CASE 4325: Application of MOBIL OIL CORP. FOR DOWNHOLE COMMING-LING, LEA COUNTY, NEW MEXICO.

Lase Number 11335

Application Transcripts.

Small Exhibits

dearnley-meier

BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION Santa Fe, New Mexico March 25, 1970

EXAMINER HEARING

IN THE MATTER OF:

Application of Mobil Oil)
Corporation for downhole)
commingling, Lea County, New)
Mexico.)

) Case No. 4325

BEFORE: Elvis A. Utz, Examiner.

TRANSCRIPT OF HEARING



MR. UTZ: Case 4325.

MP. HATCH: Case 4325. Application of Mobil Oil Corporation for downhole commingling, Sea County, New Mexico.

MR. SPERLING: James E. Sperling of Modrall,
Seymour, Sperling, Poehl and Harris, Albuquerque, appearing
for the Applicant, Mobil Oil Corporation. We have one witness,
Mr. Simmons.

(Witness sworn).

(Whereupon, Applicant's Exhibits 1 through 8 were marked for identification).

W. B. SIMMONS

the Witness, having been first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. SPERLING:

O Will you state your name, please, your occupation, your employer and your place of residence?

A I am W. B. Simmons, Jr., employed as an associate engineer in the proration group for the Midland division office of Mobil Oil Corporation.

O Mr. Simmons, have you on any previous occasion testified as an expert witness before the Commission so that your qualifications are a matter of record?

A Yes, I have.

MR. SPERLING: I assume the witness' qualifications are acceptable?

MP. UTZ: The witness has previously qualified, Mr. Sperling.

O (By Mr. Sperling) Mr. Simmons, will you blease state the purpose of the application filed in this case by Mobil?

Mobil Oil Corporation plans to seek exception to

New Mexico Oil Conservation Commission Rule 303 and request

authority to commingle within the well bore of Mobil's Bridges

State Well Number 119 production from the Vacuum-Wolfcamp

Pool and the Vacuum-Upper Pennsylvanian Pool.

The Upper Pennsylvanian Zone has stopped flowing and is presently shut in. It will require artificial lift for any further production. Mobil believes that the downhole commingling of the two zones at this time will eliminate the need for installing expensive numbing equipment and will ultimately result in the additional oil recovery, thereby preventing waste.

Now, Mr. Simmons, please refer to what has been

marked as Exhibit Number One in this case and explain what it is and its purpose.

A Exhibit One is an ownership plat showing the location of the subject well, a triple completion in the Vacuum-Abo, Wolfcamp and Upper Pennsylvanian Zones. The well is located in unit "F" 2,030 feet from the north line, 1830 feet from the west line of Section 24, Township 17 South, Range 34 East in Lea County, New Mexico.

The Upper Pennsylvanian Pool is referred to in Exhibit One and in the following exhibits as the Vacuum-Upper Penn Pool. This agrees with the nomenclature used in the Commission's statewide oil proration order and provides a short form which is more convenient to use.

Exhibit One is colored-coated to show the Vacuum-Upper Penn Pool which is outlined in red and the Upper Penn completions are colored in red. The Vacuum-Wolfcamp Pool is outlined in green and the Wolfcamp completions are colored in green.

Now, Mobil's lease on this map consists of 5,281.38 acres leased from the State of New Mexico.

- O Now, please refer to what's been marked as Exhibit

 Two and explain that exhibit.
 - A Exhibit Two is a graph showing the performance

curves for the Wolfcame Zone Well 199. Now, this graph indicates that the water production during the history of the well has been insignificant until August, in '69, when it increased and leveled off to approximately eight percent of the oil production.

The oil production is decreasing at an approximate thirty-six percent decline rate. The well is producing at a marginal rate.

O Now, would vou refer to Exhibit Three and explain it?

A Exhibit Three is a graph showing the performance curves for the Upper-Penn Zone of Well 119. This graph indicates that the water production is very small, averaging less than four percent of the total well's oil production and virtually zero during the early well life.

We expect this tendency for low produced water volumes to continue during the economic life of the well. The oil production is decreasing at an approximate decline rate of thirty-four percent.

This well stopped flowing and is presently shut in. Efforts were made to kick the well off but after ten hours of swabbing, the well was producing two barrels of oil per hour from the bottom with a declining fluid level.

Prior to this sumbbing operation, the well had been shut in for seventy-two hours.

- O Please refer to Exhibit Four and explain what it shows.
- A Exhibit Four is tabular data of the two preceding exhibits and it is just back-up information.
 - O And refer to Exhibit Five, please.
- A Exhibit Five is a graph that shows the anticipated production decline curves of both zones if produced separately and a composit production decline curve if the same two zones were produced commingled downhole.

The combined production will amount to an estimated 55 barrels of oil per day produced with a bean numb operating under vented conditions.

- O What is the significance of the horizontal line which is shown on that exhibit toward the top?
- A This line representing 80 barrels of oil per day indicates the maximum total daily production allowed from both zones when commingling under Commission Rule 303C. This rule provides for administrative procedure by which exceptions to Rule 303A may be granted by the Commission, provided certain facts exists and the required conditions are met.

Since the rule was written specifically for dually

completed wells, this triply completed well is not eligible for administrative approval under the rule. The graph also shows that the total commingled production --- now, that's marked line three, indicated line three on Exhibit Five --- is expected to be under this limit and decline from its initial value at a thirty-six percent decline rate.

O Are there any other facts or conditions which exist in these two zones that would meet the guide lines set forth in Rule 303A if this were a dually completed well?

A Yes, such as both zones will require artificial lift for any future production; neither zone produces more than 80 barrels of water per day allowed for this depth.

Actually, the combined water production is only 3 barrels of water per day. The fluids from both zones are compatible with each other and their combination will not result in the formation of damaging precipitates in either reservoir.

The total value of the crude will not be reduced by commingling. Ownership of the two zones to be commingled is common. The rovalty interest of both zones are common.

Mobil has no plans for secondary recovery in either of these zones to be commingled nor do we know of any such plans.

O Why do you consider the points that you have just made to be significant in this case?

A In my opinion the two zones in Well 119 have substantially satisfied the quide lines of eligibility set forth in Commission's Rule 303C and should receive consideration for these facts along with other criterion the Commission deems necessary in this case.

If Mobil were required to continue production from separated zones, the Applicant would be subjected to undue hardship and expense that would not otherwise occur if Mobil were to receive consideration under the less restrictive producing conditions available and permitted by Rule 303A.

O Now, refer to Exhibit Six and explain that exhibit and its purpose.

A Exhibit Six is a data sheet with an attachment that summarizes the background information necessary for the Commission's consideration of this request. Attached Form C116 is a productivity test for the Wolfcamp Zone taken March 10, 1970. We were not able to furnish a current test for the Upper-Penn since it guit flowing in January, 1970.

During the last full month production in December, 1970, the well averaged 26 barrels of oil per day; that's the Upper-Penn Zone. Our best estimate of the zone's ability to

produce when numbed under vented conditions is 35 barrels of oil per day or an expected increase of 35 percent above its previous flowing capacity.

- O How, refer to Exhibit Seven, please.
- A Exhibit Seven is a computation of the relative values of the hydrocarbon production before and after downhole commingling. It shows that the value of the crude will remain the same before and after the proposed downhole commingling.

These two zones are presently commingled on the surface in accordance with Commission Order PC 100.

Now, Mr. Simmons, if you will, refer back to Exhibit Six again, shown on that exhibit are bottomhole pressures which result in a pressure differential. Are these sufficient to cause cross flow after downhole commingling?

A In answer to that, I would like to submit and refer to Exhibit Eight, which is a schematic well bore sketch of Well 119 showing the existing triple completion and the proposed dual completion if commingling were allowed.

Vou will note that all packers will be left in place. The long string will be perforated as shown on Exhibit Eight and a standing valve installed along with a seeding nipple.

The existing bean pump now pumping the Wolfcamp Zone through the intermediate string will be pulled and reinstalled in the long string and operated in such a manner as to maintain a low fluid level in the well. This will minimize any tendency for cross flow since the reservoir pressure of the lower zone will offset the pressure caused by the normal pumping level of the commingled well.

The intermediate string will be left in place to provide venting for the commingled zones—thereby providing increased pumping efficiency. However, if the pump were to become inoperative for a sufficient period of time the fluid level could rise. If this were to happen and the fluid level rose above the lower zone's capacity to hold it, the standing valve would seat and mechanically prevent cross flow.

