiting oil and gas ratio; is that right?

A Yes, sir.

Q Now, refer to Exhibit Number 2 and explain that.

A Exhibit Number 2 is a completion map showing all the wells in the Oil Center-Blinebry Pool, circled in red. There are thirty-three wells here. The pool was developed on eighty-acre, or has been developed on eighty-acre spacing and

was discovered in 1962. There are fourteen leases operated by seven operators.

Q How many wells does Humble have in the Oil Center-Blinebry?

A Humble operates eight wells on three leases.

Q Who is the largest operator in this area?

A Continental.

Q Who is the next largest?

A I believe it's Humble, next largest.

Q Are the special pool rules in effect for the Oil Center-Blinebry Pool?

A Yes, sir.

Q What do they provide as far as spacing and allowable is concerned?

A Well, this is eighty-acre spacing development, so as far as oil allowable, it has a factor of 2.33 for the depth, which is about six thousand feet. And, excuse me, what was the other question?

Q That's all.

A Is that all; all right.

Q Now, refer to Exhibit Number 3 and explain that.

A Exhibit Number 3 is a typical log with the top of the Blinebry formation marked here, (indicating). This is a gamma ray sonic log that we have provided here to show more or

less the characteristic of the formation.

Q And this is typical of all the wells in the Oil Center-Blinebry Pool?

A Yes, sir.

Q Now, refer to Exhibit Number 4, and explain that.

A Exhibit Number 4 shows the total Oil Center-Blinebry Pool average monthly oil production, gas-oil ratio, and water percentage from 1962 through 1967 and subsequently, actual monthly data is plotted.

Q In other words, by years through '67, then monthly '68 and '69; is that right?

A That is right. Shown here is a steady increasing average gas-oil ratio from approximately eight hundred to four thousand, currently. Also note that the gas-oil ratio has been in excess of two thousand for the past three years. The Pool has produced 3.9 million barrels of oil to date, with a pressure of decline from about twenty-three hundred pounds, initially, to one thousand twenty-five PSIG, currently.

Historically, water production has been low, about twenty percent, and these data indicate that the reservoir produces under the influence of a dissolved gas drive mechanism.

Q Okay. Turn to Exhibit Number 5, and explain that to the Commission.

A Exhibit Number 5 includes similar performance

curves on fourteen leases producing in the Oil Center-Blinebry Pool.

Q This is all of the leases in the pool?

A That is correct; twelve of the fourteen leases has a gas-oil ratio greater than two thousand, and these data indicate that eighty-four percent of the oil now being produced has a gas-oil ratio of greater than two thousand cubic feet per barrel. Here, again, these curves reflect normal dissolved gas drive performance on individual leases.

Q Does this show any excessive water production in connection with any of the leases?

A No, sir.

Q About the same as the first, Exhibit 4, showing --

A Yes, sir.

Q Now, refer to Exhibit Number 6 and explain that to the Commission.

A Exhibit Number 6 is the individual well production data reported to the New Mexico Oil and Gas Engineering Committee for October, 1969. This exhibit shows that the producing gas-oil ratio for twenty-seven of the thirty-one active wells, or eighty-seven percent, have producing gas-oil ratio in excess of two thousand cubic feet per barrel.

The pool average gas-oil ratio for the month of October was four thousand cubic feet per barrel, while produc-

ing at an average rate of eleven hundred twenty-four barrels of oil per day, and 4.5 million standard cubic feet of gas per day.

Q Now, refer to Exhibit 7 and explain what this shows.

A This exhibit includes gas production and sales forecast for each of the three gas purchasers under the current two thousand cubic feet per barrel and the proposed six thousand dual oil limit.

Increased gas availability resulting from removal of penalized allowables and greater workover flexibility and activity under the proposed six thousand dual limit are considered in forecasting these numbers. The forecasts were provided only through 1975, since by that time, the completed gas-oil ratio will be below two thousand, which is currently in effect.

Q Does that indicate an increased production for the pool in the event an order is permitted making exception in this case? Does it show that the production would be increased by raising the gas-oil ratio factor?

A Yes, sir.

Q Now, refer to Exhibit 8, which I believe consists of two or three letters.

A Yes, sir. This exhibit 8 is three letters that Humble has sent to three gas purchasers in the pool. We have notified them with these letters of our intention of requesting

the dual oil limit of six thousand for the pool, and we have also provided each operator the increase in gas production that will result from this ruling, and have asked them to notify Humble whether they are capable of handling this increased gas or not.

Q Did these purchasers notify Humble?

A Yes, sir. This Exhibit 9 includes three letters that were sent by these gas purchasers to Humble Oil. These are Phillips Petroleum Company, Continental Carbon Company, and Warren Petroleum Corporation. These letters indicate their willingness to take the extra gas that will result from this ruling and also, they have indicated that they will have adequate capacity to handle the extra gas.

Q So, you will have no problem in disposing of the increased gas?

A No, sir.

Q Now, I believe you stated that you're seeking the exception to Rule 506, state-wide rules.

A Yes, sir.

Q Limiting oil-gas ratio?

A Yes, sir.

Q In your opinion, will this exception be in the interest of conservation and prevention of waste?

A Yes, sir. We feel that this ruling will augment

ultimate recovery by extending the economic life and provide incentive for workover activity in the pool.

Q Will it also tend to protect correlative rights?

A Yes, sir, it would. As we have previously mentioned, the pool is producing under dissolved gas drive mechanism, and analysis of production data, and coalition of perforated intervals do not indicate the existence of an original gas cap, and these data, along with lower relief structural feature of this reservoir does not support the existence of a secondary gas cap at the present time.

We feel that variations in individual well gas-oil ratio are due to differences in policy and permeability development, and also, localized reservoir conditions in various parts of the pool.

MR. HINKLE: We would like to offer into evidence Exhibits 1 through 9.

MR. NUTTER: Humble's Exhibits 1 through 9 will be admitted into evidence.

MR. HINKLE: That's all we have on direct examination.

CROSS EXAMINATION

BY MR. NUTTER:

Q I didn't catch your name.

A Rad.

Q Mr. Rad, in examination of your Exhibit Number 5, I

see that quite a number of these leases do exhibit an increase in ratio over the past couple or three years.

A However, most of these increases in ratio are accompanied by a decrease in the amount of oil produced.

Q Has this been the occasion here, that the amount of oil has gone down?

A Yes, sir.

Q And subsequently, the ratios have gone up, and the amount of gas produced does not increase?

A Yes, sir. Of course, this is a typical dissolved gas drive performance, when your gas-oil ratio starts increasing, your oil naturally starts falling down, because of the mobility of the gas in the reservoir.

Q All right. What was the original solution gas-oil ratio here?

A The original solution gas-oil ratio, a good number or a pretty close number -- I don't recall that number, as far as the lab fluid analysis goes, but this is about one thousand or less, probably a pretty good number.

Q I see. The original ratios that are shown here back in '62 and '63 were down in the neighborhood of a thousand or possibly even less than a thousand to one?

A Yes, sir.

Q This would have been in the early life of the

production, and probably reflected the solution ratio?

A That is correct.

Q Well, now, the mere fact that oil production has decreased and caused the ratios to appear high, is not necessarily justification for increasing the ratio limit for a pool, is it, particularly when you've got a solution ratio, an original solution ratio in the neighborhood of a thousand?

A Well, your solution gas-oil ratio right now probably is not one thousand, and it's more than that.

Q I see.

A As you're producing the reservoir, of course, this is a dissolved gas drive reservoir, and its ultimate recovery is not sensitive to the rate, especially in terms of having a very low relief structure. And that does not permit any gravity segregation. I don't believe I answered your question, Mr. Nutter.

Q Well, do we have one of the exhibits here that is a tabulation of the actual GOR tests that have been made in the pool?

Exhibit 6 reflects the producing ratios?

A Yes, sir.

Q But we don't have the actual test ratios given here anywhere, do we?

A No. I have some of the data in here. You're

referring to the gas-oil ratios that are usually being published in the allowable schedule, are you not?

Q This is correct, the test ratios. What I'm interested in finding out is, how many wells are actually penalized because of a high ratio in this pool?

A Yes, sir. Here, (indicating) is a copy of the allowable schedule.

Q Now, do you know when these tests were made, when the last testing procedure for this pool was?

A No, sir. This is just a copy of the allowable schedule for December of 1969. This is the latest one. I didn't know when these tests were made. I did not contact these companies to find that out.

Q Well, it appears from this tabulation that there is one well in the entire pool that is a penalized allowable because of ratio.

A Yes, sir.

Q And its total penalty amounts to six barrels, because the well made ninety-seven barrels on tests, and it gets an allowable of nineteen barrels.

A Yes, sir. That is correct. The point that I would like to make with regard to that question is that if you look at the Exhibit Number 4, I believe the total pool performance datagraph, that indicates that the gas-oil ratio will be

increased more and more because it's on an up-turned, on an increasing trend.

Q Well, the oil production is going down, too, isn't it?

A Yes, sir; that is correct. The oil production is also going down. However, some of these tests, well, I would say that most of these GOR tests here that are shown on this December, 1969 allowable, these sometimes differ from the actual producing the well into the flow line and the tank battery. And that is because a well being produced through a test operator, the condition of the test operator is a little different from your flow line when many wells come to the common flow line.

And therefore, you can experience different GOR and if you actually compare these allowables for different months, we can see that there are different GOR limits. I recall that in June, 1969 allowable schedule, there were three wells that were actually limited, and that's when we did initiate this study.

Actually, the overall increase in oil production, or the immediate increase in oil production will not amount to about a hundred barrels per day, probably, but one of the main factors that this should provide for all the operators to go ahead and do some more workover in this area, and then, that

would really be the main incentive.

Q Well, right now, it would appear that it wouldn't even approach a hundred barrels per day.

A No, it does not, from this particular exhibit. I recall that when I did this study, there are two wells, Me-Tex Supply Company, Number 5, and also Humble Oil, Blinebry Oil Number 1, Well Number 1, and also Humble Oil and Refining Company, J. D. Knox, Well Number 10.

These wells, they had excessive capacity, and they were penalized by GOR of two thousand.

Q But not any more, except for the one Humble well?

A Right. At the present time, on these testing conditions, yes. This is the only one, as shown here. But, again, as I mentioned before, as we go from -- look at this different allowable schedule from month to month, some of these wells, they become high ratio, and some goes down, and some become penalized, while the next test, it doesn't show.

This is just a localized, as I said, approximate permeability development. Actually, the gas ratio cannot be controlled mechanically. This is just the reservoir conditions.

Q How often are the wells tested in this pool, or how often does the Commission require it tested, I should say, six months or annually?

A I believe it's annually; yes, sir.

Q Are all of the wells connected to casing head gas facilities?

A Yes, sir. They all are.

MR. NUTTER: Are there any further questions of Mr. Rad?

MR. HINKLE: I would like to ask one or two questions here.

REDIRECT EXAMINATION

BY MR. HINKLE:

Q On the average, here, I take it from your testimony you're stating that there is at least three wells which are being penalized at the present time; is that right?

A Yes.

Q This particular schedule only shows one.

A Right.

MR. NUTTER: I understood him to say, Mr. Hinkle, that when he initiated his study, the schedule showed three wells being penalized, but only one now; is that correct, Mr. Rad?

A Yes, sir; that is correct. I was trying to find that schedule allowable, (indicating). Now, here is one for June of 1969, allowable schedule, and this one shows that Blinebry oil count for Humble Oil, drill Number 1 that was penalized, and it had capability of producing over its

penalized allowable. And here's the J. A. Akins for Sun Oil Company, Well Number 8, and that had a similar situation. These are the two, the two I see, on this one.

Q (By Mr. Hinkle) Now, you've mentioned that it might be an incentive for operators in the pool to rework their wells and increase their production if they increase the oil-gas ratio?

A That is correct.

Q Do you know whether or not Humble intends to rework their wells for this purpose?

A Yes, sir. Should the Commission act favorably upon our request, Humble will.

Q And then you feel that oil production, then, will be increased considerably by these workovers?

A That is correct.

Q And you anticipate that other operators in the pool may do likewise?

A That is correct.

MR. HINKLE: That's all.

MR. NUTTER: Are there any other questions of Mr. Rad? He may be excused.

Do you have anything further, Mr. Hinkle?

MR. HINKLE: That's all.

MR. NUTTER: Does anyone have anything they wish to

offer in Case 4276?

MR. LYON: Yes, sir, Mr. Examiner. V. T. Lyon with Continental Oil Company. I would like to make a statement. Continental Oil Company as operator of ten wells in the Oil Center-Blinebry Pool, recommends approval for Humble's application to increase the gas-oil ratio of the pool to six thousand cubic feet per barrel. The gas-oil ratios in the pool are increasing. As I say, normally, in a solution gas drive reservoir, and we see no indication of possible waste, which would result from increasing the gas-oil ratio limit.

And I would like to add that the principal reason for that, there are no more penalized wells in the pool, is the fact that the allowables have consistently been increasing. Were the allowables at the rate that they were when this pool was discovered, there would be several penalized wells.

MR. NUTTER: Thank you, Mr. Lyon.

We are going to alter the order of calling in these cases now. We'll jump to the back end of the docket and call Case 4285.

I N D E X

WITNESS

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FREY N. RAD

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STATE OF NEW MEXICO)
)
 COUNTY OF BERNALILLO)

I, DAVID BINGHAM, Court Reporter in and for the
 County of Bernalillo, State of New Mexico, do hereby
 certify that the foregoing and attached Transcript of
 Hearing before the New Mexico Oil Conservation Commission
 was reported by me; and that the same is a true and correct
 record of the said proceedings to the best of my knowledge,
 skill and ability.

David Bingham
 COURT REPORTER

I do hereby certify that the foregoing is
 a true and correct record of the proceedings in
 the hearing of Case No. 4276,
 held by me on 12/17, 1989.

[Signature], Examiner
 New Mexico Oil Conservation Commission

**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. 4276
Order No. R-3912**

**APPLICATION OF HUMBLE OIL & REFINING
COMPANY FOR A SPECIAL GAS-OIL RATIO
LIMITATION, LEA COUNTY, NEW MEXICO.**

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:30 a.m. on December 17, 1969, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 20th day of January, 1970, 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, Humble Oil & Refining Company, seeks an exception to Rule 506 of the Commission Rules and Regulations to provide for a limiting gas-oil ratio of 6000 cubic feet of gas per barrel of oil in the Oil Center-Blinbry Pool, Lea County, New Mexico.

(3) That the reservoir characteristics of the subject pool presently available indicate the establishment of a gas-oil ratio limitation of 6000 cubic feet of gas per barrel of oil would be excessive.

(4) That the reservoir characteristics of the subject pool presently available justify the establishment of a gas-oil ratio limitation of 4,000 cubic feet of gas per barrel of oil.

(5) That in order to afford to the owner of each property in the Oil Center-Blinebry Pool the opportunity to produce his just and equitable share of the oil and gas in the subject pool and for this purpose to use his just and equitable share of the reservoir energy, a limiting gas-oil ratio of 4000 cubic feet of gas per barrel of oil should be established for the subject pool.

(6) That approval of the subject application will prevent waste and protect correlative rights, provided the flaring or venting of gas in the Oil Center-Blinebry Pool is prohibited.

(7) That in order to assure the protection of correlative rights, the operator of each well in the Oil Center-Blinebry Pool should file a new gas-oil ratio test with the Commission's Hobbs District Office on or before February 15, 1970.

