### Case Number 46 70

Application Trascripts

Small Exhibits

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### BEFORE THE

NEW MEXICO OIL CONSERVATION COMMISSION CONFERENCE ROOM, STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO March 1, 1972

### EXAMINER HEARING

### IN THE MATTER OF:

Application of BTA Oil Producers )
for special gas-oil ratio )
limitation, Lea County, New Mexico.)

Case Number 4670

BEFORE: Richard L. Stamets

Examiner

TRANSCRIPT OF HEARING

SPECIALIZING IN DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS
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MR. STAMETS: The hearing will come to order,
            We will proceed next with Case Number 4670.
             MR. HATCH: The application of BTA Oil Producers
   for a special gas-oil ratio limitation, Lea County, New
   Mexico.
             MR. STAMETS: Appearances?
6
             MR. KELLAHIN: Jason Kellahin of Kellahin and Fox.
7
   Santa Fe, appearing for the Applicant. We have one witness
   I would like to have sworn.
             (Whereupon the witness was sworn.)
10
             MR. STAMETS: Are there any other appearances
11
   in Case Number 4670?
12
             (No response.)
13
             MR. STAMETS: You may proceed, Mr. Kellahin.
14
                          CHARLES R. PEARSON,
15
   was called as a witness and having been already duly sworn,
   testified as follows:
                        DIRECT EXAMINATION
18
   BY MR. KELLAHIN
19
        Would you state your name, please?
20
        Charles R. Pearson.
   A
21
        By whom are you employed and what is your position?
   Q
22
        BTA Oil Producers as a reservoir engineer.
   A
23
        Have you ever testified before the Oil Conservation
   Q
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Commission of the State of New Mexico?

No, sir.

t A

For the benefit of the Commissioner, would you Q 2 briefly outline your education and experience as an 3 engineer? Yes, I graduated from the University of Oklahoma in 5 Α 1965 and I worked for the Union Oil Company of 6 California for five and a half years as a petroleum engineer. I have been employed by BTA Oil Producers as a 9 reservoir engineer for slightly over a year. ĺŨ In connection with your work as a reservoir engineer, Q 11 have you examined the problems that exist in the 12 production of oil from the Vada-Pennsylvanian Pool? 13 Yes, I have. 14 MR. KELLAHIN: Are his qualifications acceptable? 15 MR. STAMETS: They are. 16 (By Mr. Kellahin) Mr. Pearson, referring to what has Q 17 been -- before we get to that, are you familiar with 18 the application of BTA in Case Number 4670? 19 Yes, sir. Α 20 What is proposed by the Applicant in this case? Q 21 We propose to amend the Field Rule Order R3179 in 22 the Vada-Pennsylvanian Field to include a gas-oil ratio of 10,000 cubic feet of gas per barrel of oil 24 produced. 25

That would constitute an exception to Rule 506?

Yes, 506B applies to the field without a gas-oil

At the present time, is the Vada-Pennsylvanian Pool

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ratio limit set.

506B.

Yes.

in any gas-oil ratio order?

Which is 2,000 to one?

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Q 	Referring to Applicant's Exhibit #1, will you identify that exhibit, please?
<b>A</b>	-that-exhibit, please?
A	
	Exhibit #1 is the ownership map showing the outline
	of the Vada-Pennsylvanian Pool. The red circles
	indicate the wells which are now affected by Rule 506B
	in that they produce over the allowable gas limit.
	The green area is the acreage in the field
7	operated by BTA which currently constitute approximately
	fifty-two percent of the wells in the field.
	The outline does include some undeveloped acreage
	not included in the field, but for all practical
	purposes, the field is completely developed and there
	are few areas which still could be drilled.
Q	You would not anticipate any great amount of drilling
	in the future?
A	Not any significant amount, no, sir.
Q	How many wells are there in the pool at the present
	Q A

time?

2 A

3	3	the January-February proration schedule.
4	4 Q	There were previously 289 wells; is that correct?
8	S A	That is correct. The drop from 289 to 251 does not,
•	5	however, reflect the total number of wells. For example,
7	•	BTA operated a total of 110 wells in the Vada-Pennsylvanian
8	3	Pool, but there are only eighty carried on the proration
9	•	schedule which is a drop of thirty that have been or
10	,   .	are being plugged and abandoned.
11	Q	You are pointing to the map, what area are you talking
12	:	about in regard to the map?
13	A	The south prairie area.
14	Ď	Which is located where?
15	A	In 936 and extended to 935 and 934. The initial
16	5	development started out in 1033 and 1034 and extended
17	,	up into 933 and 934.
18	Q	This pool covers a rather large area?
19	A	Yes, sir.
20	Q	Is all of it presently producing?
21	ı A	Yes.
22	Q	Has production declined in any portion of the area?
23	A A	Yes, the older area, speaking in terms of 1033 and
24	4	1034. That is the area where most of the wells are
2	5	being plugged and abandoned.

Two hundred and fifty-one wells with allowables as of

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Yes.

and underlined.

curve?

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3	Q .	Does that complete your testimony with that exhibit?			
4	Α	Yes.			
5	Q	Referring to what has been marked Applicant's Exhibit			
6		#2, would you identify that exhibit please?			
7	Α	Yes. Exhibit #2 is a graph showing the complete			
8	production history of the Vada-Pennsylvanian Pool and				
9		the gas-oil ratio performance is outlined in yellow.			
10		The water production is shown in blue and the oil			
11		production in green; the gas production is in red, and			
12		the bottom hole pressure performance is in purple.			
13	. 1	The gas-oil ratio and gas production are to the left			

That is the western portion of the pool?

Yes. The field reached a peak production of approximately 1,100,000 barrels per month in mid-1970. The peak cil production was immediately preceded by a peak in water production of approximately 2,100,000 barrels.

The gas-oil ratio is still increasing in spite of the fact the oil and gas volume are declining.

Would you discuss some of the points shown in the

The producing characteristics of this type of well can be seen to some extent in the curve. Stage One in the life of a BowC producer shows a very large

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volume of water and oil constitutes a small percentage of the gross fluids and increases very little. No gas is produced on this curve in Stage One.

This Stage will extend from approximately 465 to 1267.

Stage Two is the period when the gross fluids of the producing wells decline and the oil increases. The wells start to make a significant amount of gas in Stage Two. Stage Two would be represented on this curve, approximately 1267 to 1268.

The Third Stage in the BowC producer's life is the period when the gross fluids decline to some extent, the water production especially, and the gas volume increases. The well us ually reaches its peak production during this period that can be seen from about 1268 to 1293 on this curve.

In Stage Four, beginning at 1293 and going to 1370 on this curve, the well shows a very steep decline in production, it is usually from sixty to eighty percent. The decline in the curve shown in this graph is about sixty-five percent.

In your opinion, is this pool nearing the end of its productive life?

Yes, and that is evidenced by the bottom hole pressures and steep decline of oil production. This total field

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2		stage of depletion.
3	Ω	Although there would be some individual wells which
4		have not reached that stage; is that correct?
5	λ	Yes, sir.
6	Q	Referring to what has been marked Exhibit #3a, would
7		you identify that exhibit?
8	A	Exhibit #3a is a tabulation which supports the
9		tabulations on Exhibit #2.
10		-And-Exhibit-#3b?
11	Λ	#3b are tabulations of bottom hole pressures showing
12		in Exhibit #2. The bottom hole pressure curve shown
13		is a representation of the drill test pressures which
14		were taken on the wells indicating the initial
15		pressures when the wells were drilled and their
16		performance with the passing of time.
17	Q	It is not necessarily based on current bottom hole
18		pressures then?
19	A	No, sir.
20	Q	Referring to what has been marked Exhibit #4, would
21		you identify that exhibit?
22	A	Yes, sir. Exhibit #4 is a graph of the production
23		history of BTA Oil Producers Well Number 2. This is
24		an example of the typical BowC producer with one
25		exception.

is in what I have called Stage Four, or the latter

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Stage One was the point where the well produces a very large volume of water. In Stage Two where the gas volume increases, the water continued to decrease and the oil was decreasing to the extent of 770 to approximately 271.

Stage Three, which usually lasts for approximately

Stage Three, which usually lasts for approximately six to eight months, was cut short to three months, approximately, and the reason for the Stage Three being cut short was that this well was voluntarily restricted by BTA Oil Producers to reduce the gas volume and it can be seen in the graph that after the restriction was removed at the end of July, the well continued on a very sharp decline which is atypical of a BowC producer in Stage Four.

This would indicate that approximately twenty to twenty-five thousand barrels of reserve had been lost due to the restriction.

- Q Is that oil that will not be recovered?
  - Apparently it will never be recovered. The well has continued to exhibit a severe decline in production.
  - Despite the fact you restricted production, the gas-oil ratio continued to climb?
- A Yes, sir.
- Q Is that typical of the other wells in the pool?
- A Yes. Cutting this stage short, Stage Three, severely

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reduced the ultimate recovery from that particular well and probably since there are several wells in that category in the field, it will ultimately reduce the total recovery from the field.

Why do you recommend a 10,000 to one gas-oil ratio?

There are wells in the field which exhibit total gas volume which would exceed a lower limit. The reason that we have asked for a 10,000 limit is we feel it is necessary to allow these wells to produce unrestricted during Stage Three.

Any restriction at all is almost as bad as complete restriction:

Q Would 6,000 to one be satisfactory?

A No, it would not be.

Q It would not prolong Stage Three?

No, it would still require wells to be restricted and based on our experience in voluntarily cutting one of these wells back during June and July of 1971, a 6,000 limit would not prevent the losing of the reserve.

Now, referring to what has been marked Exhibit #5, would you identify that?

A Exhibit #5 is a tabulation of the data presented in Exhibit #4.

Referring to what has been marked Exhibit #6, would

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you identify that exhibit?

