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BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION CONFERENCE HALL, STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO September 13, 1972

EXAMINER HEARING

IN THE MATTER OF:

Application of Getty Oil Company for an unorthodox location, Lea County, New Mexico.

CASE NO. 4823

BEFORE: Daniel S. Nutter Examiner

TRANSCRIPT OF HEARING

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MR. NUTTER: Case 4823.

MR. HATCH: Application of Getty Oil Company for an unorthodox location, Lea County, New Mexico.

MR. MORRIS: Mr. Examiner, may the record show the same appearance as in the previous case, same witness and that the witness has been sworn and is still under oath.

MR. NUTTER: Please proceed.

SURESH SUTARIA,

appeared as a witness and, having already been duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. MORRIS:

- Q Mr. Sutaria, what does Getty Oil Company seek by this Application?
- Getty Oil Company seeks approval to produce its A. B. Α Coates "C" Well Numbers 10 and 28, from the Justice Brinebry Pool with one allowable for proration unit, Section 24, Township 25 South, Range 37 East, Lea County, New Mexico.
- Please refer to Exhibit Number 1, the lease plat, and Q point out the location of the acreage in the two wells that are involved in this Application.
- Exhibit Number 1 is a lease plat of the A.B. Coates "C" lease. The lease itself is outlined in red. The

dearnley, meier & mc cormick

| 17103 | |
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| NEW MEXICO | MEXICO 87108 |
| 200 SIMMS BLDG. # P.O. BOX 1092 * PHONE 243-6691 * ALBUQUERQUE. NEW MEXICO #7109 | 1216 FIRST NATIONAL BANK BLDG. EAST • ALEUQUERQUE, NEW MEXICO 47108 |

| | | PAGE 4 |
|----|---|--|
| 1 | | proration unit F is colored green, in which wells |
| 2 | | Number 10 and 28 are located. They are marked with |
| 3 | | arrows. |
| 4 | Q | What are the various producing zones that exist in |
| 5 | | this general area? |
| 6 | A | Langlie Mattix Seven Rivers, Glorietta, Blinebry, |
| 7 | | Tubb-Drinkard, Fusselman, Montoya, and Ellenburger. |
| 8 | Q | So you have seven different producing zones in this |
| ŷ | | area? |
| 10 | A | Yes. |
| 11 | Q | Would you review the history of the wells, Number 10 and |
| 12 | | 28? |
| 13 | A | Well Number 10, the well was originally completed as |
| 14 | | a single in the Ellenburger zone during January, 1958. |
| 15 | | During September, 1959, the well was completed as a |
| 16 | | dual in the Montoya and the Ellenburger zone. During |
| 17 | | January, 1965, the Ellenburger zone was abandoned and |
| 18 | | the well was completed as a dual in the Montoya and |
| 19 | | the Blinebry zones. The Blinebry zone was shut-in |
| 20 | | on October 7, 1971. |
| 21 | Ď | All right. So this well Number 10 is presently a |
| 22 | | Montoya-Blinebry dual with the Blinebry zone shut-in? |
| 23 | У | Yes, the history of Well Number 28. The well was |
| 24 | | drilled and completed as a water injection well in |
| 25 | | the McKee zone during November, 1968. The well was |

dearnley, meier & mc cormick

| 209 SIMMS BLOG. + P.O. BOX 1092 + PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO 87103 | 1216 FIRST NATIONAL BANK BLDG. EAST • ALBUQUERQUE, NEW MEXICO 87108 |
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| 1 | | shut-in on October 5, 1970, and the Justice-McKee |
| 2 | | unit was dissolved as of July 1, 1971. |
| 3 | | The well was recompleted as a single in the |
| 4 | | Blinebry zone during October, 1971. |
| 5 | Ŏ | So, at the present time, Well Number 28 is a single |
| 6 | | zone producer from the Blinebry? |
| 7 | A | Yes. |
| 8 | ð | All right. Are there two other wells shown on this |
| 9 | | plat in this same proration unit? |
| 10 | A | Well Number 1 and Well Number 11. |
| 11 | Q | What zones are they completed in? |
| 12 | A | Well Number 1 is a dual gas well in the Langlie Mattix |
| 13 | | Seven Rivers and the Glorietta. Well Number 11 is a |
| 14 | | dual oil well in the Tubb-Drinkard and Fusselman zones. |
| 15 | Q | Now far apart are these wells Number 10 and 28? |
| 16 | A | About 305 feet. |
| 17 | Ď | Please refer to the production history of Well Number |
| 18 | | 10 as shown on Exhibit Number 2. |
| 19 | λ | The Exhibit Number 2 is a production decline curve |
| 20 | | for the Blinebry zone in well Number 10. The solid |
| 21 | | line is barrels of oil per month and the dotted line |
| 22 | | is barrels of water per month. The decline starts |
| 23 | ļ | in January, 1968, and it is drawn to September, 1970, |
| 24 | | at which time the well was shut-in and the allowables |
| 25 | | were transferred to Coates lease number 28. |

| 200 SIMMS BLUG. P.O. BOX 1092 PHONE 243-6691* ALBUQUERQUE, NEW MEXICO 67108 | 12:6 FIRST NATIONAL BANK BLDG. EAST • ALEGOGERQUE, NEW MEXICO 17106 |
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| | PAGE 6 |
|---|--|
| Q | All right. Please refer to Exhibit Number 3, it shows |
| | the production of the Number 28 and point out the |
| | features of that Exhibit. |
| A | The Exhibit Number 3 is a production decline curve for |
| | the Blinebry zone in Coates "C" Number 28. The solid |
| | line represents barrels of oil per month and the dotted |
| | line represents barrels of water per month. The |
| | decline starts in 1971 through 1972, at which time the |
| | well was completed. |
| Q | Do you have current gas-oil ratio tests on both of these |
| | wells in the Blinebry? |
| A | Yes. Exhibit Number 4 is the current gas-oil ratio |
| | test for both of the wells. |
| Q | All right. If your Application is approved how would |
| | you propose to produce these two wells? |
| A | At the present time, Coates "C" Number 28 is produced |
| | through Blinebry flow line from Coates "C" Number 10. |
| | If the Application is approved, we would like to produce |
| | both wells to the same flow line. We would like to |
| | produce Number 28 to its capacity and we would like to |
| | control the gas production from Coates "C" Number 10 |
| | to reach the maximum gas allowable. In oil, it would |
| | be a marginal case. |
| Ď | But your allowable, or your production from the two |
| | wells combined, would not exceed the allowable for the |

dearnley, meier & mc cormick

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IMS BLDG. + P.O. BOX 1092 + PHONE 243-6661 + ALBUCIUERQUE, NEW MEXICO 57103 6 first national bank bldg. East + Albuquerque, New Mexico 57106 gas-oil limitations for the single proration unit?
That's correct.