IT IS THEREFORE ORDERED:

(1) That, effective March 1, 1970, the limiting gas-oil ratio in the Oil Center-Blinebry Pool, Lea County, New Mexico, shall be 4000 cubic feet of gas for each barrel of oil produced; that effective March 1, 1970, each proration unit in the Oil Center-Blinebry Pool shall produce only that volume of gas equivalent to 4000 multiplied by top unit oil allowable for the pool.

(2) That the operator of each well in the Oil Center-Blinebry Pool shall file a new gas-oil ratio test with the Commission's Hobbs District Office on or before February 15, 1970, and shall furnish a schedule of test dates to the Commission's Hobbs District Office in order that the tests may be witnessed.

(3) That no gas shall be flared or vented in the Oil Center-Blinebry Pool more than 60 days after a well begins to produce or 60 days after the effective date of this order, whichever is later. Any operator desiring to obtain an exception to this provision shall submit to the Secretary-Director of the Commission an application for such exception with a statement setting forth the facts and circumstances justifying it. The Secretary-Director is hereby authorized to approve such an application if he determines that the exception is necessary to prevent waste.

-3-

CASE No. 4276

Order No. R-3912

If the Secretary-Director declines to grant administrative approval of the requested exception, the matter shall be set for hearing if the operator so requests.

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

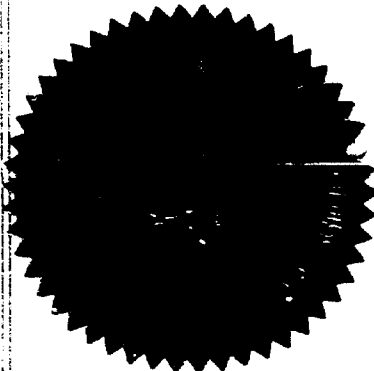
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


DAVID F. CARGO, Chairman


ALEX J. ARMIJO, Member


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



ear/

DOCKET: EXAMINER HEARING - WEDNESDAY - DECEMBER 17, 1969

9:30 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
Elvis A. Utz, Alternate Examiner:

CASE 4276: Application of Humble Oil & Refining Company for a special
gas-oil ratio limitation, Lea County, New Mexico. Applicant,
in the above-styled cause, seeks an exception to Rule 506 of
the Commission Rules and Regulations to provide for a limiting
gas-oil ratio of 6,000 cubic feet of gas per barrel of oil in
the Oil Center-Blinebry Pool, Lea County, New Mexico.

CASE 4277: Application of Pan American Petroleum Corporation for two un-
orthodox gas well locations, Rio Arriba County, New Mexico.
Applicant, in the above-styled cause, seeks approval of two
unorthodox gas well locations in Township 26 North, Range 4
West, Blanco-Mesaverde Gas Pool, Rio Arriba County, New Mexico,
as follows:

Jicarilla Apache 102 Well No. 15 located
790 feet from the South line and 1190 feet
from the East line of Section 9;

Jicarilla Apache 102 Well No. 16 located 1070
feet from the South line and 1450 feet from
the East line of Section 10.

CASE 3455: (Reopened) Continued from the November 5, 1969 Examiner
Hearing

In the matter of Case No. 3455 being reopened pursuant to the
provisions of Order No. R-2565-B, which order, among other
things, established 320-acre spacing units for the West Puerto
Chiquito-Mancos Oil Pool, Rio Arriba County, New Mexico, for
a period of three years. All interested parties may appear
and show cause why said pool should not be developed on 40-acre
spacing units.

CASE 4257: (Continued from the November 19, 1969 Regular Hearing)

Application of Sohio Petroleum 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
San Andres formation in the open-hole interval from 4920 feet
to 4995 feet in its Phillips Lea SWD Well No. 4 located in
Unit M of Section 31, Township 17 South, Range 34 East, Vacuum
Grayburg-San Andres Pool, Lea County, New Mexico.

CASE 4263: (Continued from the November 25, 1969 Examiner Hearing)

Application of Wynn & Brooks for an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Federal "E" Well No. 3, to be located 590 feet from the South line and 1590 feet from the West line of Section 13, Township 27 North, Range 8 West, Blanco-Mesaverde and Basin-Dakota Pools, San Juan County, New Mexico.

CASE 4264: (Continued from the November 25, 1969, Examiner Hearing)

Application of Wynn & Brooks for an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Federal "J" Well No. 1, to be located 2390 feet from the South line and 2410 feet from the East line of Section 11, Township 27 North, Range 8 West, Blanco-Mesaverde and Basin-Dakota Pools, San Juan County, New Mexico.

CASE 4278: Application of Anne Burnett Windfohr, dba Windfohr Oil Company, for an exception to Order No. R-3221, as amended, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-3221, as amended, which order prohibits the disposal of water produced in conjunction with the production of oil on the surface of the ground in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico. Said exception would be for applicant's Gissler B Wells Nos. 11 and 12, located, respectively, in Units J and I of Section 23, Township 17 South, Range 30 East, Jackson-Abo Pool, Eddy County, New Mexico. Applicant seeks authority to dispose of salt water produced by said wells in unlined surface pits in the vicinity of said wells.

CASE 4279: Application of Anne Burnett Windfohr, dba Windfohr Oil Company, for an exception to Order No. R-3221, as amended, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-3221, as amended, which order prohibits the disposal of water produced in conjunction with the production of oil on the surface of the ground in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico. Said exception would be for applicant's Gissler B Well No. 4 located in Unit B of Section 8, Township 17 South, Range 30 East, Grayburg-Jackson Pool, Eddy County, New Mexico. Applicant seeks authority to dispose of salt water produced by said well in an unlined surface pit in the vicinity of said well.

December 11, 1969 - Examiner Hearing

Docket No. 14-33

- CASE 4280: Application of J. M. Huber 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 Wolfcamp formation in the perforated interval from 10,358 feet to 10,419 feet in its Stoltz State Well No. 1 located in Unit M of Section 6, Township 15 South, Range 35 East, Morton-Wolfcamp Pool, Lea County, New Mexico.
- CASE 4281: 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 (conventional) of its SEMU Well No. 21 located in Unit O of Section 19, Township 20 South, Range 38 East, Lea County, New Mexico, in such a manner as to produce oil from an undesignated Blinbry oil pool and gas from an undesignated Drinkard gas pool through parallel strings of tubing.
- CASE 4282: Application of Continental Oil Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the East E-K Unit Area by the injection of water into the upper Queen formation through two wells located in Units N and P of Section 22, Township 18 South, Range 34 East, East E-K Queen Pool, Lea County, New Mexico.
- CASE 4283: Application of Continental Oil Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the East E-K Unit Area comprising 400 acres, more or less, of state lands described as the NW/4, E/2 SW/4 and SE/4 of Section 22, Township 18 South, Range 34 East, East E-K Queen Pool, Lea County, New Mexico.
- CASE 4284: Application of Continental Oil Company for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water in its Springs SWD Wells Nos. 1 and 2, located in Unit F of Section 3 and Unit A of Section 4, respectively, Township 21 South, Range 25 East, Springs-Upper Pennsylvanian Gas Pool, Eddy County, New Mexico. Disposal into Well No. 1 would be into the Bone Springs Wolfcamp and Upper Pennsylvanian formations in the openhole interval from 2700 feet to 8350 feet. Disposal into Well No. 2 would be into the Upper Pennsylvanian formation in the perforated interval from 8200 feet to 8400 feet.

December 17, 1969 - Examiner Hearing

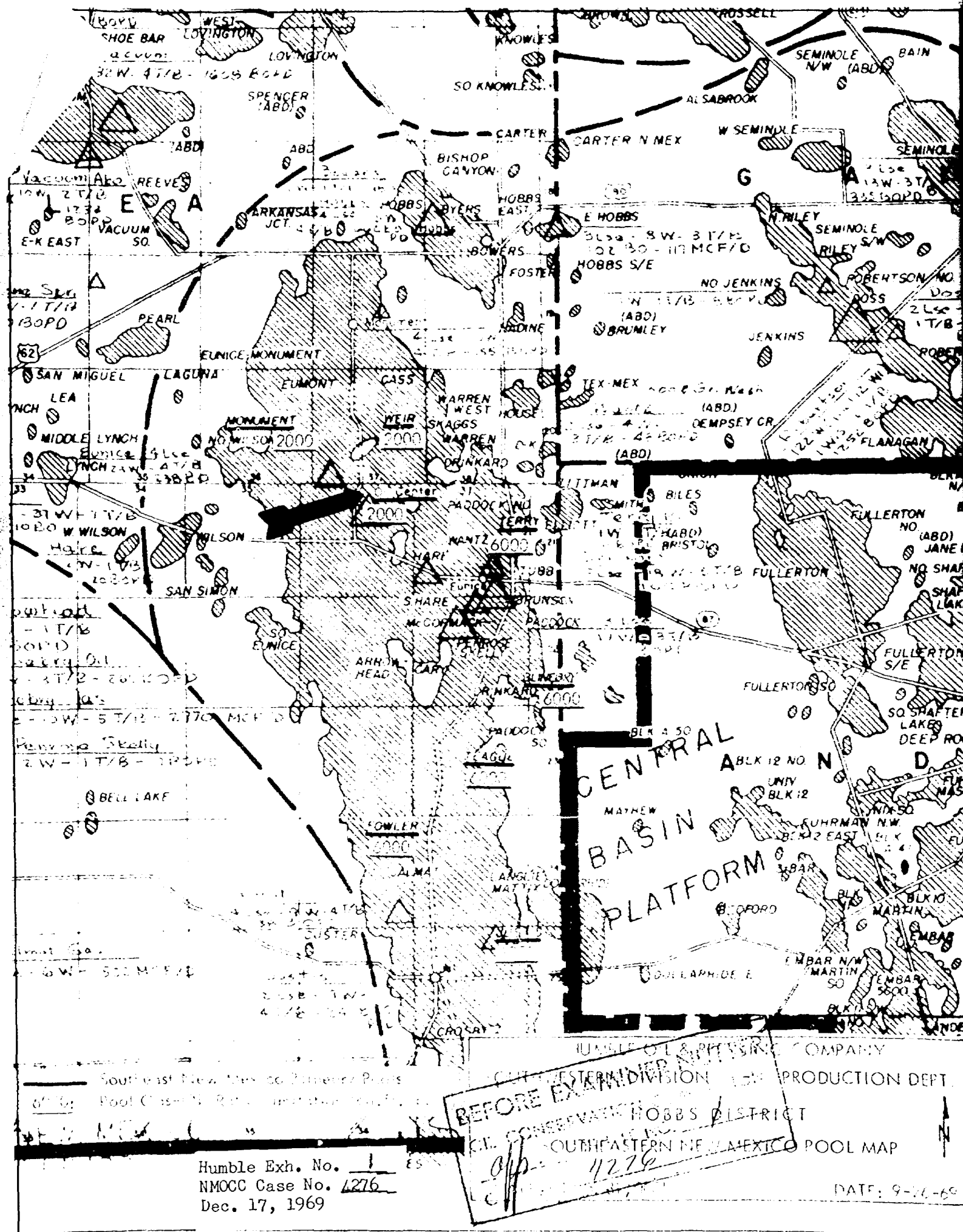
Docket No. 34-69

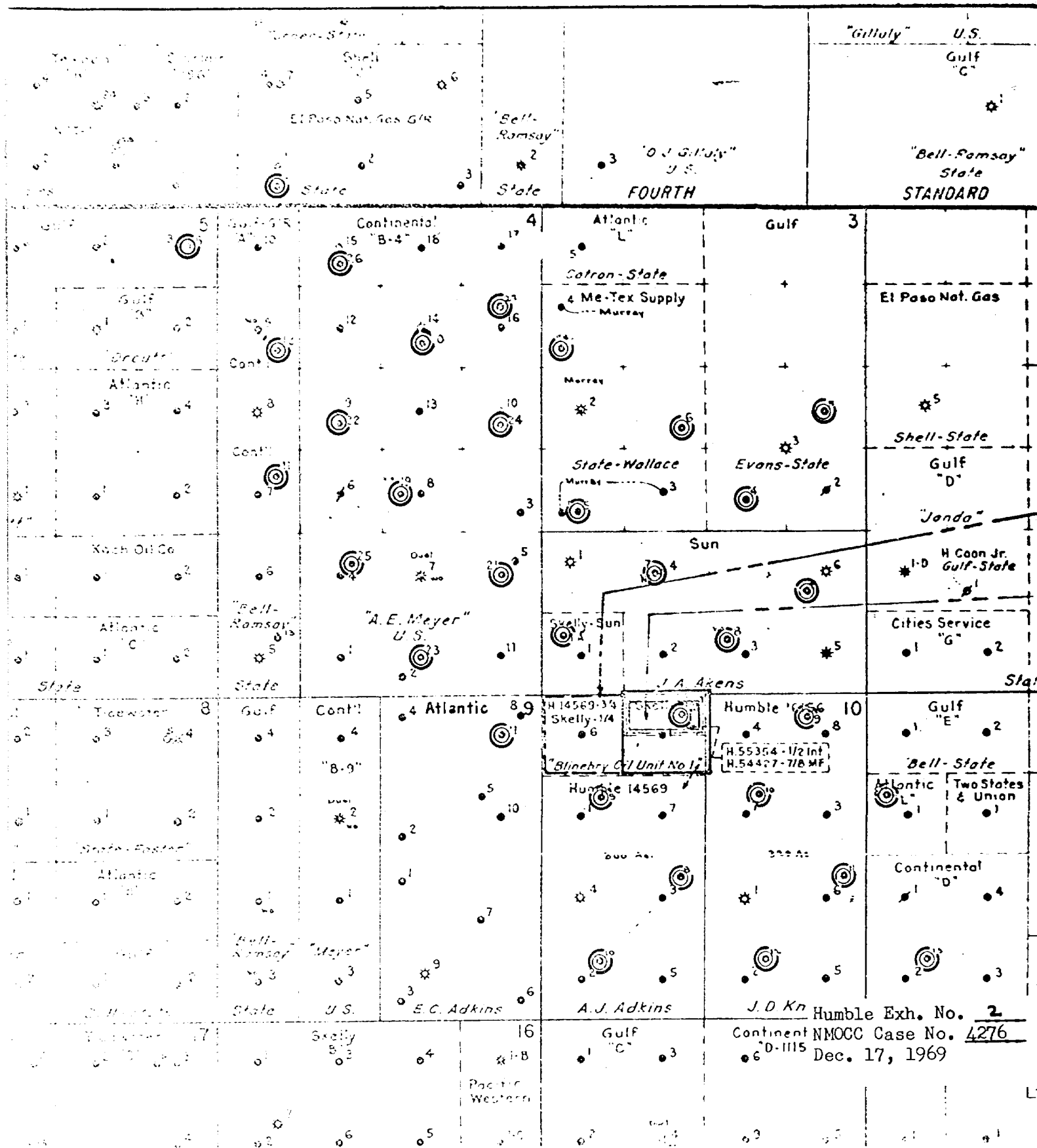
-4-

CASE 4265: (Readvertised):

Application of Union Oil Company of California for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Yates, San Andres and other formations in the open-hole interval from approximately 4450 feet to 6067 feet in its Midway State Well No. 3 located in Unit J, Section 12, Township 17 South, Range 36 East, Lovington Field, Lea County, New Mexico.

CASE 4285: Application of Southwestern Natural Gas Inc., for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the special rules and regulations governing the North Osudo-Morrow Gas Pool to permit the drilling of a well at an unorthodox gas well location 1980 feet from the South line and 660 feet from the East line of Section 19, Township 20 South, Range 36 East, Lea County, New Mexico.