After the proposed commingling, the Abo Zone will continue to be produced, maintained and operated as an isolated zone, completely isolated from the lower two zones.

O What advantages do you anticipate from the proposed downhole commingling other than the elimination of the installation of the pump equipment now that the Upper-Penn Zone has quit flowing?

A Well, the pumping equipment would cost approximately \$20,000.00 to install and would recover no more oil than the

proposed downhole commingling. Actually, I would expect the well to recover its reserves at a slower rate since there would be no way to vent the well with all three wells on the bean pump.

The proposed commingling would provide for more efficient pumping initially and will ultimately extend the productive life of the two zones.

0 Mr. Simmons, did vou give notice of this application to offset operators?

A I did to the offset operators next to that well, I sure did.

- O And did you receive any responses?
- A There has been no adverse response of this application directed to Mobil. Interested lease operators offsetting the well were notified by Mobil and waivers were received from Atlantic Richfield, Mallard Petroleum and Philip's Petroleum.

Actually, there are no offset operators other than Mobil presently completed in the Upper-Penn and Wolf-camp Zones as indicated by the Commission's statewide proration order.

The State of New Mexico is royalty owner and has approved this application as evidenced by the letter

from the State Land Commissioner. Copies of all correspondence could be submitted at this time for --

MR. SPERLING: All right. Mr. Examiner, these have not been marked as exhibits. They are simply copies of correspondence submitted to the State Land Office and the responses relating to the application. I will just submit that for the file.

THE WITNESS: They may have copies already of this.

MR. SPERLING: Okav.

- O (By Mr. Sperling) Mr. Simmons, would the granting of this application in your opinion affect adversely the correlative rights of any other operator?
 - A In my opinion, no.
- O I think a summary of your testimony would be to the effect that the granting of this application would enable Mobil to recover oil and gas that would otherwise be uneconomically recoverable and thereby prevent waste; is that the substance of your presentation?
- A Yes. This action will prevent the waste of oil and will therefore be in the best interest of conservation.
- Q Were Exhibits One through Eight prepared by you or under your supervision?

A Yes, they were.

MR. SPEPLING: Mr. Examiner, at this time I would like to offer Exhibits One through Fight.

MR. UTZ: Without objections, Exhibits One through Eight will be entered into the record of this case.

MR. SPERLING: That concludes our direction examination.

CROSS EXAMINATION

BY MR. UTZ:

O Mr. Simmons, referring to your Exhibit Number Five, these slopes that you used here were established by previous production; is that correct?

A Yes, sir, the extension of it. I wasn't able to show the full time on this previous one but this is our best estimate of the decline and in previous cases, this falls in somewhat along the same lines.

It's extrapolated as you can see, but we expect that decline to occur.

O And the high point or the beginning of these projected slopes are the test data shown on Exhibit Six?

A Yes, sir. On Exhibit Six the Wolfcamp zone is test data and I have 1-16 the latest well test, but as I testified before, the Upper-Penn, this is our best estimate

based on swabbing information and the pumping efficiency; so, actually, we have actually added into this high point here some anticipated recovery due to more efficient vented pumping operations.

- O And the commingled curve is the total of your test plus your estimate?
- A Yes, sir. That should represent the expected high.
 - O Approximately 1750?
 - A Yes, sir.
- O You expect both these zones to perform as well under your projected pumping conditions as they did previous to that?
 - A Yes, sir.
- O Possibly better insofar as the Upper-Penn is concerned?
- A Yes. We will be able to expect an intiial increase and maintain that with vented pumping conditions.
- Now, how do you propose to make your dual completion and packer leakage test in the future?
- A We will make the conventional packer leakage test as required, but only testing the packer leakage between the --- showing separation between the Abo Zone and the lower two

zones. With perforations we would be unable to --

- O The bottom packer will actually not be tested?
- A No, sir. It will be left in place, but not be tested. The latest backer leakage test does show that bottom packers are holding and that all three zones are isolated.
- O As I understand this, the only reason you want to commingle these two zones is because the Upper-Penn quit flowing?

A That's the immediate reason. Within the near future, the Wolfcamp -- as you can see on the decline of the Wolfcamp -- it will be approaching its economic limit for pumping, so within the near future we would be coming to you for a downhole commingling for other reasons.

We believe at this time that this is an opportune time for downhole commingling, but the initial impact will be to get that other zone that is shut in now to producing again and it will be a much more economical operation.

- The Wolfcamp is flowing at the present time?
- A No, sir. The Wolfcamp is pumping at the present time, but its well test, I believe it was 20 barrels a day declining and in the near future it will be approaching the economic limit.

The Upper-Penn guit flowing and in order to produce

it we will have to install pumping equipment. It must be artificially lifted.

O So, your Exhibit Eight showing the existing triple doesn't show the pumping equipment, is that correct?

A That's right. It just shows a combined pumping equipment if it were to be commingled.

O I mean as it is now?

A No, sir, it doesn't. We would go back to the existing triple completion as the Wolfcamp is, the one that would have a pump in it. The Abo has a pump. The Upper-Penn is shut in with no pumping equipment.

O You are pumping the Abo?

A Yes, sir. It's marked on the exhibit. It's not shown, but it's marked, Abo's rod pumped, Upper-Penn is shut in, stopped flowing and the Wolfcamp is rod pumped.

O I see.

A The last time I had these separated. In the interest of cutting down the exhibits, I tried to squeeze them up and there's just so much information you can get on these small plats.

MR. UTZ: Are there other questions of the witness?

Q (By Mr. Utz) Do you have any pressures for these two zones?

- The bottom zone was measured in September of 1969 at 787 PSI. I believe that's one of the kev wells in that field, so we have had a record there. It shows a decline there.
 - That's hottom hole?
 - Yes, sir, bottom hole pressure. \mathbf{A}
 - Now about the Wolfcamp?
 - Now, the Wolfcamp is estimated at 700 pounds. It's pumping and we weren't able to secure; but, that's our best estimate at that pressure.

MR. UTZ: Are there other questions of the witness? He may be excused.

(Witness excused) .

MR. UTZ: Statements? The case will be taken under advisement.

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EXHIBITS

Applicant's 1 through 8

2.

STATE OF NEW MEXICO)

COUNTY OF BERNALILLO)

I, GLENDA BURKS, 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.

Menda Bubs-Notary Public

My Commission Expires:

March 12, 1973

I do hereby sartify that the foregoing is

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New Marico Oil Conservation Commenter

OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO F. O. BOX 2000 • BANTA FE LAND COMMISSIONER ALEX J. ARMIJO MEMBER

BYATE GEOLOGIST A. L. PORTER, JR. BEGRETARY & DIRECTO.

Mobil Oil Corporation May 27, 1970.

Mobil Oil Corporation P.O. Box 633 Midland, Texas 7970/

Attention:

Case No. 4325. Order No. R-3938 Administrative Order No. DIIC-

Well Name & No: Bridges State Well No. 119

Location: Unil F of Sec. 24, T 175, R34E NMPM. ...
Pools: Vacuum-Wolfcamp and Vacuum-Upper Fennsylvanun

Gent Lemen:

Reference is made to your recent application for an exception to Rule 303-A of the Commission Rules and Regulations for the subject dually completed well to permit the removal of the down-hole separation equipment and to commingle the production from both pools in the well-bore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303-C, and that reservoir damage or waste will not result from such down-hole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and Commission Order No. ______, which authorized the dual completion and required separation of the zones, is hereby placed in abeyance.

In accordance with the provisions of Rule 303-C, total commingled oil production from the subject well shall not exceed __ barrels per day, and total water production from the well shall not exceed __ barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by multiplying __ by top unit allowable for the ____.

Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

Upper Pool: 35 % Wolfcamp Lower Pool: 65 % Upper Pennsylvanian

Pursuant to Rule 303-C 5, the commingling authority granted by this order may be rescinded by the Secretary-Director if, in his opinion, conservation is not being best served by such commingling.



