

CASE 6130: CONTINENTAL OIL COMPANY FOR
DOWNHOLE COMMINGLING, LEA COUNTY,
NEW MEXICO

Case Number

6130

Application

Transcripts.

Small Exhibits

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
January 18, 1978

EXAMINER HEARING

IN THE MATTER OF:

Application of Continental Oil Company for
downhole commingling, Lea County,
New Mexico.

CASE
6130

BEFORE: Richard L. Stamets, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil
Conservation Commission:

Lynn Teschendorf, Esq.
Legal Counsel for the Commission
State Land Office Building
Santa Fe, New Mexico

For the Applicant:

Jason W. Kellahin, Esq.
KELLAHIN & FOX
Attorneys at Law
500 Don Gaspar
Santa Fe, New Mexico

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General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

I N D E X

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1 MR. STAMETS: We will call next Case 6130.

2 MS. TESCHENDORF: Case 6130, application of
3 Continental Oil Company for downhole commingling, Lea County,
4 New Mexico.

5 MR. KELLAHIN: If the Examiner please, Jason
6 Kellahin, Kellahin and Fox, appearing for the applicant and we
7 have one witness to be sworn.

8 (THEREUPON, the witness was duly sworn.)
9

10 VICTOR T. LYON

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

13 DIRECT EXAMINATION

14 BY MR. KELLAHIN:

15 Q Would you state your name, please?

16 A I'm Victor T. Lyon.

17 Q By whom are you employed and in what position,
18 Mr. Lyon?

19 A I'm employed by Continental Oil Company as Conserva-
20 tion Coordinator in the Hobbs Division located in Hobbs,
21 New Mexico.

22 Q Have you testified before the Oil Conservation
23 Commission or its examiners and had your qualifications
24 accepted?

25 A Yes, I have.

1 MR. KELLAHIN: Are the witness' qualifications
2 acceptable?

3 MR. STAMETS: They are.

4 Q (Mr. Kellahin continuing.) Mr. Lyon, what does
5 the applicant, Continental Oil Company, propose in Case 6130?

6 A 6130 is a case of Continental Oil Company for the
7 authority to commingle in the wellbore, production from the
8 Wantz Abo and Wantz Granite Wash Pool in its Lockhart B-35
9 Well No. 5 located in Unit H of Section 35, Township 21 South,
10 Range 37 East, Lea County, New Mexico.

11 Q Now referring to what has been marked as the
12 Applicant's Exhibit Number One, would you identify that
13 Exhibit?

14 A Exhibit Number One is a location and ownership plat
15 showing the Lockhart B-35 lease and the surrounding area. The
16 lease is outlined in red and consists of the northeast
17 quarter of Section 35. Well No. 5 which is the subject of
18 this hearing is circled in red and is shown at a location
19 twenty-one hundred and eighty feet from the north line and
20 six hundred and sixty feet from the east line of Section 35.

21 Q Now referring to what has been marked as Exhibit
22 Number Two would you identify that exhibit?

23 A Exhibit Number Two consists of three sheets, each
24 containing a section of the log on this well. Sheets one
25 and two show the Wantz Abo section and showing perforations by

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1 the arrow in the center column and sheet three shows the
2 Granite Wash section and showing the perforated interval
3 between the bracket with the arrowheads in the center column.

4 Q Now referring to what has been marked as Exhibit
5 Number Three would you identify that exhibit?

6 A Exhibit Number Three is a schematic diagram showing
7 the manner in which the well was constructed. It shows
8 thirteen and three eighths inch casing set at four hundred
9 feet with three hundred seventy-five sacks of cement, the
10 cement circulated to surface. Nine and five eighths inch
11 casing set at twenty-six hundred feet with three hundred and
12 fifty sacks of cement. The five and a half inch set at
13 seventy-five oh two with four hundred sacks of cement. The
14 top of that cement is at forty-two hundred feet. It shows
15 the plug back depth at seventy-four eighty. The Granite Wash
16 perforations, the cast iron bridge plug, set at seventy-four
17 fifteen with thirty feet of cement on top and then the Wantz
18 Abo perforations. The perforated intervals are listed there.

19 Q What is the present status of the well?

20 A The well is currently producing from the Wantz Abo
21 Pool.

22 Q And what do you propose to do?

23 A We propose to drill out that bridge plug and
24 commingle these two pools in the wellbore. The Abo is
25 currently being pumped and we intend to pump the well from

1 the combined production strings.

2 Q Now referring to what has been marked as Exhibit
3 Number Four, would you identify that exhibit?

4 A Exhibit Four is a copy of the C-116 showing the
5 results of a test taken on December 11th in the Wantz Abo
6 Pool. At that time the well produced on a twenty-four hour
7 test, seventeen barrels of oil, one hundred and twenty-two
8 point four MCF of gas and one barrel of water.

9 Q Now Exhibit Five, what does that show?

10 A Exhibit Five is a copy of the C-116 showing a test
11 taken April 4th of 1977 when it was still producing from the
12 Wantz Granite Wash Pool. On that test it produced eighteen
13 barrels of oil, twenty-nine MCF of gas and one barrel of
14 water.

15 Q Now taking Exhibits Four and Five together, does
16 that indicate that you would get additional recovery from
17 the two zones?

18 A Yes, it would increase the producing rate of the
19 well apparently to approximately thirty-five barrels a day,
20 perhaps a little less and about one hundred and fifty MCF of
21 gas and these rates are well within the rates which are
22 susceptible of administrative approval except there is no
23 dual completion order for this well.

24 Q There is no dual completion order for the well?

25 A No.

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1 Q It has not been dually completed, it has not been
2 produced as a dual has it?

3 A That's true, it has not.

4 Q Now referring to Exhibit Number Six would you
5 identify that exhibit?

6 A Yes, Exhibit Number Six is a decline curve on the
7 Granite Wash completion in this well and I have projected a
8 decline on there which indicates that approximately fifteen
9 thousand eight hundred barrels of oil remain to be produced
10 from the Granite Wash and we don't have sufficient data at
11 this time to indicate what the Wantz Abo might do on a decline
12 basis but we think it is reasonable to assume that there are
13 probably similar number of recoverable reserves in that
14 formation also.

15 Q Now will commingling the two zones in any way damage
16 either zone?

17 A No, I do not believe it will.

18 Q You are going to have to pump both zones?

19 A That's right.

20 Q And the pressures, are they low?

21 A They are pretty low. We really don't have good
22 bottom-hole pressure on either of these formations but based
23 on what pressures we do have in the surrounding area we
24 estimate the Abo to have about one thousand psi bottom-hole
25 pressure, in the Granite Wash about six hundred.

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1 Q With the well producing at those pressures it would
2 not cause migration from one zone to the other would it?

3 A No.

4 Q Now how would you propose to allocate production
5 between the two zones?

6 A Well, I would recommend that the oil production be
7 divided fifty-fifty between the two completions and that the
8 gas production be allocated eighty percent to the Abo and
9 twenty percent to the Granite Wash, which is the best data
10 that we have available to us at this time.

11 Q Is that based on the tests shown on Exhibits Four
12 and Five?

13 A Yes, it is.

14 Q And you would take those tests as being the
15 criteria for allocation for the two zones?

16 A Yes, sir.

17 Q Is the ownership common throughout?

18 A Yes, sir.

19 Q In both zones?

20 A Right.

21 Q In your opinion will the granting of this applica-
22 tion result in the prevention of waste?

23 A Yes, I believe it will in that there will be
24 additional oil produced under this method of production that
25 would not otherwise be produced.

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1 Q And correlative rights will not be damaged in any
 2 way?

3 A No, they will not.

4 Q Were Exhibits One through Six prepared by you or
 5 under your supervision?

6 A Yes, they were.

7 MR. KELLAHIN: At this time we offer into evidence
 8 Exhibits One through Six, inclusive.

9 MR. STAMETS: These exhibits will be admitted.

10 (THEREUPON, Applicant's Exhibits One
 11 through Six were admitted into evidence.)

12 MR. KELLAHIN: That's all we have, Mr. Stamets.

13
 14 CROSS EXAMINATION

15 BY MR. STAMETS:

16 Q Mr. Lyon, how long has the Abo been on production?

17 A Just a very short time. This C-116 was taken
 18 shortly after recompletion.

19 Q So what, a couple of months?

20 A Two months or less.

21 Q Is the rate of production shown here, seventeen
 22 barrels a day, is that sort of a stabilized rate of produc-
 23 tion?

24 A I think so.

25 Q And that's the figure on which you based your fifty-

1 fifty for the production?

2 A Yes, sir.

3 MR. STAMETS: Any other questions of the witness?

4 He may be excused.

5 (THEREUPON, the witness was excused.)

6 MR. STAMETS: Is there anything further in this
7 case? The case will be taken under advisement.

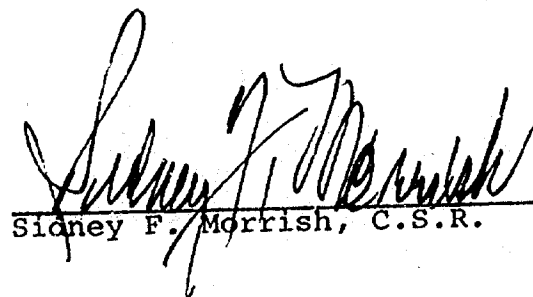
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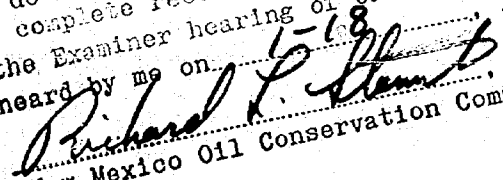
REPORTER'S CERTIFICATE

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I, SIDNEY F. MORRISH, a Certified Shorthand Reporter,
do hereby certify that the foregoing and attached Transcript
of Hearing before the New Mexico Oil Conservation Commission
was reported by me, and the same is a true and correct record
of the said proceedings to the best of my knowledge, skill and
ability.