Oil Center Blinebry Completion

HUMBLE OIL & REFINING COMPANY
SOUTHWESTERN DIVISION - PRODUCTION DEPT.
HOBBS DISTRICT
OIL CENTER BLINEBRY COMPLETION MAP
SCALE: 1" = 2000'
DATE: 9-26-69

NO. 3156. TEN YEARS BY MONTHS X 100 DIVISIONS.

CODEX
GRAPH PAPER

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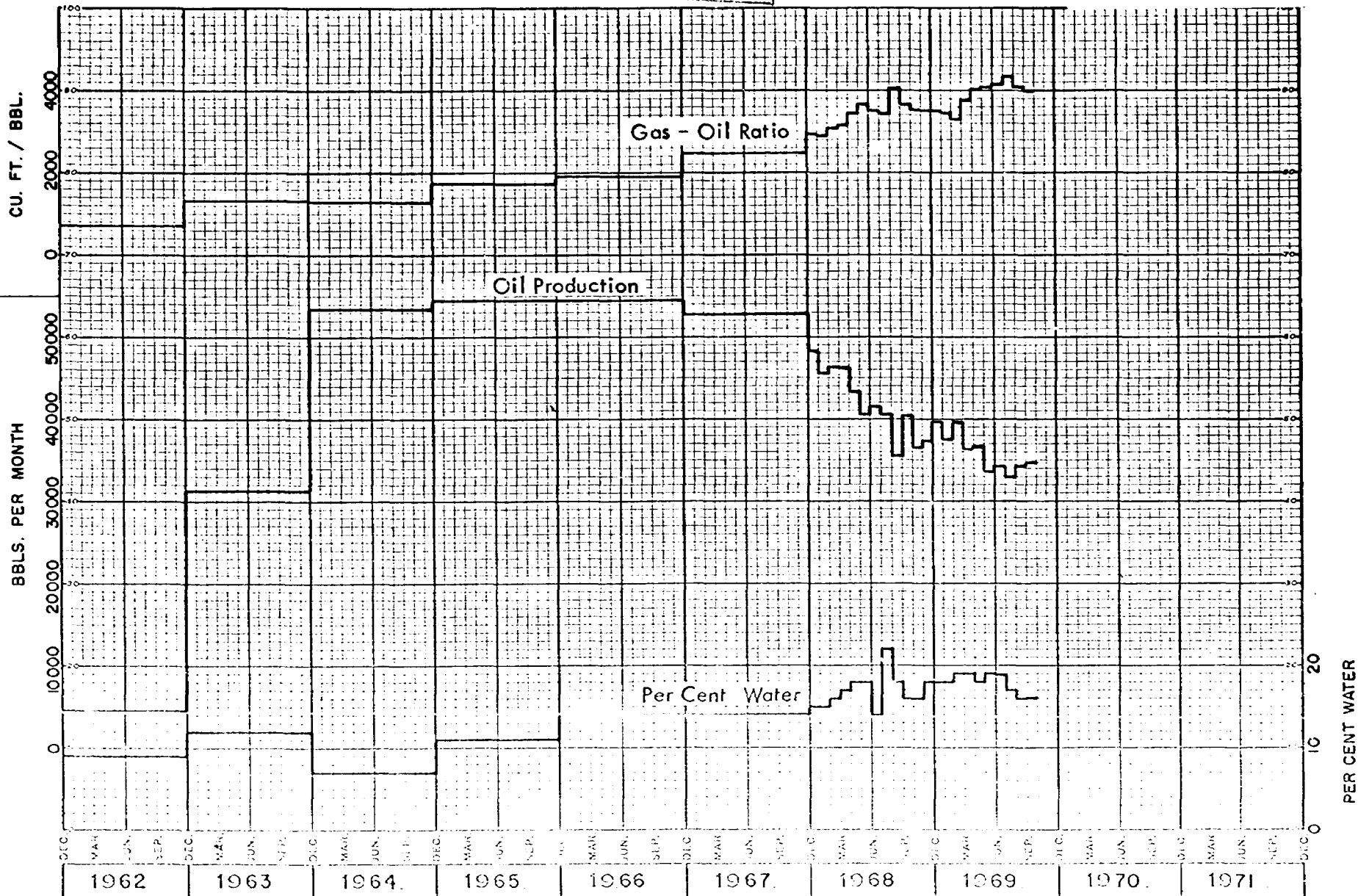
Humble Exh. No. 4
NMOCC Case No. 4276
Dec. 17, 1969

BEFORE EXAMINER NUTTER

OIL CONSERVATION COMMISSION

EXHIBIT NO. 4
CASE NO. 4276

OIL CENTER BLINEBRY
POOL TOTAL



NO. 3156. TEN YEARS BY MONTHS X 100 DIVISIONS.

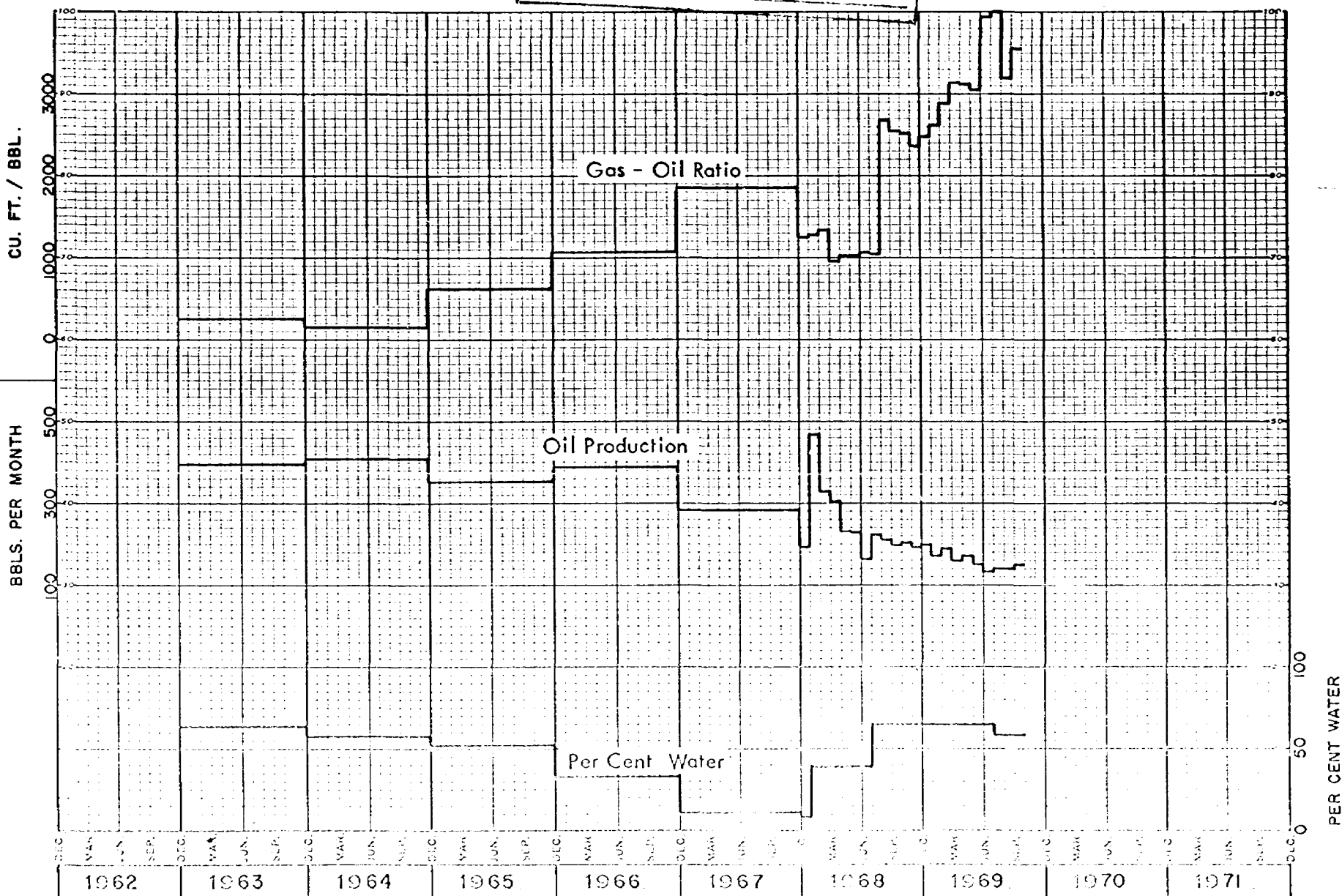
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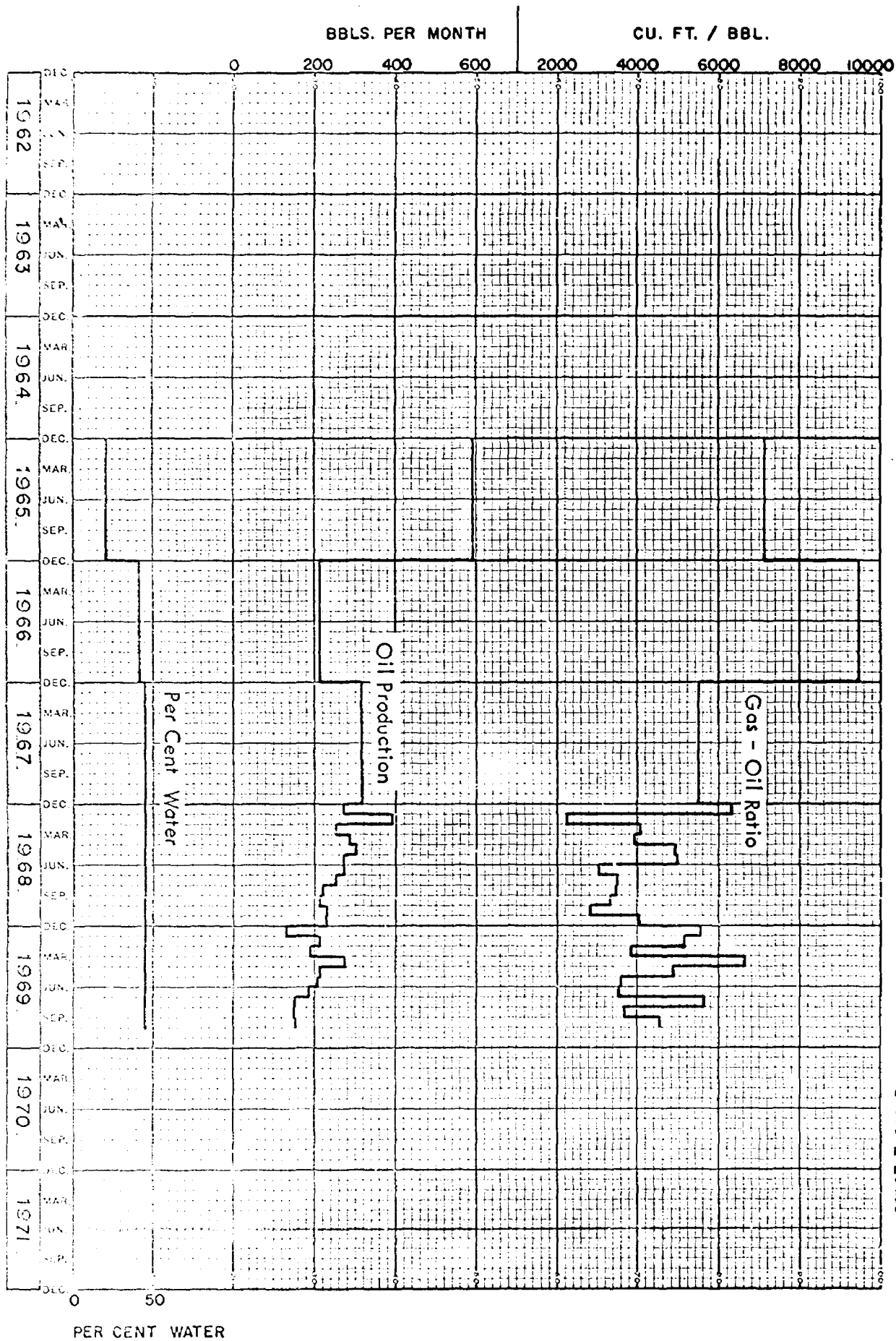
Humble Exh. No. 5
NMOCC Case No. 4276
Dec. 17, 1969