Q All right. Does the production limit of those two wells to each other present any problems or present the possibility of waste being caused in any respect?

A There wouldn't be any production problems. About waste, I don't think there would be any waste created in a case like this.

The Blinebry zone is very tight, or a lower permeability zone and I personally doubt that Well Number 10 could drain Number 28 or Number 28 could drain Number 10. If the Number 10 is not produced, then gas and oil could be wasted.

- Q Would approval of your Application have any adverse effect on the correlative rights of other operators?
- No, as long as we don't over-produce our two wells, there won't be any danger to correlative rights of offset operators.
- Q Were Exhibits 1 through 4 prepared by you or under your supervision and direction?
- A Yes, they were.

MR. MORRIS: Mr. Examiner, we offer Exhibits 1 through 4 into evidence.

MR. NUTTER: Applicant's Exhibits 1 through 4 will be admitted in evidence.

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(Whereupon, Applicant's Exhibits Number 1 through
               4 were marked and received into evidence.)
              MR. MORRIS: I believe that the Gulf waiver
   pertains to this Case and that you have it in your file.
              MR. NUTTER: Yes, sir, we sure do.
                            That's all we have on Direct.
               MR. MORRIS:
               MR. NUTTER: Are there any questions of the
    witness?
                (No response.)
               MR. NUTTER: He may be excused.
                (Witness excused.)
11
                MR. NUTTER: Do you have anything further,
12
     Mr. Morris?
13
                MR. MORRIS: No.
14
                MR. NUTTER: Does anyone have anything they
15
     wish to offer in Case 4823?
 16
                 (No response.)
                 MR. NUTTER: We will take the case under advisement.
 17
 18
                 Call Case Number 4825.
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STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, JOHN DE LA ROSA, a 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.

John De Per Roser
COURT REPORTER

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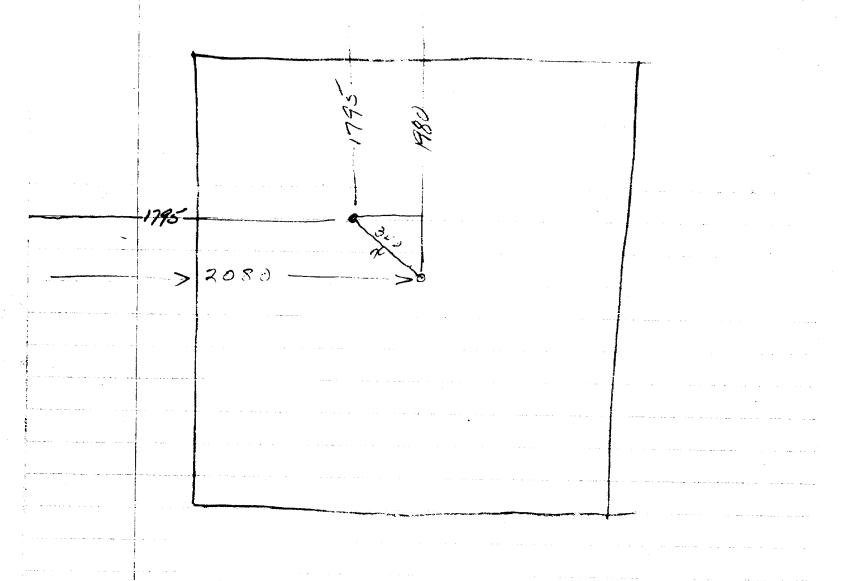
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WITNESS:

| 4 | Direct Examination by Mr. Morris | | 3 |
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| 5 | | | |
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| 8 | EXHIBITS | | |
| 9 | APPLICANT'S: | OFFERED | ADMITTED |
| 10 | Getty Oil Company | | |
| 11 | Exhibit Number 1 | 3 | 8 |
| 12 | Exhibit Number 2 | 5 | 8 |
| 13 | Exhibit Number 3 | 6 | 8 |
| 14 | Exhibit Number 4 | 6 | 8 |
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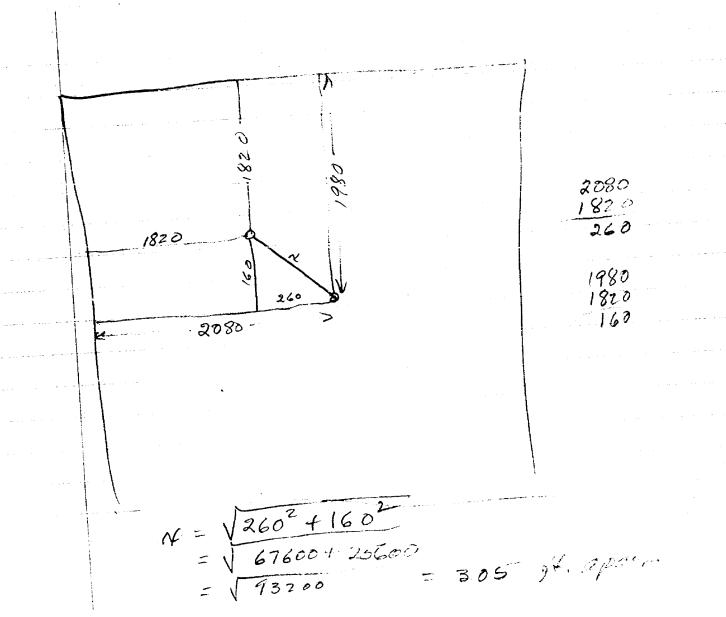