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO P. O. BOX 2088 - SANTA FE 87501 GOVERNOR DAVID F. CARGO CHAIRMAN

LAND COMMISSIONER ALEX J. ARMIJO MEMBER

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

April 2, 1970

Mr. James E. Sperling	Re:	Case No	4325
Modrall, Seymour, Sperling,	Roehl	Order No.	R-3938
& Harris		Applicant:	
Attorneys at Law		MOBIL	OIL CORP.
Public Service Building - Bo Albuquerque, New Mexico 8710			
Dear Sir:	•		
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Other			

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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

> CASE No. 4325 Order No. R-3938

APPLICATION OF MOBIL OIL CORPORATION 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 March 25, 1970, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this lst day of April, 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, Mobil Oil Corporation, is the owner and operator of the Bridges State Well No. 119, located in Unit F of Section 24, Township 17 South, Range 34 East, NMPM, Lea County, New Mexico.
- (3) That pursuant to authority granted by Administrative Order EC-1762, the subject well was completed by the applicant as a triple completion (conventional) to produce oil from the North Vacuum-Abo, Vacuum-Wolfcamp, and the Vacuum-Upper Pennsylvanian Pools through parallel strings of tubing.
- (4) That the Vacuum-Wolfcamp and Vacuum-Upper Pennsylvanian zones are now capable of only low marginal production.

-2-CASE No. 4325 Order No. R-3938

- (5) That the applicant now proposes to complete the subject well in such a manner as to produce oil from the North Vacuum-Abo Pool through one string of 2 3/8-inch tubing and to produce the low marginal production from the Vacuum-Wolfcamp and Vacuum-Upper Pennsylvanian Pools through a single parallel string of 2 3/8-inch tubing, commingling in the well-bore the production from the Vacuum-Wolfcamp and Vacuum-Upper Pennsylvanian oil zones, with separation of the North Vacuum-Abo zone and the commingled Vacuum-Wolfcamp and Vacuum-Upper Pennsylvanian zones by means of a packer set at approximately 9535 feet.
- (6) That the proposed commingling of the Vacuum-Wolfcamp and Vacuum-Upper Pennsylvanian zones may substantially extend the productive lives of said zones.
- (7) That the reservoir characteristics of the Vacuum-Wolfcamp and Vacuum-Upper Pennsylvanian zones in the subject well are such that underground waste would not be caused by the proposed commingling in the well-bore.
- (8) That the proposed commingling may result in the recovery of additional oil from each of the commingled zones, thereby preventing waste, and will not violate correlative rights.
- (9) That the mechanics or the proposed completion are feasible and in accord with good conservation practices.
- (10) That in order to assist in a determination of the amount of production to be allocated to each of the commingled zones, four weekly production tests of the commingled Vacuum-Wolfcamp and Vacuum-Upper Pennsylvanian zones should be taken by the applicant; that the results of said tests should be submitted to the Santa Fe and Hobbs offices of the Commission.
- (11) That approval of the subject application will prevent waste and protect correlative rights.
- (12) That Administrative Order MC-1762 should be placed in abeyance.

IT IS THEREFORE ORDERED:

(1) That the applicant, Mobil Oil Corporation, is hereby authorized to complete its Bridges State Well No. 119, located

-3-CASE No. 4325 Order No. R-3938

in Unit F of Section 24, Township 17 South, Range 34 East, NMFM, Lea County, New Mexico, in such a manner as to produce oil from the North Vacuum-Abo Pool through one string of 2 3/8-inch tubing and to produce oil from the Vacuum-Wolfcamp and Vacuum-Upper Pennsylvanian Pools through a single parallel string of 2 3/8-inch tubing, commingling in the well-bore the production from the Vacuum-Wolfcamp and Vacuum-Upper Pennsylvanian Pools, with separation of the North Vacuum-Abo zone and the commingled Vacuum-Wolfcamp and Vacuum-Upper Pennsylvanian zones by means of a packer set at approximately 9535 feet;

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take packerleakage tests upon completion and annually thereafter during the Annual Gas-Oil Ratio Test Period for the Vacuum-Wolfcamp Pool.

- (2) That the applicant shall take one production test of the commingled Vacuum-Wolfcamp and Vacuum-Upper Pennsylvanian sone per week for a period of one month and submit results of said tests to the Santa Fe and Hobbs offices of the Commission.
- (3) That the production from the Vacuum-Wolfcamp some and from the Vacuum-Upper Pennsylvanian zone in the subject well shall be established and future production allocated to said zones in the subject well in the proportion that the production from each of said zones in the subject well bears to the combined production from both of said zones until further order of the Commission.
- (4) That the commingling in the well-bore authorized by this order shall continue only so long as the commingled production of the two zones does not exceed 80 barrels of oil per day.
- (5) That Administrative Order MC-1762 is hereby placed in abeyance.
- (6) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

-4-CASE No. 4325 Order No. R-3938

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

TO TOWN

DAVID F. CARGO, Chairman

ALEX S. ARMIJO, Member

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

Case 4325 Kenned. 3-25-70 Rec. 3-26-70 Shant Mobil permission to Countingle (downtole) the Vaccium upper Benn and Wolframp oil Potola in their Bridges State. # 119 The Nacuum-abo of the tiple completion will the paroduced separately. the separation of the Remy & W.C. well be continued by stanting vælse In the tubin above the packer between the 2 zones. Bath zones will be pumper to gether in 278 tukung. Thurste Dit

NEW MEXICO OIL CONSERVATION COMMISSION GAS-OIL RATIO TESTS

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

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

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

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

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

I hereby certify that the above information is true and complete to the best of my know-"ledge and belief.

Authorized Agent (Titic) May 12, 1970 (Date)

NEW MEXICO OIL CONSERVATION COMMISSION GAS-OIL RATIO TESTS

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zed Agent (Titie) May 12,

1970 (Date)

NEW MEXICO OIL CONSERVATION COMMISSION GAS - OIL RATIO TESTS

C-116 Revised 1-1-65

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Bridges State	119	F	24	17	34	5-9-70	p	2" T	-	67	2);	0	10.4	43	44.4	1033
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3rd of 4 weekly tests.			1	<u> </u>		•				 	<u> </u>	l	<u> </u>			<u> </u>

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

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

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

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

Moll 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.

(Signoture)
Authorized Agent

(Tide) May 14, 1970

(Date)

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

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

Gas volumes must be reported in MCF measured at a pressure base of 15,025 psia and a temperature of 40° 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)

Authorized Agent

(Title)

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Elvis A. Utw. Examiner, or Daniel S. Nutter, Alternate Examiner:

- CASE 4321: Application of Sun Oil Company-DX Division for 320-acre spacing, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks 320-acre spacing for the Cass Ranch-Morrow Gas Pool, Eddy County, New Mexico. Said pool was created prior to June 1, 1964, and therefore is not automatically eligible for 320-acre spacing. In the absence of evidence to the pontropy, 320-acre spacing will be established for the pool.
- CASE 4324: Application of Pennzoil United, Ind. for an uncrthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the special rules and regulations governing the Lea-Bone Springs Pool to permit the completion of a well at an uncrthodox location 2310 feet from the South line and 1800 feet from the East line of Section 35, Township 19 South, Range 34 East, Lea County, New Mexico.
- CASE 4325: Application of Mobil Oil Corporation for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle production from the Vacuum-Wolfcamp Pool and the Vacuum-Upper Pennsylvanian Pool in the wellbore of its Bridges State Well No. 119, a triple completion, located in Unit F of Section 24, Township 17 South, Range 34 East, Lea County, New Mexico.
 - CASE 4326: Application of Newmont Oil Company for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 104 C I to permit the recompletion of a well at an unorthodox oil well location 1325 feet from the South line and 990 feet from the East line of Section 31, Township 17 South, Range 30 East, Loco Hills-Queen Pool, Eddy County, New Mexico.
- CASE 4327: Application of Franklin, Asten & Fair 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 leases comprising the NE/4 and N/2 SE/4 of Section 1, Township 18 South, Range 29 East and the E/2, N/2 NW/4, and S/2 SW/4 of Section 6, Township 18 South, Range 30 East, Loco Hills Field, Eddy County, New Mexico. Applicant seeks authority to dispose of sait water produced by wells located or to be located on said leases in unlined surface pits.