Exhibit #6 shows the bottom hole pressure versus the cumulative oil production. In other words, the line drawn on the curve shows an initial bottom hole pressure of 2400 P.S.I. and an ultimate recovery of approximately 157,000 barrels.

Now, there are a lot of wells that have more or less in reserve than this, but for instance, if we drilled producers that had the initial bottom hole pressure and then declined to drill offsets until a later date, when we finally drilled these wells, if they had bottom hole pressures of 1500 P.S.I. with ultimate recovery and abandonment pressure of 500, the recovery would be approximately 80,000 barrels whereas if we drilled at the same time the first well was drilled, we would have recovered 157,000 barrels. What happens to a well then if you take this as an example and restrict the well at the midpoint of its production history?

Following the line down, let's say we arbitrarily restrict this well for any given period, the effect would be that we would move this bottom hole pressure point down from 1500 P.S.I. to 750 P.S.I. and then to find the remaining reserve involved in that well, you could drill a line through the point parallel to

the original line and you would find you lost some

Does it accomplish anything, in your opinion, in

increasing the ultimate recovery of oil to restrict

No. The duration of this period where the gas volume

more than would be produced under the 2,000 limit.

Is gas being marketed and being produced in this pool?

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	9	exceeds the limit is on the order of six to ten months,							
	10		that is evidenced by both Exhibits #2 and #4.						
	11		Restricting these wells during this peak production						
60	12		period in their lives does not eliminate any waste.						
C 0 87	13	Q	Do you have anything else to add?						
209 SIMMS BLDG. P.O. BOX 1092 PHONE 243-6691 PALBUQUERQUE, NEW MEXICO 87103 First national bank blog. East-albuquerque, new mexico 87108	14	A	We have two more exhibits.						
	15	Q	I am sorry, that is right. Referring to what has						
	16		been marked Applicant's Exhibits #7 and #8, would you						
	17		identify those exhibits, please?						
243-669 UQUER	18	Α	Exhibit #7 is a letter from the Warren Petroleum						
HOZEL HOZEL	19		Company supporting our recommendations and stating						
1092 • P 3G. EAS	20		that they have the capacity for an additional 18,000,000						
7. 80X	21		cubic feet of gas per day.						
14L BA	22		I have calculated from the November production						
MS BLE	23	-	figures that the volume of gas which would be produced						
209 SIN	24		under the 10,000 limit would be from 324 to 330 M.C.F.,						

60,000 barrels of production.

Yes, it is.

the gas-oil ratio?

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This amounts to 10,811 M.C.F. per day compared to 18,000 M.C.F. per day shown in the Warren letter. Exhibit #8 is a similar letter from Cities Service stating that they can take the additional gas up to 5 the 10,000 limit we are asking for. Were Exhibits #1 through #6 prepared by you or under 6 Q 7 your supervision? 8 Yes, sir. A And Exhibits #7 and #8 are copies of letters from the Q 1û respective companies? 11 Yes, sir. MR. KELLAHIN: At this time I would like to offer 12 in evidence Exhibits #1 through #8 inclusive. MR. STAMETS: Without objection, Applicant's 14 Exhibits #1 through #8 will be admitted. 15 (Whereupon Exhibits #1 through #8 were admitted 16 in evidence.) 17 MR. KELLAHIN: That completes our direct examination. 18 MR. STAMETS: Any questions of this witness? 19 (No response.) 20 CROSS-EXAMINATION 21 BY MR. STAMETS 22 Mr. Pearson, referring to your Exhibit #6, I wonder 23 if you would just run it by me one more time. I am 24

not clear on what happens to the reservoir pressure

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and the reservoir fluid when one of these wells is restricted. I would like to know whether there is migration of the fluids to offset wells and whether they are produced at another point, or whether they are lost?

No, I don't believe they migrate to offset wells.

If you would look at Exhibits #4 and #6 together, you will see that when a well is restricted the bottom hole pressure continues to decline without compensating for production.

In other words, it does not follow the curve shown in Exhibit #6 and the pressure point would move on the line with a much steeper slope than is shown in Exhibit #6. In other words, the barrels produced per P.S.I. pressure would be less.

Now, when you shut these wells in, the gas volume depresses the oil from the well and that is the reason these wells kick off and flow after twenty-one months of production.

There was a paper presented by William Sipps describing the producing mechanism of the Vada-Pennsylvanian Pool to be an algae reef with interconnecting pore spaces, I believe he called them umbrellas.

These are caused by algae forming inverted cups

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and filled these cup shape pore spaces with oil. There was insufficient oil to fill the entire structure, so the cups were filled, but the interconnecting pore spaces were full of water. Well, what happens is when the reservoir pressure drops by removing a large volume of water, you form

and what happened originally is the oil accumulated

This happens during Stages One and Two and in Stage Three, the gas has completely filled these umbrellas and causes the gas-oil ratio to increase in the interconnecting flow channels.

tiny gas caps in these umbrellas and they depress

the oil out and into the interconnecting flow spaces.

This is what causes the wells to kick off and flow when the bottom hole pressure continues to decline. This gas becomes completely mobile and does not displace any oil when it moves in the well bore causing the gas volume, or gas-oil ratio at the well, to increase while the oil is decreasing.

It does it to the point where the pressure declines and the total gas volume declines and you have depletion.

As the pressure declines, you lose the mobility of the oil?

Well, the interconnecting flow spaces become full of

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this?
No, sir, it would not because the bottom hole pressure
would continue to decline at that location and withdrawal
from the well would be insignificant when we are
talking about the particular volumes being withdrawn
from the total field.
As is shown in Exhibit #4 while the oil declines,
the gas-oil ratio increases in a lot of the wells
in the field and there is a much higher gas-oil ratio

gas and the oil does not tend to move any more.

And restricting the production of gas would not stop

### MR. STAMETS: Are there any additional questions? CROSS-EXAMINATION

### BY MR. NUTTER

Q Are there any new developments going on in the pool at this time?

than is exhibited in Stage Three.

- A There are some additional locations which can be drilled out there, but nothing significant is going on at this time.
- Q Is there a continuous drilling program going on in the field as a whole?
- A Yes, there are wells being drilled at the same time that wells are being plugged and abandoned.
- Q What is the present rate, are more being plugged up?

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**1** A

	3	November of 1971 at 269 wells and now there are 251					
	4	wells carried on the proration schedule.					
	5	Q So, there has been a decrease of 18 net wells?					
	6	A Yes, but as I pointed out that doesn't reflect the					
	7	number plugged and abandoned.					
	8	Q What are the size of these little umbrella type things					
	9	you were talking about?					
	<u>1</u> 0.	A I am not prepared to say.					
	11	Q You mentioned that there were tiny gas caps formed?					
7103	12	A They would be rather small, but I am not prepared to					
NEW MEXICO 87103 87108	13	say exactly what their size is.					
1 EW ME	14	Q They are tiny gas caps?					
	15	A I would envision them to be about the size of your					
2 2 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3	16	Q I see, thank you.					
71 • A L B	17						
243-6691 • ALBUQUERQUE. BUQUERQUE, NEW MEXICO	18						
PHONE ASTOAL	19	the status of the offset pools, are there any pools					
( 1092 e	20	producing from the same formation offsetting this pool.					
.0. BO.	21	THE WITNESS: Yes, they are shown on the outer edge of Exhibit #1.					
209 SIMMS BLDG. P.O. BOX 1092 FIRST NATIONAL BANK BLDG. E.	22						
MMS BL	23	MR. STAMETS: Do you know offhand what the					
209 SI	24	gas-oil ratio is in those pools?					
	25	THE WITNESS: No, sir, I don't have the numbers					
,							

Yes, the total number of wells has declined. The

number of wells reached a peak in approximately

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with me here. I would expect that the gas volume would be relatively low and the gas-oil ratio high because they are in the very late stages of depletion. I think they have the same problem that we have presented here. 6 MR. STAMETS: So you don't anticipate any problem as far as the offsetting pools are concerned if the gas-oil ratio was raised to 10,000 in the pool? THE WITNESS: No, sir. Everyone is aware of the total picture in this area and would support us in this 11 recommendation. 12 MR. STAMETS: Any additional questions? 13 (No response.) MR. STAMETS: If not, the witness will be excused. 14 15 (Witness excused.) MR. STAMETS: Are there any other appearances 16 17 or statements? 18 MR. LeMAY: William J. LeMay, Santa Fe, New Mexico, representing Midland supporting the BTA Oil 19 Producers for the 10,000 to one gas-oil ratio in the field. 20 MR. STAMETS: Any other statements? 21 MR. HATCH: The Commission has received correspondence 22 from Lone Star, Western States, Union Oil Company, Wagner & Brown, Sun Oil, Conoco Oil, Imperial American Management 24

Company in support of the Applicant's application.

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MR. STAMETS: Any other statements? (No response.) MR. STAMETS: Case Number 4670 will be taken under advisement.

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STATE OF NEW MEXICO )

(COUNTY OF BERNALILLO)

I, RICHARD E. McCORMICK, a Certified Shorthand 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.

\*\*Light E. McCormick\*\*
\*\*CERTIFIED SHORTHAND REPORTER\*\*

t do bevely earlify that the foresoing to a newlector record of the prespectings in the Businer bearing of base to 4670, have by so on March 1, 1972.

New Mexico Oil Conservation Commission

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### OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO P. O. BOX 2088 - SANTA FE 87501

March 15, 1972

GOVERNOR
BRUCE KING
CHAIRMAN

LAND COMMISSIONER ALEX J. ARMIJO MEMBER

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

	Re:	Case No	4670
Mr. Jason Kellahin Kellahin & Fox Attorneys at Law		Order No.	R-4278
		Applicant: BTA Oil Producers	
Post Office Box 1769 Santa Fe, New Mexico			
Danta For New Mexico	•		
Dear Sir:			
Enclosed herewith are two Commission order recently	_		
	Very truly yours,		
· · · · · · · · · · · · · · · · · · ·			2
	a.0	L. Vorte	v,G.
	A. L. P	ORTER, Jr. ry-Director	Grand Comment
	oscrota	Ly Director	
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Hobbs OCC X			
Artesia OCC			
Aztec OCC			
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. 4670 Order No. R-4278

APPLICATION OF BTA OIL PRODUCERS FOR A SPECIAL GAS-OIL RATIO LIMITATION, VADA-PENNSYLVANIAN POOL, LEA COUNTY, NEW MEXICO.