BEFORE EXAMINER NOTED
OIL CONSERVATION COMMISSION
EXHIBIT NO. 5
CASE NO. 4276

OIL CENTER BLINEBRY POOL
Atlantic Richfield Operator
E. C. Adkins Lease



OIL CENTER BLINEBRY POOL
Atlantic Richfield Operator
State L Lease

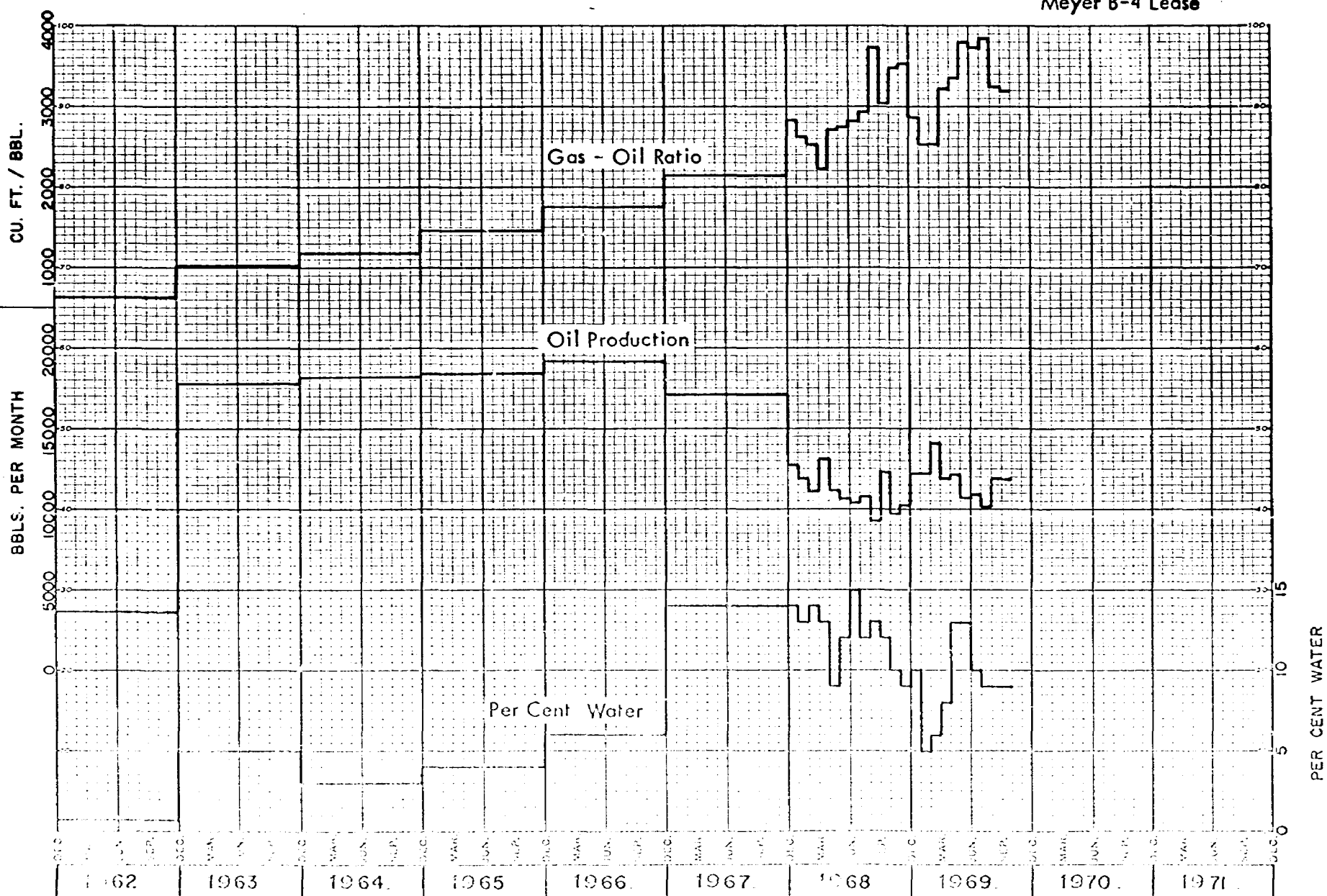


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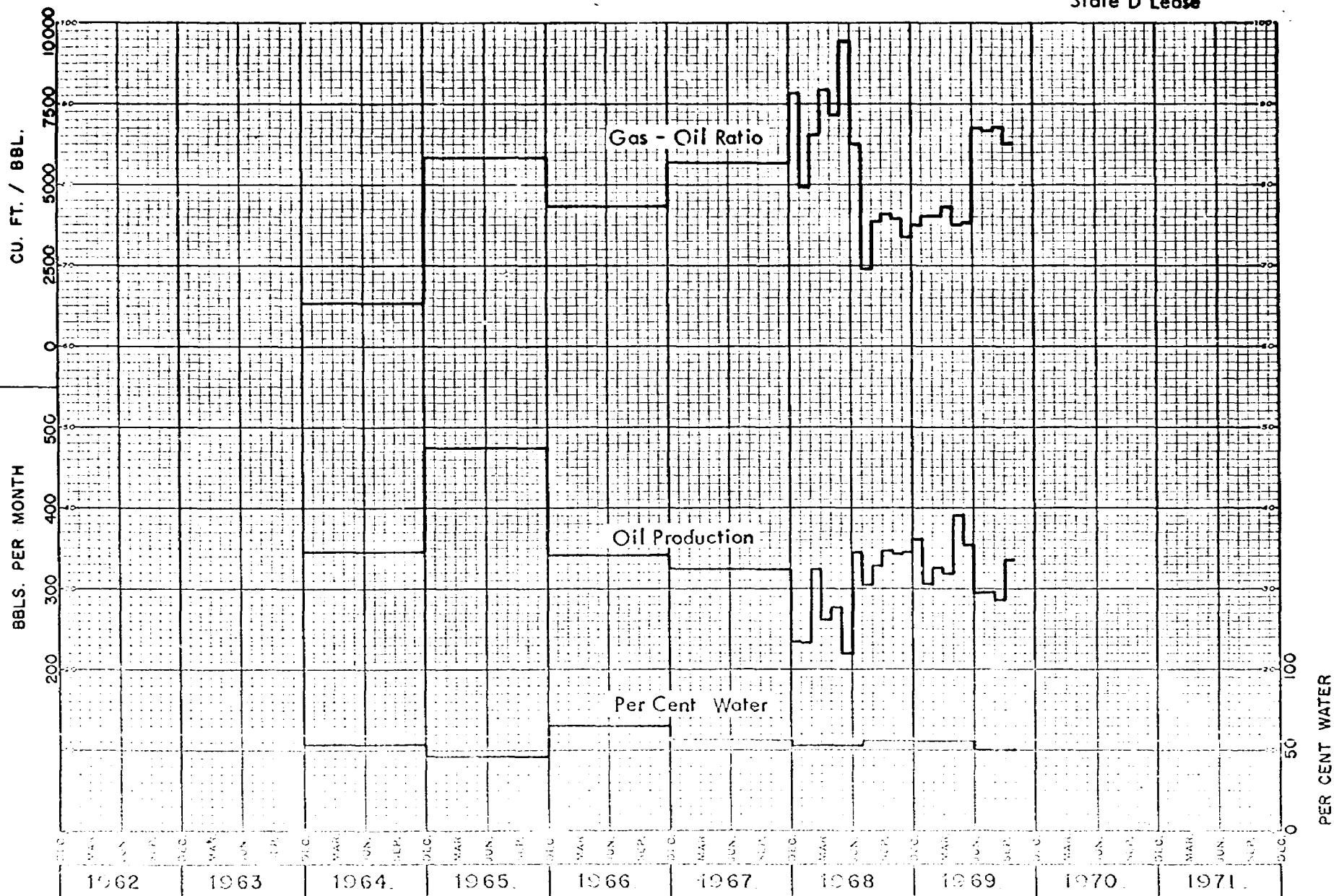
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GRAPH PAPER

IN STOCK DIRECT FROM CODEX BOOK CO. INC. NORWOOD MASS. 02062
PRINTED IN U.S.A.

OIL CENTER BLINEBRY POOL
Continental Operator
Meyer B-4 Lease



OIL CENTER BLINEBRY POOL
Continental Operator
State D Lease

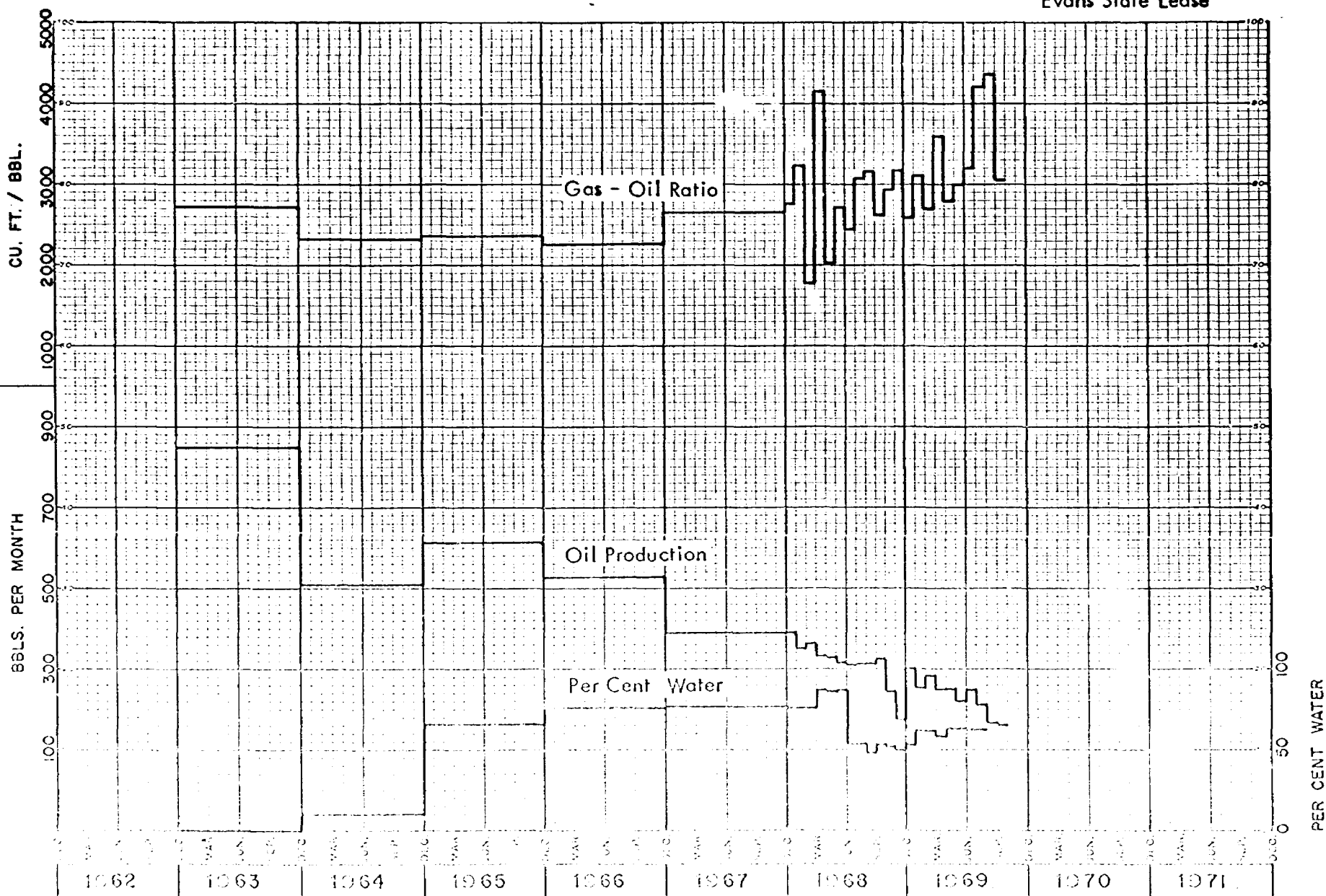


NO. 3156. TEN YEARS BY MONTHS X 100 DIVISIONS.

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GRAPH PAPER

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PRINTED IN U.S.A.