Examiner Hearing - March 25, 1970 -2-

- CASE 4328: Application of Pubco Petroleum Corporation for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the undesignated Fictured Cliffs gas pool underlying the SE/4 of Section 33, Township 30 North, Range 14 West, San Juan County. New Mexico. Smid SE/4 to be dedicated to a well to be drilled in the SW/4 SE/4 of said Section 33. Applicant further seeks an order pooling all mineral interests in said gas pool underlying the NE/4 of Section 4, Township 29 North, Range 14 West, San Juan County, New Mexico. Said NE/4 to be dedicated to a well to be drilled in the NW/4 NE/4 of said Section 4. Also to be considered will be the costs of drilling said wells, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision of said wells.
- CASE 4329: Application of R. D. Collier 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 ground in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico. Said exception would be for applicant's Sinclair Parke Well No. 1 located in Unit F, Section 22, Township 17 South, Range 30 East, Jackson-Abo Field, 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.
- CASE 4314: (Continued and readvertised from February 25, 1970, Examiner Hearing and March 4, 1970 Examiner Hearing)
 Application of Coastal States Gas Producing Company for pool redelineation, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the redelineation of certain pool boundaries to include the deletion of the W/2 and SE/4 of Section 21, Township 13 South, Range 33 East, Lea County, New Mexico, from the Lazy J-Pennsylvanian Pool and the extension of the North Baum Upper Pennsylvanian Pool to include said deleted acreage.
- CASE 4319: (Continued from the March 4, 1970, Examiner Hearing)
 Application of Texaco Inc. for downhole commingling, Lea
 County, New Mexico. Applicant, in the above-styled cause,
 seeks authority to commingle production from the North VacuumAbo Pool and the Vacuum-Wolfcamp Pool in the wellbores of its
 New Mexico "Q" State Well No. 4 and its New Mexico "N" State
 Well No. 6, triple completions located respectively in Unit
 P of Section 25, Township 17 South, Range 34 East and Unit L

(Case 4319 continued)

of Section 30, Township 17 South, Range 35 East, Lea County, New Mexico.

- CASE 4322: Application of Texaco Inc. for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle production from the Vacuum-Wolfcamp and Vacuum-Upper Pennsylvanian Fools in the well-bore of its Shell State Well No. 1, a triple completion, located in Unit J of Section 25, Township 17 South, Range 34 East, Lea County, New Mexico.
- CASE 4323: Application of Texaco Inc.for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the Grayburg and San Andres formations through its USA Federal "C" Well No. 1 located in Unit P, Section 15 Township 17 South, Range 32 East, Maljamar (Grayburg-San Andres) Pool, Lea County, New Mexico.
- CASE 4330: Application of Tenneco Oil Company for an unorthodox location and dual completion, McKinley County, New Mexico, Applicant, in the above-styled cause, seeks approval of the dual completion of its Hospah Well No. 37% to produce oil from the Hospah-Upper and South Hospah-Lower Sand Oil Pools at an unorthodox location for said pools 1280 feet from the North and West lines of Section 12, Township 17 North, Range 9 West, McKinley County, New Mexico.
- CASE 4331: 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 790 feet from the North and West lines 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 February 4, 1970 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 4301: (Continued from the February 4, 1970 Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Robert T. Smith and all other interested persons to appear and show cause why the following Robert T. Smith wells located in Section 32, Township 20 North, Range 9 West. McKinley County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program:

State Well No. 1 located 487 feet from the North line and 990 feet from the East line;

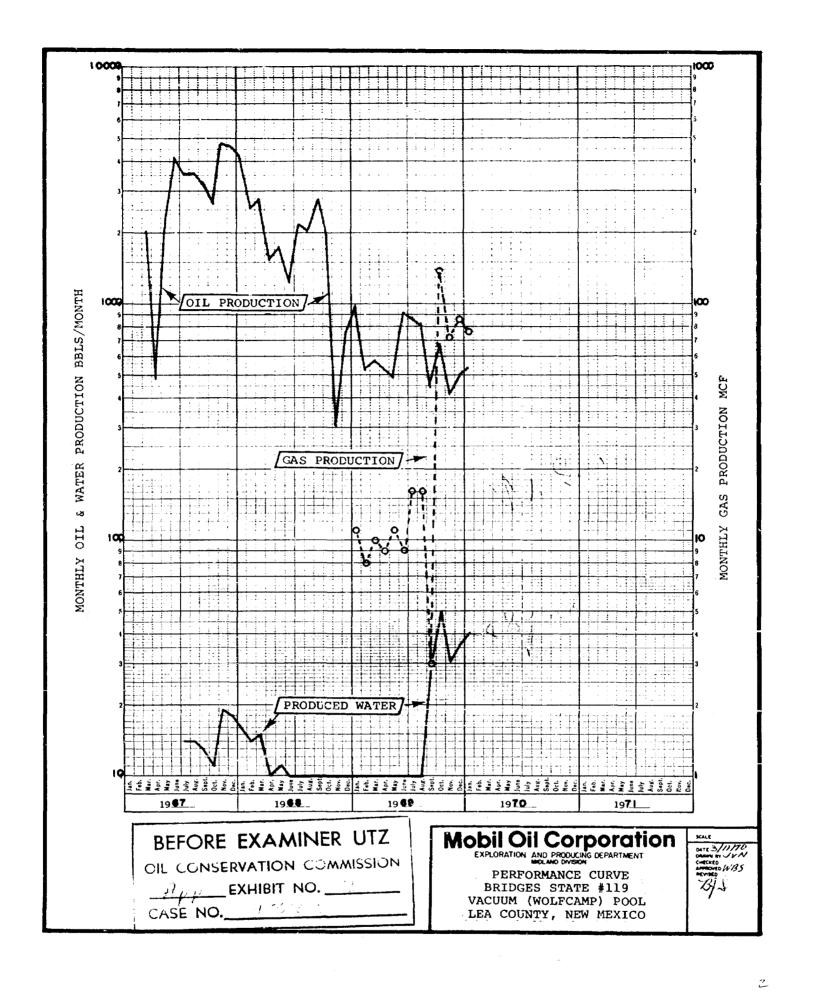
State "A" Well No. 1 located 400 feet from the North line and 990 feet from the East line;

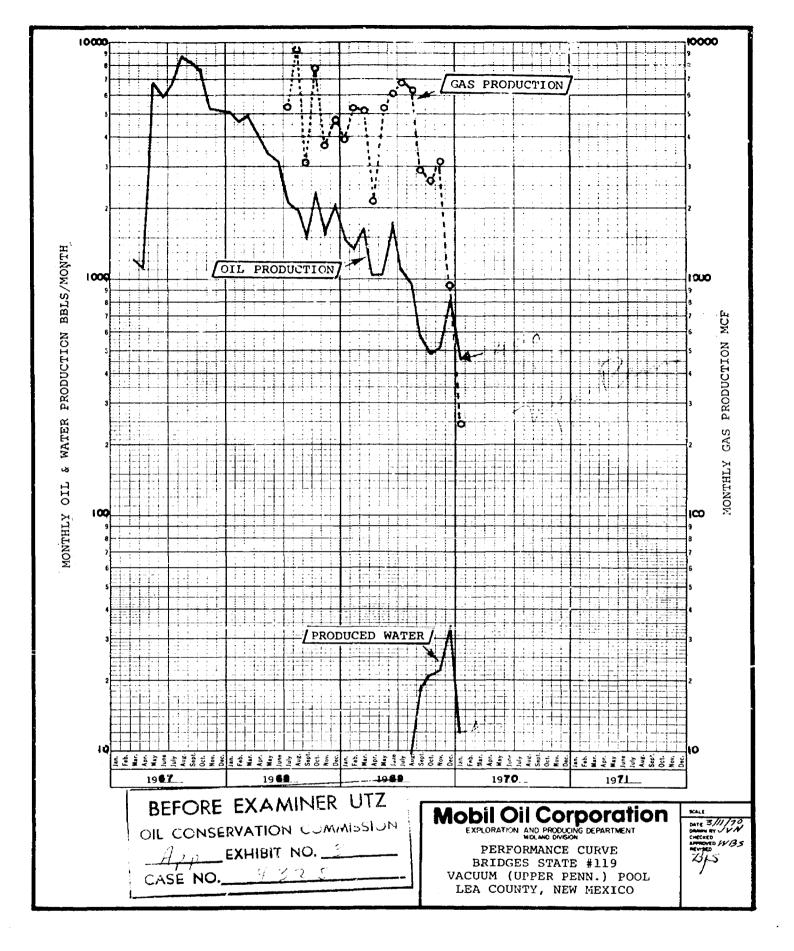
State Well No. 3 located 330 feet from the North line and 330 feet from the West line;

State Well No. 6 located 220 feet from the North line and 1485 feet from the East line;

State Well No. 6-Y located approximately 5 feetWest of the above-described Well No. 6;

State Well No. 8 located 1155 feet from the North line and 2475 feet from the East line.