### ORDER OF THE COMMISSION

### BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 1, 1972, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 15th day of March, 1972, 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, BTA Oil Producers, seeks, as an exception to Rule 506 of the Commission Rules and Regulations, a limiting gas-oil ratio of 10,000 cubic feet of gas per barrel of oil in the Vada-Pennsylvanian Pool, Lea County, New Mexico.
- (3) That the reservoir characteristics of the subject pool presently available justify the establishment of a gas-oil ratio limitation of 10,000 cubic feet of gas per barrel of liquid hydrocarbons.
- (4) That an additional volume of 10,800 MCF per day of casinghead gas production is anticipated to be produced from

-2-CASE No. 4670 Order No. R-4278

the Vada-Pennsylvanian Pool at a gas-oil ratio of 10,000 cubic feet of gas per barrel of oil.

- (5) That the anticipated volume of additional casinghead gas may be produced from the Vada-Pennsylvanian Pool without waste.
- (6) That in order to afford to the owner of each property in the Vada-Pennsylvanian 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 10,000 cubic feet of gas per barrel of liquid hydrocarbons should be established for the subject pool.
- (7) That approval of the subject application will prevent waste and protect correlative rights.

### IT IS THEREFORE ORDERED:

- (1) That, effective March 1, 1972, the limiting gas-oil ratio in the Vada-Pennsylvanian Pool, Lea County, New Mexico, shall be 10,000 cubic feet of gas for each barrel of oil produced.
- (2) 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

BRUCE KING, Chai

ALEX J. ARMIJO, Member

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

CARRY an Editional volume of 10,800 MCF per day of cosinghed

ges production is anticipated to

be produced from the Vede - Pennsylvenian

pool at a gas-oil ratio of

10,000 cubic feet of gos per barrelo (4) That An addition volume of casing head muy be produced from the Vada-Pennsylvanian Pool without weste.

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 6,000 cubic feet of gas per barrel of liquid hydrocarbons should be established for the subject pool.

7 (5) That approval of the subject application will prevent waste and protect correlative rights, provided the rightness of years in the Delamara roof is promined.

### IT IS THEREFORE ORDERED:

- (1) That, effective Nevember 1, 1071, the limiting gasoil ratio in the Drinkard Pool, Lea County, New Mexico, shall
  be 6,000 cubic feet of gas for each barrel of oil produced;
  that, effective Nevember 1, 1971, each proration unit in the
  Drinkard Pool shall produce only that volume of gas equivalent
  to 6,000 multiplied by top unit oil allowable for the pool.
- (2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

BRUCE KING, Chairman

ALEX J. ARMIJO, Member

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

SEAL

dr/

provided that the total volume of goe produced from the Vada - Penney/vonia

of the casinghed gas davilities serving the pool.

Union Oil and Gas Division: Central Region

Union Oil Company of California 500 North Marienfeld, Midland, Texas 79701 Telephone (915) 682-9731

MECEIVED FES 29 1972

Assa

Midland District

February 28, 1972

Oil Conservation Commission State Land Office Santa Fe, New Mexico

Gentlemen:

### Case 4670

This is to advise that Union Oil Company of California is knowledgeable of the application of BTA Oil Producers for a gas-oil ratio limitation in the Vada Penn Pool, Lea County, New Mexico.

It is our understanding that the applicant seeks an exception to Rule 506 of the Commission Rules and Regulations, and is requesting a limiting GOR of 10,000 cubic feet of gas per barrel of oil.

Union Oil Company of California operates several wells within the Vada Penn Pool and waives objection to the granting of said application.

Very truly yours,

UNION OIL COMPANY OF CALIFORNIA

CV G. W. Coombes

District Operations Manager

HRW:rb

CASE 4674:

Application of Hanagan Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location for its Millman Deep Well No. 1 located 660 feet from the North line and 1924 feet from the East line of Section 4, Township 19 South, Range 28 East, undesignated Morrow gas pool, Eddy County, New Mexico, with the E/2 of said Section 4, to be dedicated to the well.

CASE 4670:

Application of BTA Oil Producers for a special gasoil ratio limitation, Lea County, New Mexico. Applicant, in the above-styled cause, seeks as an exception to Rule 506 of the Commission Rules and Regulations, a limiting gas-oil ratio of 10,000 cubic feet of gas per barrel of oil for the Vada-Pennsylvanian Pool, Lea County, New Mexico.

CASE 4671:

Application of V. F. Vasicek and J. M. Fullinwider, dba V-F Petroleum for compulsory pooling, Lea County, New Mexico. Applicants, in the above-styled cause, seek an order pooling all mineral interests from the surface of the ground down to and including the Wolfcamp formation underlying the SE/4 SW/4 of Section 1, Township 15 South, Range 36 East, Lea County, New Mexico, to form a standard oil proration unit to be dedicated to a well to be drilled at a standard location on said unit. Also to be considered will be the costs of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision of said well.

CASE 4672: Application of Paul M. Mershon, Jr., and Vincent Shryack for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface of the ground down to and including the Morrow formation underlying the W/2 of Section 15, Township 17 South, Range 29 East, Grayburg-Morrow Gas Pool, Eddy County, New Mexico, to form a standard 320-acre unit for the production of gas to be dedicated to a well to be drilled at a standard location for said unit. Also to be considered will be the costs of drilling said well, a charge for the risk

western union

### Telegram

KA025 NSB149

ROLER C HANKS .==

(1130)•

NS MDA015 PB PD=MIDLAND TEX 1 1123A CST = OIL CONSERVATION COMMISSION OF NEW MEXICO = SANTAFE NMEX =

Duj

ROGER C HANKS HEREBY SUPPORTS FULLY BTA OIL PRODUCER CASE #R-3179-A=

BU BONBERVALION COMM.

BTA #R=3179-A.=



### Lone Star Producing Company

J. D. HURD District Engineer West Texas District **Production Department**  Telephone: AC 915 682-5221

February 29, 1972

Suite 300 Commercial Bank Tower Building P.O. Box 4815 Midland, Texas 79701

New Mexico Oil Conservation Commission State Land Office Building Santa Fe, New Mexico 87501 Attn: Mr. Richard I. Stamats

> Re: Application of BTA Oil Producers for Adoption of a GOR for the Vada Penn Pool Lea County, New Mexico

Dear Sir:

This is to advise that Lone Star Producing Company does support the BTA Oil Producers application for a special gas-oil ratio limitation, Lea County, Nex Mexico. This is an exception to Rule 506 of the Commission Rules and Regulations adopting a gas/oil ratio limitation of 10,000 cubic feet of gas to one barrel of oil production from the Vada Pennsylvanian Pool.

Respectfully yours,

2. A. Lambdin

T. H. Lambdin

cc BTA Oil Producers

More than 6,000 friendly people working together to serve our communities better

### western union

### Telagram

KA067 NSA460

NS MDAO55 PB PD=MIDLAND TEX 28 447P CSTATE FEB 28 PM 8 50
OIL CONSERVATION COMMISSION OF NEW MEXICO =

SANTAFE NMEX=

REGARDING AMENDMENT OF ORDER R3179A REGARDING VADA PENN
POOL SET FOR HEARING 3-1-72 REQUEST BY BTA FOR 10,000
CFPB LIMITING GOR THE UNDERSIGNED CONCURS WITH REQUEST OF
APPLICANT=

ARLEN L EDGAR WESTERN STATES PROD CO. 1972.

NW

FEB 29 1972.

CU CONSERVATION COMM.

R 3179A 3-1-72 BTA 10,000 CFPB GOR. =

WU 1201 (R 5-69

western union

**Telegram** 

KA017 NSB127

NS MDA024 XH PD = MIDLAND TEX 28 1135A CST = 28 AM 10 47

SANTA FE NMEX=

REGARDING CASE NO. 4670 APPLICATION OF BTA OIL PRODUCERS I FOR A SPECIAL GAS-OIL RATIO LIMITATION LEA CO NEW MEXICO, STOLTZ, WAGNER, AND BROWN REQUESTS THAT THIS CASE NO. 4670 BE APPROVED=

JACK BROWN STOLTZ WAGNER AND BROWN . =

Dry

9 28 Of

=4670 4670

WU 1201 (R 5-69)



BUN OIL COMPANY HEADOW PARK BUILDING, POST OFFICE BOX 2880, DALLAS. TEXAS 7522



February 24, 1972

RECEIVED

FIR 2 R 1972

on conservation come; santa pe

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

Re: Case #4670

Lea County, New Mexico

Dear Sir:

We have received notice of the application in the referenced case of BTA Oil Producers requesting an exception to Rule 506 of the Commission Rules and Regulations for a limiting gas-oil ratio of 10,000 cubic feet of gas per one barrel of oil for the Vada - Pennsylvanian Pool, Lea County, New Mexico.

Sun Oil Company, as an operator in this pool, has studied this proposal and in our opinion there would be no violation of correlative rights and would lengthen the economic limit of the properties and, therefore, concur with and support the application.

Yours very truly,

H. R. Huey

ERH/ps

### western union

### Telegram

KA058 NSC317 NS MDA046

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OIL CONSERVATION COMMISSION=

1972 PEB 24 PM 4 41

SANTA FE NMEX=

PRODUCERS IN THEIR REQUEST FOR A LIMITING GOR OF 10,000/1 FROM THE VADA PENN POOL RESPECTFULLY=

JOHN PULTE MIDWEST OIL CORP=

Our 4610

E COMBRATATOR COMM.