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OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO P. O. BOX 2008 - SANTA FE 87501 BRUCE KING
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

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

GOVERNOR

September 22, 1972

| Mr. Richard S. Morris | Re: | Case No | 4823 |
|--|-----|------------|------------|
| Montgomery, Federici, Andrews, | | Order No. | R-4403 |
| Hannahs & Morris Attorneys at Law | | Applicant: | |
| Post Office Box 2307 Santa Fe, New Mexico | | Getty O | il Company |

Dear Sir:

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

A. L. PORTER, Jr.
Secretary-Director

| ALP/ir | | |
|--------------------------|---------------|--|
| Copy of order | also sent to: | |
| Hobbs OCC Artesia OCC | <u>x</u> | |
| 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. 4823 Order No. R-4403

APPLICATION OF GETTY OIL COMPANY FOR AN UNORTHODOX LOCATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 13, 1972, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 22nd day of September, 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, Getty Oil Company, is the operator of a proration unit comprising the SE/4 NW/4 of Section 24, Township 25 South, Range 37 East, NMPM, Justis Blinebry Pool, Lea County, New Mexico, on which are located its A, B. Coates "C" Wells Nos. 10 and 28.
- (3) That the above-described wells are closer than 330 feet to each other.
- (4) That said Well No. 10 was shut-in in the Blinebry zone in October, 1971, and said Well No. 28 was recompleted as a Blinebry producer in October, 1971.
- (5) That the applicant now seeks authority to produce both wells as unit wells for the above-described proration unit.
- (6) That the SE/4 NW/4 of said Section 24 can be efficiently and economically drained and developed by said wells Nos. 10 and 28.
- (7) That production by the two subject wells will neither cause waste nor violate correlative rights.

CASE NO. 4823 order No. R-4403

That the subject application should be approved. (8)

IT IS THEREFORE ORDERED:

- (1) That the applicant, Getty Oil Company, is hereby authorized unorthodox locations for its A. B. Coates "C" Well No. 28, located 1820 feet from the North line and 1820 feet No. 28, located 1820 reet from the North line and 1820 reet from the West line of Section 24, and its A. B. Coates "C" Well No. 10, located 1980 feet from the North line and 2080 feet from the West line of Section 24, both in Township 25 feet from the West line of Section 24, both in Township 25 feet from the West line of Section 24, both in Township 25 South, Range 37 East, NMPM, Justis Blinebry Pool, Lea County,
- (2) That jurisdiction of this cause is retained for the New Mexico. entry of such further orders as the Commission may deem neces-

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION BRUCE KING, Chairman

ARMIJO, Member

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

SEAL

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 13, 1972

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

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

- ALLOWABLE: (1) Consideration of the allowable production of gas for October, 1972, from seventeen prorated pools in Lea, Eddy, Chaves and Roosevelt Counties, New Mexico;
 - (2) Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for October, 1972.
- CASE 4808: Application of Skelly Oil Company for a waterflood expansion and dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks to expand its Grayburg-Jackson Skelly Unit Water-flood Project, Grayburg-Jackson Pool, Eddy County, New Mexico, by the injection of water through its Unit Well No. 114 located in Unit D of Section 14, Township 17 South, Range 31 East. Said Well No. 114 to be completed as a dual completion in such a manner as to permit the production of oil from the Fren-Sevens Rivers Pool and the injection of water into the Grayburg-Jackson Pool.
- CASE 4809: Application of Saturn Oil Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Antebellum Unit Area comprising 3,840 acres, more or less, of State and Federal lands in Township 23 South, Range 34 East, Lea County, New Mexico.
- CASE 4810: In the matter of the application of the Oil Conservation Commission on its own motion to consider the revision of the special rules for the Devils Fork Gallup Associated Pool and the Escrito Gallup Associated Pool, Rio Arriba and San Juan Counties, New Mexico, promulgated by Orders Nos. R-1670-B and R-1793-A, respectively, to permit taking of gas-oil ratio and bottom-hole pressure tests on an annual basis rather than quarterly and semi-annually, as is now required.

CASE 4747: (Continued from the July 26, 1972, Examiner Hearing)

Application of Union Texas Petroleum, a Division of Allied Chemical Corporation for compulsory pooling, Lea County, New Mexico, Applicant, in the above-styled cause, seeks an order pooling all mineral interests below the base of the Devonian formation underlying the N/2 of Section 33, Township 25 South, Range 37 East, Crosby Field, Lea County, New Mexico. Said acreage to be dedicated to its well to be located 1650 feet from the North line and 2310 feet from the East line of said Section 33. 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 4577: (Reopened)

In the matter of Case 4577 being reopened pursuant to the provisions of Order No. R-4181, which order established special rules and regulations for the Parkway-Wolfcamp Pool, Eddy County, New Mexico, including a provision for 160-acre spacing units. All interested persons may appear and show cause why said pool should not be developed on 40-acre or 80-acre spacing units.

- CASE 4811: Application of Atlantic Richfield Company for a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 120-acre non-standard gas proration unit comprising the N/2 SE/4 and NE/4 SW/4 of Section 36, Township 21 South, Range 37 East, Blinebry Gas Pool, Lea County, New Mexico, to be dedicated to its State 367 Well No. 3 located in Unit K of said Section 36.
- CASE 4812: Application of Midwest Oil Corporation for an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks as an exception to Rule 104, authority to drill a wildcat gas well to test the Morrow formation at an unorthodox location 1320 feet from the South and East lines of Section 1, Township 18 South, Range 28 East, Eddy County, New Mexico, with the S/2 of said Section 1 to be dedicated to the well.
- CASE 4813: Application of Inexco Oil Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Sitting Bull Unit Area comprising 6,665 acres, more or less, of Federal lands in Sections 28, 29, 31, 32, and 33 of Township 23 South, Range 22 East, and Sections 4 through 9 of Township 24 South, Range 22 East, Eddy County, New Mexico.
- CASE 4814: Application of Inexco Oil Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Four Forks Unit Area comprising 3,133 acres, more or less, of Federal and Fee lands in Sections 3, 10, 11, 14 and 15 of Township 22 South, Range 25 East, Eddy County, New Mexico.
- CASE 4815: Application of Inexco Oil Company for pool creation and special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Strawn gas pool for its well located 1980 feet from the South and West lines of Section 18, Township 21 South, Range 26 East, Eddy County, New Mexico. Applicant further seeks the promulgation of special rules therefor, including a provision for 640-acre spacing units.
- CASE 4816: Application of Penroc Oil Corporation for a special gas-oil ratio limitation increase, Lea County, New Mexico. Applicant, in the above-styled cause, seeks amendment of the special rules and regulations for the Hobbs-Drinkard Pool promulgated by Order No. R-3811, as amended,