TABULATION OF PRODUCTION HISTORY. MOBIL OIL CORPORATION'S BRIDGES STATE LFASE, WELL NO. 119 VACUUM FIELD LEA COUNTY, NEW MEXICO

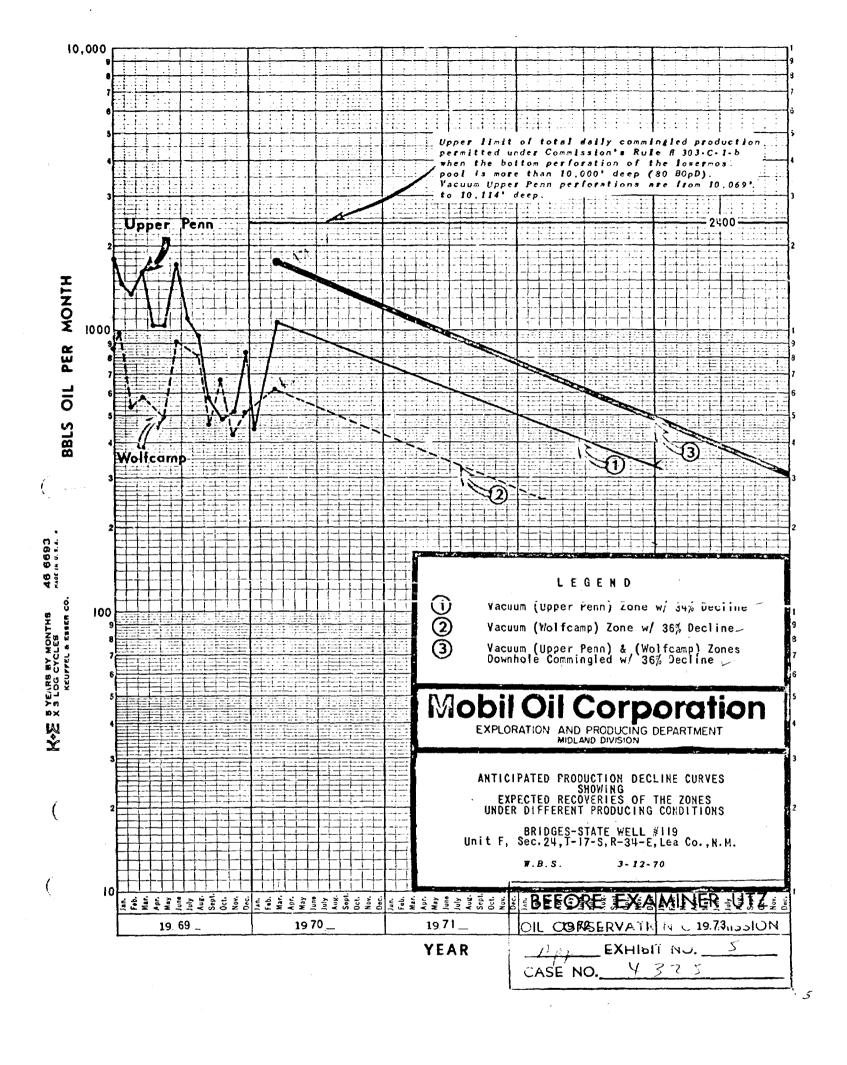
Vacuum (Wolfcamp) Pool

	Oil/Bbls	Water/Bbls	Gas/Mcf
1967	31,235	89	
1968	27,862	88	
1969 Jan. Feb. March April May June July Aug. Sept. Oct. Nov. Dec. Yrly. Total	986 525 573 526 486 916 863 808 442 678 412 492	30 50 31 <u>36</u> 147	11 8 10 9 11 9 16 16 16 72 86 355
1970 Jan.	536	40	76
Cumulative	67,340	<u>364</u>	<u>431</u>

	<u>Va</u>	cuum (Upper	Penn) Pool	
1967		56,579		
1968		36,858		33,874
1969 Yriy.	Jan. Feb. March April May June July Aug. Sept. Oct. Nov. Dec. Total	1,466 1,327 1,630 1,043 1,053 1,719 1,088 958 562 485 514 810 12,655	18 21 22 34 95	3,942 5,230 5,179 2,124 5,369 6,067 6,738 6,276 2,881 2,621 3,128 937 50,492
1970	Jan.	271	12	248
Cumu1:	ative	106,363	107	84,614

BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
APP EXHIBIT NO. CASE NO. CA

BJStubbs/WBSimmonsJr:bje March 9, 1970



DATA SHEET

MOBIL OIL CORPORATION P. O. BOX 633 MIDLAND, TEXAS 79701

APPLICATION FOR EXCEPTION TO RULE 303(a) OF NEW MEXICO OIL CONSERVATION COMMISSION'S RULES & REGULATIONS AND FOR AUTHORITY TO DOWNHOLE COMMINGLE

1.	Lease Name	Bridges State			
2.	Well No.	119			
3.	Well Location:	Unit <u>F</u> , 2030	feet from N	orth line,	
	1830 feet	from West line	of Section 24,	Township 17S,	
	Range 34E,	Lea County,	New Mexico	·	
4.	Upper Zone	Vacuum (Wolfcamp)			
5.	Completion Int	erval 9593' to 989	991		
6.	Lower Zone	Vacuum (Upper Penn)			
7.	Completion Int	erval 10,069' to	10,114		
8.	Triple Complet	ion Authorized by Con	mmission Order No.	MC-1762	
9.	Current Produc	tivity Test Summary	(Form C-116 attack	ned)	
			(Upper Zone)	Upper Penn (Lower Zone)	
	Producing Oil Gas Water GOR GOR Limit		Beam Pump 20 / BPD 11.6 Mcf/D 1 BPD 580 2000:1	Shut-in (Stopped Flowing) 35 BPD Est. 80 Mcf/D Est. 2 BPD Est. 2298 Est. 2000:1	050
10.	Bottom-hole Pr	essure of Upper Zone	Estimated at 70	00 psi	
11.	Bottom-hole Pr	ressure of Lower Zone	Measured Sept.,	1969 at 787 psi	
12.	Fluid Characte	eristics of Each Zone	Production from	n both zones is an	
	intermediate t	ype crude. Very min	or water production	on from both zones	
	of less than 1	0%. Expect no proble	ems from the forma	tion of untreatable	
	precipitates i	in the commingled pro-			
			OIL CONS	E EXAMINER UT	Z
By:	W. B. Simmons	s, Jr.	App.	EXHILT: 110. 6	
Date	3-12-70		JC NO.	4332	
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Mobil Oil Corporation Ya					acuum Wolfcamp Lea										
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1					T	7 7		T		LENGTH			GAS - OIL		
NO.	υ	s	т	3	TEST	1 -	1		ALLOW-	TEST		GRAV.	OIL BBLS,	GAS M.C.F.	RATIO CU.FT./BBL.
119	F	2կ	17	34	3-10-70	Р	2" T		27	24	1	40.3	20	11.6	580
	d. Texas 7	WELL NO. U	WELL LOC.	WELL LOCATION NO. U S T	WELL LOCATION NO. U S T R	d. Texas 79701 TE WELL LOCATION DATE OF NO. U S T R TEST	WELL LOCATION DATE OF NO. U S T R TEST	WELL LOCATION DATE OF S CHOKE NO. U S T R TEST SIZE	WELL LOCATION DATE OF CHOKE TBG. NO. U S T R TEST SIZE PRESS.	WELL LOCATION DATE OF CHOKE TBG. DAILY ALLOW-NO. U S T R TEST SIZE PRESS. ABLE	WELL LOCATION DATE OF CHOKE TBG. DAILY ALLOW- NO. U S T R TEST SIZE PRESS. ABLE HOURS	WELL LOCATION DATE OF CHOKE TBG. DAILY OF ALLOW- NO. U S T R TEST SIZE PRESS. ABLE HOURS BBLS.	WELL LOCATION DATE OF CHOKE TBG. DAILY ALLOW TEST GRAV. NO. U S T R TEST SIZE PRESS. ABLE HOURS BBLS. OIL	WELL LOCATION DATE OF CHOKE TBG. DAILY ALLOW-TEST WATER GRAV. OIL BBLS.	WELL LOCATION DATE OF CHOKE TBG. DAILY ALLOW-TEST WATER GRAV. OIL GAS ABLE HOURS BBLS. OIL BBLS. M.C.F.