WU 1201 (R 5-69)



NORMAN L. STEVENS. JR. VICE-PRESIDENT

JOHN L. ANDERSON, JR. EXPLORATION MANAGER

Read & Stevens, Inc.

M Froducers

P. O. Box 2126

Reswell, New Mexico 8820 RECEIVED

February 23, 1972

FEB 24 1972

OU. CONSERVATION COMM.

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

DA

Attention: Mr. Richard L. Stamets, Examiner

Re: Docket No. 5-72 - Case 4670 Examiner Hearing 9:00 A.M. March 1, 1972

Gentlemen:

The captioned Case 4670 covers BTA Oil Producers application for an exception to Rule 506 of the Commission Rules and Regulations and a limiting gas/oil ratio of 10,000 cubic feet of gas to one barrel of oil production from the Vada-Pennsylvanian Pool, Lea County, New México.

Read & Stevens, Inc. supports this application and requests the Commission to grant the exception to Rule 506 and establish the applied for gas/oil ratio limitation for the Vada-Pennsylvanian Pool. We contend that the increased limit will allow the efficient and economical depletion of the pool and prevent the premature abandonment of wells which will occur under the existing 2000:1 gas/oil ratio limit.

Yours very truly,

READ & STEVENS, INC.

/ John L. Anderson, Jr.

JLA:1m

FEB 24 1972

"CONSERVATION COMM.

### COQUINA OIL CORPORATION

Building of the Southwest Midland, Texas 79701 Telephone (915) 693-4661 February, 23, 1972

New Mexico Oil Conservation Commission State Land Office Santa Fe, New Mexico 87501

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

RE: Case #4670 - Hearing set for March 1, 1972.

Application of BTA Oil Producers for adoption of gas/oil ratio for the Vada Penn Pool, Lea County, New Mexico, and for amendment of Commission Order R-3179-A

Dear Sir:

This letter is in <u>support</u> of BTA Oil Producers' application to raise the limiting GOR for the Vada Penn Pool from 2,000 to 10,000 cubic feet per barrel of oil.

Production in this field has declined rapidly due to a decrease in reservoir pressure with a coincident increase in GOR's. Increaing the limiting GOR from 2,000 to 10,000 cubic feet per barrel of oil will allow continued depletion of the reservoir. Continued production of most wells in the field under a limiting GOR of 2,000 is economically not feasible, and will result in premature abandonment of most wells with a loss in revenue to producers, royalty owners, gas plant operators, and taxing entities.

Sincerely,

COQUINA OIL CORPORATION

J. B. Taylor Vice President

JBT:jdc

## Imperial-American Management Company

February 23, 1972

Sop-

New Mexico Oil Conservation Commission Santa Fe, New Mexico

Re: Application of 8TA Oil Producers for Adoption of a gas/oil ratio for the Vada-Penn Pool Lea County, New Mexico, and for Amendment of Commission Order R-3179-A

#### Gentlemen:

Imperial-American Management Company is the operator of one well in the Vada-Penn Pool. We understand that the applicant is requesting an increase in the limiting gas/oil ratio from 2000 to 10,000 cubic feet of gas per barrel of oil.

Imperial American Management Company has no objection to this request for a change in the gas/oil ratio limit.

Very truly yours,

IMPERIAL-AMERICAN MANAGEMENT COMPANY

Darol K. Ramey

DKR: 16

c: New Mexico Oil Conservation Commission Hobbs, New Mexico

507 Midland Savings Building - Midland, Texas 79701 - 915-684-8241 Cable Address - IMPAM

#### ALLEN K. TROBAUGH

106 WALL TOWERS WEST ( COME IVE D)

FEB 24 1972

February 23, 1972 COMMENTATION COMME

In re: Application of BTA Oil Producers for Adoption of a gas/oil ratio for the Vada-Penn Pool Lea County, New Mexico, and for Amendment of Commission Order R-3179-A

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

Am

Gentlemen:

A hearing has been set for March 1, 1972 by the Oil Conservation Commission of New Mexico to consider the above captioned application. The undersigned, as an operator in the Vada-Penn Pool, concurs with BTA Oil Producers' application for a limiting gas oil ratio of 10,000 cubic feet of gas per barrel of oil production from this pool.

This increased limit will allow the efficient and economical depletion of the pool and prevent premature abandonment of wells which will occur under the existing limit of 2000:1.

Respectfully submitted,

ALLEN K. TROBAUGH

AKT: gp

cc: BTA Oil Producers
104 South Pecos
Midland, Texas
Att: C. R. Pearson

Culf Oil Company-U.S.

LAW DEPARTMENT

William V. Kastler

February 28, 1972

P. O. Box 1150 Midland, Texas 79701

RESERVAD

1 1972

ON SOUTH PROPERTY OF THE

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

#### Dear Pete:

Warren Petroleum Company will probably enter its concurrence by telegram in Examiner Hearing No. 4670 on March 1st, but I just thought I'd enclose this copy of our letter to BTA to let you know that we would like to keep up to capacity in our Northern Lea County Plants.

Seriously, we have opinions by some experts that the entire increase sought by BTA would not exceed plant capacities in that area, but we cannot truthfully say at this point that it would not. It appears that increases by stages, experimentally, might be mutually beneficial to the producers, the processors and the State. So long as gas flaring is not involved we do not believe that increased GORs in this field are wasteful.

Sincerely yours,

Bil

William V. Kastler

WVK:eji

Enclosure



A DIVISION OF GULF OIL CORPORATION

# western union

# Telegram

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1972 FEB 28 PM 2 30

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A L PORTER, JR SECRETARY-DIRECTOR NEW MEXICO OIL

CONSERVATION COMM = SANTA FE NEW MEXICO =

REGARDING THE BTA OIL PRODUCERST REQUEST FOR A SPECIAL GAS-OIL =RATIO LIMITATION OF 10,000/1 FOR THE VADA-PENNSYLVANIAN POOL IN =EXCEPTION TO RULE 506.

WARREN PETROLEUM COMPANY OPERATES OUR =GASOLINE PLANTS THAT SERVE THIS AREA. THESE FOUR FACILITIES = CURRENTLY HAVE EIGHTEEN MILLION CUBIC FEET OF EXCESS DAILY =CAPACITY AND COULD PROPERLY PROCESS THE HNCREASED GAS VOLUMES THAT =OUR CONSULTANTS ESTIMATE

WU 1201 (R 5-69)

# western union

Telegram

(0353P EST) =

WILL RESULT FROM THIS RULE CHANGE = C W MILLER WARREN PET CO ==

WU 1201 (R 5-69)

ON CONSTRUCTION COME.

COPY

February 23, 1972

And

BTA 011 Producers 104 South Pecos Midland, Texas 79701

Attention: Mr. J. R. Stimmel

Gentlemen:

Warren Petroleum Company, a Division of Gulf Oil Corporation, has important gas connections in the Vada-Penn Oil Pool, which gas is processed through four of Warren's gasoline plants in the area.

Our field studies, based on gas volumes being taken from the Vada-Penn during the fourth quarter of 1971 and plant capacities, indicate that we could take an additional twenty percent or equivalent of 18,000 MCFD gas volume from the Vada-Penn Pool in Lea County, New Mexico.

Very truly yours,

Original signed by C. W. MILLER

C. W. Hiller Vice President

CWM:B

bcc: Mr. Wm. V. Kastler

GOC - U.S. Box 1150

Midland, Texas 79701

### 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. 4670 Order No. R-4278

APPLICATION OF BTA OIL PRODUCERS FOR A SPECIAL GAS-OIL RATIO LIMITATION, VADA-PENNSYLVANIAN POOL, LEA COUNTY, NEW MEXICO.

#### ORDER OF THE COMMISSION

#### BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 1, 1972, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 15th day of March, 1972, 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, BTA Oil Producers, seeks, as an exception to Rule 506 of the Commission Rules and Regulations, a limiting gas-oil ratio of 10,000 cubic feet of gas per barrel of oil in the Vada-Pennsylvanian Pool, Lea County, New Mexico.
- (3) That the reservoir characteristics of the subject pool presently available justify the establishment of a gas-oil ratio limitation of 10,000 cubic feet of gas per barrel of liquid hydrocarbons.
- (4) That an additional volume of 10,800 MCF per day of casinghead gas production is anticipated to be produced from

the Vada-Pennsylvanian Pool at a gas-oil ratio of 10,000 cubic feet of gas per barrel of oil.

- (5) That the anticipated volume of additional casinghead gas may be produced from the Vada-Pennsylvanian Pool without waste.
- (6) That in order to afford to the owner of each property in the Vada-Pennsylvanian 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 10,000 cubic feet of gas per barrel of liquid hydrocarbons should be established for the subject pool.
- (7) That approval of the subject application will prevent waste and protect correlative rights.

#### IT IS THEREFORE ORDERED:

- (1) That, effective March 1, 1972, the limiting gas-oil ratio in the Vada-Pennsylvanian Pool, Lea County, New Mexico, shall be 10,000 cubic feet of gas for each barrel of oil produced.
- (2) 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

BRUCE KING, Chairman

ALEX J. ARMIJO, Member

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

SEAL

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:

> CASE No. 4670 Order No. R-4278

APPLICATION OF BTA OIL PRODUCERS FOR A SPECIAL GAS-OIL RATIO LIMITATION, VADA-PENNSYLVANIAN POOL, LEA COUNTY, NEW MEXICO.

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- (3) That the reservoir characteristics of the subject pool presently available justify the establishment of a gas-oil ratio limitation of 10,000 cubic feet of gas per barrel of liquid hydrocarbons.
- (4) That an additional volume of 10,800 MCF per day of casinghead gas production is anticipated to be produced from

the Vada-Pennsylvanian Pool at a gas-oil ratio of 10,000 cubic feet of gas per barrel of oil.