Sidney F. Morrish, C.S.R.

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General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 6130
heard by me on 5-18, 1978.

New Mexico Oil Conservation Commission Examiner

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. 6130
Order No. R-5630

APPLICATION OF CONTINENTAL OIL COMPANY
FOR DOWNHOLE COMMINGLING, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 18, 1978, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 24th day of January, 1978, 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, Continental Oil Company, is the owner and operator of the Lockhart B-35 Well No. 5, located in Unit H of Section 35, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That the applicant seeks authority to commingle Wantz-Abo and Wantz-Granite Wash production within the wellbore of the above-described well.
- (4) That from the Wantz Abo zone, the subject well is capable of low rates of production only.
- (5) That from the Wantz Granite Wash zone, the subject well is capable of low rates of production only.
- (6) That the proposed commingling may result in the recovery of additional hydrocarbons from each of the subject pools, thereby preventing waste, and will not violate correlative rights.
- (7) That the reservoir characteristics of each of the subject zones are such that underground waste would not be caused by the proposed commingling provided that the well is not shut-in for an extended period.

-2-

Case No. 6130
Order No. R-5630

(8) That to afford the Commission the opportunity to assess the potential for waste and to expeditiously order appropriate remedial action, the operator should notify the Hobbs district office of the Commission any time the subject well is shut-in for 7 consecutive days.

(9) That in order to allocate the commingled production to each of the commingled zones in the subject well, 50 percent and 80 percent of the commingled oil and gas production, respectively, should be allocated to the Wantz-Abo zone, and 50 percent and 20 percent of the commingled oil and gas production, respectively, to the Wantz-Granite Wash zone.

IT IS THEREFORE ORDERED:

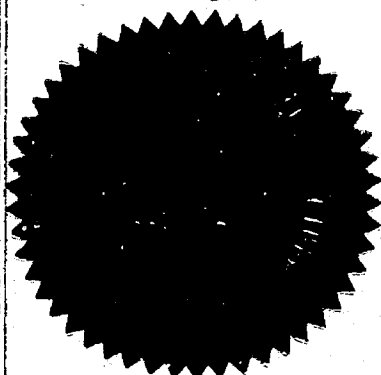
(1) That the applicant, Continental Oil Company, is hereby authorized to commingle Wantz-Abo and Wantz-Granite Wash production within the wellbore of the Lockhart B-35 Well No. 5, located in Unit H of Section 35, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

(2) That 50 percent and 80 percent of the commingled oil and gas production, respectively, shall be allocated to the Wantz-Abo zone and 50 percent and 20 percent of the commingled oil and gas production, respectively, shall be allocated to the Wantz-Granite Wash zone.

(3) That the operator of the subject well shall immediately notify the Commission's Hobbs district office any time the well has been shut-in for 7 consecutive days and shall concurrently present, to the Commission, a plan for remedial action.

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

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



S E A L

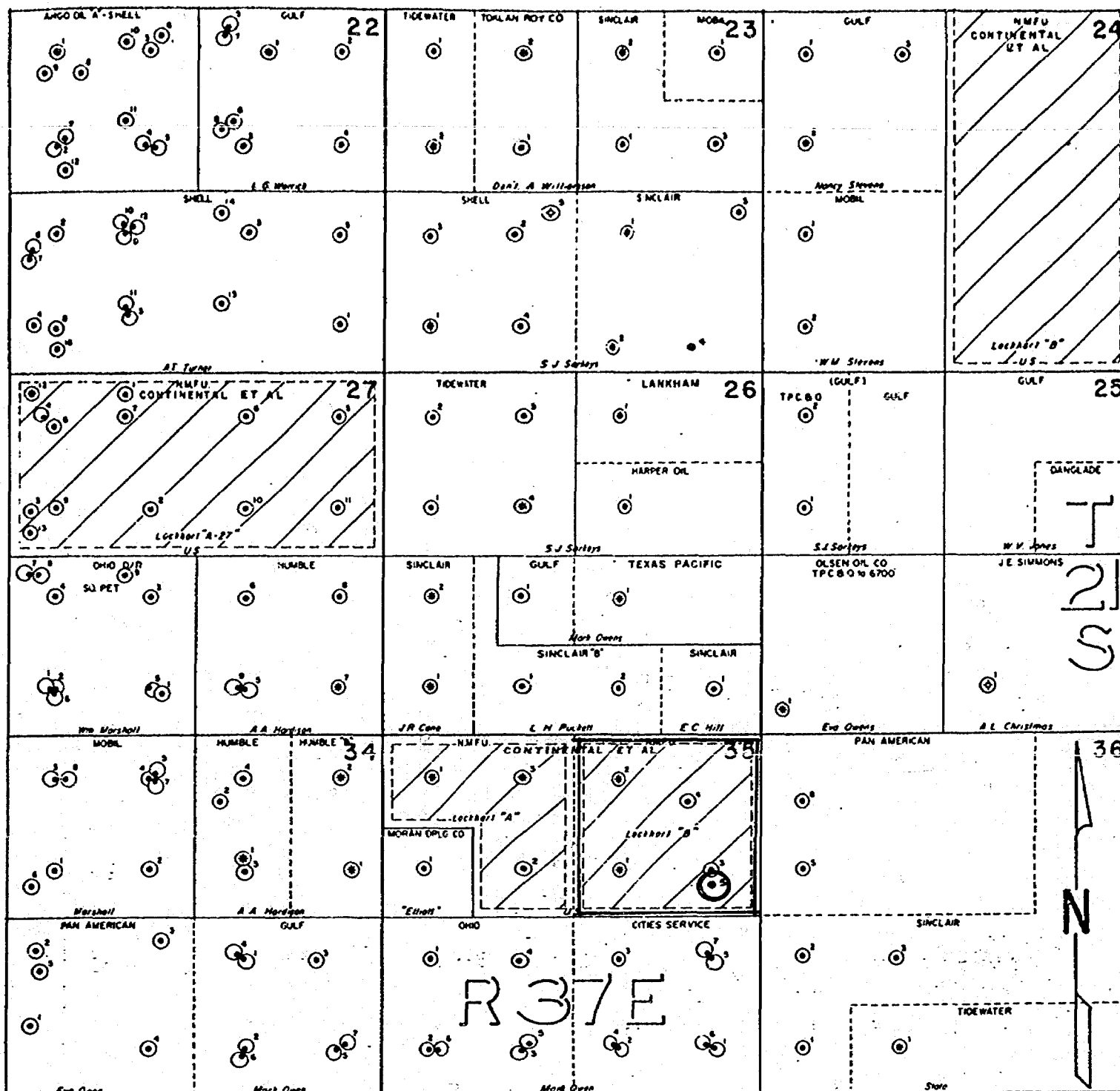
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Phil R. Lucero
PHIL R. LUCERO, Chairman

Emery C. Arnold
EMERY C. ARNOLD, Member

Joe D. Ramey
JOE D. RAMEY, Member & Secretary

jr/



CONTINENTAL OIL COMPANY
PRODUCTION DEPARTMENT
HOBBS DIVISION
LOCKHART B-35 LEASE
LEA COUNTY, NEW MEXICO

Scale: 1" = 2000'