OIL CENTER BLINEBRY POOL
Gulf Operator
Evans State Lease

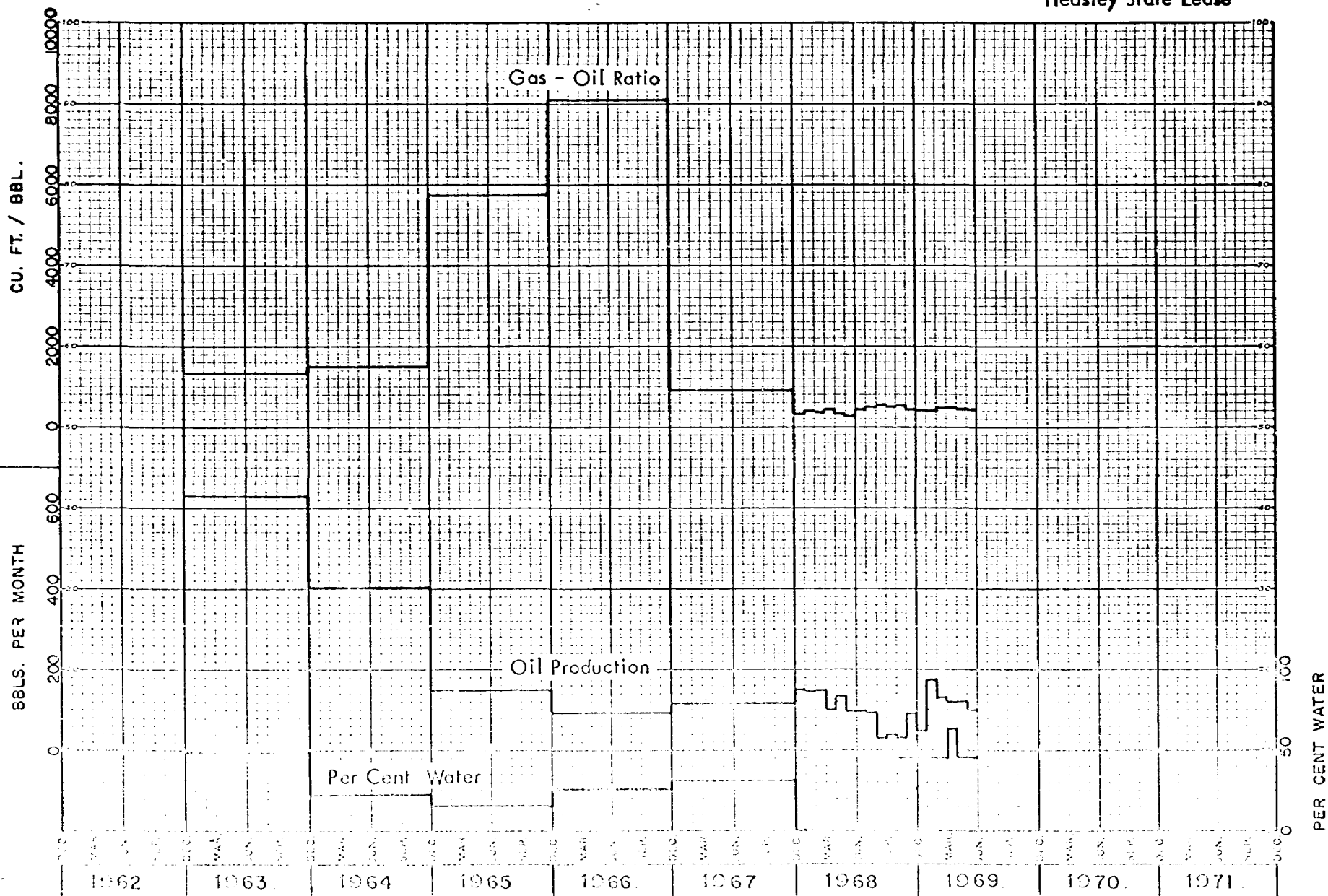


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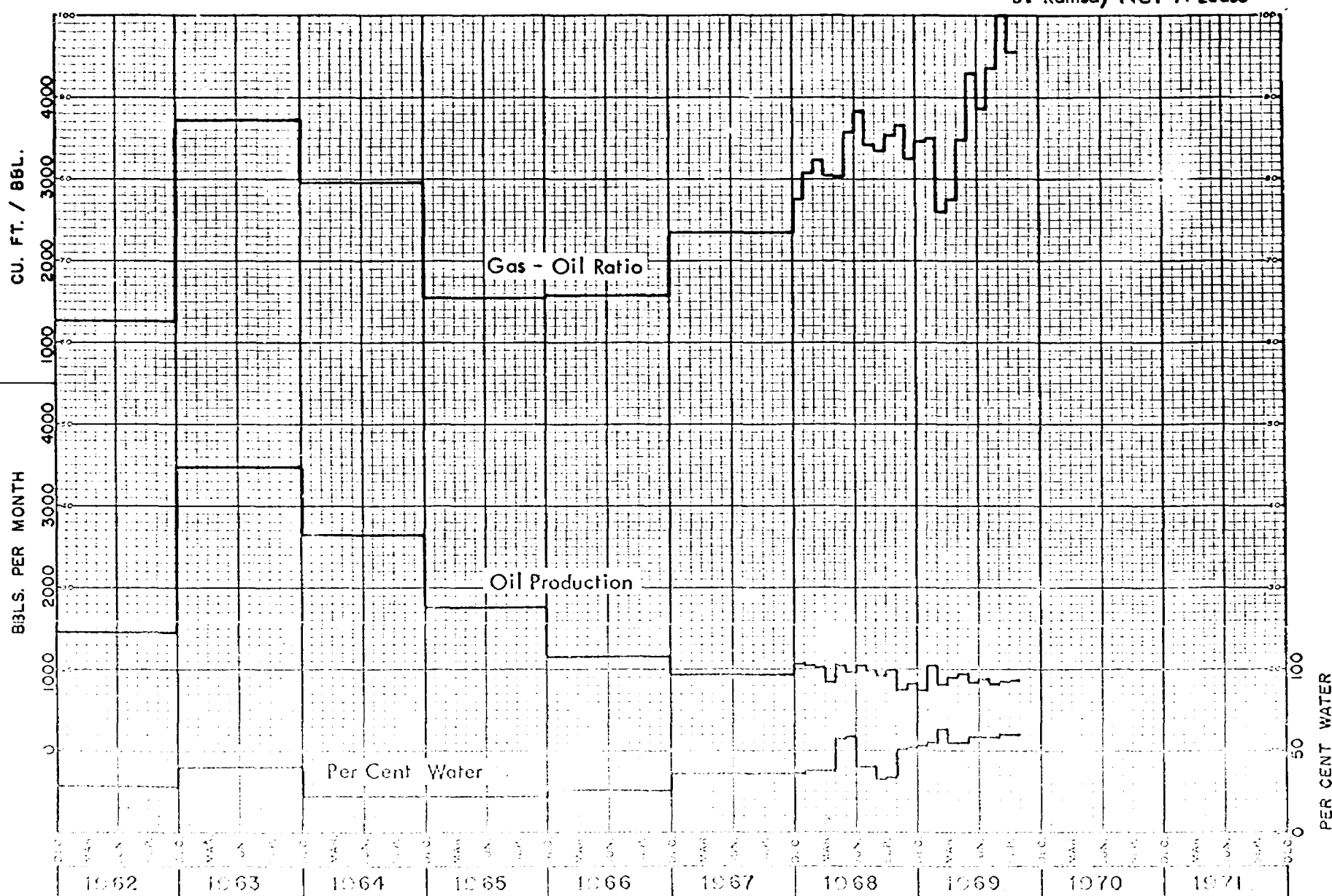
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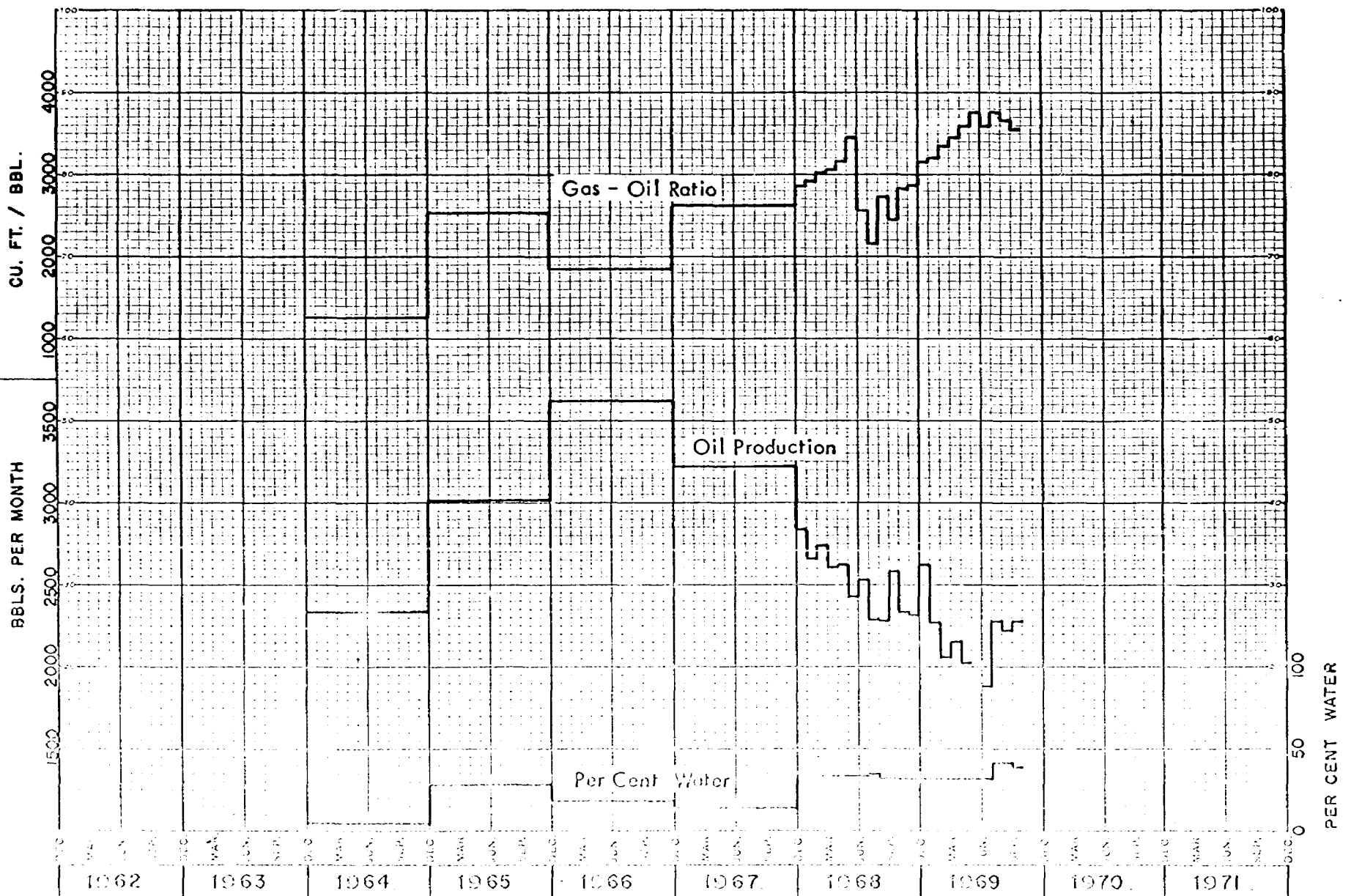
OIL CENTER BLINEBRY POOL
Gulf Operator
Heasley State Lease



OIL CENTER BLINEBRY POOL
Gulf Operator
B. Ramsay NCT-A Lease



OIL CENTER BLINEBRY POOL
Humble Operator
Adkins Lease

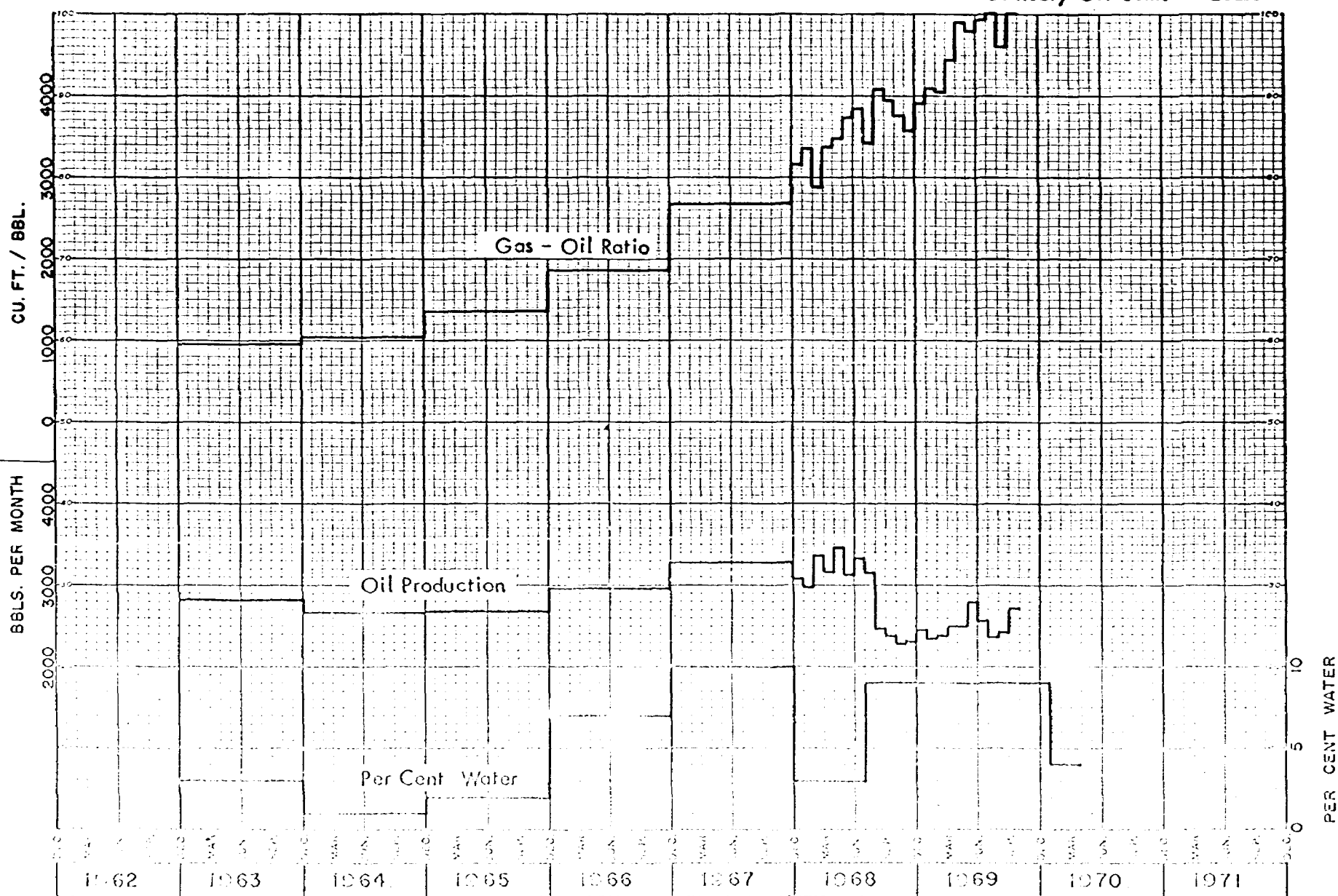


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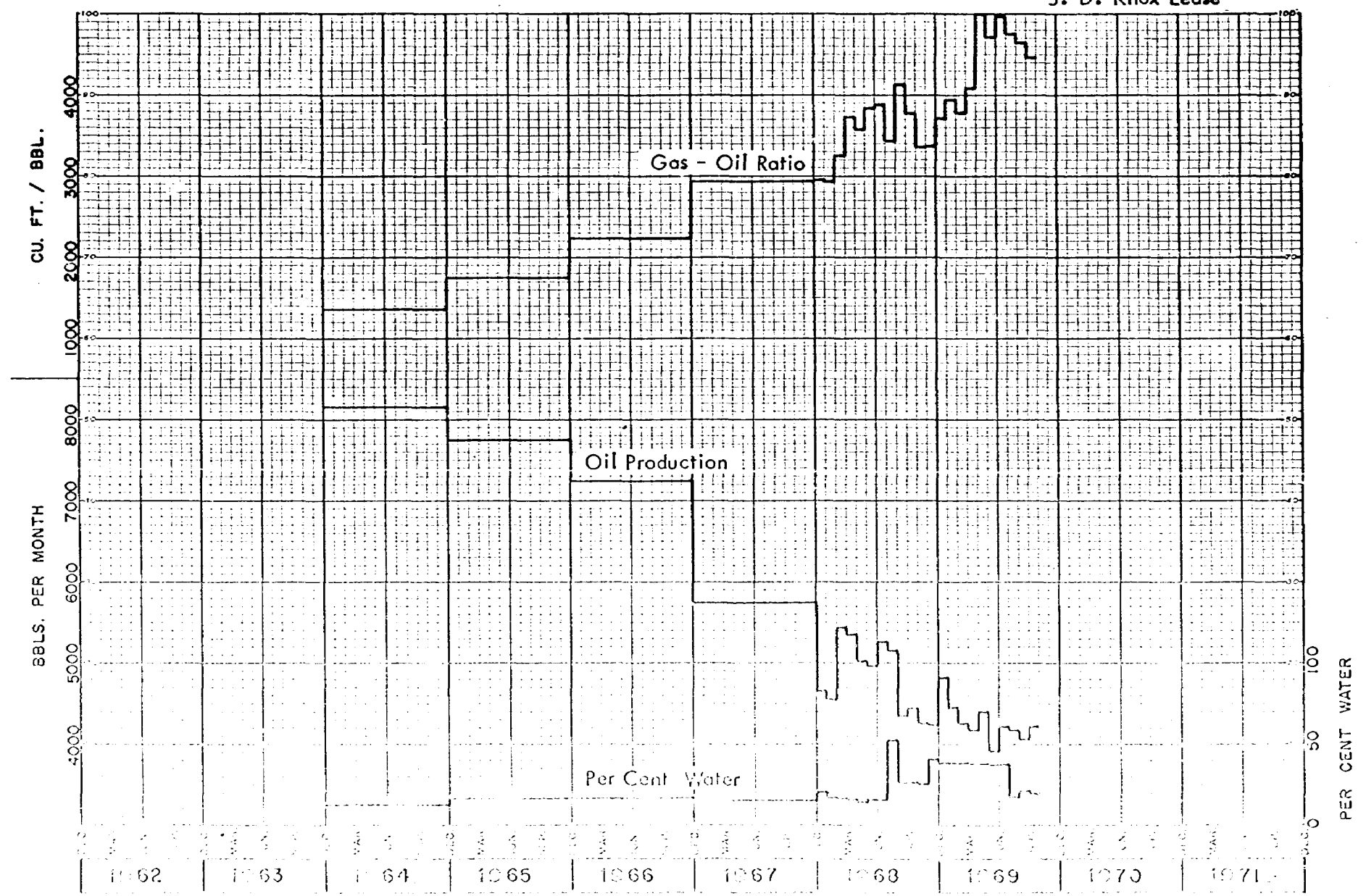
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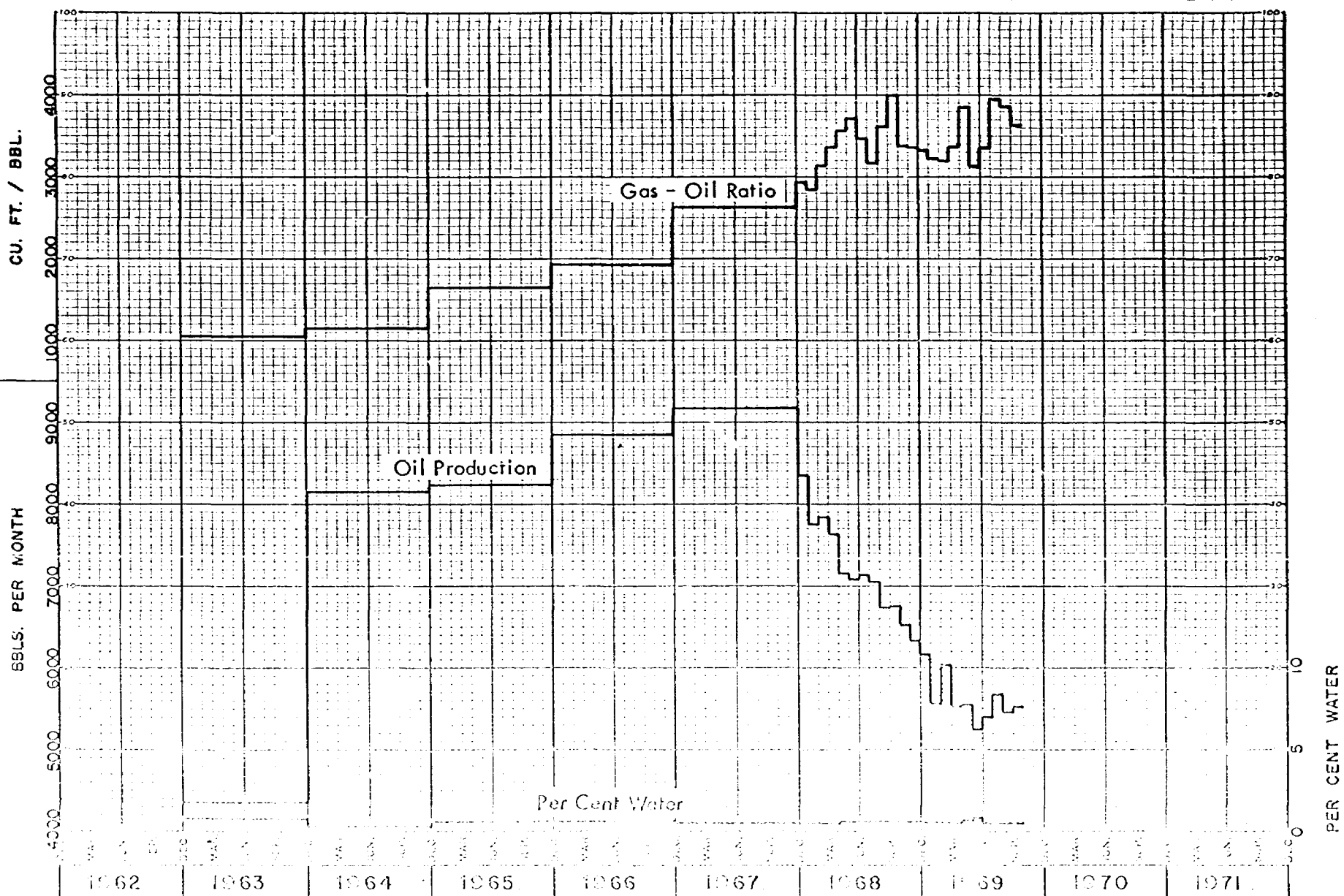
OIL CENTER BLINEBRY POOL
Humble Operator
Blinebry Oil Com. #1 Lease