- (5) That the anticipated volume of additional casinghead gas may be produced from the Vada-Pennsylvanian Pool without waste.
- (6) That in order to afford to the owner of each property in the Vada-Pennsylvanian 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 10,000 cubic feet of gas per barrel of liquid hydrocarbons should be established for the subject pool.
- (7) That approval of the subject application will prevent waste and protect correlative rights.

#### IT IS THEREFORE ORDERED:

- (1) That, effective March 1, 1972, the limiting gas-oil ratio in the Vada-Pennsylvanian Pool, Lea County, New Mexico, shall be 10,000 cubic feet of gas for each barrel of oil produced.
- (2) 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

BRUCE KING, Chairman

ALEX J. ARMIJO, Member

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

SEAL

esr/

#### VADA PENN POOL LEA COUNTY NEW MEXICO PRODUCTION HISTORY

	OIL MBBLS	WATER MBBLS	GAS MONTHLY MMCF GOR	CUMULATIVE OIL - MBBLS
1955				
Dec.	4		•	4
1956				
Jan.	\ 5			8
Feb. Mar.	\ 5 5 6			13 19
Apr. May	7	8		25 32
June	7	10		39 49
July Aug.	10	11		60 72
Sep.	13 20	7		92
Nov. Dec.	24 25	7 18		116 141
<u> 1957</u>		•		
Jan.	24	25		165
Feb. Mar.	33 38	25 29		198 236
Apr. May	37 37	30 30		273 310
June	30	29 22		340 373
July Aug.	33 32 32	29 21	and the second of the second o	405 437
Sep. Oct.	35	23		472 504
Nov. Dec.	32 33	25 20		537
1958				
Jan. Feb.	32 25			569 595
Mar.	27 24	4.	DELODE ENGINEER	595 621 646
Apr. May	24 24 18		BEFORE EXAMINER UTZ OIL CONSERVATION COMMISSION	670 688
June July	21		BTA EXHIBIT NO. 3-A	709 729
Aug. Sep.	21 20	· . 	CASE NO. 4 670	749 <b>77</b> 2
Oct. Nov.	22 22		Submitted byHearing Date	793 814
Dec.	21		AND	014
Jan.	17	21	17 977	831
Feb. Mar.	15 15	24 19	15 983 16 1,071	846 861
Apr. May	16 17	31 24	17 1,045 16 974	877 894
June July	15 16	29 18	16 1,103 16 1,013	909 <b>92</b> 5
Aug.	14 14	26 22	14 950 15 1,084	939 952
Sep.	13	23	20 1,514 16 1,428	965 976
Nov. De <b>c</b> .	11 12	21		988

CASE NO 4670 EXHIBIT NO 3A

- -	OIL MBBLS	WATER MBBLS	GAS MMCF	MONTHLY GOR	CUMULATIVE OIL - MBBLS
1960				**	
Jan. Feb. Mar. Apr. May June July Aug. Sep. Oct. Nov. Dec.	12 7 5 4 2 2 2 2 1 0 1	19 16 13 19 22 22 24 23 16 0 8	14 10 9 6 3 4 5 1 0 3	1,146 1,307 1,782 1,314 1,696 2,028 2,250 2,569 8,559 3,048 2,983	1,001 1,008 1,013 1,018 1,019 1,021 1,024 1,026 1,026 1,026 1,027
Jan. Feb. Mar. Apr. May June July Aug. Sep. Oct. Nov. Dec.		4 3 4 3 3 3 3 4 4 2 4	2 1 4 3 4 3 3 3 3 2 1 1	1,899 1,649 2,867 2,902 3,647 3,572 3,640 3,199 3,330 2,795 1,279 444	1,028 1,029 1,030 1,032 1,033 1,034 1,035 1,036 1,037 1,038 1,038 1,039
Jan. Feb. Mar. Apr. May June July Aug. Sep. Oct. Nov. Dec.		3 27 30 7 39 30 26 30 30 31 22 20	2 1 2 3 1 1 2 2 2 2 2	1,057 971 1,376 17,755 3,746 124 1,035 689 2,069 1,847 1,958 2,805	1,041 1,042 1,042 1,043 1,045 1,045 1,046 1,047 1,048 1,049
Jan. Feb. Mar. Apr. May June July Aug. Sep. Oct. Nov. Dec.	0 1 1 1 1 1 1 1 1 5	0 20 25 28 29 29 28 27 25 15 8	0 1 1 1 1 1 1 1 1 1 1	1,714 1,289 1,215 1,656 1,677 1,738 1,610 1,489 2,182 961 850	1,049 1,050 1,050 1,051 1,052 1,053 1,053 1,054 1,054 1,059

Vada Penn Poc. Lea County New Mexico Production History Page 3

	OIL MBBLS	WATER MBBLS	GAS MMCF	MONTHLY GOR	CUAUDA IVE OIL - MBBLS
1964					
Jan. Feb. Mar. Apr. May June July Aug. Sep.	4 6 5 6 5 6 5	1 1 1 1 1 1 1	4 5 4 5 4 5 5 5 5 5	850 850 850 850 850 834 850 850	1,068 1,072 1,078 1,083 1,088 1,094 1,099
Oct. Nov. Dec.	10 8 9	11 7 12	12 10 11	1,244 1,239 1,179	1,110 1,120 1,128 1,137
Jan. Feb. Mar. Apr. May June July Aug. Sep. Oct. Nov. Dec.	8 8 8 8 9 9 10 13 9 15 13 13	12 11 10 11 39 38 39 51 37 56 49	9 10 11 10 10 10 10 8 6 7 10 9	1,159 1,206 1,253 1,224 1,198 1,122 1,061 637 633 431 729 733	1,146 1,154 1,162 1,170 1,179 1,188 1,198 1,210 1,220 1,235 1,248 1,261
Jan. Feb. Mar. Apr. May June July Aug. Sep. Oct. Nov. Dec.	13 10 15 13 14 14 19 20 28 32 25 29	52 48 48 54 53 68 90 72 94 92 76 87	10 8 13 11 10 13 15 20 26 20 22	769 800 867 846 786 714 684 750 714 813 800 759	1,274 1,284 1,298 1,312 1,325 1,340 1,359 1,379 1,407 1,439 1,464 1,493
Jan. Feb. Mar. Apr. May June July Aug. Sep. Oct. Nov. Dec.	28 28 36 33 45 48 54 70 75 88 91 107	90 88 76 90 117 101 105 153 130 125 134 177	20 31 28 30 28 39 45 39 64 71 65 74	1,000 1,107 778 909 622 813 833 557 853 807 714 692	1,521 1,550 1,586 1,619 1,663 1,711 1,765 1,835 1,910 1,998 2,089 2,196

	OIL MBBLS	WATER MBBLS	GAS MMCF	MONTHLY GOR	CUMULATIVE OIL - MBBLS
1968					
Jan. Feb. Mar. Apr. May June July Aug. Sep. Oct. Nov. Dec.	130 147 179 224 286 303 371 452 482 540 533 529	305 416 450 555 799 796 867 905 864 875 854	93 117 138 183 230 280 348 441 444 521 555 602	715 796 771 817 804 924 770 976 921 965 1,041	2,326 2,473 2,651 2,876 3,162 3,465 3,836 4,288 4,770 5,310 5,843 6,372
<u> 1969</u>		-			
Jan. Feb. Mar. Apr. May June July Aug. Sep. Oct. Nov. Dec.	664 589 701 642 730 728 847 874 874 923 890 929	1,931 1,157 1,399 1,003 1,248 1,341 1,723 2,030 2,067 2,058 1,949 2,100	777 732 765 844 953 1,053 1,173 1,257 1,265 1,323 1,207 1,273	1,170 1,243 1,091 1,315 1,305 1,446 1,385 1,447 1,433 1,456 1,370	7,036 7,625 8,326 8,968 9,698 10,426 11,273 12,147 13,021 13,944 14,834
Jan. Feb. Mar. Apr. May June July Aug. Sep. Oct. Nov. Dec.	981 945 1,053 1,009 1,088 1,046 1,081 1,062 981 987 932 894	1,986 1,907 2,056 2,072 1,993 1,965 1,920 1,679 1,503 1,463 1,216 1,260	1,329 1,344 1,551 1,619 1,843 1,961 2,044 2,042 2,000 1,980 1,937 2,171	1,355 1,422 1,473 1,605 1,694 1,875 1,891 1,923 2,639 2,006 2,078 2,428	16,744 17,689 18,742 19,751 20,839 21,885 22,966 24,028 25,009 25,996 26,928 27,822
1971					
Jan. Feb. Mar. Apr. May June July Aug. Sep. Oct. Nov. Dec.	822 732 799 748 749 685 627 566 510 500 439 426	1,190 1,067 960 947 940 981 1,049 1,069 1,054 989	2,150 2,063 2,451 2,607 2,746 2,714 2,631 2,450 2,244 2,223 2,045 1,943	2,616 2,818 3,068 3,485 3,666 3,962 4,196 4,329 4,400 4,446 4,658 4,561	28,644 29,376 30,175 30,923 31,672 32,357 32,984 33,550 34,060 34,560 34,999 35,425