BEFORE EXAMINER STAMETS
OIL CONSERVATION COMMISSION

EXHIBIT NO. 1

CASE NO. 6130

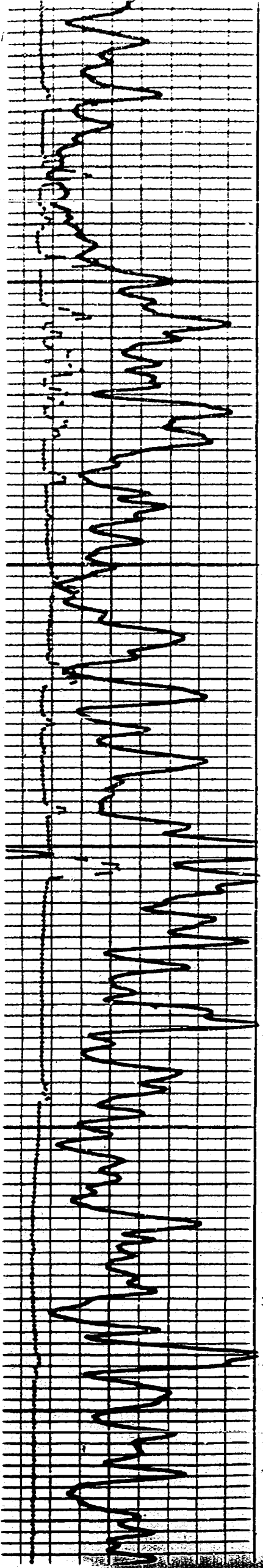
Submitted by CONOCO

Hearing Date 1-18-78

Lockhart 8-35 #5

0" - 11' JGL

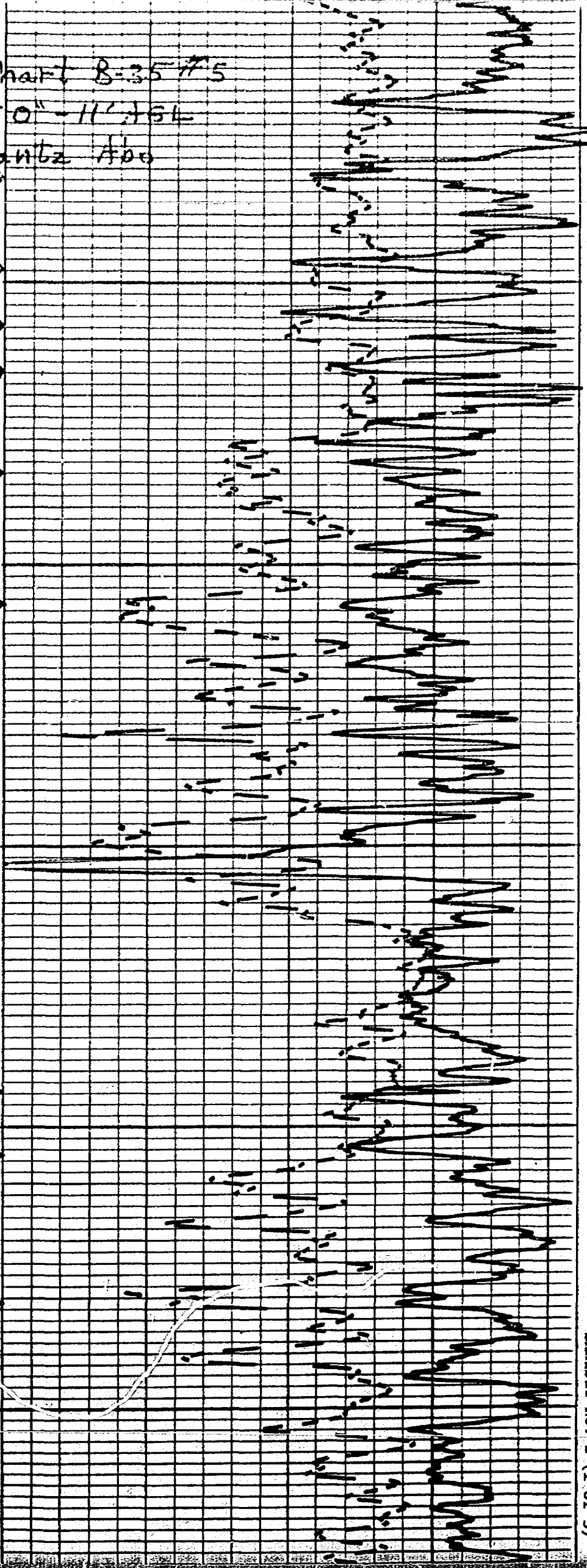
Wanta Abu

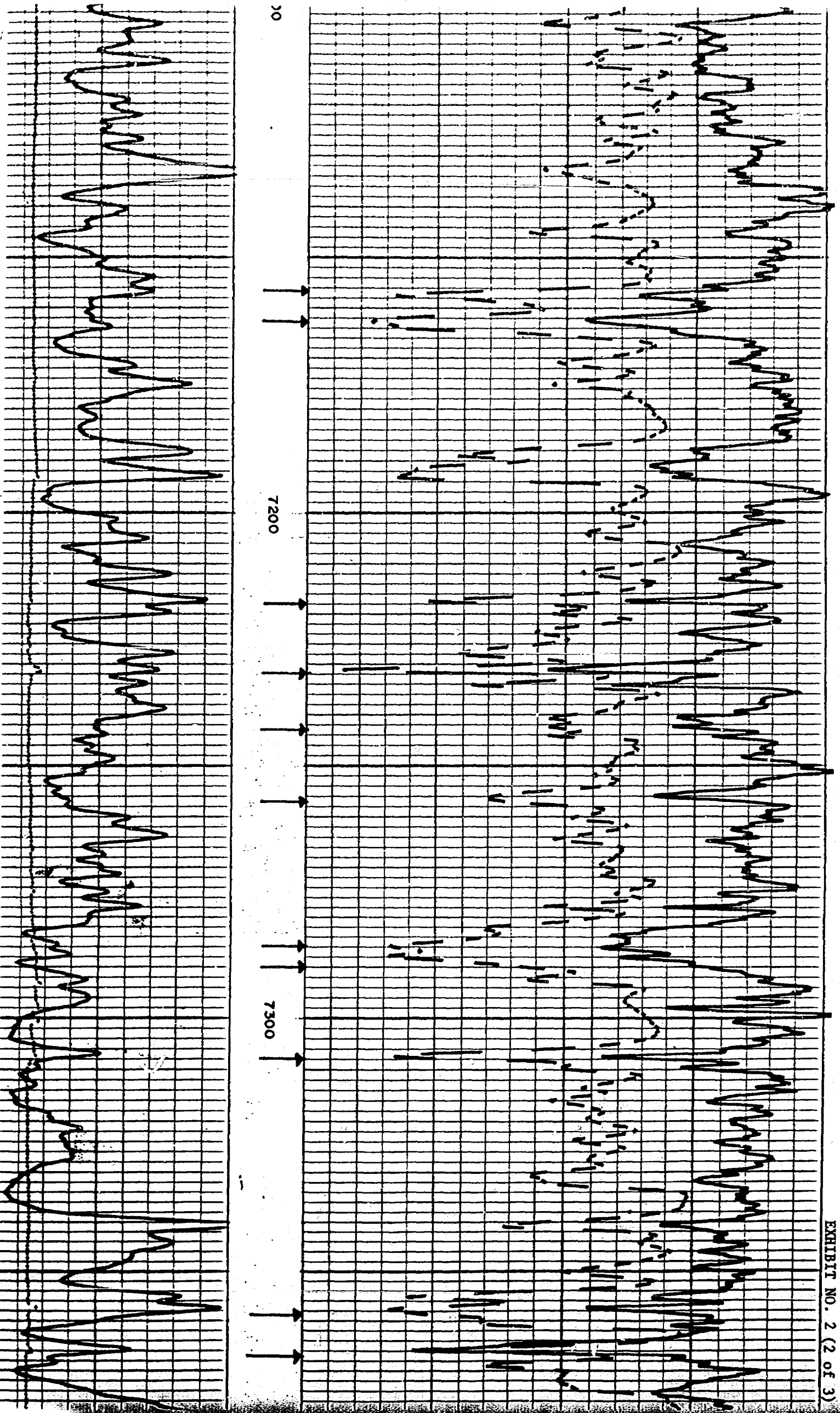


6900

7000

7100





30

7200

7300

Lockhart 8-35²⁵

"O" = 11' AGL

Wantz Granite Wash

7300

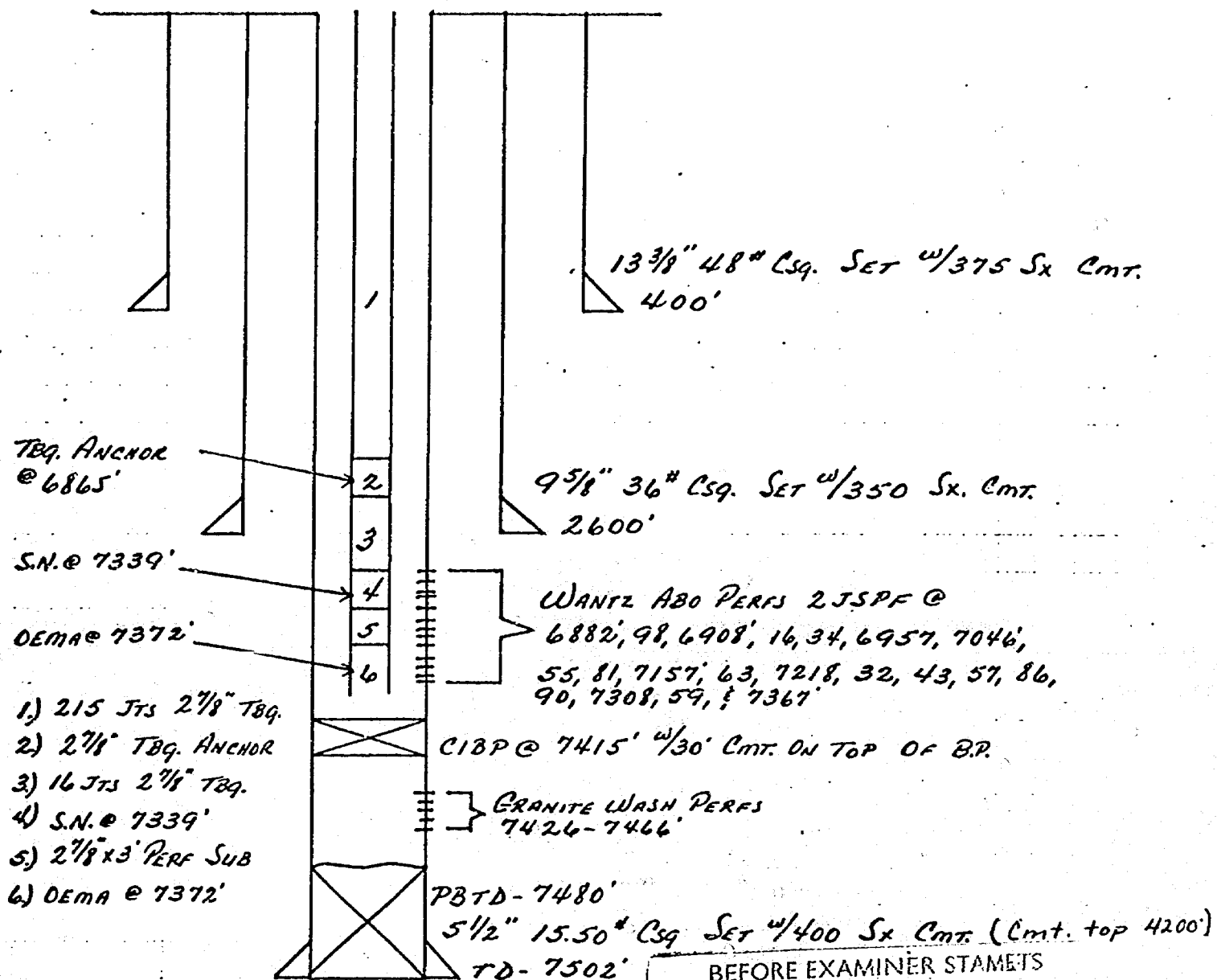
7400

Perf

7500

LOCKHART B-35 #5
0-10' AGL

2180' FNL & 660' FEL
SEC 35, T21S, R37E



- 1) 215 JTS 2 7/8" TBQ.
- 2) 2 7/8" TBQ. ANCHOR
- 3) 16 JTS 2 7/8" TBQ.
- 4) S.N. @ 7339'
- 5) 2 7/8" x 3" PERF SUB
- 6) OEMA @ 7372'

CIBP @ 7415' w/30' CMT. ON TOP OF B.P.