Examiner Hearing - Wednesday - September 13, 1972 -3-

(Case 4816 continued from Page 2)

to establish a limiting gas-oil ratio limitation of 6,000 cubic feet of gas per barrel of oil in said pool.

- CASE 4817: Application of Phillips Petroleum Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Drag "B" Well No. 1 located in Unit K of Section 18, Township 23 South, Range 27 East, Eddy County, New Mexico, in such a manner as to produce gas from the South Carlsbad-Morrow Gas Pool through tubing and an undesignated Canyon gas pool through the casing-tubing annulus.
- CASE 4818: Application of Tipperary Land and Exploration Corporation for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the North Bagley-Pennsylvanian Pool by the injection of water into the Strawn and possibly other formations by the injection of water through its Bess Well No. 1 located 660 feet from the North line and 1980 feet from the East line of Section 20, Township 11 South, Range 33 East, Lea County, New Mexico.
- CASE 4819: Application of D. L. Hannifin for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in and under the S/2 of Section 24, Township 22 South, Range 26 East, South Carlsbad Field, Eddy County, New Mexico, to be dedicated to a well to be drilled 1980 feet from the South and East lines of said Section 24. 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 4820: Application of Anadarko Production Company for the creation of an associated pool, special rules therefor, downhole and surface commirgling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new associated pool for the production of oil and gas from the Yates and Seven Rivers formations for its Loco Hills Federal "B" Wells Nos. 1 and 8 located, respectively, in Units P and K of Section 9, Township 17 South, Range 30 East, Eddy County, New Mexico, and the promulgation of special rules therefor including provisions for the classification of oil and gas wells, oil and gas well spacing, and an unlimited gas-oil ratio.

Applicant further seeks authority to commingle in the well-bore of said Well No. 1 the Yates-Seven Rivers production from the newly created pool and the Grayburg-Jackson Pool and to commingle on the surface the Yates-Seven Rivers production from said Well No. 8 with production from the Grayburg-Jackson Pool.

CASE 4821: Application of Getty Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks as an exception

(Case 4821 continued from Page 3)

to Rule 303 of the Commission Rules and Regulations, authority to commingle production from the North Vacuum-Abo, Vacuum-Wolfcamp, and Vacuum-Pennsylvanian Pools in the wellbore of its State "BA" Well No. 8 located in Unit B of Section 36, Township 17 South, Range 34 East, Lea County, New Mexico.

CASE 4822: Application of Getty Oil Company for an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox location for its State "BA" Well No. 9 located 660 feet from the North line and 2310 feet from the East line of Section 36, Township 17 South, Range 34 East, Vacuum Grayburg-San Andres Pool, Lea County, New Mexico. Said well being nearer than 660 feet to another well capable of producing from the same pool.

CASE 4823:

Application of Getty 011 Company for an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox location for its A. B. Coates "C" Well No. 28 located 1820 feet from the North and West lines of Section 24, Township 25 South, Range 37 East, Justis Blinebry Pool, Lea County, New Mexico. Said well being located nearer than 660 feet to another well capable of producing from the same pool.

CASE 4824: Application of Getty Oil Company for an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox location for its H. D. McKinley Well No. 11 located 760 feet from the North line and 550 feet from the East line of Section 30, Township 18 South, Range 38 East, Hobbs Grayburg-San Andres Fool, Lea County, New Mexico. Said well being nearer than 660 feet to another well capable of producing from the same pool.

CASE 4825:

Application of Hanagan Petroleum Corporation for dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Catclaw Draw Unit Well No. 3 located in Unit D of Section 36, Township 21 South, Range 25 East, Eddy County, New Mexico, in such a manner as to produce gas from an undesignated Strawn gas pool through tubing and from the Catclaw Draw-Morrow Gas Pool through the casing-tubing annulus.

CASE 4826:

Application of Hanagan Petroleum Corporation for pool creation, special pool rules, and an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Strawn gas pool for its well located 920 feet from the North and West lines of Section 36, Township 21 South, Range 25 East, Eddy County, New Mexico, and the promulgation of special rules therefor, including a provision for 640-acre spacing units. Applicant further seeks approval of an unorthodox location for the above-described well.

CASE 4827:

Application of Robert N. Enfield for an unorthodox location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks

Examiner Hearing - Wednesday - September 13, 1972 -5-

Docket No. 20-72

(Case 4827 continued from Page 4)

authority to drill a gas well at an off-pattern unorthodox location 990 feet from the North and East lines of Section 11, Township 15 South, Range 27 East, Buffalo Valley-Pennsylvanian Gas Pool, Chaves County, New Mexico, with the E/2 of said Section 11 to be dedicated to the well.

CASE 4828: Application of Inexco Oil Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority for the dual completion of its McMinn State Well No. 1 located 1980 feet from the South and West lines of Section 18, Township 21 South, Range 26 East, Eddy County, New Mexico, in such a manner as to produce gas from the Strawn formation and the Morrow formation adjacent to the Catclaw Draw-Morrow Gas Pool.

Gulf Oil Company-U.S.