30 1943,00

64,76 MCF = 64,760,000

# BEFORE EXAMINER UTZ OIL CONSERVATION COMMISSION

TTA EXHIBIT NO. 3-B

CASE NO. 4676

VADA PENN POOL LEA COUNTY, NEW MEXICO BHP AND PRODUCTION HISTORY

Submitted by	DATE	LOCATION S-T-R	BHF @ -5500'	CUMULATIVE CIL PRODUCTION BBL.
Sunray #1-F	12/10/55	1-10-33	3,623	
Sunray #2-F	4/9/56	1-10-33	3,583	18,778
Sunray #1-I	7/5/56	36-9-33	3,577	39,045
Aztec #1-LW	9/1/56	2-10-33	3,520	59 <b>,7</b> 88
Tenneco "Lane Unit" #1	11/2 <b>2/</b> 56	1-10-33	3,366	116,105
BTA Simmons #1	11/27/56	31-9-34	3,495	118,160
Cities Service #1-AY	1/28/57	1-10-33	3,378	165,129
Sunray Hobbs #1	7/2/57	36-9-33	3,200	407,000
Cosden Federal D#1	11/17/60	29-8-36	3,019	619,000
Union Pruitt #1-21	6/1/63	21-9-34	3,454	1,026,303
Sunray State #1-A0	11/11/63	16-10-34	3,300	1,028,901
Sunray State #1-AP	6/26/64	17-10-34	3,205	1,068,366
Midwest State #1-B	7/3/64	11-10-33	3,041	1,099,000
Midwest Skelly State #1	8/3/65	10-10-33	2,802	1,172,401
Cactus #1 Atlantic State	8/22/65	32-9-34	3,161	1,184,943
Sunray State #1-"AW"	12/7/65	20-10-34	2,949	1,222,856
Read & Stevens Gross #1	9/23/66	15-10-33	3,075 <b>CAS</b>	1,302,343 SE NO 4670

COMPANY & WELL	DATE	LOCATION S-T-R	BHP @ -5500'	CUMULATIVE OIL PRODUCTION BBL.
Enfield #1 Medlin	10/8/66	28-9-34	2,932	1,381,643
Midwest #1 Pruitt	10/18/66	20-9-34	3,121	1,413,760
Monsanto Lane State #1-Y	1/14/67	30-10-34	2,861	1,472,800
DelApache #1 Pruitt	1/27/67	20-9-34	2,933	1,495,993
BTA #2 Max	1/28/67	30-9-34	2,911	1,498,921
Midwest #2 Pruitt	4/6/67	17-9-3 <sup>1</sup> 4	2,896	1,593,310
Read & Stevens Skelly State #1	5/11/67	10-10-33	2,905	1,679,000
Midwest #1-A Pruitt	5/28/67	17-9-34	2,514	1,638,000
Midwest #2-A Pruitt	7/24/67	17-9-34	2,834	1,739,675
Midwest I #1 (Humble AM #1)	7/29/67	11-10-33	2,831	1,742,000
Ralph Lowe State D #1	8/10/67	16-9-34	2,750	1,770,000
Read & Stevens Apache #1	8/10/67	3-10-33	2,960	1,770,000
BTA Vada A #1	10/7/67	21-9-34	2 <b>,</b> 764	1,884,677
Midwest State J #1	10/14/67	11-10-33	2,144	1,930,000
Midwest State K #1	10/21/67	2-10-33	2 <b>,</b> 698	1,940,000
BTA Lane A #1	10/21/67	21-9-34	2,915	1,940,000
BTA Vada B #2	11/13/67	20-9-3 <sup>1</sup> 4	2,567	2,010,000
Midwest Skelly State #2	11/15/67	10-10-33	1,732	2,010,000
BTA Vada C #3	11/26/67	21-9-34	2,624	2,060,000

COMPANY & WELL	DATE	LOCATION S-T-R	BHP <b>@ -5500</b> 2	CUMULATIVE OIL PRODUCTION BBL.
BTA Anderson A #1	12/6/67	6-10-34	9-12-13-13-13-13-13-13-13-13-13-13-13-13-13-	2,070,000
Midwest #1-C Pruitt	12/10/67	20-9-34	2,355	2,080,000
BTA Max #1	12/11/67	30-9-34	3,035	2,080,000
BTA Lane C #4	12/14/67	6-10-34	2,868	2,090,000
Superior Hutcherson #1	12/20/67	27-9-34	2,818	2,110,000
BTA Vada D #4	12/26/67	28-9-34	2,693	2,170,000
BTA Price A #1	1/16/68	15/9/34	2,861	2,405,000
Midwest State L #1	1/18/68	2-10-33	2,662	2,414,000
BTA Lane C #5	1/28/68	6-10-34	2,908	2,463,000
BTA Anderson A #3	1/28/68	6-10-34	2,874	2,463,000
BTA Max #2	1/28/68	30 <b>-</b> 9-3 <sup>1</sup> 4	2,918	2,463,000
BTA Pecan #1	1/29/68	31/8/36	2,257	2,468,000
Del Apache Vada State #1	1/30/68	16-9-3 <sup>l</sup> +	2,792	2,473,000
Trobaugh Wood #1	2/4/68	29-9-34	2,687	2,498,000
BTA Mar #1	2/29/68	5-10-3 <sup>l</sup> 4	3,750	2,651,000
BTA Enfield #1	3/6/68	28-9-34	2,534	2,696,000
BTA Hanson #1	3/7/68	1-10-33	2,419	2,703,000
Midwest State K #2	3/9/68	2-10-33	2 <b>,</b> 79 <b>7</b>	2,719,000
Midwest Hutcherson #1	3/13/68	9-9-34	2 <b>,</b> 678	2,748,000
Midwest State L #2	3/17/68	2-10-33	2,706	2,779,999

COMPANY & WELL	DATE	LOCATION S-T-R	внр @ -5500¹	CUMULATIVE OIL PRODUCTION BBL.
Midwest Howard Cook #1	3/17/68	31-9-34	2,766	2,779,000
BTA Somico #1	3/18/68	20-10-31+	2,389	2,786,000
Trobaugh Wood #2	3,/20/68	29-9-34	2,643	2,801,000
BTA Newkirk #1	3/22/68	29-9-34	2,616	2,816,000
BTA Watson #1	3/24/68	9-9-34	2,877	2,831,000
Amini Hutcherson #1	4/21/68	28-9-34	2,820	3,076,000
Southland Royalty #2 Vada-State	4/29/68	32-9-34	2,916	3,152,000
Union Pruitt #1-21	5/7/68	21-9-34	2,540	3,230,000
Tenneco Mounsey #1	5/10/68	14-9-34	2,744	3,260,000
BTA Somico #2	5/17/68	20-10-34	2,447	3,328,000
Southland Royalty #3 Vada-State	5/20/68	32-9 <b>-</b> 3 <sup>1</sup> 4	3,008	3,357,000
BTA Mar #2	5/27/68	5-10-34	2,470	3,425,000
Midwest Tankersley #2	6/2/68	30-9-34	2 <b>,</b> 665	3,490,000
BTA Payne #1	6/6/68	33-9-34	3,042	3,540,000
Champlin State 18 #2	6/19/68	18-10-34	2,366	3,700,000
Superior Pruitt Com #1	7/8/68	22-9-34	2,294	3,901,000
Champlin State 18 #3	7/22/68	18-10-34	2,220	4,015,000
Southland Royalty Vada State #4	8/5/68	32-9-34	2,562	4,366,000
O'Neill O'Neill State M #1	8/19/68	19-10-34	2,367	4,583,000
Midwest D. V. Cook #2	8/23/68	31-9-34	2,257	4,646,000
Union Newman-Federal #1	8/24/68	29-9-34	2,267	4,661,000

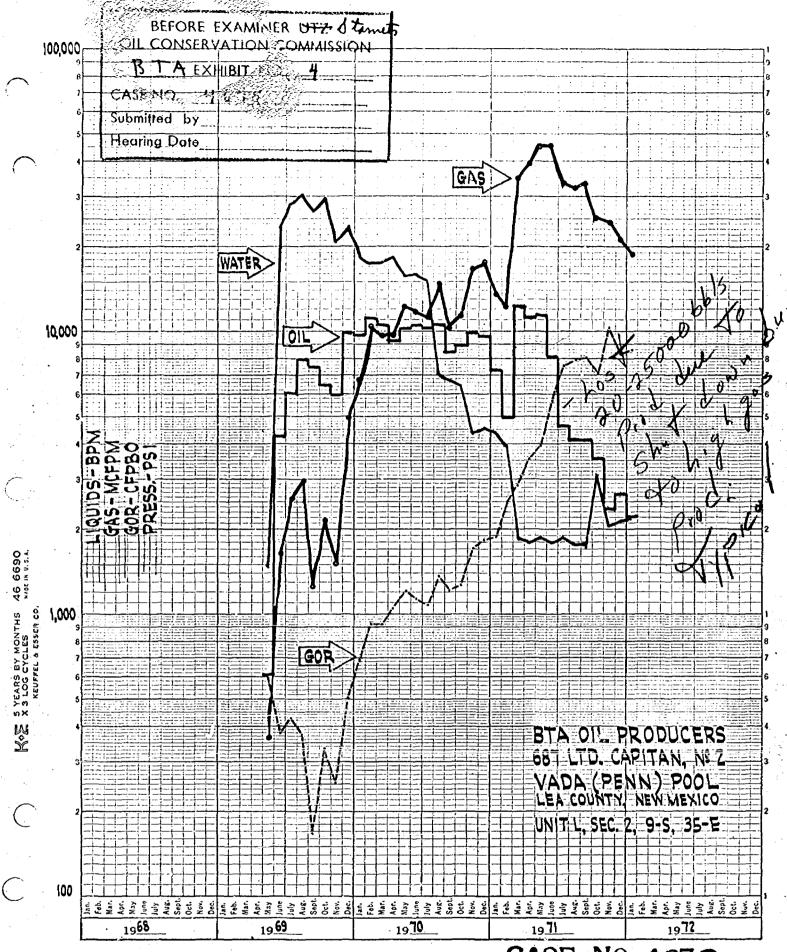
COMPANY & WELL	DATE	LOCATION S-T-R	BHP @ -5500'	CUMULATIVE OIL PRODUCTION BBL.
Midwest Federal C #1	9/26/68	31-9-34	2,329	5,238,000
BTA Simmons #1	9/30/68	31-9-34	2,222	5,310,000
BTA Feather #1	11/30/68	1-9-35	2,700	6,372,000
Monsanto MGF State A #1	1/14/69	30-10-34	1,840	7,302,000
Monsanto State L #2	1/22/69	19-10-34	1,757	7,454,000
BTA Harris A #3	2/14/69	6-9-36	2,326	7,975,000
BTA Sunray #3	2/17/69	36-9-33	2,100	8,051,000
BTA Allyn #1	2/27/69	9-9-36	2,385	8,302,000
Tenneco Bate Fed Com #1	3/9/69	11-9-34	2,262	8,512,000
Ralph Lowe Speight #1	3/30/69	7-9-35	2,441	8,947,000
Midwest Federal D #2	4/4/69	25-9-34	2,170	9,065,000
Tom Brown Holt State #1	4/6/69	4-10-34	3,562	9,114,000
BTA Intex #1	4-9-69	8-9-35	2,468	9,187,000
Superior Govt. B Com #1	4/20/69	5-9-35	2,459	9,456,000
BTA Brad #1	4/21/69	4-9-36	2,458	9,480,000
BTA Hanagan #1	4/21/69	8-9-36	2,261	9,480,000
Hanks Cabot State #1	4/28/69	32-8-36	2,009	9,650,000
Superior Pruitt C #1	4/29/68	15-9-34	1,923	9,675,000
MGF Payne #1	4/30/69	33 <b>-</b> 9-3h	2,556	9,698,000
BTA Northcott Fed. #3	5/4/69	5-9-36	2,100	9,792,000