GRANITE WASH. PERFS
7426-7466'

PBTD-7480'

5 1/2" 15.50" CSQ SET w/400 SX CMT. (CMT. TOP 4200')
TD-7502'

BEFORE EXAMINER STAMETS
OIL CONSERVATION COMMISSION

EXHIBIT NO. 3

CASE NO. 6130

Submitted by CONOCO

Hearing Date 1-18-78

40-61-1331

W. SKINNER

10-6-77
1 2

LOCKHART B-35 #5
EXHIBIT NO. 3

NMFLU FIELD
N. MEX.

C-115
 Revised 11-1-65

EXHIBIT NO. 4

Revised 1-1-65

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

During each 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 allowances when authorized by the Commission.

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

2:00CC (2) FILE

[Signature]
(Signature)
Administrative Supervisor
(Title)
12-20-77
(Date)
EXHIBIT NO. 5

EXHIBIT NO. 5

Lockhart B-35 #5

Wantz Granite Wash

100% RECYCLED PAPER FROM CULLED PULP, MANUFACTURED IN U.S.A.
 GODEX®
 GRAPH PAPER

MCF
Mo.

bbls
Mo.

1000

100

10

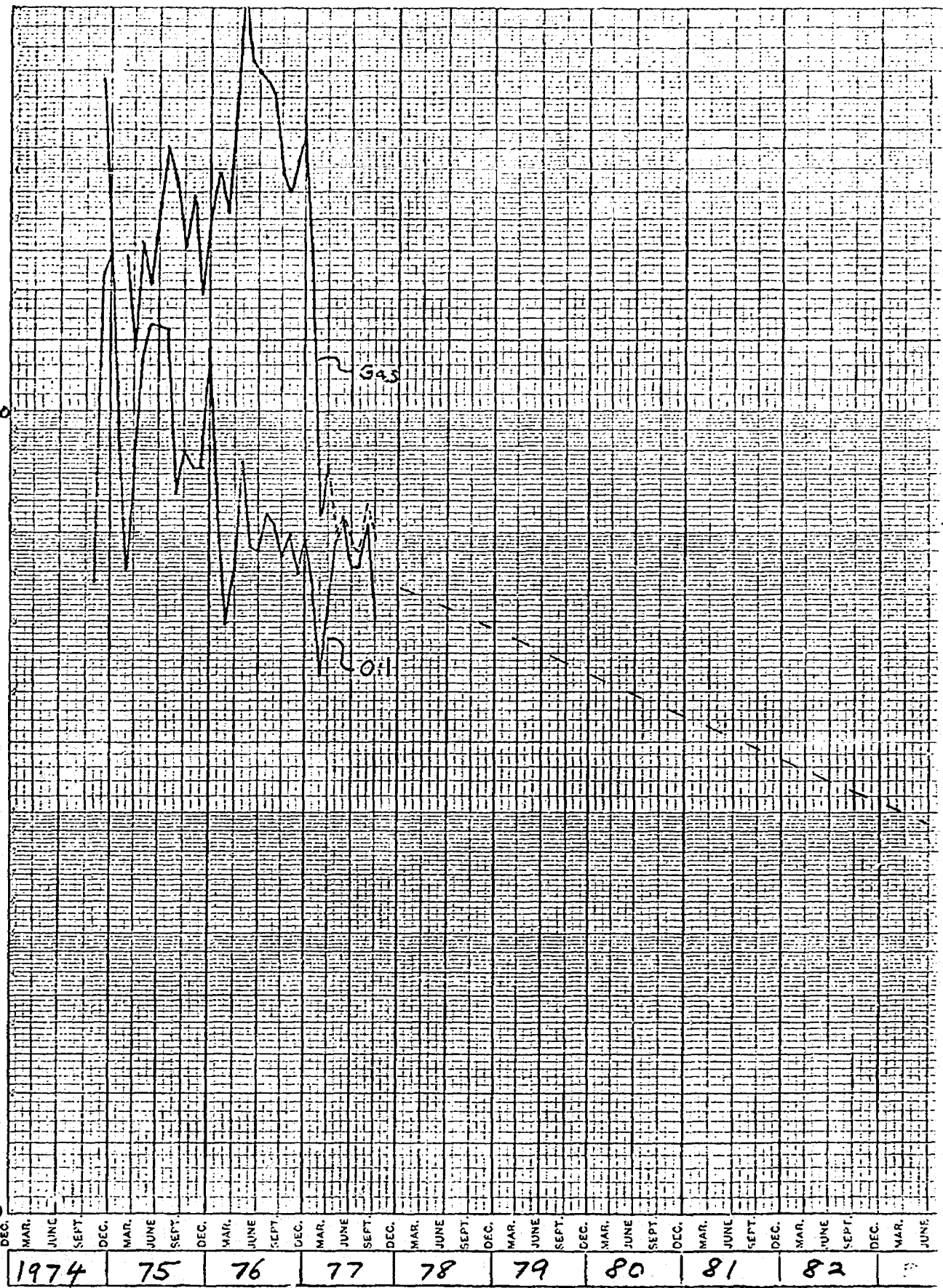
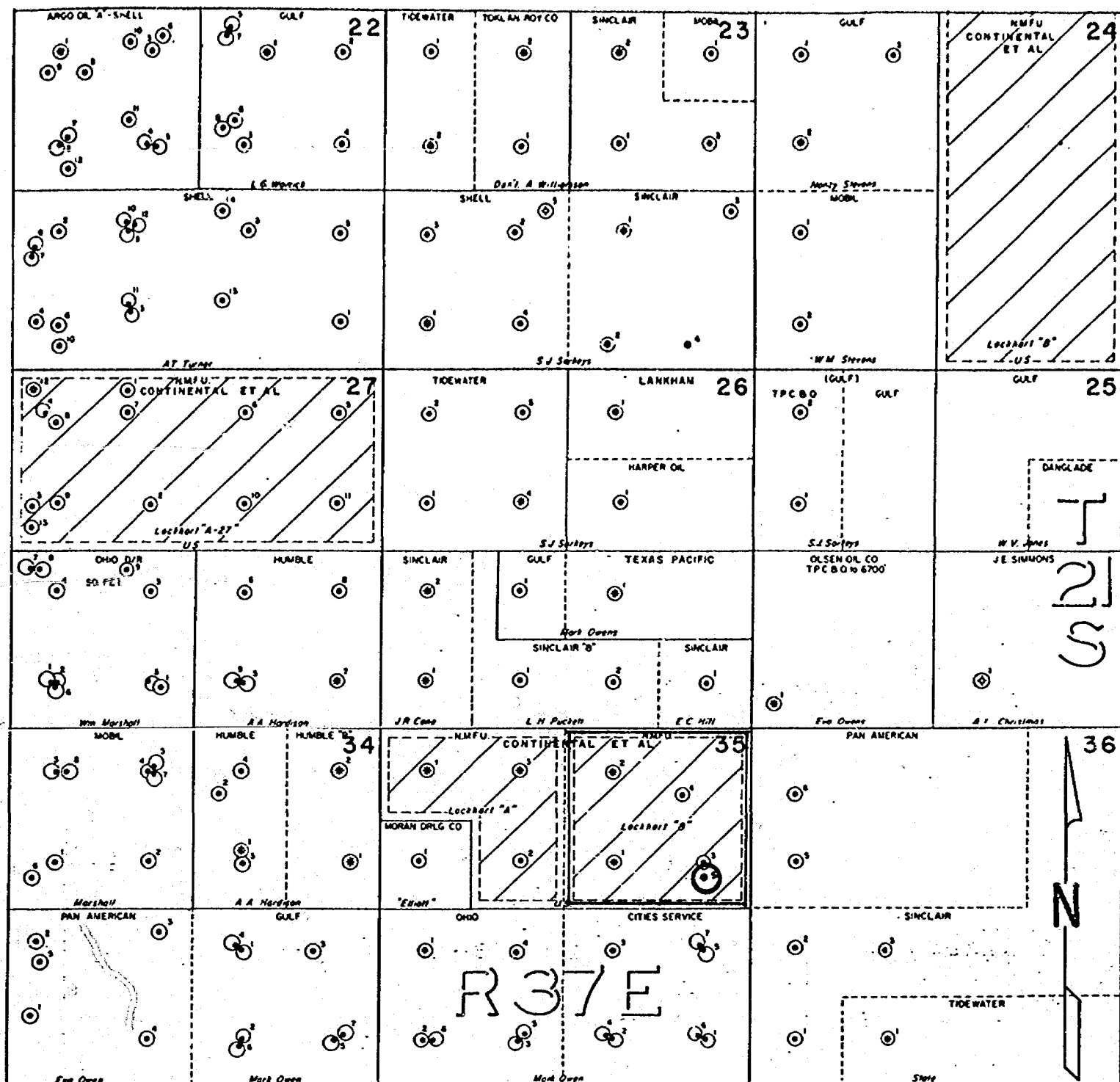