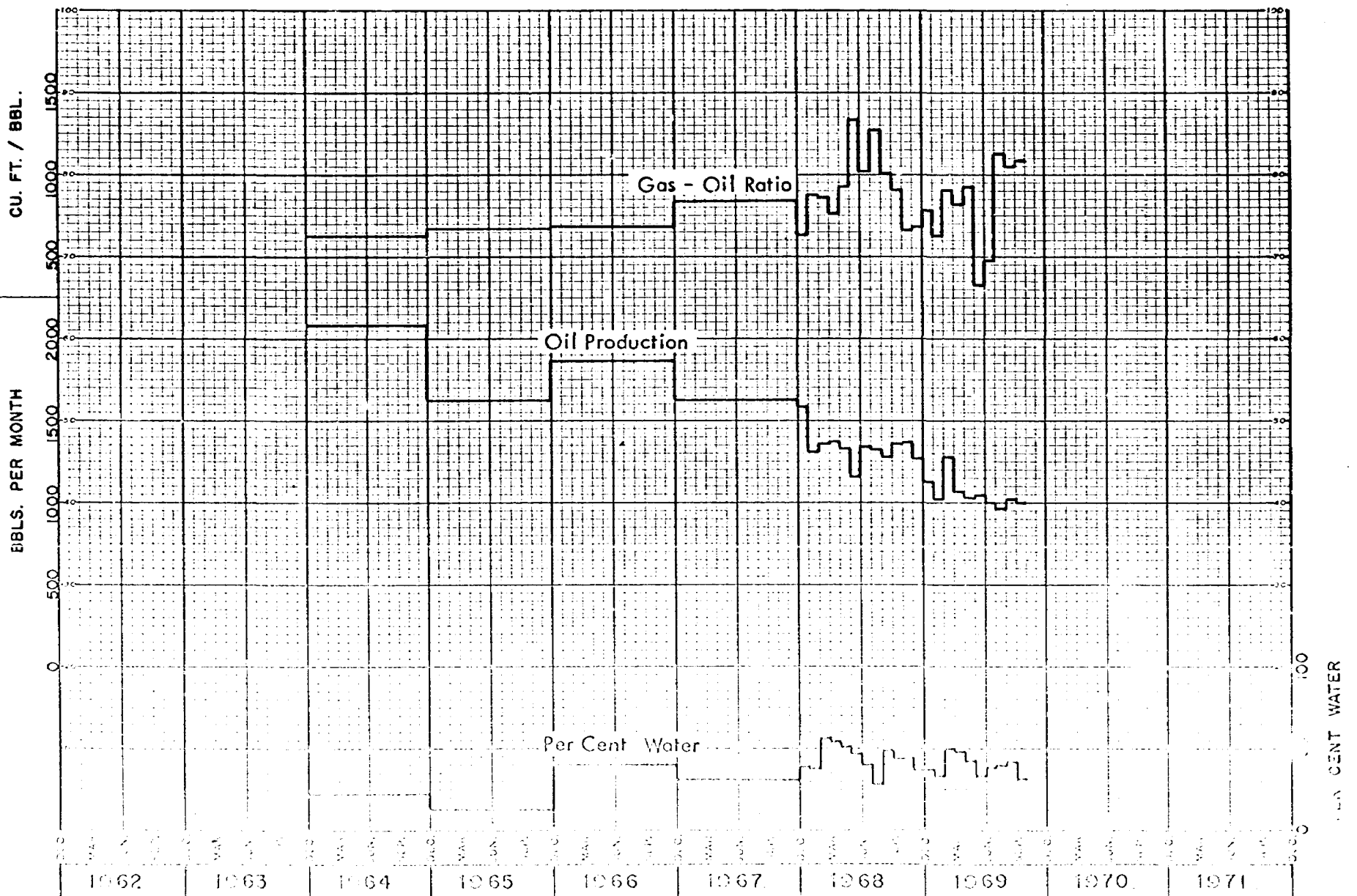
OIL CENTER BLINEBRY POOL
Humble Operator
J. D. Knox Lease



OIL CENTER BLINEBRY POOL
Me-Tex Supply Co. Operator
Wallace State Lease



OIL CENTER BLINEBRY POOL
Shell Oil Co. Operator
State J Lease

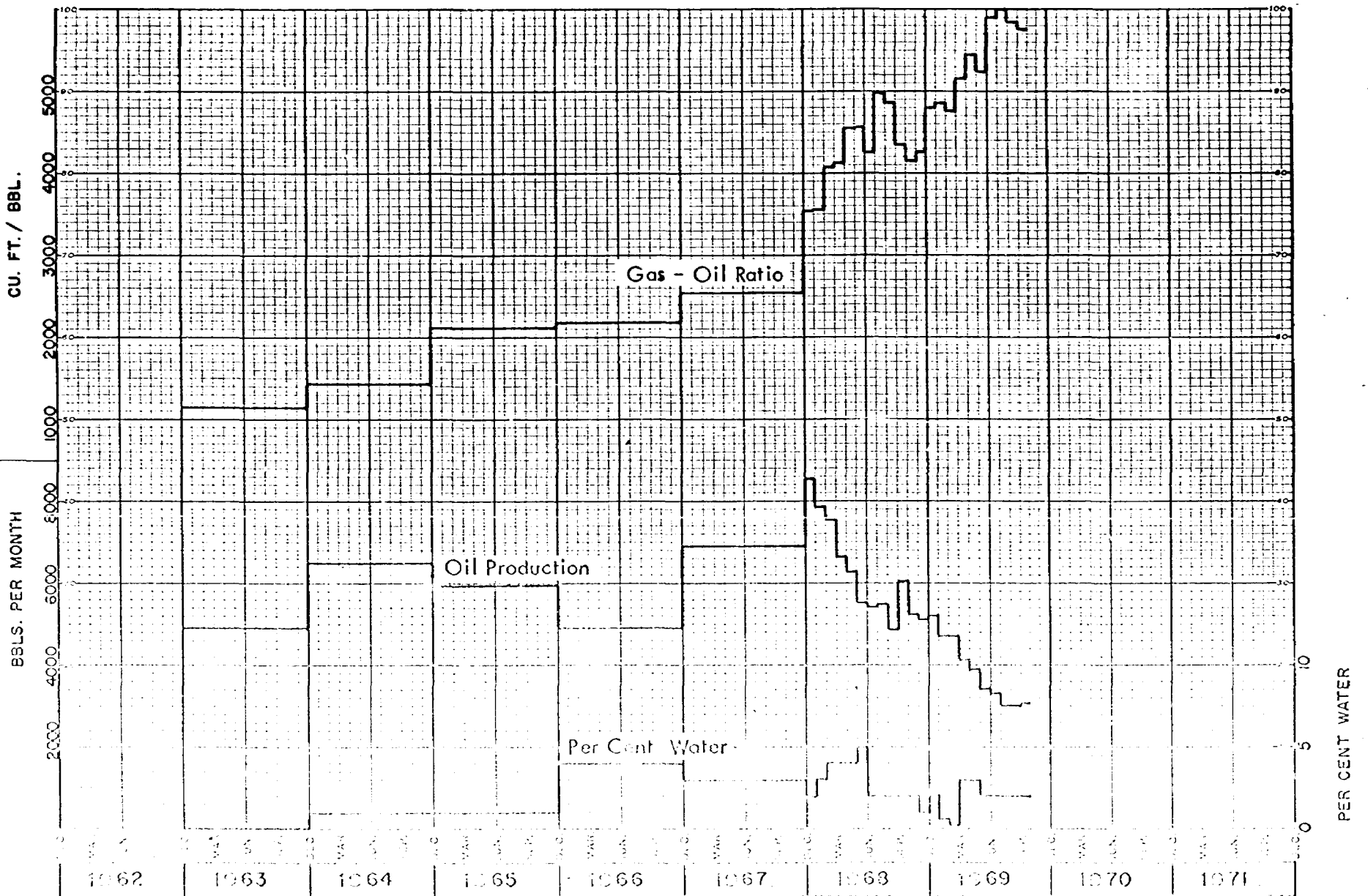


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GRAPH PAPER

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OIL CENTER BLINEBRY POOL
Sun Oil Co. Operator
J. A. Akens Lease

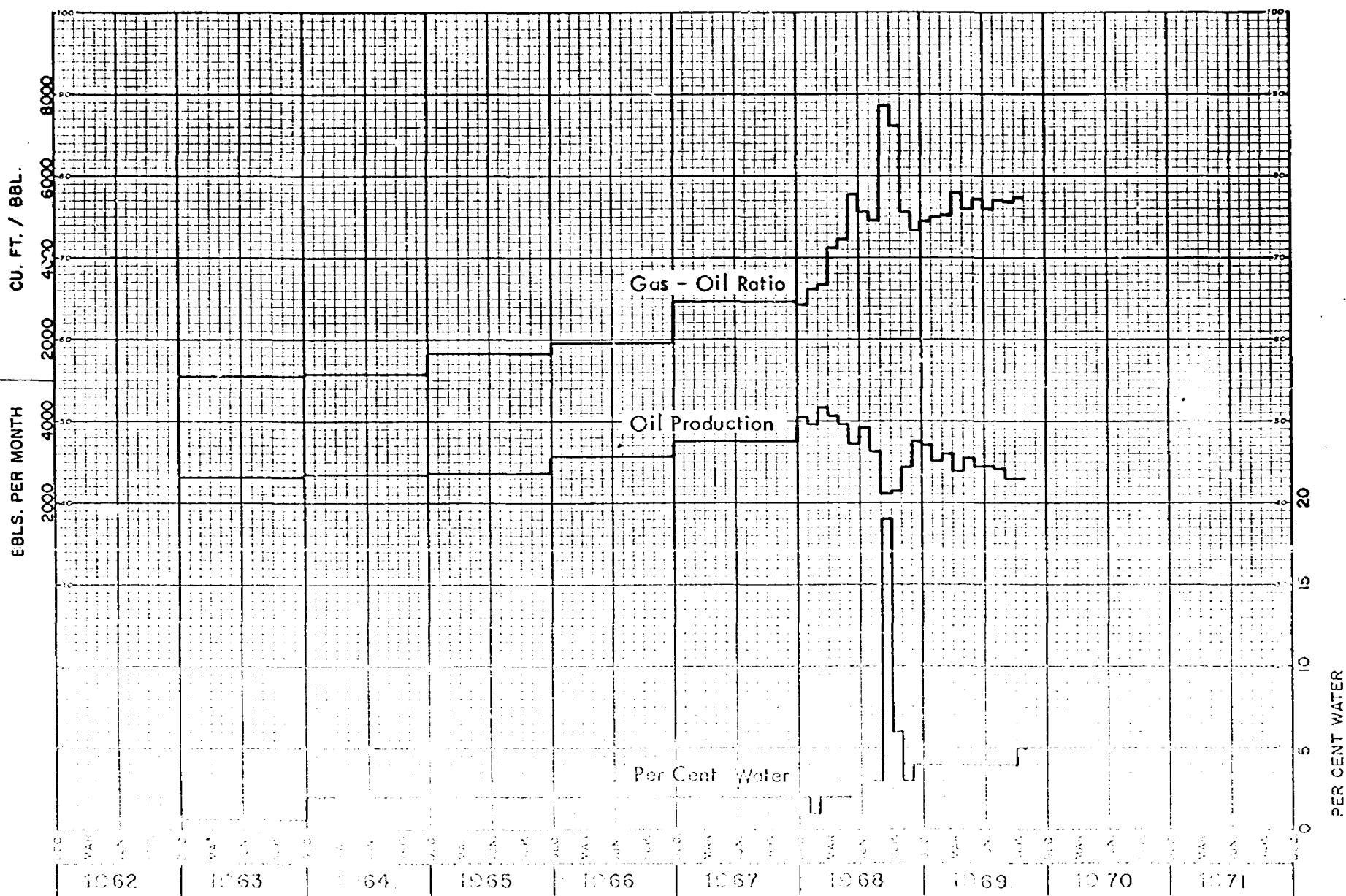


NO. 3156. TEN YEARS BY MONTHS X 100 DIVISIONS.

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GRAPH PAPER

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PRINTED IN U.S.A.

OIL CENTER BLINEBRY POOL
Sun Oil Co. Operator
Akens A O-Unit Lease



Humble Exh. No. 6
 NMOCC Case No. 1276
 Dec. 17, 1969

Oil Center Blinebry Pool
 Lea County, New Mexico

INDIVIDUAL WELL PRODUCTION DATA

Operator and Lease	Well No.	P or F	October 1969 Production				Producing:		Gas Purchaser (a)
			Oil STB	Gas MCF	Water Bbls.	Prod. Days	Rate BOPD	Gas-Oil Ratio SCF/STB	
<u>Atlantic Richfield Company</u>									
E. C. Adkins	11	P	147	523	212	31	5	3558	PP
State L	6	P	155	705	127	31	5	4548	PP
<u>Continental Oil Company</u>									
Meyer B-4	19	F	2238	5583	0	31	72	2495	PP
	20	P	232	1110	0	30	8	4784	
	21	F	1518	6238	0	31	49	4109	
	22	P	1856	7253	670	30	62	3908	
	23	P	774	2332	284	30	26	3013	
	24	F	1306	5201	107	31	42	3982	
	25	P	619	2332	0	30	21	3767	
	26	P	1680	3109	60	30	56	1851	
	27	F	1547	4479	51	30	52	2895	
State D	13	P	336	2106	336	29	12	6268	CCC
<u>Gulf Oil Corporation</u>									
Evans State	4	P	159	485	0	31	5	3050	WAR
	5	P	0	0	0	0	-	-	
Heasley State	8	P	0	0	0	0	-	-	PP
B. Ramsey NCT-A	11	P	789	3791	1240	31	25	4805	PP
	12	P	87	205	60	29	3	2356	

BEFORE EXAMINER INITIALED
 OIL CONSERVATION COMMISSION
 CASE NO. 4776
 EXHIBIT NO. 6

Operator and Lease	Well No.	P or F	October 1969 Production				Producing:		Gas Purchaser ^(a)
			Oil STB	Gas MCF	Water Bbls.	Prod. Days	Rate BOPD	Gas-Oil Ratio SCF/STB	
<u>Humble Oil & Refining Company</u>									
Adkins	8	P	1910	4881	332	29	66	2555	PP
	9	P	181	1593	302	29	6	8801	
	10	P	181	1567	814	29	6	8657	
Blinebry Oil Com. #1	1	F	2726	13988	114	30	91	5131	PP
J. D. Knox	9	F	779	11310	0	27	29	14519	PP
	10	F	2422	4309	0	27	90	1779	
	11	P	375	2203	808	27	14	5875	
	12	P	635	1003	258	27	24	1580	
<u>Me-Tex Supply Company</u>									
Wallace State	5	F	1767	7595	0	31	57	4298	PP
	6	F	1657	6596	31	31	53	3981	
	7	F	2099	5797	0	31	68	2762	
<u>Shell Oil Company</u>									
State J	6	P	1000	1083	445	31	32	1083	PP
<u>Sun Oil Company</u>									
J. A. Akens	7	F	1058	2998	0	31	34	2834	PP
	8	F	1693	7936	0	31	55	4688	
	9	P	302	6669	62	31	10	22083	
Akens A O-Unit	1	F	2606	14205	124	31	84	5451	PP
OIL CENTER BLINEBRY POOL TOTAL	33		34834	139185	6437				