COMPANY & WELL		LOCATION S-T-R	вир @ 2 2001	CUMULATIVE OIL PRODUCTION BBL.
BTA Bond #5	1016	4-9-36	2,100	9,815,000
BTA Rogers #1	6/1/69	G-9-35	2,436	10,426,000
BTA Barnes #1	6/2/69	7-9-36	2,252	10,482,000
Midwest Ainsworth A #1	6/9/69	26-9-33	2,196	10,690,000
Read & Stevens Federal B #1	6/11/69	30-8-36	2,068	10,737,000
Ralph Lowe Barnes #1	6/14/69	7-9-35	2,346	10,822,000
BTA Vada C #3	7/3/69	21-9-34	1,444	11,357,000
BTA Cap #1	7/13/69	2-9-35	2,353	11,639,000
Ralph Lowe Barnes #2	7/14/69	7-9-35	2,259	11,667,000
BTA Cities #1	8/7/69	10-9-35	2,337	12,341,000
Superior Pyron Com #1	8/28/69	11-9-34	1,934	12,937,000
Midwest Rives #1	9/12/69	4-9-34	1,957	13,390,000
Coquina Alcorn Fed #1	9/20/69	26-8-35	2,204	13,637,000
Midwest Cross A #1	9/25/69	35-9-33	1,916	13,791,000
BTA Max #1	10/15/69	30-9-34	892	14,375,000
BTA Curtis #1	10/26/69	23-9-35	2,415	14,692,000
Midwest Fed E Com #1	10/29/69	25-9-34	2,177	14,778,000
BTA Northcott #3	11/17/69	5-9-36	1,698	15,358,000
Midwest Ainsworth #2	12/2/69	35-9-33	2,324	15,828,000
Superior Levinson #1	12/11/69	22-9-34	2,210	16,111,000
Coquina Federal 3 #1	12/13/69	3-9-35	2,141	16,175,000

COMPANY & WELL	DATE	LOCATION S-T-R	внр @ -5500'	CUMULATIVE OIL PRODUCTION BBL.
BTA Hugo #2	12/14/69	15-9-35	2,404	16,206,000
BTA Pacific #1	1/13/70	10-9-35	2,020	17,154,000
BTA Will #2	1/13/70	34-8-35	2,037	17,154,000
BTA Hooper #1	1/14/70	28-9-34	897	17,185,000
BTA Sunray B #1	2/6/70	36-9-33	1,416	17,911,000
BTA Vada D #4	2/19/70	28-9-34	866	18,392,000
Midwest New Mex U State #2	2/20/70	3-10-33	2,782	18,429,000
Lone Star New Mex 55 Fed #1	2/21/70	27-8-36	1,703	18,466,000
BTA Bond #4	3/26/70	4-9-36	1,350	19,574,000
BTA Humble State #1	4/14/70	16-9-35	1,839	20,255,000
Midwest Ainsworth B #1	4/15/70	26-9-33	2,009	20,291,000
BTA Will #3	4/22/70	34-8-35	1,354	20,543,000
BTA Lane A #1	4/25 <b>/70</b>	21-9-34	1,139	20,651,000
BTA Somico #1	4/29/70	10-10-34	649	20,679,000
Midwest Fed H #1	4/29/70	18-9-35	2,011	20,679,000
BTA Sam #1	5/29/70	9-9-35	1,627	21,825,000
Tenneco Sawyer State Com #1	5/30/70	16-9-36	1,695	21,859,000
Midwest Fed I #1	6/23/70	18-9-35	2,220	22,713,000
BTA Payne #1	6/25/70	3-9-34	1,065	22,785,000
King Resources Sheridan A #1	7/14/70	24-9-33	2,370	23,442,000
BTA Olin #1	7/21/70	33-8-35	1,443	23,680,000

COMPANY & WELL	DATE	LOCATION S-T-R	BHP @ -5500'	CUMULATIVE OIL PRODUCTION BBL.
BTA Battles #1	7/23/70	7-9-36	1,387	23,748,000
BTA Farms #1	7/26/70	30-8-36	1,348	23,850,000
Bi. Meta #1	8/30/70	3-9-34	3,068	24,988,000
BTA Starman #1	10/29/70	4-9-35	1,518	25,966,000
BTA Hanagan #1	11/11/70	8-9-36	1,142	27,258,000
BTA Pecan #1	1/2/71	31-8-36	1,208	28,692,000
BTA Bond #4	1/6/71	4-9-36	886	28,788,000
Del Apache Atlantic St #1	1/7/71	36-8-34	1,565	28,812,000
Del Apache Midwest Fed #1	1/15/71	5-9-34	2,388	29,004,000
BTA O'Neill #1	2/9/71	36-8-35	1,170	29,637,000
BTA Northcott #2	3/8/71	5-9-36	968	30,367,000
BTA Ray #2	4/8/71	15 <b>-</b> 9 <b>-</b> 3 <b>5</b>	967	31,123,000
BTA Pecan #1	4/22/71	31/8/36	1,056	31,473,000
BTA Davis #1	4/27/71	9-9-36	773	31,598,000
BTA Sam #1	5/19/71	9-9-35	913	32,090,000
BTA Humble State #1	5/20/71	16-9-35	915	32,112,000
BTA Bond #6	6/11/71	4-9-36	844	32,588,000
BTA Allyn #1	6/16/71	9-9-36	783	32,693,000
Coquina Webb Fed #1	6/17/71	3-9-35	1,141	32,714,000
BTA Evans #1	6/21/71	4-9-34	1,762	32,798,000

COMPANY & WELL	DATE	LOCATION S-T-R	BHP @ -5500'	OIL PRODUCTION BBL.
Del Apache Sunoco Fed #1	6/26/71	5-9-3 <sup>1</sup> 4	2,164	32,903,000
BTA Atem #1	7/12/71	3-9-34	1,668	33,200,000
Del Apache Keohane #1	7/13/71	7-9-34	2,537	33,218,000
Western States Lewis Com #1	9/9/71	35-8-34	1,441	34,213,000
Midwest Pruitt B #2	11/16/71	18-9-34	2,404	35,223,000
BTA Hutch #1	12/6/71	10-9-34	2,892	35,509,000