EXHIBIT NO. 6

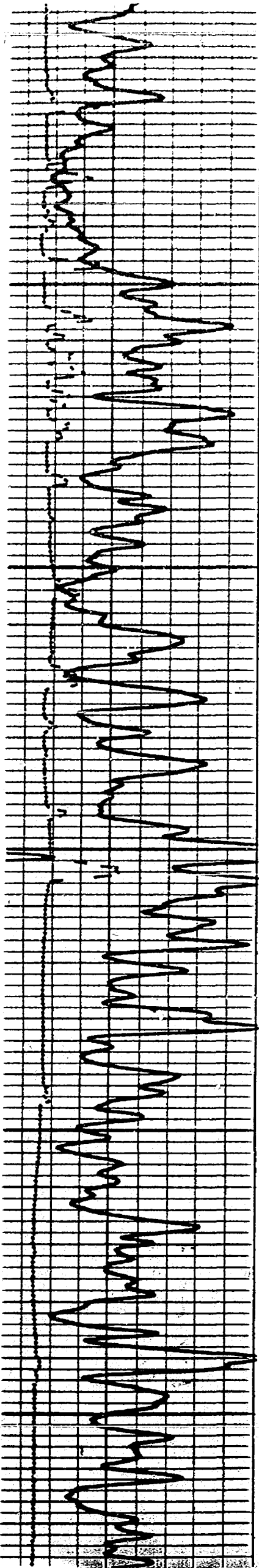


CONTINENTAL OIL COMPANY
 PRODUCTION DEPARTMENT
 HOBBS DIVISION
 LOCKHART B-35 LEASE
 LEA COUNTY, NEW MEXICO

Scale: 1" = 2000'

Case 6130

Exhibit 1
 Case 6130



Lockhart 8-35 175

0" - 11' ASL

Wentz Abo

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6900

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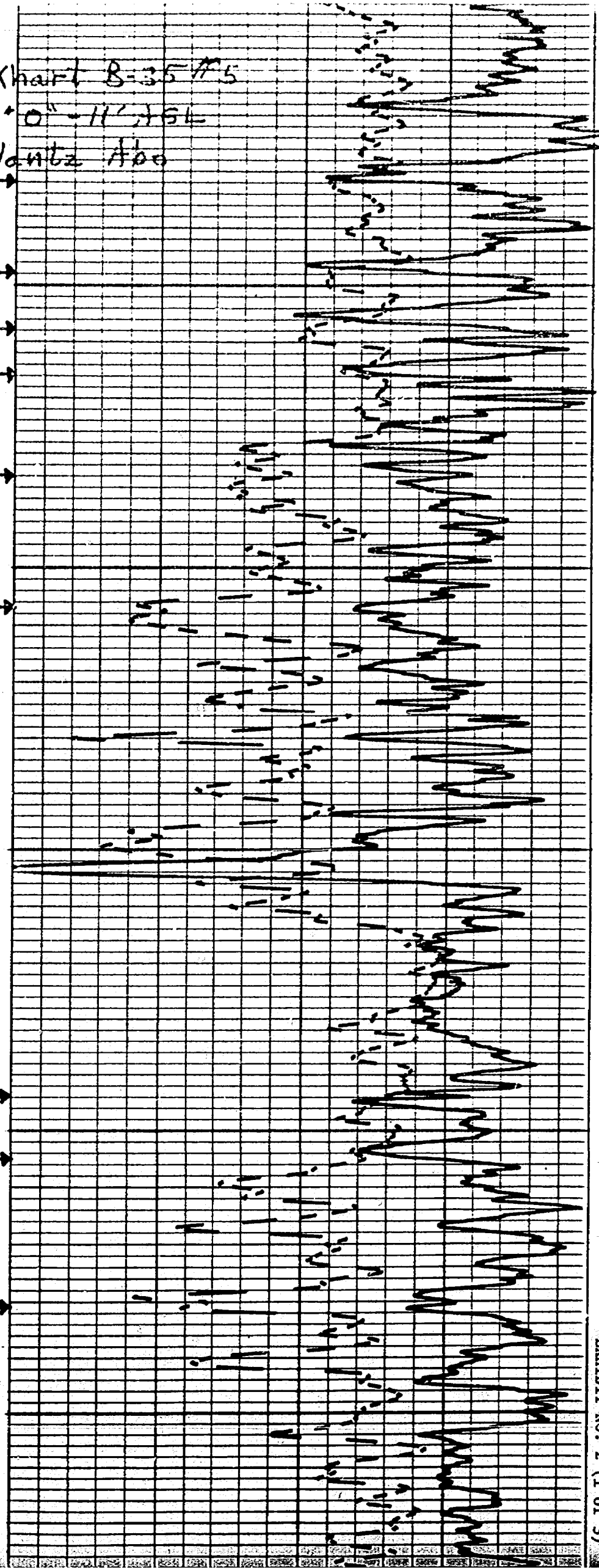
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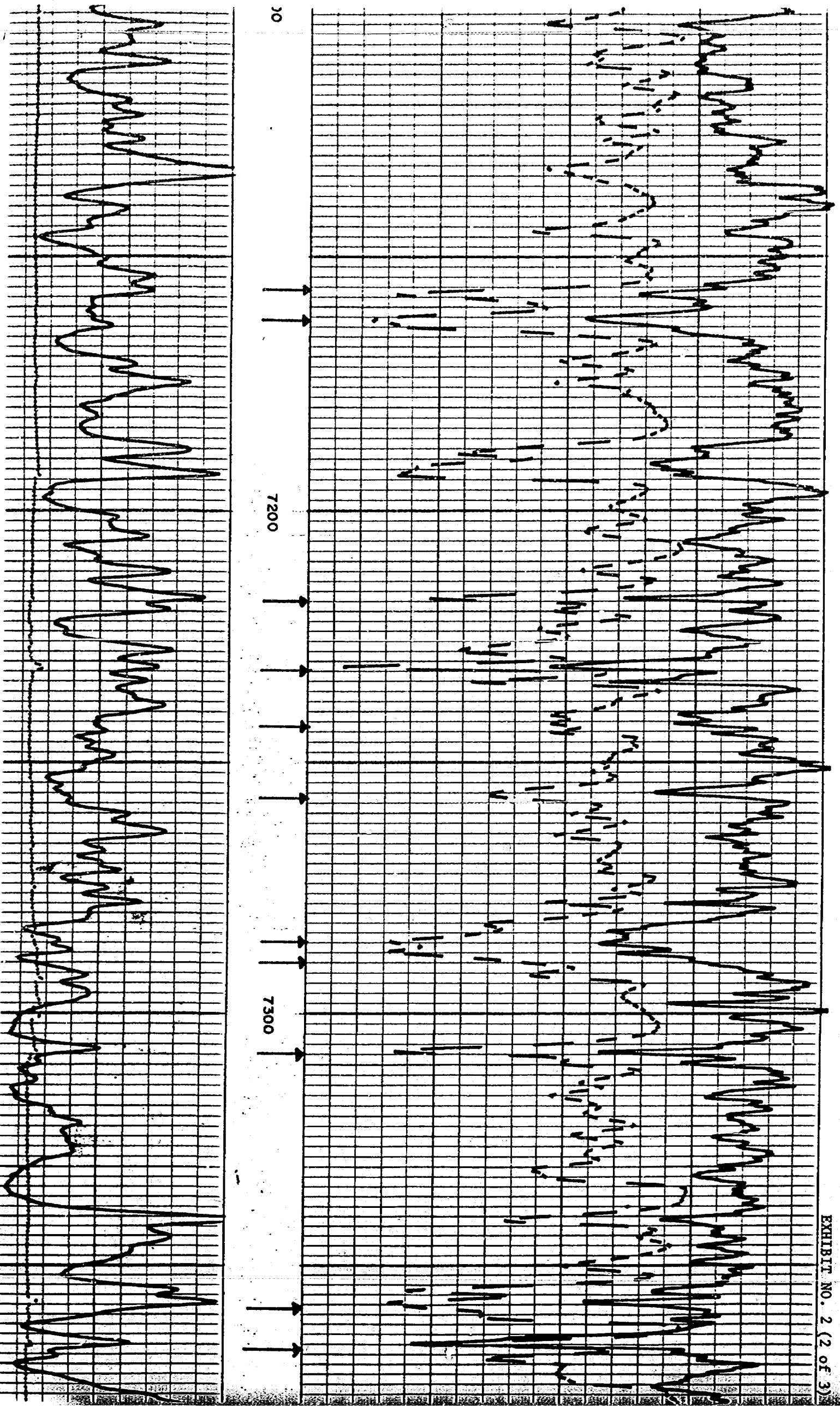
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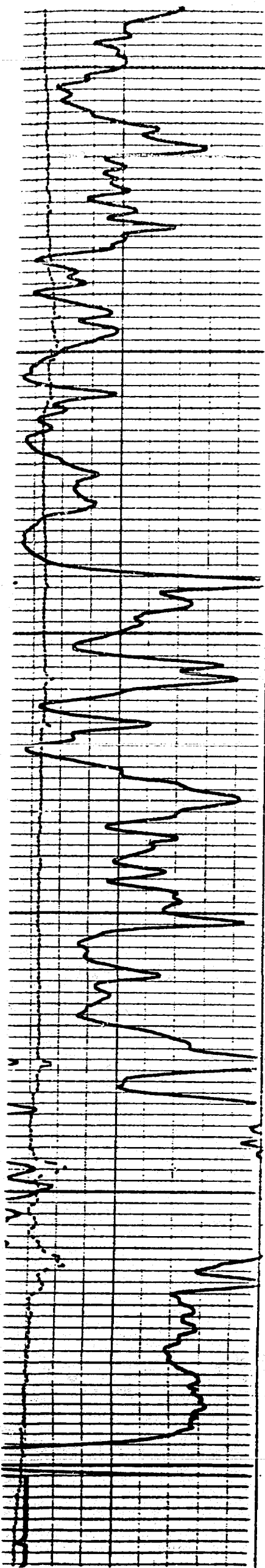