EXPLORATION AND PRODUCTION DEPARTMENT MIDLAND DISTRICT

P) O. Drawer 1150 Midland, Texas 79701

W. B. Hopkins

J. A. Hord DISTRICT EXPLORATION MANAGER

J. L. PIKE
DISTRICT PRODUCTION
HANAGER

M. B. Moseley
DISTRICT SERVICES MANAGER

August 18, 1972

HUN - Cho 4823

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

Gentlemen:

This is to advise that Gulf Oil Corporation has been given due notice that Getty Oil Company is requesting administrative approval to produce their A. B. Coates "C" Wells No. 10 and 28 from the Justice Blinebry Pool with one oil allowable for the Proration Unit "F", Section 24, T-25-S, R-37-E, Lea County, New Mexico. We hereby waive any objection to the granting of this application for the above wells.

Executed this 18th day of August, 1972.

Yours very truly,

GULF OIL CORPORATION

W. C. PAIMER

Proration Engineer

FWT: jmc

Gulf

War of the same of

A DIVISION OF GULF OIL CORPORATION

Mobil Oil Corporction

P.O. BOX 633 MIDLAND, TEXAS 79701

August 21, 1972



New Mexico 011 Conservation Commission P. O. Box 2008 Santa Fe, New Mexico 87501

GETTY CIL COMPANY APPLICATION
FOR BOMMHOLE COMMINGLING
OF STATE "BA" WELL NO. 8
NORTH VACUUM ABO, VACUUM MOLFCAMP
AND VACUUM PERMSYLVANIAM PRODUCTION
LEA COUNTY, NEW MEXICO

Contlemen:

Mobil Oil Corporation has received notice of Getty's request to downhole commingle production in the triple completion, State "BA" Well #8, Unit 8, Section 35, T-17-S, R-34-E, Lea County, New Mexico, and hereby waives any objection to this application.

Yours very truly,

d. A. Norris Production Engineering Supervisor

JHScerey/eg

co: Sabby 017 Company P. 0. Box 240 Father Ford Daylor

75.00 FOR

Hobbs, New Mexico 88240

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AND PRODUCTION DIVISION EXPLORATION AND PRODUCTION DIVISION



P. O. Dox 249 Hobbs, New Mckico 83240

August 9, 1972

New Mexico Oil Conservation Commission P. O. Dox 2008 Santa Fe, New Mexico 87501

SUBJECT: Application for Downhole Commingling

GETTY OIL COMPANY STATE "BA" WILL NO. 8

NORTH VACUUM ABO, VACUUM MOLECAMP AND VACUUM PENNSYLVANIAM POOLS

LEA COUNTY, NEW MEXICÓ

Gentlemen:

We have received the subject application and herewith waive any objection to Getty's subject application.

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Company Representative

Date

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PENMY BYROM: GETTY UNION TEXAS

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BUFFINGTON "B"

AMERADA ATLANTIC

SKELLY

HOBBS "A"

BREONE EXPLANCES MALLEY

WIMBERLY

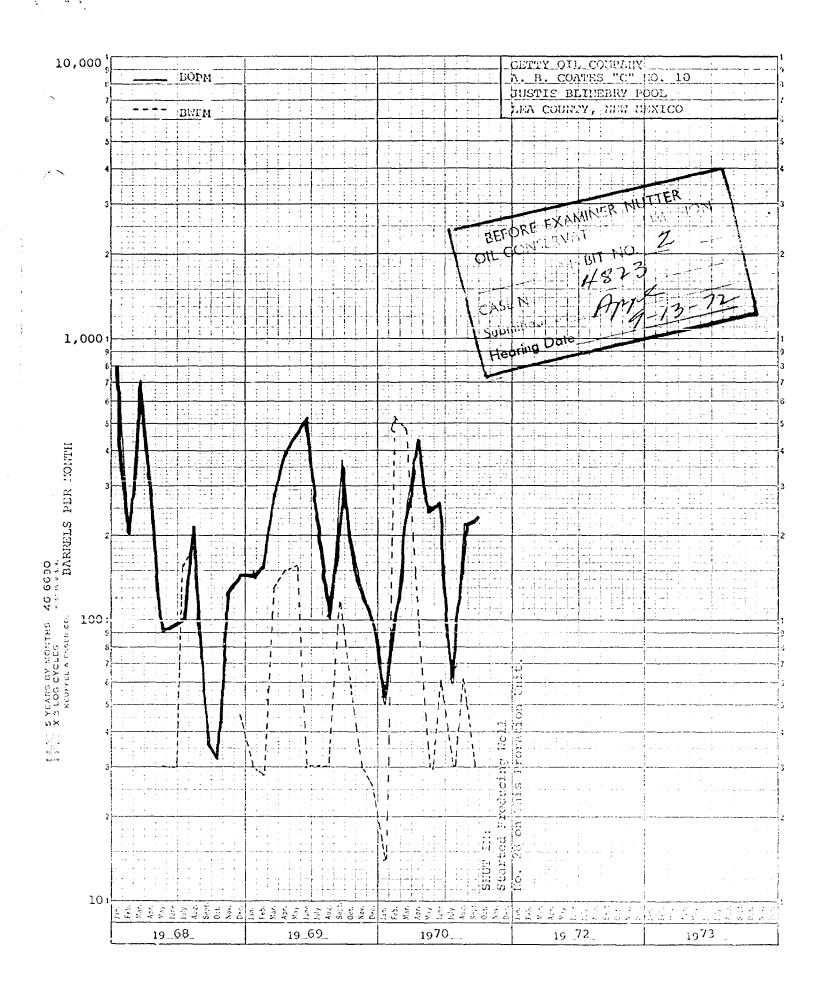
GETTY OIL COMPANY A. D. COATES "C" LENSE MULLS NO. 10 and NO. 28 JUSTIS DLINEDRY MOIND LEA COUNTY, NEW MEXICO