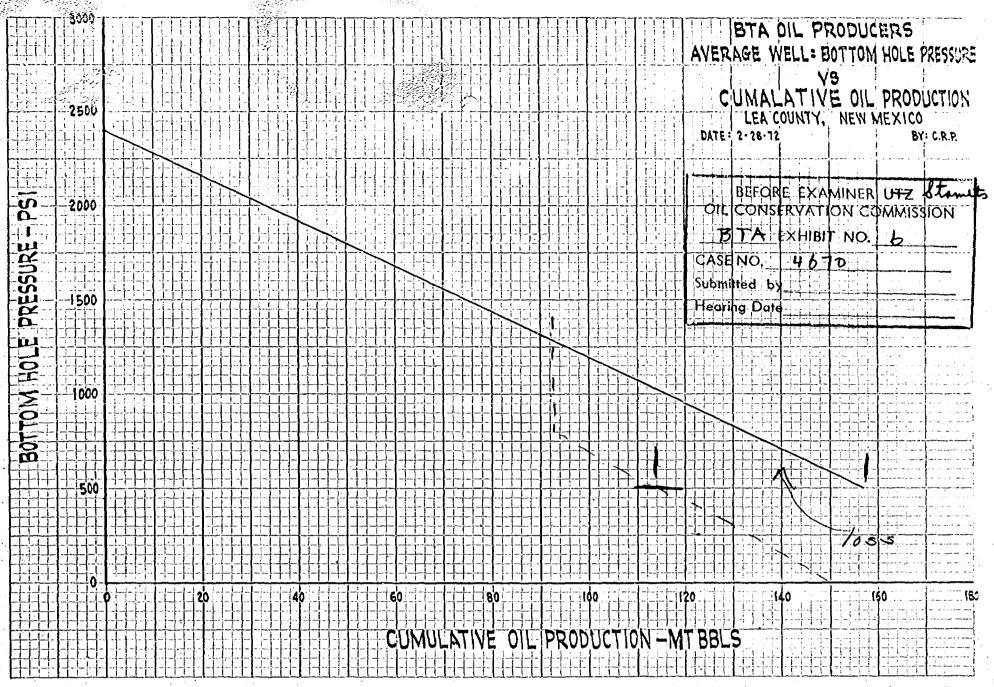
CASE NO 4670 EXHIBIT NO 4

	Oil-Bbls	Cum Oil Bbls	Gas-MCF	GOR	Wtr-Bbls	BHP Date of BHP
1969						
May June July Aug. Sep. Oct. Nov. Dec. TOTAL	609 4,280 6,017 7,958 7,500 6,447 5,946 9,884 48,641	609 4,889 10,906 18,864 26,364 32,811 38,757 48,641	366 1,623 2,580 2,980 1,250 2,159 1,501 4,995	601 379 429 374 167 335 252 505	1,470 23,200 28,200 29,800 26,900 29,760 20,930 23,400 183,660	
1970						
Jan. Feb. Mar. Apr. May June July Aug. Sep. Oct. Nov. Dec. TOTAL	9,771 11,057 10,542 9,216 10,124 10,538 10,332 10,726 8,422 8,912 9,938 9,606 119,184	58,412 69,469 80,011 89,227 99,351 109,889 120,221 130,947 139,369 148,281 158,219 167,825	6,753 10,354 9,749 9,756 12,177 11,984 11,199 14,863 10,166 11,346 16,948 17,574 142,869	691 936 925 1,59 1,203 1,137 1,084 1,386 1,207 1,273 1,705 1,829	18,200 17,500 17,500 18,306 15,848 15,848 15,232 7,099 6,641 6,412 4,380 4,526 147,792	BEFORE EXAMINER UTZ OIL CONSERVATION COMMISSION BTA EXHIBIT NO. 5 CASE NO. 4670 Submitted by Hearing Date
Jan. Feb. Mar. Apr. May June July Aug.	7,237 4,959 12,403 11,162 11,386 8,035 4,621 4,124	175,062 180,021 192,424 203,586 214,972 223,007 227,628 231,752	13,623 12,382 34,996 39,476 45,155 45,466 33,543 32,392	1,882 2,497 2,822 3,537 3,966 5,658 7,259 7,855	4,380 3,942 1,860 1,800 1,860 1,860 1,860 1,798	CASE NO 4670 EXHIBIT NO 5

Vada Penn Pool Lea County, New Mexico BTA 687 Capitan #2 Unit L, Section 2, 9835E

Page 2

A	Oil-Bbls	Cum Oil Bbls	Gas-MCF	GOR	Wtr-Bbls	ВНР	Date of BHP
1971 (con	ntinued)						•
Sep. Oct. Nov. Dec. TOTAL	4,168 3,560 2,341 2,656 76,652	235,920 239,480 241,821 244,477	33,530 25,383 24,103 22,001 362,050	8,045 7,130 10,296 8,284	1,740 3,100 1,560 1,612 27,312		
1972				•			
Jan.	2,209	246,686	18,975	8,590	1,674		•



CASE NO 4670 NO A THIBIT X 10 INCHES ASER CO. TO THE IN WISH.

### Warren Petroleum Company

P. O. Box 1589
Tulsa, Oklahoma 74102

February 23, 1972

BTA Oil Producers 104 South Pecos Midland, Texas 79701

Attention: Mr. J. R. Stimmel

Gentlemen:

Warren Petroleum Company, a Division of Gulf Oil Corporation, has important gas connections in the Vada-Penn Oil Pool, which gas is processed through four of Warren's gasoline plants in the area.

Our field studies, based on gas volumes being taken from the Vada-Penn during the fourth quarter of 1971 and plant capacities, indicate that we could take an additional twenty percent or equivalent of 18,000 MCFD gas volume from the Vada-Penn Pool in Lea County, New Mexico.

Very truly yours,

C. W. Miller Vice President

CWM:B

BEFORE EXAMINER UTZ STAM OIL CONSERVATION COMMISSION 13TA EXHIBIT NO. 7	7
CASE NO. 4 6 70	
Submitted by	
Hearing Date	ŀ
A CONTRACTOR OF THE PARTY OF TH	1

CASE NO 4670 EXHIBIT NO 7



CITIES SERVICE OIL COMPANY

RECEIVED

FEB 28 1972

MIDIAND OFFICE

Cities Service Building Box 300 Tulsa, Oklahoma 74102

February 24, 1972

Mr. Roger C. Hanks 2100 Wilco Building P. O. Box 584 Midland, Texas 79701

Re: Low Pressure Gas Gathering System
Bluitt Gas Processing Plant
Roosevelt County, New Mexico

Dear Mr. Hanks:

Pursuant to your inquiry regarding our low pressure gas gathering capabilities at the subject plant, we would like to make the following statement:

Cities Service Oil Company has the capacity to gather and compress the casinghead gas from the leases in the Vada-Penn Field, which are connected to the subject plant, up to a maximum limiting gas-oil ratio of 10,000 cubic feet of gas per barrel of oil. This is based upon the existing top oil allowable of 358 BOPD as authorized by the New Mexico Oil Conservation Commission and upon the past production performance of each of these leases.

If we may be of further assistance, please advise.

Sincerely yours,

W. J. Templeton

Region II Manager

WJT:THR:ds

cc: Messrs. C. R. Byrd - Tulsa Office Thomas H. Rinehart - Tulsa Office D. F. Southard - Tulsa Office Jerry Brown - Bluitt Plant BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
BTA EXHIBIT NO. 8
CASE NO. 1176
Submitted by

CASE NO 4670 EXHIBIT NO 8

**Hearing Date** 

JASON W. KELLAHIN ROBERT E. FOX KELLAHIN AND FOX ATTORNEYS AT LAW 54'2 EAST SAN FRANCISCO STREET POST OFFICE BOX 1769 SANTA FE. NEW MEXICO 87501 FEB- 2 1972 OIL CONSENSPHONE 982-4315

February 1, 1972

Case 4670

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

Re: Application of Paul M. Mershon, Jr. and Vincent Shryack
Application of BTA Oil Producers

Gentlemen:

Enclosed please find originals and two copies each of the above-described applications.

Yours very truly,

Jason W. Kellahin

JWK: abs

Enclosures: as stated

DOCKET MARIED

Onto 2-18-12-

OH, COUSERVATION COMM,

#### BEFORE THE

#### OIL CONSERVATION COMMISSION OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF BTA OIL PRODUCERS FOR ADOPTION OF A GAS/OIL RATIO FOR THE VADA-PENNSYLVANIAN POOL, LEA COUNTY, NEW MEXICO, AND FOR AMENDMENT OF COMMISSION ORDER R-3179-A. Can 4670

#### APPLICATION

Comes now BTA Oil Producers and applies to the Oil Conservation Commission of New Mexico for an order providing for a limiting gas/oil ratio of 10,000 cubic feet of gas to one barrel of oil for production of oil from the Vada-Pennsylvanian Pool, Lea County, New Mexico and in support thereof would show the Commission:

- 1. Applicant is the owner of properties located within the limits of the Vada-Pennsylvanian Pool as defined by the Commission and is operating said properties under the present limiting gas/oil ratio of 2,000 to 1.
- 2. Gas produced with oil from the Vada-Pennsylvanian Pool is presently being marketed and there is a market available in the event gas production from this pool is increased as a result of the amendment of Commission orders regarding the gas/oil ratio for the pool.
- 3. The pool can be operated efficiently and economically with a limiting gas/oil ratio of 10,000 to 1, and the adoption of such a limiting ratio will result in the ultimate recovery of oil that would not otherwise be recovered and waste will not occur.

4. Order No. R-3179-A, being the special rules and regulations for the Vada-Pennsylvanian Pool, should be amended to provide for a limiting gas/oil ratio of 10,000 to 1 and in all other respects should remain as the present rules.

WHEREFORE applicant prays that this matter be set for hearing before the Commission or the Commission's duly appointed examiner, and that after notice and hearing as required by law the Commission enter its order amending the pool rules for the Vada-Pennsylvanian Pool, being Order No. R-3179-A, to include a provision for a limiting gas/oil ratio of 10,000 to 1, and for such other and further orders as may be proper in the premises.

Respectfully submitted,
BTA OIL PRODUCERS

Reliahin & Fox
P. O. Box 1769
Santa Fe, New Mexico

Attorneys for the Applicant

DRAFT

GMH/esr 3-9-72

### 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

M

Juli

CASE No. 4670

Order No. R-4278

APPLICATION OF BTA OIL PRODUCERS
FOR A SPECIAL GAS-OIL RATIO LIMITATION,
VADA-PENNSYLVANIAN POOL, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

#### BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on <u>March 1</u>, 1972, at Santa Fe, New Mexico, before Examiner <u>Richard L. Stamets</u>.

NOW, on this <u>day of March</u>, 1972, 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, BTA Oil Producers, seeks, as an exception to Rule 506 of the Commission Rules and Regulations, a limiting gas-oil ratio of 10,000 cubic feet of gas per barrel of oil in the Vada-Pennsylvanian Pool, Lea County, New Mexico.
- (3) That the reservoir characteristics of the subject pool presently available justify the establishment of a gas-oil ratio limitation of 10,000 cubic feet of gas per barrel of liquid hydrocarbons.
- (4) That an additional volume of 10,800 MCF per day of casinghead gas production is anticipated to be produced from

the Vada-Pennsylvanian Pool at a gas-oil ratio of 10,000 cubic feet of gas per barrel of oil.

- (5) That an additional volume of casinghead gas

  That The anticipated to lome of additional cas

  10,000 MCP per day may be produced from the Vada-Pennsylvanian

  Pool without waste.
- (6) That in order to afford to the owner of each property in the Vada-Pennsylvanian 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 10,000 cubic feet of gas per barrel of liquid hydorcarbons should be established for the subject pool.
- (7) That approval of the subject application will prevent waste and protect correlative rights.

#### IT IS THEREFORE ORDERED:

- (1) That, effective March 1, 1972, the limiting gas-oil ratio in the Vada-Pennsylvanian Pool, Lea County, New Mexico, shall be 10,000 cubic feet of gas for each barrel of oil produced.
- (2) 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 4671: Application of V. F. VASICEK AND J.M. FULLINWIDER, FOR COMPULSORY POOLING, LEA CO.