Lockhart 8-35 #5

"0" = 11' AGL

Want = Granite Wash

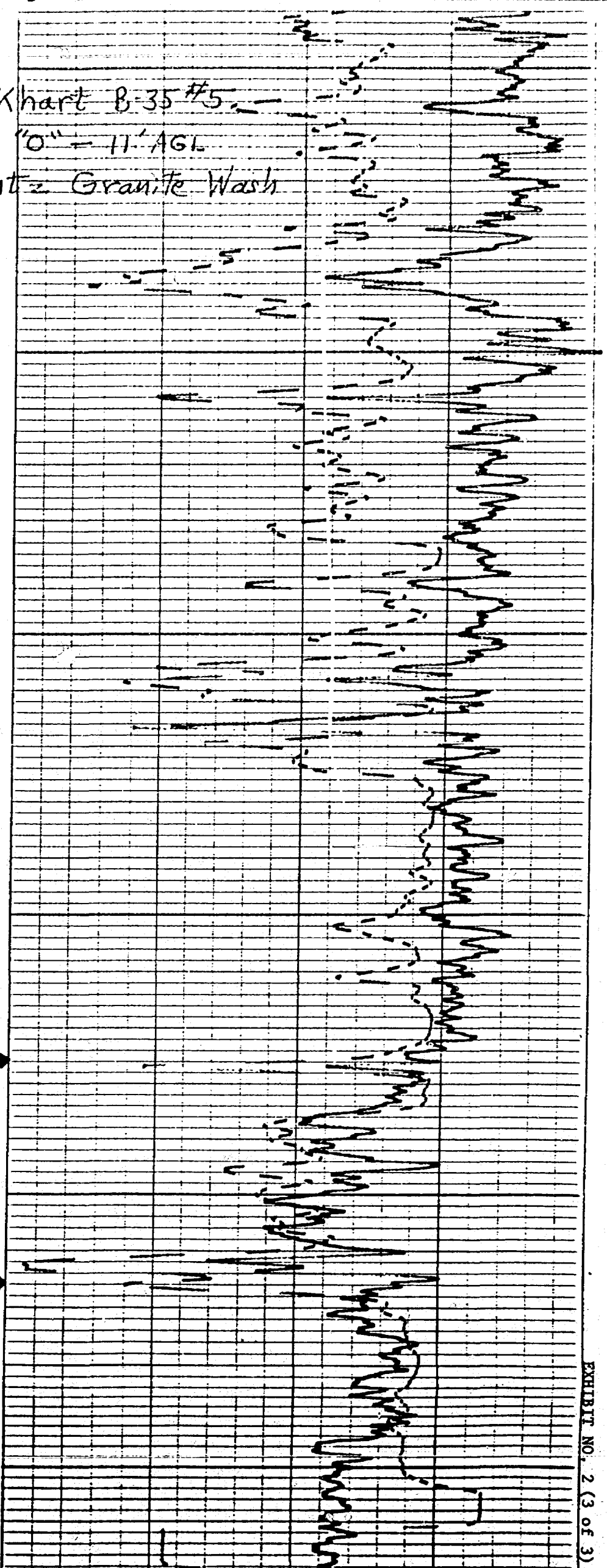


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LOCKHART B-35 #5
0-10' AGL

2180' FNL & 660' FEL
SEC 35, T21S, R37E

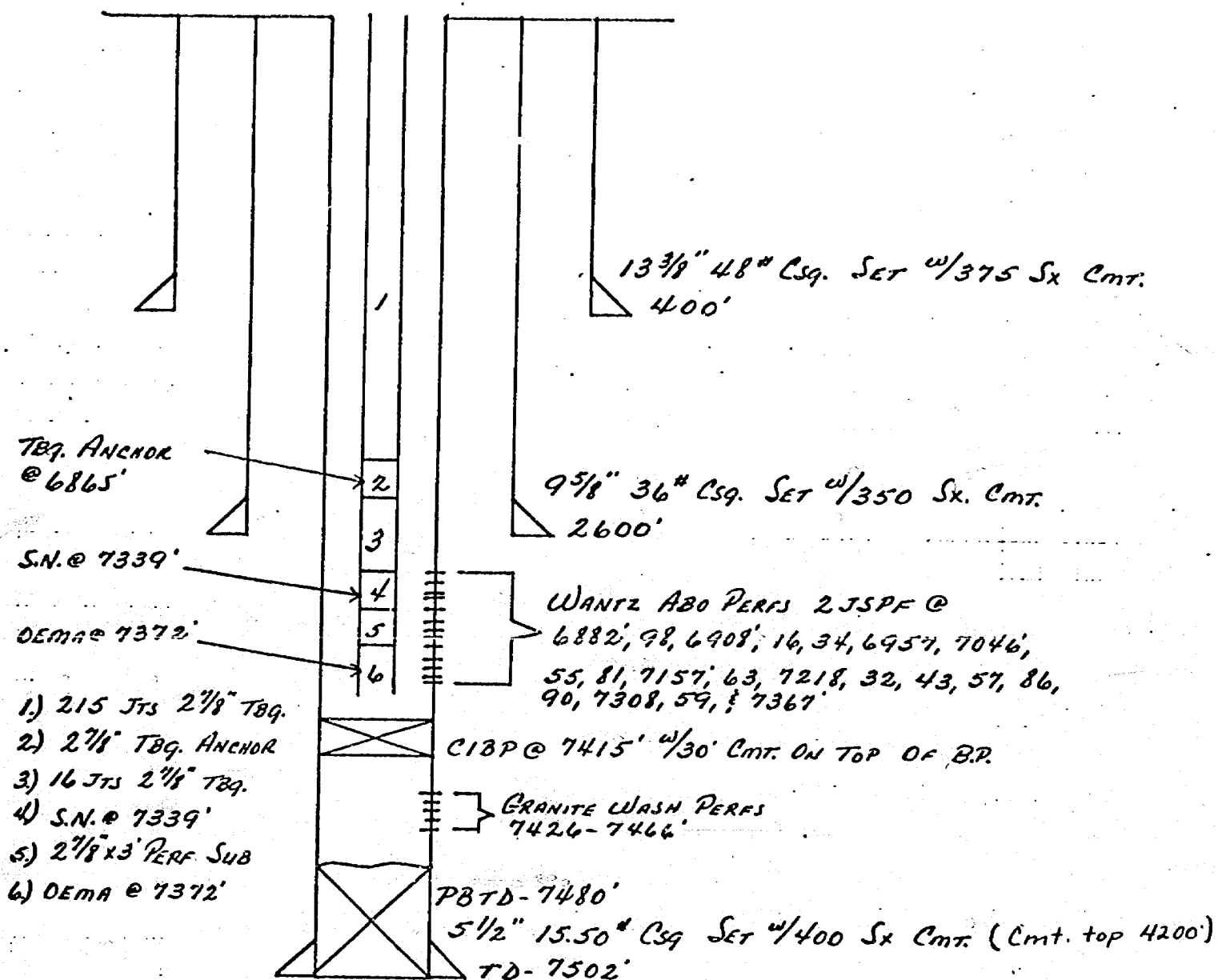


Exhibit 3
Case 6130

40-61-1331

W. SKINNER

10-6-77
1 2

LOCKHART B-35 #5

EXHIBIT NO. 3

NMFLU FIELD
N. MEX.

NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS

Oil
Revised 3-1-65

CONTINENTAL OIL COMPANY

Pool: Wantz Abo

County

IFA

BOX 460, ROSAS, NEW MEXICO 88240

TYPE OF TEST - (X)

Scheduled ☐

Continuous ☐

Spontaneous ☒

LEASE NAME

WELL NO.

LOCATION

DATE OF TEST

CHOKE SIZE

T.B.G. PRESS.

DAILY ALLOWABLE

LENGTH OF TEST

PROD. DURING TEST

WATER BBL'S

GRAV. OIL BBL'S

GAS W.C.F.

GAS-OIL RATIO

Lockhart P-35

5

H

35

21

37

12-11-77

P

23

24

1

44.0

17

122.4

7200

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 0.40.

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.

NMCCC (2)

FILE

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

[Signature]
(Signature)

Administrative Supervisor

12-20-77

(Date)

EXHIBIT NO. 4

Exhibit 4
Case 130

0:15
Rev: 1:1-55


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

During casual 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 wells can be assigned increased allowable when authorized by the Commission.

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

270CC (2) **FILE**

Reservation Commission
C-520 1976



 (Signature)

 Administrative Supervisor
 (Title)

 12-20-77

 (Date)

 EXHIBIT NO. 5

Lockhart B-35 #5

Wantz Granite Wash

COX & CO. INC. 10000 WILSON BLVD. SUITE 1000 DALLAS, TEXAS 75243
PRINTED IN U.S.A.
GRAPH PAPER

MCF
Mo.

bbls
Mo.