(a) PP Phillips Petroleum Pipeline Company
 CCC Continental Carbon Company
 WAR Warren Petroleum Corporation

POOL AVERAGE:
 Prod. Rate, BOPD: 1124
 Gas-Oil Ratio, SCF/STB: 3996
 Water, % 16

CASINGHEAD GAS PRODUCTION AND SALES FORECAST
OIL CENTER BLINEBRY POOL
MCF/D

BEFORE EXAMINER
OIL CONSERVATION BOARD
EXHIBIT NO. 4276
CASE NO. 4276

I. GAS PRODUCTION AND SALES FORECAST WITH 2000 CU. FT./BBL. GOR LIMITATION

Year	Continental State "D" Prod. and Sales (1)	Gulf Evans State (2)			Total Pool Ex. State "D" & Evans State Leases (3)			Total Oil Center Blinebry Pool		
		Prod.	Use	Sales	Prod.	Use	Sales	Prod.	Use	Sales
1968	53	29	12	17	4577	56	4521	4659	68	4591
1969	42	24	12	12	4537	56	4481	4603	68	4535
1970	42	21	12	9	4458	56	4402	4521	68	4453
1971	41	17	12	5	4175	56	4119	4233	68	4165
1972	39	-	-	-	3824	56	3768	3863	56	3807
1973	37	-	-	-	3374	56	3318	3411	56	3355
1974	33	-	-	-	2830	56	2774	2863	56	2807
1975	28	-	-	-	2342	56	2286	2370	56	2314

II. GAS PRODUCTION AND SALES FORECAST WITH 6000 CU. FT./BBL. GOR LIMITATION EFFECTIVE 1-1-70 (4)

Year	Prod.	Use	Sales	Prod.	Use	Sales	Prod.	Use	Sales
1968	53	29	17	4577	56	4521	4659	68	4591
1969	42	24	12	4537	56	4481	4603	68	4535
1970	84	42	30	6170	56	6114	6296	68	6228
1971	82	34	22	5545	56	5489	5661	68	5593
1972	78	-	-	4753	56	4697	4831	56	4775
1973	74	-	-	3718	56	3662	3792	56	3736
1974	66	-	-	2816	56	2760	2882	56	2826
1975	56	-	-	2123	56	2067	2179	56	2123

- (1) Continental's State "D" lease has no Lease Use gas indicated. Continental Carbon Company is the gas purchaser for this lease.
- (2) Warren Petroleum Corporation is the gas purchaser for Gulf's Evans State lease.
- (3) Phillips Petroleum Pipeline Company is the gas purchaser for the other 12 leases in the Oil Center Blinebry Pool.
- (4) The increase in gas production for the total Oil Center Blinebry Pool results from removal of three wells' penalized allowances and anticipated increased workover activity. Gas production on the State "D" and Evans State Leases is shown as doubling from possible workovers under the higher GOR limitation. This is an estimate to be used in conducting the gas purchasers on these two leases; in view of nominal, limited capacity production with no apparent workover prospects, no technical bases exist to predict accurately the increase, if any, in gas production on these two leases.

HUMBLE OIL & REFINING COMPANY

MIDLAND, TEXAS 79701

PRODUCTION DEPARTMENT
SOUTHWESTERN DIVISION
E. C. BARFIELD
OPERATIONS MANAGER

October 14, 1969

ROUTING
Humble Exh. No. 4276
NMCC Case No. 4276
Dec. 17, 1969
DOX 1500
File

Oil Center Blinebry Pool
Lea County, New Mexico
Humble Gas Sales
Contracts Nos. 722 and 765

Phillips Petroleum Company
Bartlesville, Oklahoma 74003

Attention: Mr. J. L. Kirk

Gentlemen:

Humble Oil & Refining Company is planning to request a hearing before the New Mexico Conservation Commission for the purpose of obtaining an exception to State Rule 506 in order to raise the limiting gas-oil ratio from 2,000 to 6,000 cubic feet per barrel of oil produced from the Oil Center Blinebry Pool, Lea County, New Mexico.

Approval of the request is expected to result in increased casinghead gas production from the subject pool and sales to Phillips from the 12 committed leases of seven operators in accordance with the following estimates:

Year	Increased Gas Production & Sales Forecast - Mcf/D	
	Total Pool Increase	Sales Increase to Phillips
1970	1,775	1,712
1971	1,428	1,370
1972	968	929
1973	381	344
1974	19	--

As required by the New Mexico Oil Conservation Commission, we will appreciate your sending us a letter stating that Phillips has available capacity and is willing to take the additional gas in the event the gas-oil ratio limit for the pool is increased.

BEFORE EXAMINER NOTED
OIL CONSERVATION COMMISSION
EXHIBIT NO. 4276
CASE NO. 4276

Very truly yours,

E. C. Barfield

VEY/pw

cc: Mr. R. G. Parse

HUMBLE OIL & REFINING COMPANY

MIDLAND, TEXAS 79701

PRODUCTION DEPARTMENT
SOUTHWESTERN DIVISION
E. C. BARFIELD
OPERATIONS MANAGER

October 14, 1969

POST OFFICE BOX 1600

Oil Center Blinebry Pool
Lea County, New Mexico

Warren Petroleum Corporation
P. O. Box 1589
Tulsa, Oklahoma 74100

Attention: Mr. L. A. Jackson

Gentlemen:

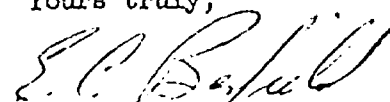
Humble Oil & Refining Company is planning to request a hearing before the New Mexico Conservation Commission for the purpose of obtaining an exception to State Rule 506 in order to raise the limiting gas-oil ratio from 2,000 to 6,000 cubic feet per barrel of oil produced from the Oil Center Blinebry Pool, Lea County, New Mexico.

Approval of the request is expected to result in increased casinghead gas production from the Pool in accordance with the estimates indicated below. Most, if not all, of the increase will come from leases with sale of gas to Phillips Petroleum Company. However, a column is included below to show estimates of the possible increase in gas sales to Warren from the Gulf-operated Evans State Lease.

Year	Increased Gas Production & Sales Forecast - Mcf/D	
	Total Pool Increase	Possible Increase to Warren
1970	1,775	21
1971	1,428	17
1972	968	--
1973	381	--
1974	19	--

As required by the New Mexico Oil Conservation Commission, we will appreciate your sending us a letter stating that Warren has available capacity and is willing to take the additional gas in the event the gas-oil ratio limit for the pool is increased.

Yours truly,


E. C. Barfield

VH/pu

cc: Mr. R. G. Parse ✓

HUMBLE OIL & REFINING COMPANY

MIDLAND, TEXAS 79701

PRODUCTION DEPARTMENT
SOUTHWESTERN DIVISION

October 14, 1969

POST OFFICE BOX 1600

E. C. BARFIELD
OPERATIONS MANAGER

Oil Center Blinebry Pool
Lea County, New Mexico

Continental Carbon Company
P. O. Box 2135
Hobbs, New Mexico 88240.

Gentlemen:

Humble Oil & Refining Company is planning to request a hearing before the New Mexico Conservation Commission for the purpose of obtaining an exception to State Rule 506 in order to raise the limiting gas-oil ratio from 2,000 to 6,000 cubic feet per barrel of oil produced from the Oil Center Blinebry Pool, Lea County, New Mexico.

Approval of the request is expected to result in increased casinghead gas production from the subject pool in accordance with the estimates indicated below. Most, if not all, of the increases will come from leases now selling gas to Phillips Petroleum Company. However, a column is included below to show our estimates of the possible increase in gas sales to Continental Carbon Company from the Continental-operated, State "D" Lease.

Year	Increased Gas Production & Sales Forecast - Mcf/D	
	Total Pool Increase	Possible Increase to Continental Carbon
1970	1,775	42
1971	1,428	41
1972	968	39
1973	381	37
1974	19	33

As required by the New Mexico Oil Conservation Commission, we will appreciate your sending us a letter stating that Continental Carbon has available capacity and is willing to take the additional gas in the event the gas-oil ratio limit for the pool is increased.

Yours very truly,

E. C. Barfield
E. C. Barfield

VEY/pw

cc: Mr. R. G. Parse ✓



PHILLIPS PETROLEUM COMPANY
BARTLESVILLE, OKLAHOMA 74003 818 336-6800

NATURAL GAS AND GASOLINE DEPARTMENT

PHS	WIS
ECB	WAP
NOV 3 1969	
GEU	AJT
WRW	JAD
WJC	

October 31, 1969

Hobbs Plant

File: 1-Ki-122-69-NGG

Humble Oil & Refining Company
P. O. Box 1600
Midland, Texas 79701

Attention: Mr. E. C. Barfield

Gentlemen:

Reference is made to your letter of October 14, 1969, which we received today, advising that you were planning to request a hearing before the New Mexico Conservation Commission for the purpose of obtaining an exception to State Rule 506 in order to raise the limiting gas-oil ratio from 2,000 to 6,000 cubic feet per barrel of oil produced from the Oil Center Blinbry Pool, Lea County, New Mexico. You further advised that the sales increase to Phillips would be as follows:

<u>Year</u>	<u>Sales Increase to Phillips</u>
1970	1,712 Mcfd
1971	1,370 Mcfd
1972	929 Mcfd
1973	344 Mcfd
1974	—

This is to advise that Phillips has capacity to handle the additional volumes of gas that would be made available in the event the gas-oil ratio limit for the pool is increased.

If you desire any further information in this respect please advise.

Very truly yours,

James P. Kirk
James P. Kirk, Manager
Plant Gas Supply Division

JPK:omr

BEFORE EXAMINER NUTTER	
OIL CONSERVATION COMMISSION	
EXHIBIT NO.	1
CASE NO.	4276

Humble Exh. No. 9
NMOCC Case No. 4276
Dec. 17, 1969

CONTINENTAL CARBON COMPANY

4120 SOUTHWEST FREEWAY, P. O. DRAWER 22085
HOUSTON, TEXAS 77027

Telephone
MOhawk 6-1041



Nov. 3, 1969

LIB	JMS
ECB	WHP
NOV 4 1969	
GEU	AJT
WRW	JAD
WJC	Cable Address
"CONCARD"	

Continental Oil Company
P.O. Box 2197
Houston, Texas 77001

Re: Humble Oil & Refining Co.
Oil Center Blinbry Pool
Lea County, New Mexico

Atten:-- Mr. Ray P. Hampten
Coordinator, Gas Purchases and Sales

Dear Ray:

Per our telephone conversation this date--we appreciate your handling this directly with Humble Oil & Refining Co. since this is a part of the N. M. F. U. gas. Needless to say Continental Carbon Company can use this slight increase without difficulty.

cc. E. C. Barfield
Operations Manager
Production Department
Humble Oil & Refining Company
Midland, Texas 79701

KDG: PDQ

K. D. Hewitt
Technical Asst. to
Vice President Manufacturing.

Warren Petroleum Corporation

P. O. Box 1589

Tulsa, Oklahoma 74102

MANUFACTURING DEPARTMENT

November 5, 1969

THB	JMS
ECR	WHP
NOV 6 1969	
GEU	AJT
WRW	JAD
WJO	

Humble Oil & Refining Company
P. O. Box 1600
Midland, Texas 79701

Attention: Mr. E. C. Barfield

Gentlemen:

Re: Oil Center Blinebry Pool
Lea County, New Mexico

This is in reply to your letter of October 14, 1969, pertaining to your planned request for a hearing before the New Mexico Conservation Commission for the purpose of obtaining an exception to State Rule 506 in order to raise the limiting gas-oil ratio.

If your request is granted, a small additional quantity of casinghead gas will be available to us for processing in our Eunice, New Mexico, gas processing plant. This is to advise that we have plant capacity to process the additional gas, and we are willing to take the additional gas in the event the gas-oil ratio limit for the Pool is increased.

Yours very truly,

WARREN PETROLEUM CORPORATION



L. A. Jackson

LAJ:mb

NEW MEXICO
OIL CONSERVATION COMMISSION
STATE WIDE OIL PRORATION ORDER
NORMAL UNIT ALLOWABLE 70 BBLs.

G. O. R. SCHEDULE

OIL CENTER BLINEBRY
(80 Acre Spacing)

Top Allowable 164 GOR Limit 2,000

ATLANTIC RICHFIELD CO.

E.C.Adkins(9)11 A	9-21-37	8	**2935
State L (8) 6 E	11-21-36	8	750

TOTAL 2 16

CONTINENTAL OIL CO.

Meyer B-4(84)19 O	4-21-36	84	1750
" (9) 20 G	"	9	**3370
" (58) 21 Q	"	57	**2870
" (72) 22 K	"	60	**2720
" (30) 23 W	"	30	**2090
" (49) 24 I	"	49	**2780
" (24) 25 S	"	24	**2180
" (56) 26 C	"	56	1503

Acreage factor .975

" (60) 27 H	"	60	**2020
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Acreage factor .662

State D (12) 13 M	11-21-36	12	**3030
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TOTAL 10 441

GULF OIL CORP.

Evans St.(6) 4 O	3-21-36	6	**5167
B.Ramsay NCT-A			
" (27) 11 M	4-21-36	27	**2704
" (3) 12 E	"	3	1333

TOTAL 3 36

HUMBLE OIL & REFINING CO.

A.J.Adkins(63)8 K	10-21-36	63	**2952
" (6) 9 E	"	6	**10167
" (6) 10 M	"	6	**10000
Blinebry Oil Com. #1			
" (97) 1 C	"	91	*3619
J.D.Knox(27) 9 A	"	27	**4185
" (84) 10 C	"	74	**2940
" (13) 11 I	"	13	1692
" (22) 12 O	"	22	455

TOTAL 8 302

ME-TEX SUPPLY CO.

Wallace St.(66)5M	3-21-36	66	**4621
" (62) 6 K	"	62	**4177
" (78) 7 E	"	78	**2923

TOTAL 3 206

SHELL OIL CO.

State J (42) 6 N	32-20-37	42	868
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SUN OIL CO.

J.A.Akens(40) 7 S	3-21-36	40	**2255
" (60) 8 W	"	60	**5730
" (11) 9 Q	"	11	**17573
Akens A O-Unit			
" (100) 1 U	"	100	**2661

TOTAL 4 211

POOL TOTAL 31 1254

NOV 13 1969

HUMBLE OIL & REFINING COMPANY

MIDLAND, TEXAS 79701

PRODUCTION DEPARTMENT

SOUTHWESTERN DIVISION

L. H. BYRD
MANAGER

November 11, 1969

POST OFFICE BOX 1600

Case 4276

20-3-2: Request for Special Gas-Oil
Ratio Limitation
Oil Center Blinebry Pool
Lea County, New Mexico

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

Attention: Mr. A. L. Porter, Jr., Executive Secretary,
Director and State Geologist

Gentlemen:

Humble Oil & Refining Company respectfully requests a hearing before the Commission to consider its application for an exception to State Rule 506 to provide for a limiting gas-oil ratio of 6000 standard cubic feet per barrel of oil produced in the Oil Center Blinebry Pool, Lea County, New Mexico. Please schedule this matter for the December 17, 1969, Examiner Hearing.