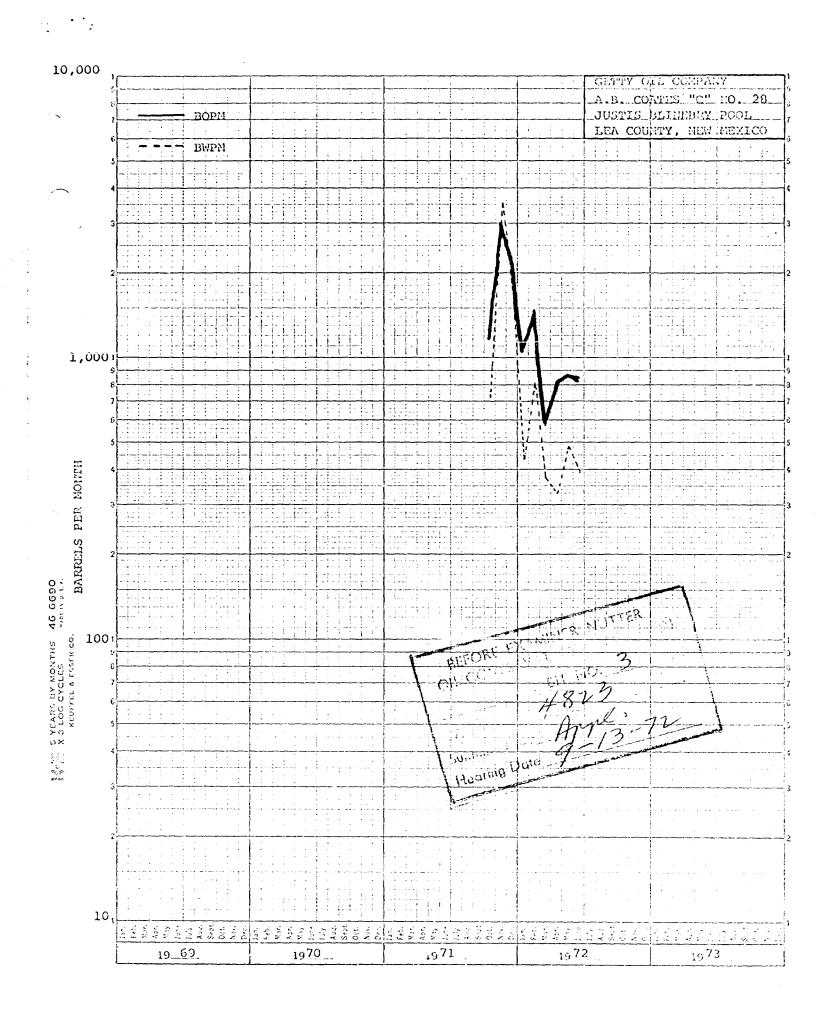
APPLICATION TO PRODUCE TWO WEDLS ON THE SAIM PROPACION

HBC/bh

STATE "Y"

5-9-72





NEW MEXICO OIL CONSERVATION COMMISSION GAS - OIL RATIO TESTS

C-116 Revised 1-1-65

| Operator | | | Poo | | | T. T | | | | | Co | unty | | | | | |
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| GETTY OIL COMPANY | | | | J US | STIS B | LINEBRY | · · · · | | | , | | LEA | 7 | | | | |
| Address P.O. BOX 249, NOBBS, NEW ME | XICO 88 | 3240 | | | | | | | OF - (X) | Sch | eduled [| | Comp | letion [| | Spe | cial XX |
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| A. B. COATES "C" * | 10 | F | 24 | 25-S | 37-E | 9-6-72 | | F | 24/64 | 410 | | 24 | 5 | 36.8 | 14 | 1290 | 92,143 |
| A. B. COATES "C" | 28 | F | 24 | 25-S | 37-E | 9-9-72 | | F | 24/64 | 250 | 40 | 24 | 25 | 35.1 | 24 | 175 | 7,292 |
| *Well was produced two days BEFORE EXAMINER OIL CONSERVATION LIGHT BIT NO CASE NO. 482. Submitted by Approduced by Appropriate Jensey | NUTTE MM . 4 B | R | | recon | mende | d by Kr. | . Jo | 1 | _ | CATION | TO PROI | UCE 1 | PWO WE | LLS O | 38 | SANE | |
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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 0.60.

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.

| C. X. W | Vale. | |
|-------------|-------------|--|
| C.L.Made | (Signature) | |
| APEA SUPERI | RITERDENT | |
| | (Title) | |
| SEPTEMBER 1 | 1, 1972 | |
| | (Date) | |

HBS/bh

Getty Oil Company

STOTEMENT MORTH AMERICAN EXPLORATION AND PRODUCTION DIVISION

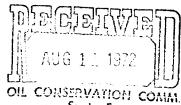
Oil Conservation Commission State of New Mexico P. O. Box 2088 Santa Fe, New Mexico 87501

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

P. O. Box 249 Hobbs, New Mexico 88240

August 10, 1972

Oase 4823



Ref: Applicatible to Produce Two Wells On the Same Proration Unit Which Are Closer Than 660'. GETTY OIL COMPANY A. B. COATES "C" LEASE WELL NO. 10 AND WELL NO. 28 JUSTIS BLINEBRY POOL LEA COUNTY, NEW MEXICO

Gentlemen:

Getty Oil Company respectfully requests Administrative Approval to produce its Coates "C" Well No. 10 and Well No. 28 from the Justis Blinebry Pool with one Oil Allowable for the Proration Unit "F", Section 24, T-25-S, R-37-E, Lea County, New Mexico.

In support of this Application, the following facts are submitted:

- 1. The Attached plat shows the Coates "C" Lease outlined in red and located in Section 24,T-25-S, R-37-E, Lea County, New Mexico. Well Nos. 10 and 28 are marked with arrows on the plat.
- 2. The well location and acroage dedication plat, Form "C-102", showing Wells Nos. 10 and 28 on Proration Unit "F" of Section 24, T-25-S, R-37-E.
- 3. Current test for the Well No. 28 on the Form "C-116", Gas Oil Ratio Tests. On June 12, 1972 the Well No. 28 flowed at a rate of 26 BOPD, 13 BWPD, 218 MCFGPD at 200 psi tubing pressure.
- 4. A GOR Test for the WEll No. 10 on the Form "C-116", Gas Oil Ratio Tests. On September 17, 1971 the well flowed at a rate of 3 BOPD, 1 BMPD, 957 MCFGPD at 700 psi tubing pressure. The well was shut in on October 7, 1971 and the allowable was transferred to the Well No. 28.
- 5. Production Decline Curves for the Wells Nos. 10 and 28.
- 6. Copies of this Application have been furnished to Offset Operators.