1000

100

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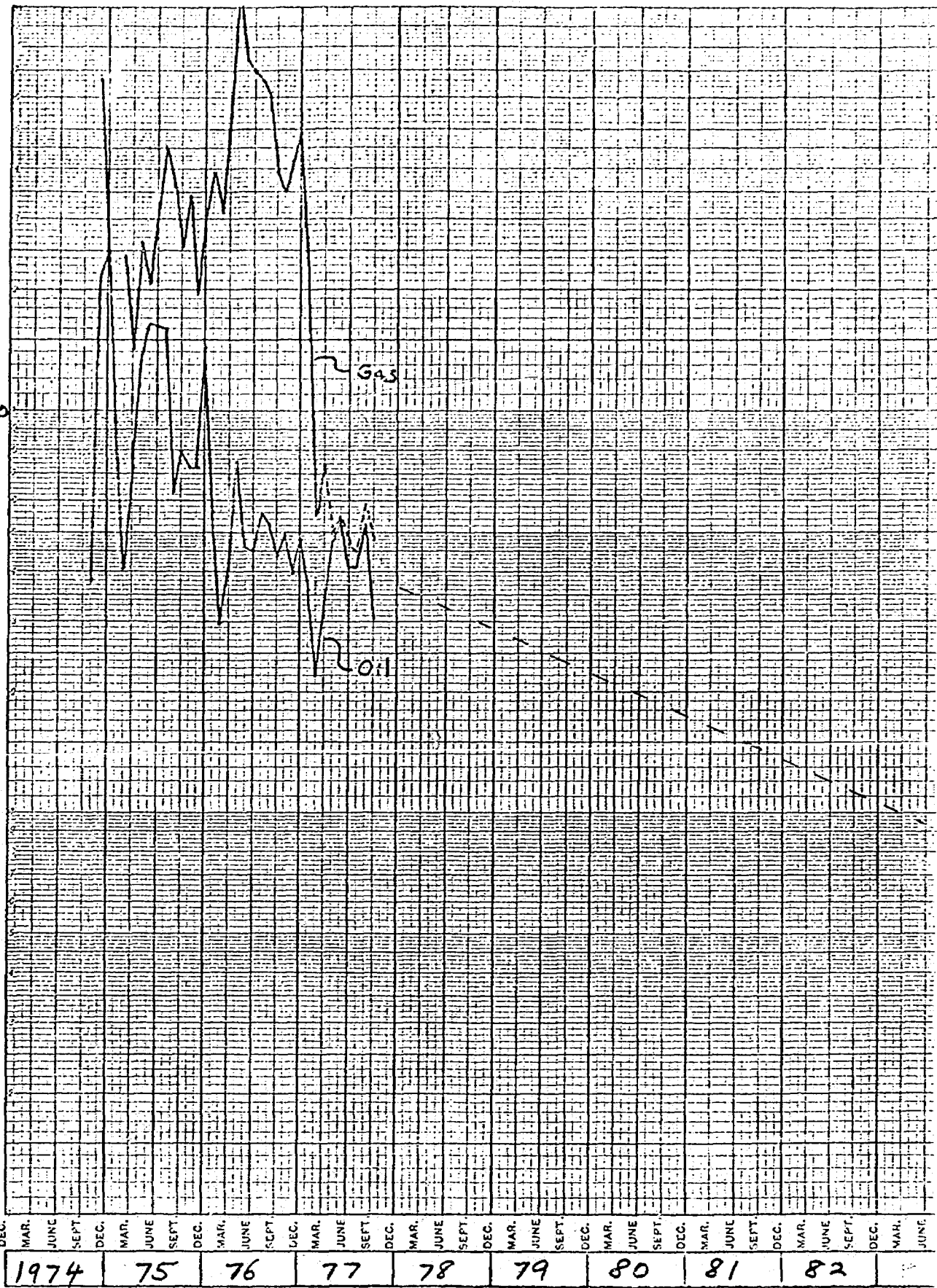


Exhibit 6
Case 6/30

EXHIBIT NO. 6

Dockets Nos. 4-78 and 5-78 are tentatively set for hearing on February 8 and 22, 1978. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - WEDNESDAY - JANUARY 11, 1978

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

CASE 5958: (DE NOVO)

Application of Continental Oil Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Gonzales-Mesaverde and Otero-Chacara production in the wellbores of its AXI Apache "J" Wells Nos. 18, 23, and 24 located in Units A, D, and P of Section 8; Nos. 19 and 22 in Units D and L of Section 6; Nos. 20 and 21, in Units C and I of Section 5; and No. 25 in Unit A of Section 7, all in Township 25 North, Range 5 West, Rio Arriba County, New Mexico.

Upon application of Continental Oil Company this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 6026: (DE NOVO)

Application of William G. Rabe and Alice P. Rabe for a non-standard gas proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard gas proration unit comprising the NE/4 of Section 25, Township 27 North, Range 8 West, Blanco-Mesaverde Pool, San Juan County, New Mexico.

Upon application of William G. Rabe and Alice P. Rabe this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 6027: (DE NOVO)

Application of Great Lakes Chemical Corporation for a non-standard gas proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard gas proration unit comprising the SE/4 of Section 25, Township 27 North, Range 8 West, Blanco-Mesaverde Pool, San Juan County, New Mexico.

Upon application of Great Lakes Chemical Corporation this case will be heard De Novo pursuant to the provisions of Rule 1220.

DOCKET: EXAMINER HEARING - WEDNESDAY - JANUARY 18, 1978

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

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Mutter, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for February, 1978, from fifteen prorated pools in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico.
- (2) Consideration of the allowable production of gas for February, 1978, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 6123: Application of Stevens Oil Company for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its O'Brien "F" Well No. 1 located 1650 feet from the South line and 330 feet from the East line of Section 35, Township 8 South, Range 28 East, Twin Lakes-San Andres Associated Pool, Chaves County, New Mexico, the SE/4 of said Section 35 to be dedicated to the well.

CASE 6124: Application of HNG Oil Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for its Shoetar Ranch Unit Area comprising 961 acres, more or less, of State lands in Townships 16 and 17 South, Range 35 East, Lea County, New Mexico.

- CASE 6125: Application of Shell Oil Company for an exception to Rule 202(B), San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Commission Rule No. 202(B), San Juan County, New Mexico, to permit the temporary abandonment of certain wells on its Carson Unit Area in Township 25 North, Ranges 11 and 12 West, Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico. Applicant further seeks that any further extensions be administratively approved.
- CASE 6126: Application of Yates Petroleum Corporation for compulsory pooling and an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the W/2 of Section 21, Township 17 South, Range 26 East, Eddy County, New Mexico, to be dedicated to its Siegenthaler IS Well No. 2 to be drilled at an unorthodox location 1460 feet from the South line and 1980 feet from the West line of said Section 21. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 6127: Application of Southland Royalty Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Aztec Palmillo State Com Well No. 1 located in Unit G of Section 32, Township 18 South, Range 29 East, to produce oil from the Wolfcamp and gas from the Morrow formations.
- CASE 6128: Application of Champlin Petroleum Company for an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its State "36" Well No. 1 located 1980 feet from the South line and 660 feet from the West line of Section 36, Township 21 South, Range 27 East, East Carlsbad Gas Field, Eddy County, New Mexico, the S/2 of said Section 36 to be dedicated to the well.
- CASE 6129: Application of King Resources Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for its Gardner Draw Unit Area comprising 19,840 acres, more or less, of Federal, State, and fee lands in Townships 19 and 20 South, Ranges 20 and 21 East, Eddy County, New Mexico.
- CASE 6130: Application of Continental Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Wantz Abo and Wantz Granite Wash production in the wellbore of its Lockhart B-35 Well No. 5 located in Unit H of Section 35, Township 21 South, Range 37 East, Lea County, New Mexico.
- CASE 6131: Application of Continental Oil Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project on its Southeast Monument Unit Area, Warren McKee Pool, Lea County, New Mexico, by the injection of water into the McKee formation through 8 wells. Applicant further seeks the establishment of an administrative procedure for adding or substituting injection wells.
- CASE 6132: Application of Continental Oil Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project on its Warren Unit Area, Warren McKee Pool, Lea County, New Mexico, by the injection of water into the McKee formation through 4 wells. Applicant further seeks the establishment of an administrative procedure for adding and substituting injection wells.
- CASE 6133: Application of Doyle Hartman for compulsory pooling and a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying the SE/4 of Section 8, Township 19 South, Range 37 East, Eumont Gas Pool, Lea County, New Mexico, to form a non-standard unit to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 6134: Application of Burleson & Huff for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Queen formation underlying the SE/4 NW/4 of Section 22, Township 25 South, Range 37 East, Langlie Mattix Pool, Lea County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 6119: (Continued from January 4, 1978, Examiner Hearing)

Application of Caulkins Oil Company for a dual completion and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Pictured Cliffs, Chacra and Mesaverde production in the wellbore of its Breech Well No. 228, to be located in Unit A of Section 18, Township 26 North, Range 6 West, Rio Arriba County, New Mexico, and to dually complete the commingled formations and the Dakota formation in said well.

CASE 6120: (Continued from January 4, 1978, Examiner Hearing)

Application of Caulkins Oil Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Chacra and Mesaverde production in the wellbores of its Breech E Wells Nos. 109 in Unit M of Section 3 and 104 in Unit P of Section 5 and its Breech A Wells Nos. 627 in Unit B of Section 8, 677 and 679 in Units L and J, respectively, of Section 9, and 207 in Unit A of Section 10, all in Township 26 North, Range 6 West, Rio Arriba County, New Mexico.

CASE 6121: (Continued from January 4, 1978, Examiner Hearing)

Application of Caulkins Oil Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Pictured Cliffs and Chacra production in Sections 3, 4, 5, 7 thru 11, 13 thru 18, 21, 22, 24, and 25 in Township 26 North, Range 6 West, and Sections 13, 14, 23, and 24, Township 26 North, Range 7 West, Rio Arriba County, New Mexico.

CASE 6122: (Continued from January 4, 1978, Examiner Hearing)

Application of Caulkins Oil Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Mesaverde and Dakota production in the wellbores of its Breech E Wells Nos. 64 and 58 located in Unit A of Section 1 and Section 3, its State A Well No. 62 in Unit A of Section 2, and its Breech D Well No. 341 located in Unit B of Section 21, all in Township 26 North, Range 6 West; and its Breech F Wells Nos. 4 and 45 located in Unit A of Section 33, Unit M of Section 35, both in Township 27 North, Range 6 West, Rio Arriba County, New Mexico.

CASE 6096: Continued from January 4, 1978, Examiner Hearing

Application of Texas Oil & Gas Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the S/2 of Section 14, Township 21 South, Range 34 East, Lea County, New Mexico, to be dedicated to applicant's South Wilson State Well No. 1 to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 6135: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider the extension of the Wagon Mound Dakota-Morrison Gas Pool in Township 21 North, Range 21 East, Mora County, New Mexico.