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

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

Gas volumes must be reported in MCF measured at a pressure base of 15,025 psia and a temperature of 60° F. Specific gravity base will be 0.69.

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

Mall original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 30! and appropriate pool rules.

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

(Signature)

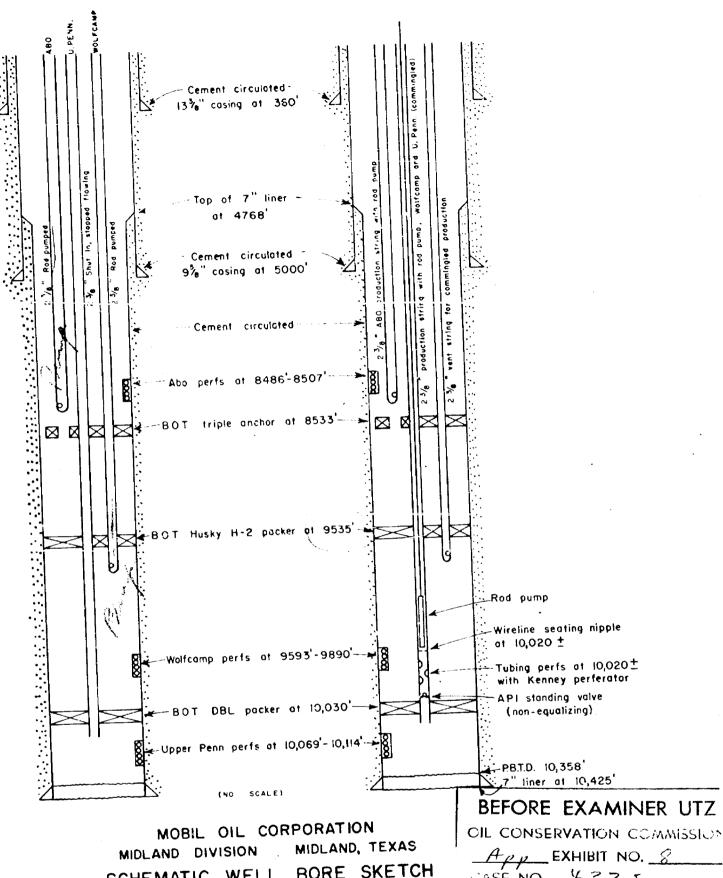
thorized Agent (Title)

3-11-70 (Date)

MOBIL OIL CORPORATION P. O. BOX 633 MIDLAND, TEXAS 79701 COMPUTATION OF RELATIVE VALUES OF THE HYDROCARBON PRODUCTIVE BEFORE AND AFTER DOWNHOLE COMMINGLING

LEASE AND WELL NUMBER	ASE AND WELL NUMBER Bridges State Well No. 119							
	UPPER POOL	LOWER POOL	COMMINGLED					
POOL NAME	Vacuum (Wolfcamp)	Vacuum (Ų. Penn)						
GRAVITY, API	40.3	40.7	40.5					
SELLING PRICE /BBL.	\$3.31	\$3.31	\$3.31					
DAILY PRODUCTION /BBL.	20	35	55					
DAILY INCOME	\$65.20	\$115.85	\$182.05					
TOTAL DAILY INCOME (POO	LS SEPARATED) \$_18	32.05						
REMARKS: Vacuum (Wo	-gain or loss.	information furnished	from well test of					
zone has been shut-in since February 1970 when the well stopped flowing. The								
crude oil gravity was	s taken from the we	ell test of September 8	3, 1969.					
Relative values of separated and commingled crude oil production								
will not be affected by changes in volumes since the gravities are both in the								
same gravity range.								
			AMINER UTZ					
. '	·	FOIL CONSERVAT	· · · · · · · · · · · · · · · · · · ·					
		CASÉ NO. 4	325					
	•							

W. B. Simmons, Jr. 3-12-70



SCHEMATIC WELL BORE SKETCH

Bridges State Well No. 119, Unit F, Sec. 24, T-17-S, R-34-E Lea County, New Mexico

W. B. Simmons, Jr. 2/20/1970

Mobil Oil Corporation

P.O. BOX 533
MIDLAND, TEXAS 79701

8 21

March 9, 1970 🖊

Commissioner of Public Lands P. O. Box 1148 Santa Fe, New Mexico 87501 1970 P (2016)

APPLICATION OF MOBIL OIL CORPORATION FOR EXCEPTION TO NEW MEXICO OIL CONSERVATION COMMISSION RULE 303 AND AUTHORIZING THE DOWNHOLE COMMINGLING OF THE VACUUM (UPPER PENN) ZONE AND THE VACUUM (WOLFCAMP) ZONE IN MOBIL'S BRIDGES STATE WELL NO. 119, LEA COUNTY, NEW MEXICO

Gentlemen:

Mobil Oil Corporation plans to seek exception to New Mexico Oil Conservation Commission's Rule 303 and request authority to commingle within the wellbore, of Mobil's Bridges State Well No. 119, production from the Vacuum (Upper Penn) Pool and Vacuum (Wolfcamp) Pool, said well being located in Unit F, Section 24, Township 17 South, Range 34 East, N.M.P.M., Lea County, New Mexico. It is Mobil's understanding that this hearing will be set for Examiner's hearing on March 25, 1970.

This well is presently a triple completion in the North Vacuum (Abo), Vacuum (Upper Penn) and Vacuum (Wolfcamp) zones. The Abo and Wolfcamp zones both require artificial lift. The Vacuum (Upper Penn) zone is now shut-in because the well has ceased to flow and would require the installation of expensive pumping equipment for further production.

The downhole commingling of the production from the two pools will not effect the unit commercial value of the crude since it is presently being commingled on the surface in accordance with the Commission's Administrative Order PC-100. However, there will be an appreciable increase in the life of the well thereby resulting in additional oil production due to this more economical method of operation.

In support of the application, Mobil will state:

1. That all conditions of Rule 303-C, which provides for administrative approval of a request to commingle within the wellbore of dually completed oil wells, have been met in this request, with the technical exception of this being a triply completed well.

- 2. That the two zones to be commingled will be isolated from the third zone, the North Vacuum (Abo), with the existing packer, thereby eliminating the mixing of the North Vacuum (Abo) zone's production with any other zone's production. The well will, in effect, become a dually completed well.
- 3. That the production from the North Vacuum (Abo) zone will continue to be produced, maintained and operated as an isolated zone in a multiply completed well under existing Commission orders.
- 4. That if the applicant is required to continue production from these two lower zones under existing conditions, Mobil will realize undue hardship and expense that would not occur if the applicant could operate the two zones under the less restrictive producing conditions available in Rule 303-A.
- 5. That the granting of this request will extend the productive life of these two zones, prevent waste, protect correlative rights and will be in the best interests of conservation.

Attached is a plat of the area showing the well's location on the lease and a copy of Mobil's application to the Commission.

Since State lands are involved, Mobil must furnish the Commission with evidence that the Commissioner of Public Lands has consented to the proposed downhole commingling. If you have no objection to Mobil's proposal, a letter to the Commission so stating will be appreciated. Please send a copy to this office in order that we may know the status of this request. If additional information is required, contact W. B. Simmons, Jr., Midland, Texas.

Attached is a check for \$10.00 to cover the required filing fee.

Very truly yours,

Ira B. Stitt

Division Operations Engineer

WBSimmonsJr/bje Attachments

cc: New Mexico Oil Conservation Commission (w/o attach.)

State of New Mexico





Commissioner of Public Lands

ALEX J. ARMIJO COMMISSIONER

Mobil Oil Corporation P. O. Box 633 Midland, Texas 79701

RECEIVED

MAR161970

I. B. STITT, JR.

OFFICE

P. O. BOX 1148 SANTA FE, NEW MEXICO

Re: APPLICATION OF MOBIL OIL CORPORATION
FOR EXCEPTION TO NEW MEXICO OIL
CONSERVATION COMMISSION RULE 303 AND
AUTHORIZING THE DOWNHOLE COMMINGLING
OF THE VACUUM (UPPER PENN) ZONE AND
THE VACUUM (WOLFCAMP) ZONE IN MOBIL'S
BRIDGES STATE WELL NO. 119,
LEA COUNTY, NEW MEXICO

GENTLEMEN:

Reference is made to your application requesting authority for the downhole commingling of the Vacuum (Upper Penn) Zone and the Vacuum (Wolfcamp) Zone in Mobil's Bridges State Well No. 119, said well being located in Unit F, Section 24, Township 17 South, Renge 34 East N.M.P.M. Lea County, New Mexico.,

You are hereby given approval to the above request. Any deviation from your proposed request will be reason to cancel approval.