The Oil Center Blinebry Pool produces 1125 barrels of oil per day from 33 wells under a dissolved gas drive mechanism. The pool average producing gas-oil ratio is currently 4100 standard cubic feet per barrel of oil, and 29 wells have producing gas-oil ratios in excess of the presently limiting 2000 standard cubic feet per barrel of oil. Phillips, Continental Carbon, and Warren, the three gas purchasers in the field, have confirmed that they are capable of handling the additional gas associated with the relaxation in gas limit if the provision is approved.

Attached is a plat showing the current gas-oil ratio limit for southeastern New Mexico pools producing from the Blinebry formation. Also attached are a pool plat and performance graph.

Yours very truly,

HUMBLE OIL & REFINING COMPANY

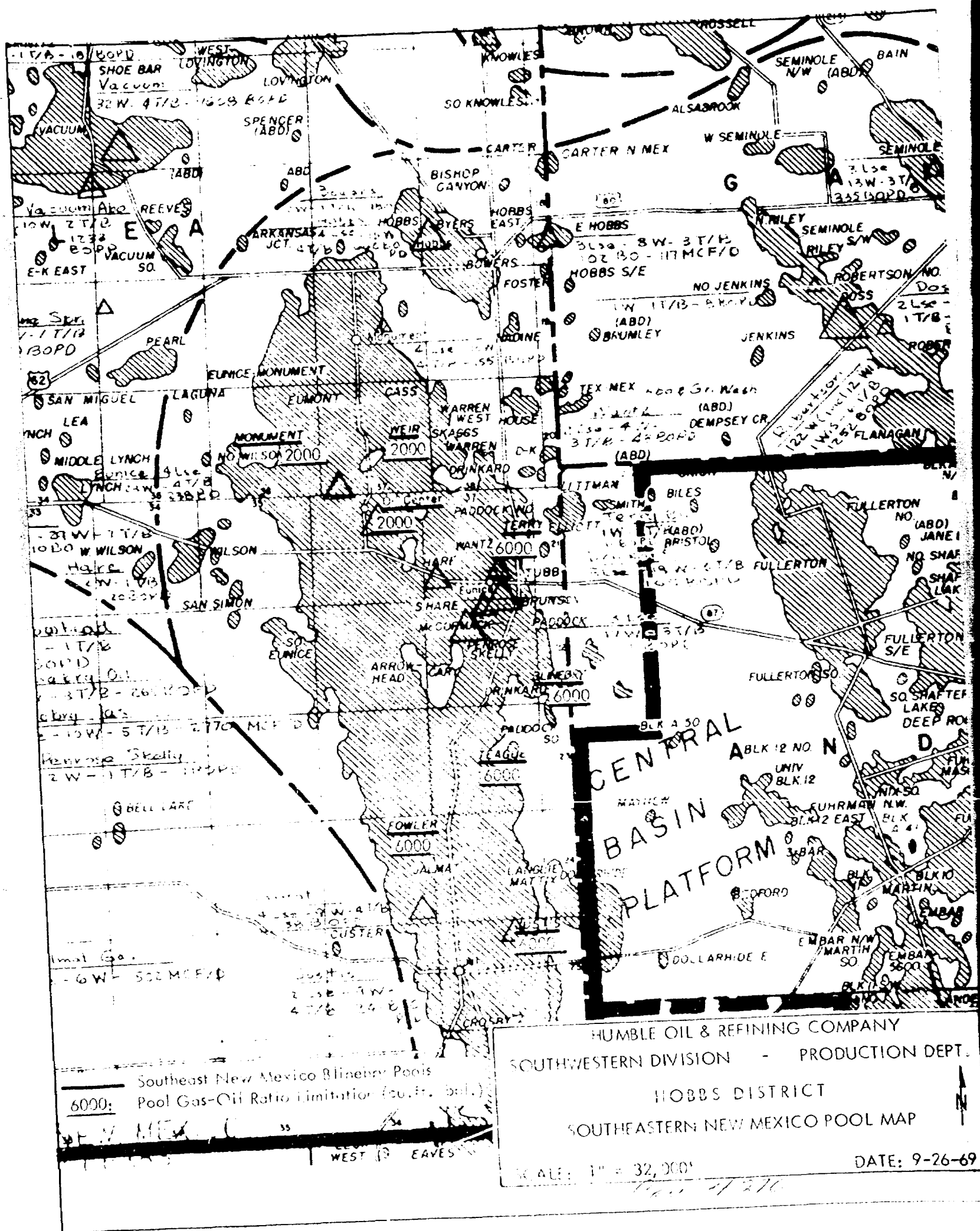


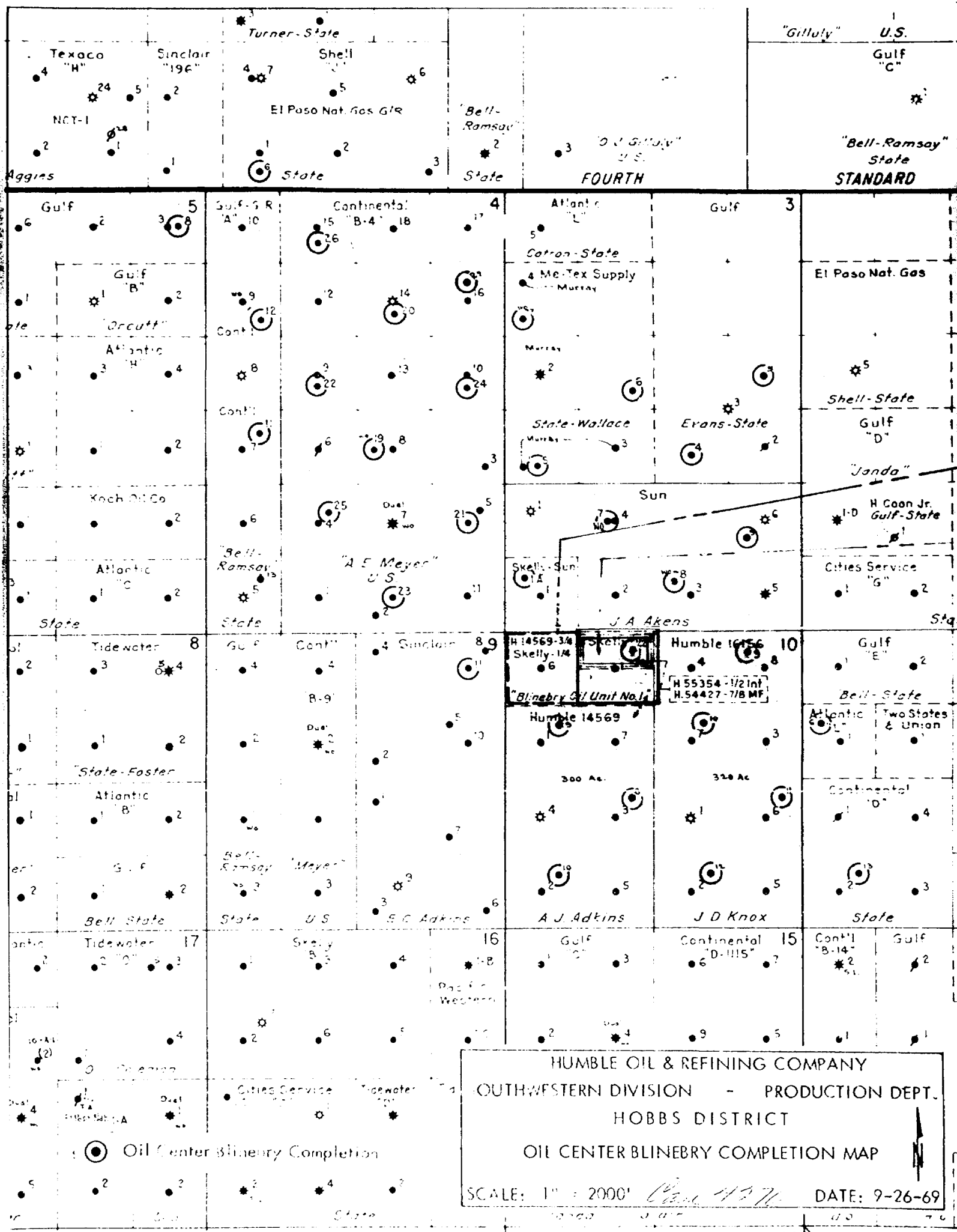
L. H. Byrd

WGD/pw
Attachments

DOCKET MARKED

Date 12-5-69





2624 7440

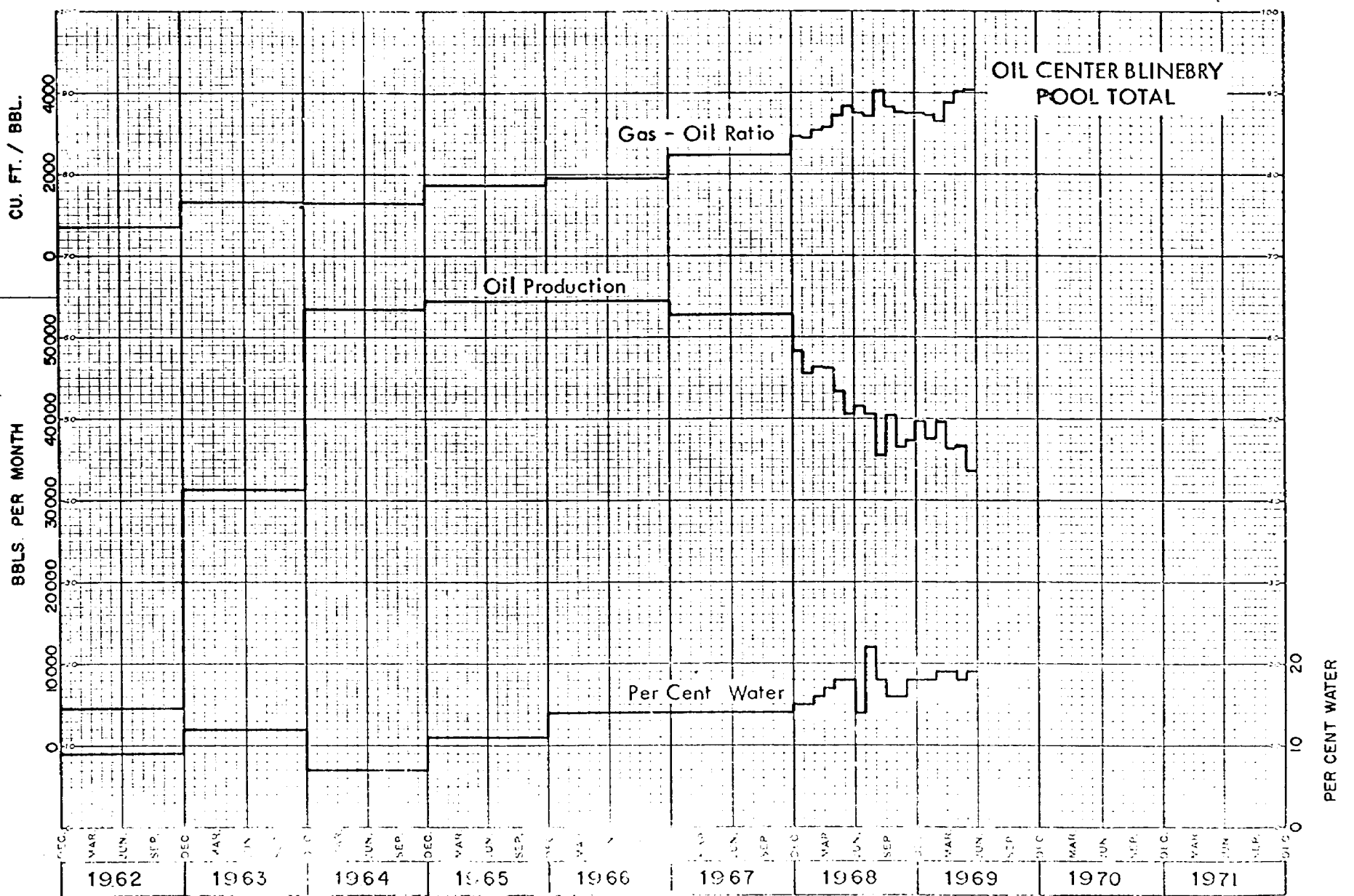


Figure III

DRAFT

GMH/esr

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:

RECORDS CENTER

CASE No. 4276

Order No. R- 3912

APPLICATION OF HUMBLE OIL & REFINING
COMPANY FOR A SPECIAL GAS-OIL RATIO
LIMITATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

9:30

This cause came on for hearing at 9 a.m. on December 17, 1969,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 18th day of December, 1969, 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, Humble Oil & Refining Company, seeks
an exception to Rule 506 of the Commission Rules and Regulations
to provide for a limiting gas-oil ratio of 6000 cubic feet of gas
per barrel of oil in the Oil Center-Blinebry Pool, Lea County,
New Mexico.

(3) That the reservoir characteristics of the subject pool
presently available ^{indicate} ~~justify~~ the establishment of a gas-oil ratio
limitation of 6000 cubic feet of gas per barrel of ^{oil would be} ~~liquid hydro-~~
~~carbons.~~

(5) That in order to afford to the owner of each property
in the Oil Center-Blinebry Pool the opportunity to produce his

(4) that the reservoir characteristics of the subject pool presently available justify the establishment of a gas-oil ratio limitation of 6000 cubic feet of gas per barrel of oil.

oil would be heavier.

just and equitable share of the oil and gas in the subject pool and for this purpose to use his just and equitable share of the reservoir energy, a limiting gas-oil ratio of ~~6000~~⁴⁰⁰⁰ cubic feet of gas per barrel of ~~liquid hydrocarbons~~^{oil} should be established for the subject pool.

(6) ~~157~~ That approval of the subject application will prevent waste and protect correlative rights, provided the flaring or venting of gas in the Oil Center-Blinebry Pool is prohibited.

(7) ~~157~~ That in order to assure the protection of correlative rights, the operator of each well in the Oil Center-Blinebry Pool should file a new gas-oil ratio test with the Commission's Hobbs District Office on or before ~~February~~^{March} ~~15~~^{Feb.}, 1970.

IT IS THEREFORE ORDERED:

(1) That, effective ~~February~~^{March} 1, 1970, the limiting gas-oil ratio in the Oil Center-Blinebry Pool, Lea County, New Mexico, shall be ~~6000~~⁴⁰⁰⁰ cubic feet of gas for each barrel of oil produced; that effective ~~February~~^{March} 1, 1970, each proration unit in the Oil Center-Blinebry Pool shall produce only that volume of gas equivalent to ~~6000~~⁴⁰⁰⁰ multiplied by top unit oil allowable for the pool.

(2) That the operator of each well in the Oil Center-Blinebry Pool shall file a new gas-oil ratio test with the Commission's Hobbs District Office on or before ~~February~~^{March} 15, 1970, and shall furnish a schedule of test dates to the Commission's Hobbs District Office in order that the tests may be witnessed.

(3) That no gas shall be flared or vented in the Oil Center-Blinebry Pool more than 60 days after a well begins to produce or 60 days after the ~~date of issuance~~ of this order, whichever

is later. Any operator desiring to obtain an exception to this provision shall submit to the Secretary-Director of the Commission an application for such exception with a statement setting forth the facts and circumstances justifying it. The Secretary-Director is hereby authorized to approve such an application if he determines that the exception is necessary to prevent waste. If the Secretary-Director declines to grant administrative approval of the requested exception, the matter shall be set for hearing if the operator so requests.

(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.

CASE 4277: Application of PAN AM.
FOR TWO UNORTHODOX GAS WELL
LOCATIONS, RIO ARRIBA COUNTY.