Although the subject wells are in contradiction with NHOCC Rule No. 104-C-I, which states that the two producer wells from the same pool shall be located not closer than 660', an Administrative Approval is requested to eliminate paper work A. B. COATES "C" LEASE WELLS NO. 10 AND WELL NO. 28 MMOCC - SANTA FE August 10, 1972

PAGE NO. 2

and to preserve the correlative rights. If the Application is approved, the Well No. 10 would be produced in such a manner that the total production from the Wells Nos. 10 and 28 will not exceed the Top Allowable Oil and Gas for the Proration Unit "F", Section 24, T-25-S, R-37-E, on which the subject wells are located.

HISTORY:

Well No. 10: The well was originally completed as a single in the Ellenburger Zone during January, 1953. During September, 1959, the well was completed as a dual in the Montoya and the Ellenburger Zones. During January, 1965, the Ellenburger Zone was abandoned and the well was completed as a dual in the Montoya and Blincbry Zones. The Blinebry Zone was shut in on October 7, 1971.

<u>Well No. 28</u>: (Formerly Getty's Justis Mc Kee Unit No. 128): The well was drilled and completed as a water injection well in the Mc Kee Zone during November, 1968. The well was shut in on August 5, 1970, and the Justis Mc Kee Unit was dissolved as of July 1, 1971. The well was recompleted as a single in the Blinebry Zone during October, 1971.

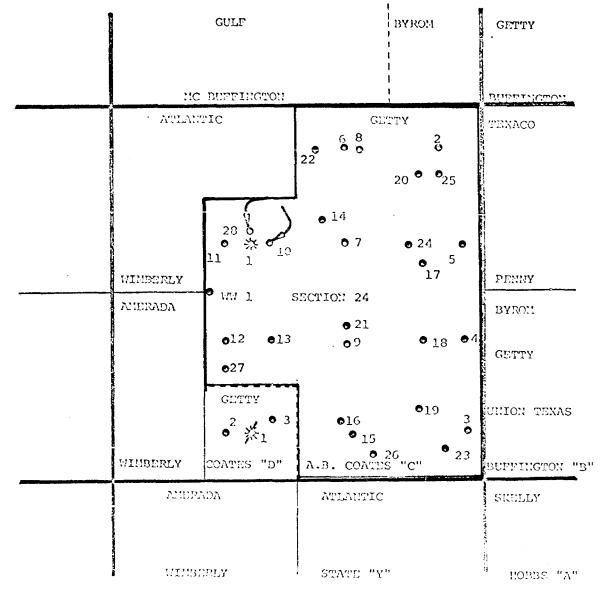
Very truly yours, GETTY OIL COMPANY

Eugene J Miller Area Ergineer

MAILING LIST

- 2-CC New Mexico Oil Conservation
 Commission
 P. O. Box 2088
 Santa Fe, New Mexico 87501
- 1-CC Getty Oil Company
 Attn: Mr. E. H. Shuler
 P. O. Box 1404
 Houston, Texas 77001
- 1-CC Amerada Hess Corporation
 Drawer 817
 Seminole, Texas 79360
- 1-CC Byrom, W. K.
 P. O. Box 147
 Hobbs, New Mexico 88240
- 1-CC Skelly Oil Company
 P. O. Box 1351
 Midland, Texas 79701
- 1-CC Union Texas Petroleum 1300 Wilco Building Midland, Texas 79701
- 1-CC Mr. R. S. Morris
 Montgomery, Federici, Andrews,
 Hannahs, and Morris
 P. O. Box 2307
 Santa Fe, New Mexico 87501

- 1-CC New Mexico Oil Conservation Commission P. O. Box 1980 Hobbs, New Mexico 88240
- 1-CC Getty Oil Company
 P. O. Box 1231
 Midland, Texas 79701
- 1-CC Atlantic Richfield Company
 P. O. Box 1610
 Midland, Texas 79701
- 1-CC Gulf Oil Corporation P. O. Box 670 Hobbs, New Mexico 88240
- 1-CC Texaco, Inc. P. O. Box 728 Hobbs, New Mexico 88240
- 1-CC Getty Oil Company
 P. O. Box 249
 Hobbs, New Mexico 88240



GETTY OIL COUPAIA
A. B. COATED "C" LEASE
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Case 4823

mbo/bh 5-0-72

NEW MEXICO OIL CONSERVATION COMMISSION WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102 Supersedes C-128 Effective 1-1-65

Care 4823

All distances must be from the outer boundaries of the Section Well No. 10 & 28 Operator A. B. COATES "C" GETTY OIL COMPANY Unit Letter Section Township County 25-S 37-E LEA 1986° 2080 NORTH 1820 WEST feet from the line and 1820 feet from the line Producing Formation Dedicated Acreage: Pool JUSTIS BLINEBRY 40 3078 GR BLINEBRY Acres 1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below. 2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty). 3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling. etc? Yes No If answer is "yes," type of consolidation If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)_ No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission. CERTIFICATION reby certify that the information contained herein is true and complete to the E.J $^{\nu}$ MILLER Position AREA ENGINEER 1820' Company 20801 GIFTEY OIL COMPANY Date I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief. Date Surveyed Registered Professional Engineer and/or Land Surveyor SECTION 24 - T-25-S, R-37-Certificate No. اعتصا 660 1320 1650 1980 2310 2640 2000



C-116 Revised 1-1-65

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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.

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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 30; and appropriate pool rules.

Case 4825

6

ledge and belief.