This approval is subject to the subsequent approval of the New Mexico Oil Conservation Commission.

Your Ten (\$10.00) Dollar filing fee has been received.

Very truly yours,

Oil and Gas De gramant

TB/ML/s

cc: OCC-Santa Fe, New Mexico

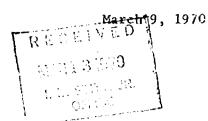
1887 1 6 1970

MIDLAND DIVISION LAND

Mobil Oil Corporation

P.O. BOX 633 MIDLAND, TEXAS 79701

To Offset Operators (See Attached List)



APPLICATION OF MOBIL OIL CORPORATION FOR EXCEPTION TO NEW MEXICO OIL CONSERVATION COMMISSION RULE 303 AND AUTHORIZING THE DOWNHOLE COMMINGLING OF THE VACUUM (UPPER PEHN) ZONE AND THE VACUUM (WOLFCAMP) ZONE IN MOBIL'S BRIDGES STATE WELL NO. 119, LEA COUNTY, NEW MEXICO

Gentlemen:

Mobil Oil Corporation plans to seek exception to New Mexico Oil Conservation Commission's Rule 303 and request authority to commisse within the wellbore, of Mobil's Bridges State Well No. 119, production from the Vacuum (Welfcamp) Fool and Vacuum (Upper Penn) Pool, said well being located in Unit F, Section 24, Township 17 South, Range 34 East, N.M.P.M., Lea County, New Mexico. It is Mobil's understanding that this hearing will be docketed for Examiner's hearing on March 25, 1970.

In support of the application, Mobil will state:

- 1. That all conditions of Rule 303-C, which provides for administrative approval of a request to commingle within the wellbore of dually completed oil wells, have been met in this request, with the technical exception of this being a triply completed well.
- 2. That the two zones to be commingled will be isolated from the third zone, the North Vacuum (Abo), with the existing packer, thereby eliminating the mixing of the North Vacuum (Abo) zone's production with any other zone's production. The well will, in effect, become a dually completed well.
- 3. That the production from the North Vacuum (Abo) zone will continue to be produced, maintained and operated as an isolated zone in a multiply completed well under existing Commission orders.

- 4. That if the applicant is required to continue production from these two lower zones under existing conditions, Mobil will realize undue hardship and expense that would not occur if the applicant could operate the two zones under the less restrictive producing conditions available in Rule 303-A.
- 5. That the granting of this request will extend the productive life of these two zones, prevent waste, protect correlative rights and will be in the best interests of conservation.

Attached is a plat of the area showing well location and a list of the offset operators notified by this letter.

If you have no objections to this application, please sign and return two copies of this letter as a waiver to Mobil. A self-addressed envelope is attached for your convenience.

If additional information is required, please contact W. B. Simmons, Jr., Midland, Texas, Telephone 915 684-8211.

Very truly yours,

Orig. Signed By: Ira B. Stitt,

Ira B. Stitt
Division Operations Engineer

_WBSinmonsJr/bje Attachments

MALLARD PETROLEUM, INC.

Date <u>March 12, 1970</u>

OFFSET OPERATORS VACUUM (WOLFCAMP) POOL VACUUM (UPPER PENN) POOL LEA COUNTY, NEW MEXICO

Address List

Atlantic Richfield Company - Box 1610, Midland, Texas 79701

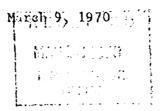
Mallard Petroleum, Inc. - Att: Homer Olsen, Jr. - 1206 V & J Tower, Midland, Texas 79701

Phillips Petroleum Company - Att: F. F. Lovering - Phillips Building, 4th and Washington Street, Odessa, Texas 79760

Mobil Oil Corporation

P.O. BOX 633 MIDLAND, TEXAS 79701

To Offset Operators (See Attached List)



APPLICATION OF MOBIL OIL CORPORATION FOR EXCEPTION TO NEW MEXICO OIL CONSERVATION CONMISSION RULE 303 AND AUTHORIZING THE DOWNHOLE COMMINGLING OF THE VACUUM (UPPER PENN) ZONE AND THE VACUUM (WOLFCAMP) ZONE IN MOBIL'S BRIDGES STATE WELL NO. 119, LEA COUNTY, NEW MEXICO

Gentlemen:

Mobil Oil Comporation plans to seek exception to New Mexico Oil Conservation Commission's Rule 303 and request authority to commingle within the wellbore, of Mobil's Bridges State Well No. 119, production from the Vacuum (Wolfcamp) Pool and Vacuum (Upper Penn) Pool, said well being located in Unit F, Section 24, Township 17 South, Range 34 East, N.M.P.M., Lea County, New Mexico. It is Mobil's understanding that this hearing will be docketed for Examiner's hearing on March 25, 1970.

In support of the application, Mobil will state:

- 1. That all conditions of Rule 303-C, which provides for administrative approval of a request to commingle within the wellbore of dually completed oil wells, have been met in this request, with the technical exception of this being a triply completed well.
- 2. That the two zones to be commingled will be isolated from the third zone, the North Vacuum (Abo), with the existing packer, thereby eliminating the mixing of the North Vacuum (Abo) zone's production with any other zone's production. The well will, in effect, become a dually completed well.
- 3. That the production from the North Vacuum (Abo) zone will continue to be produced, maintained and operated as an isolated zone in a multiply completed well under existing Commission

- 4. That if the applicant is required to continue production from these two lower zones under existing conditions, Mobil will realize undue hardship and expense that would not occur if the applicant could operate the two zones under the less restrictive producing conditions available in Rule 303-A.
- 5. That the granting of this request will extend the productive life of these two zones, prevent waste, protect correlative rights and will be in the best interests of conservation.

Attached is a plat of the area showing well location and a list of the offset operators notified by this letter.

If you have no objections to this application, please sign and return two copies of this letter as a waiver to Mobil. A self-addressed envelope is attached for your convenience.

If additional information is required, please contact W. B. Simmons, Jr., Midland, Texas, Telephone 915 684.8211.

Very truly yours,

Oris, Signed By: Ira B. Stitt,

Ira B. Stitt
Division Operations Engineer

WBSimmonsJr/bje Attachments

ATLANTIC RICHFIELD COMPANY

Data 34 15-76

OFFSET OPERATORS VACUUM (WOLFCAMP) POOL VACUUM (UPPER PENN) POOL LEA COUNTY, NEW MEXICO

Address List

Atlantic Richfield Company - Box 1610, Midland, Texas 79701

Mallard Petroleum, Inc. - Att: Homer Olsen, Jr. - 1206 V & J Tower, Midland, Texas 79701

Phillips Petroleum Company - Att: F. F. Lovering - Phillips Building, 4th and Washington Street, Odessa, Texas 79760

March 9, 1970

To Offset Operators (See Attached List)

APPLICATION OF MOBIL OIL CORPORATION FOR EXCEPTION TO NEW MEXICO OIL CONSERVATION COMMISSION RULE 303 AND AUTHORIZING THE DOWNHOLE COMMINGLING OF THE VACUUM (UPPER PENN) ZONE AND THE VACUUM (VOLPCAMP) ZONE IN MOBIL'S BRIDGES STATE WELL NO. 119, LEA COUNTY, NEW MEXICO

Gentlemen:

Mobil Oil Corporation plans to seek exception to New Mexico Oil Conservation Commission's Rule 303 and request authority to commingle within the wellbore, of Mobil's Bridges State Well No. 119, production from the Vacuum (Wolfcamp) Pool and Vacuum (Upper Penn) Pool, said well being located in Unit F, Section 24, Township 17 South, Range 34 East, N.M.P.M., Lea County, New Mexico. It is Mobil's understanding that this hearing will be docketed for Examiner's hearing on March 25, 1970.

In support of the application, Mobil will state:

- 1. That all conditions of Rule 303-C, which provides for administrative approval of a request to commingle within the wellbore of dually completed oil wells, have been met in this request, with the technical exception of this being a triply completed well.
- 2. That the two zones to be commingled will be isolated from the third zone, the North Vacuum (Abo), with the existing packer, thereby eliminating the mixing of the North Vacuum (Abo) zone's production with any other zone's production. The well will, in effect, become a dually completed well.
- 3. That the production from the North Vacuum (Abo) zone will continue to be produced, maintained and operated as an isolated zone in a multiply completed well under existing Commission orders.