Eugene J. Miller, AREA ENGINEER (Title)

AUGUST 10, 1972

(Date)

I hereby certify that the above information

is true and complete to the best of my know-

HBS/bh

2-NMOCC 1-MIDLAND 1-FILE

NEW MEXICO OIL CONSERVATION COMMISSION GAS-OIL RATIO TESTS

C-116 Revised 1-1-65

| Operator GETTY OIL COMPANY | | | Pod | | USTIS | BLINEBRY | | | - <u></u> | | Cot | unty | L | EA | | | |
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| P. O. BOX 249, HOBBS, III | EN MEX | ICO | 88240 | ·· | | | TYF | | OF - (X) | Scl | reduled [| | | letion |] | Spec | ial XX |
| | WELL | | LOC | ATION | | DATEOR | _ [| 5 | CHOKE | TBG. | DAILY | LENGTH | | | URING | TEST | GAS - OIL |
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| A. B. COATES "C" | 28 | F | 24 | 25-S | 37-E | 6-12-72 | ? I | F 2 | 24/64 | 200 | 107 | 24 | 13 | 35.1 | 26 | 218 | 8,385 |
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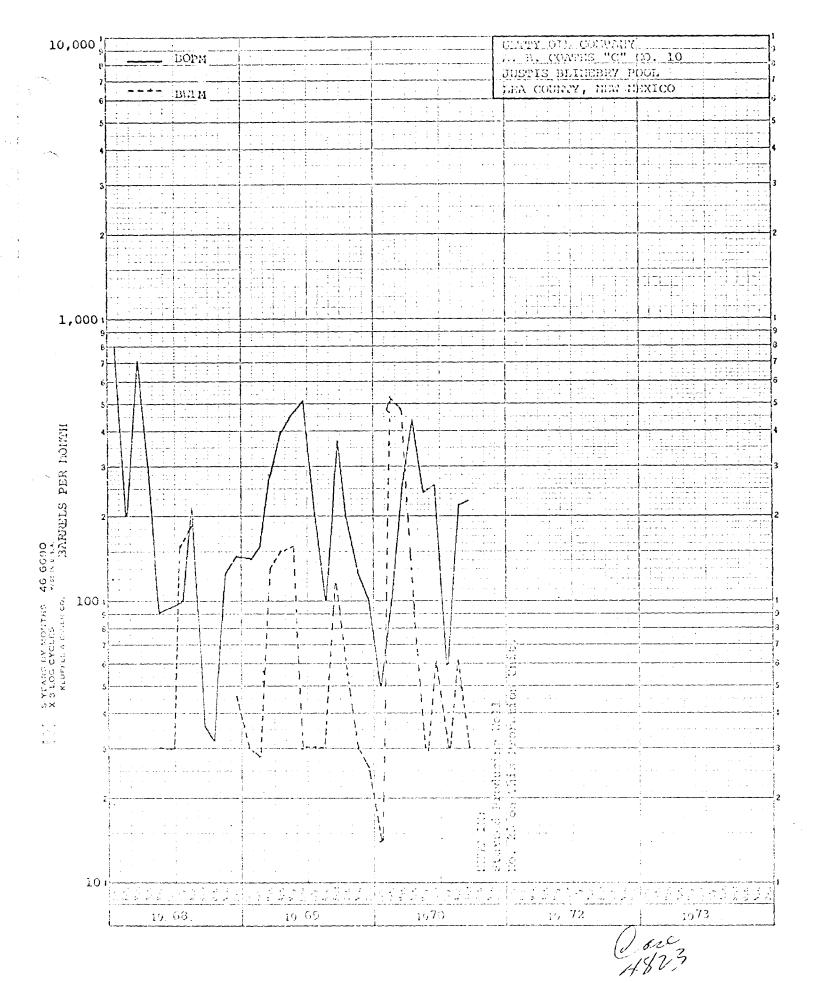
I hereby certify that the above information is true and complete to the best of my knowledge and belief.

(Signature,

Lugenc J. Willer-AREA ENGINEER (Title)

AUGUST 10, 1972

(Date)



| | | | GLTTY OIL COMPANY A.B. COATES "C" NO. 28 JUSTIS BLINEBRY POOL LEA COUNTY, NEW MEXICO |
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BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

M CA

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

CASE NO.

Order No. R- 4403

APPLICATION OF GETTY OIL COMPANY FOR AN UNORTHODOX LOCATION, LEA COUNTY, NEW MEXICO.

A)W

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 13, 1972, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter

NOW, on this day of September , 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.
- of the function unit Comprise: the SE/4 NW/49 A Unit Waterflood Project, Justis Blinebry Pool, Lea County, New Mexico, on which are located its A. B. Cooles "C" wells

now. 10 and 28.

(3) that the above described wills are closed them.

330 feet to lack allen.

(4) that said well to. 10 was shut in in the Blinding your in actalm 1971, and the said well no. 28 was recompleted as a Blinch, perdurer in October 1971. (5) that the applicant rooms reches authority to produce both wells as unit wells for the obors - described provertions -2-CASE NO. 4823 Order No. R-

(8) That the applicant seeks approval of an unorthodox location for its A. B. Coates "C" Well No. 18, located 1820 feet from the North line and 1820 feet from the West line of Section 24 Township 25 South, Range 37 East,

Unit Waterflood Project, Lea County, New Mexico.

(4) That the proposed unorthodox location is necessary to provide an efficient oil producing pattern.

- will alford the applicant the opportunity to produce its just and equitable share of the cil in the Justis Blinebry Pool, provided said wells are drilled no closer than _____ feet to the outer boundary of the above-described unit area nor closer than ____ feet to any quarter-quarter section or subdivision inner boundary.
- 6) That the subject waterflood project should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations, provided however, that the showing of well response as required by Rule 701 E-5 shall not be necessary before obtaining administrative approval for the conversion of additional wells to water injection.

IT IS THEREFORE ORDERED:

- (1) That the applicant, Getty Oil Company, is hereby authorized unorthodox locations for its A. B. Coates "C" Wells.

 No. 28, located 1820 feet from the North line and 1820 feet from the West line of Section 24, Township 25 South, Range 37 East,

 NMPM,

 Natorflood Project, Justis Blinebry Pool, Lea County, New Mexico.
- (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.

Martin of GETTY

And the state of t