5. That the granting of this request will extend the productive life of these two zones, prevent waste, protect correlative rights and will be in the best interests of conservation.

Attached is a plat of the area showing well location and a list of the offset operators notified by this letter.

If you have no objections to this application, please sign and return two copies of this letter as a waiver to Mobil. A self-addressed envelope is attached for your convenience.

If additional information is required, please contact W. B. Simmons, Jr., Midland, Texas, Telephone 915 684-8211.

Very truly yours,

Orig. Signed By: Ira B. Stitt.

Ira B. Stitt Division Operations Engineer

WBSimmonsJr/bje Attachments

PHILLIPS PETROLEUM COMPANY

Dato

OFFSET OPERATORS VACUUM (WOLFCAMP) POOL VACUUM (UPPER PENN) POOL LEA COUNTY, NEW MEXICO

Address List

Atlantic Richfield Company - Box 1610, Midland, Texas 79701

Mallard Petroleum, Inc. - Att: Homer Olsen, Jr. - 1206 V & J Tower, Midland, Texas 79701

Phillips Petroleum Company - Att: F. F. Lovering - Phillips Building, 4th and Washington Street, Odessa, Texas 79760

LAW OFFICES OF

PUBLIC SERVICE BUILDING

P. C. BOX 2168

ALBUQUERQUE, NEW MEXICO 87103

February 20, 1970

MODRALL, SEYMOUR, SPERLING, ROELL & HARRIS (MOHN F. SIMMS (1885-1254) AUGUSTUS T. SEYMOUR AUGUSTUS T. SEYMOUR (1907-1965)

Cara 4325

TELEPHONE 243-45II AREA CODE 505

Mr. A. L. Porter, Jr. Secretary-Director New Mexico Oil Conservation Commission P. O. Box 2088 Santa Fe, New Mexico 87501

J R MODRALL

JOSEPH E.ROEHL GEORGE T HARRIS, JR

ALLEN C DEWEY, JR

JOHN R. COONEY KENNETH L.HARRIGAN PETER J. ADANG DALE W. EK
PÉTER J. BROULLIRE, III
CAMERON R GRAHAM

FRANK H ALLEN, JR JAMES P. SAUNDERS, JR JAMES A. PARKER

> Mobil Oil Corporation's Application for Exception to Commission Rule 303 and for Authority to Commingle within the Wellbore Production from the Vacuum Upper Penn Pool and from the Vacuum Wolfcamp Pool in Applicant's Bridges State Well No. 119, Located in Unit F, Section 24, Township 17 South, Range 34 East, N.M.P.M., Lea County, New Mexico

Dear Mr. Porter:

Enclosed is Application of Mobil Oil Corporation for downhole commingling of the lower zones identified in the Application in Mobil's Bridges State Well No. 119, which happens to be a triple completion and therefore not permitted to be the subject of an application for administrative approval for commingling of the zones identified.

We would appreciate this matter being scheduled for hearing on the Commission's March 25, 1970 docket.

With best regards,

James E. Sperling

JES:jv

Enclosures (3)

cc:

Mr. Ira B. Stitt, w/encl. Mobil Oil Corporation

DOCKET MAILED

Date 3-12-10

BEFORE THE OIL CONSERVATION COMMISSION:
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF MOBIL OIL CORPORATION FOR
EXCEPTION TO COMMISSION RULE 303
AND FOR AUTHORITY TO COMMINGLE
WITHIN THE WELLBORE PRODUCTION
FROM THE VACUUM UPPER PENN POOL
AND FROM THE VACUUM WOLFCAMP POOL
IN APPLICANT'S BRIDGES STATE WELL
NO. 119, LOCATED IN UNIT F, SECTION
24, TOWNSHIP 17 SOUTH, RANGE 34 EAST,
N.M.P.M., LEA COUNTY, NEW MEXICO.

Case No. 43.75

APPLICATION

Mobil Oil Corporation by this Application seeks exception to Commission Rule No. 303 and requests authority to commingle within the wellbore of Mobil's Bridges State Well No. 119 production from the Vacuum Upper Penn and Vacuum Wolfcamp Pools, said well being located in Unit F, Township 17 South, Range 34 East, N.M.P.M., Lea County, New Mexico, and in support of such application states:

- 1. That said well is prsently a triple completion in the North Vacuum (Abo), Vacuum (Opper Penn) and Vacuum (Wolfcamp) zones and that except for this fact the application could be submitted for administrative approval under the provisions of Rule No. 303-C.
- 2. That the zones proposed to be commingled will be isolated from the Abo zone with the existing packer thereby preventing any communication between the Abo zone and the Upper Penn and Wolfcamp.
- 3. That the production from the Abo zone will continue to be produced, maintained and operated as an isolated zone in a multiply-completed well under existing Commission Rules and orders.

4. That said well is located upon lands subject to lease from the State of New Mexico and that the royalty under said lease is common to the two pools or zones which are the subject of this Application.

5. That if the applicant is required to continue production from the two lower zones under existing conditions, applicant will be subjected to undue hardship and expense that would not occur if the applicant is permitted to operate the two zones under the less restrictive producing conditions available and permitted by Rule No. 303-A.

6. That the granting of this Application will extend the productive life of the two zones which are the subject of the Application for the reason that the Upper Penn zone is now shut in because the well has ceased to flow and further production would require the installation of expensive pumping equipment.

7. That the granting of this Application will prevent waste, will not affect and will protect correlative rights and will be in the best interests of conservation.

Respectfully submitted,
MOBIL OIL CORPORATION

BY: MODRALL, SEYMOUR, SPERLING, ROEHL & HARRIS

Ву

James E. Sperling, its attorneys

800 Public Service Building

. O. Box 2168

Albuquerque, New Mexico 87103

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BEF)RE 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: /

esny

CASE No. 4325

Order No. R- 323 f

APPLICATION OF MOBIL OIL CORPORATION 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 <u>March 25</u>, 196/70, at Santa Fe, New Mexico, before Examiner <u>Elvis A. Utz</u>.

NOW, on this day of <u>Orive</u>, 196/70, 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, Mobil Oil Corporation, is the owner and operator of the Bridges State Well No. 119, located in Unit F of Section 24, Township 17 South, Range 34 East, NMPM, Lea County, New Mexico.
- Order MC-1762, the subject well was completed by the applicant as a triple completion to produce oil from the North Vacuum-Abo, Vacuum-Wolfcamp, and the Vacuum-Upper Pennsylvanian Pools through parallel strings of tubing.
- (4) That the Vacuum-Wolfcamp and Vacuum-Upper Pennsylvanian zones are now capable of only low marginal production.

- (6) That the proposed commingling of the Vacuum-Wolfcamp and Vacuum-Upper Pennsylvanian zones may substantially extend the productive lives of said zones.
- (7) That the reservoir characteristics of the Vacuum-Wolfcamp and Vacuum-Upper Pennsylvanian zones in the subject well are such that underground waste would not be caused by the proposed commingling in the well-bore.
- (8) That the proposed commingling may result in the recovery of additional oil from each of the commingled zones, thereby preventing waste, and will not violate correlative rights.
- (9) That the mechanics of the proposed completion are feasible and in accord with good conservation practices.

(10) That in carder to place the assemint of production to be allocated to lack of the Commingled gones, four weekly production tests of the Commingled vacuum. welfcomp and vacuum - repres Pennaglyoning gones should be another by the applicant; and test should be submitted to the South of said test should be submitted to the Santa Fe. and Hobbs oficial of the Commission.

IT IS THEREFORE ORDERED:

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take packerleakage tests upon completion and annually thereafter during
the Annual Gas-Oil Ratio Test Period for the

(2) That the applicant shall take one production test of the Comminged vacuum - walflows and vacuum - Hafter Ferrang tronian gone per week for a keriody one month and submit results of said tests to the Said Te and Hobber affices of the Comminion.

(ender)

this order shall continue only so long as the commingled production

of the two zones does not exceed the ton id zones in the subject well. So Barrels quil for day.

(b) That Administrative Order MC-1762 is hereby placed in

abegance.

(b) 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 4326: Application of NEWMONT OIL COMPANY FOR AN UNORTHODOX OIL WELL LOCATION, EDDY COUNTY.