CASE 6136: In the matter of the application of the Oil Conservation Commission of New Mexico upon its own motion for an order for the creation and extension of certain pools in Lea, Chaves, and Roosevelt Counties, New Mexico.

(a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for San Andres production and designated as the Caprock-San Andres Pool. The discovery well is the Elk Oil Company State D.J. Well No. 1 located in Unit H of Section 2, Township 12 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 12 SOUTH, RANGE 32 EAST, NMPM
Section 2: NE/4

(b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Yates production and designated as the West Scarborough-Yates Pool. The discovery well is the Gifford, Mitchell and Wisenbaker Horse Back Well No. 2 located in Unit G of Section 33, Township 26 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 36 EAST, NMPM
Section 33: NE/4

- (c) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the Sombbrero-Morrow Gas Pool. The discovery well is the Phillips Petroleum Company Michel Well No. 1 located in Unit C of Section 13, Township 16 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM
Section 13: NW/4

- (d) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Morrow production and designated as the East Vest Ranch-Morrow Gas Pool. The discovery well is the Cockrell Corporation Occidental Federal Well No. 1 located in Unit A of Section 22, Township 14 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 14 SOUTH, RANGE 30 EAST, NMPM
Section 22: N/2

- (e) EXTEND the Blinebry Oil and Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 23: SW/4
Section 26: NW/4

- (f) EXTEND the Bluitt-Wolfcamp Gas Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 37 EAST, NMPM
Section 10: NE/4
Section 11: NW/4

- (g) EXTEND the Brinninstool-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 33 EAST, NMPM
Section 21: W/2

- (h) EXTEND the South Brunson-Granite Wash Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM
Section 31: SW/4

- (i) EXTEND the West Kemnitz-Lower Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM
Section 29: S/2
Section 30: SE/4

- (j) EXTEND the Querecho Plains-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 27: NW/4

- (k) EXTEND the Tom Tom-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM
Section 23: SW/4
Section 26: W/2
Section 33: SE/4

- (l) EXTEND the Townsend-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 35 EAST, NMPM
Section 27: SE/4

- (m) EXTEND the North Vacuum-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM
Section 15: NW/4

- (n) EXTEND the Warren-Tubb Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 23: SW/4
Section 26: NW/4

- (o) EXTEND the West Warren-Blinebry Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 20: SW/4
Section 29: NW/4

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
CONTINENTAL OIL COMPANY FOR AUTHORITY
TO COMMINGLE IN THE WELLBORE PRODUCTION
FROM THE WANTZ ABO AND WANTZ GRANITE
WASH POOLS IN ITS LOCKHART B-35 WELL
NO. 5, SECTION 35, TOWNSHIP 21 SOUTH,
RANGE 37 EAST, LEA COUNTY, NEW MEXICO.

APPLICATION

Applicant, CONTINENTAL OIL COMPANY, hereby respectfully requests authority to commingle in the wellbore production from the Wantz Abo and Wantz Granite Wash Oil Pools in its Lockhart B-35 Well No. 5, located in Section 35, T-21-S, R-37-E, Lea County, New Mexico, and in support thereof would show:

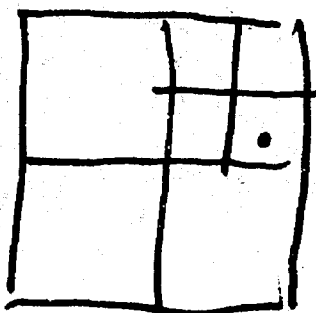
1. Applicant is operator and co-owner of the Lockhart B-35 lease consisting of NE/4 Section 35, T-21-S, R-37-E, Lea County, New Mexico.
2. Applicant has heretofore drilled the Lockhart B-35 Well No. 5 at a location 2180' FNL and 660' FEL of said Section 35, and completed it as a producer in the Wantz Granite Wash Oil Pool.
3. Production from the Wantz Granite Wash Pool declined sharply; and applicant, therefore, plugged back and recompleted in the Wantz Abo Pool.
4. Production from the Wantz Abo Pool was less than expected and is in fact marginally economical.
5. The indicated production from both zones would be such as to qualify the well for administrative downhole commingling had a dual-completion order been obtained.
6. Commingling of production from the Wantz Abo and Wantz Granite Wash Pools will result in the recovery of oil from both formations which otherwise would not be recovered and, therefore, is in the interest of preventing waste and will not impair correlative rights.

WHEREFORE, applicant respectfully requests that this application be set for hearing before the Commission's duly appointed examiner and, upon hearing, an order be entered authorizing the commingling in the wellbore of production from the Lockhart B-35 Well No. 5 as described above.

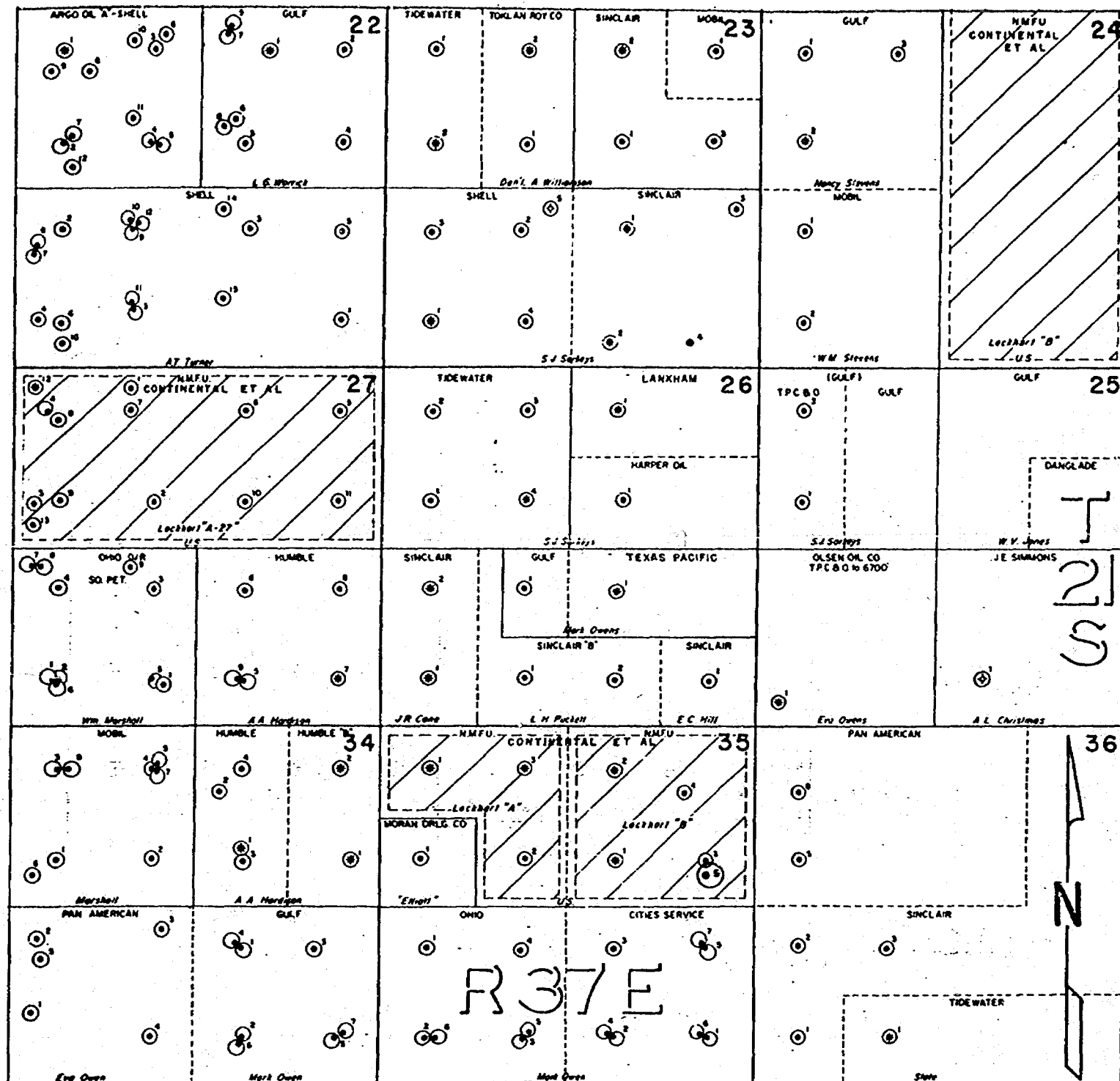
Respectfully submitted,

CONTINENTAL OIL COMPANY

BY E. L. Oshlo
E. L. OSHLO, Assistant Division Manager
of Production



Case 6130



CONTINENTAL OIL COMPANY
 PRODUCTION DEPARTMENT
 HOBBS DIVISION
 LOCKHART B-35 LEASE
 LEA COUNTY, NEW MEXICO

Scale: 1" = 2000'

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

10 27 1977

IN THE MATTER OF THE APPLICATION OF
CONTINENTAL OIL COMPANY FOR AUTHORITY
TO COMMINGLE IN THE WELLBORE PRODUCTION
FROM THE WANTZ ABO AND WANTZ GRANITE
WASH POOLS IN ITS LOCKHART B-35 WELL
NO. 5, SECTION 35, TOWNSHIP 21 SOUTH,
RANGE 37 EAST, LEA COUNTY, NEW MEXICO.

APPLICATION

Applicant, CONTINENTAL OIL COMPANY, hereby respectfully requests authority to commingle in the wellbore production from the Wantz Abo and Wantz Granite Wash Oil Pools in its Lockhart B-35 Well No. 5, located in Section 35, T-21-S, R-37-E, Lea County, New Mexico, and in support thereof would show:

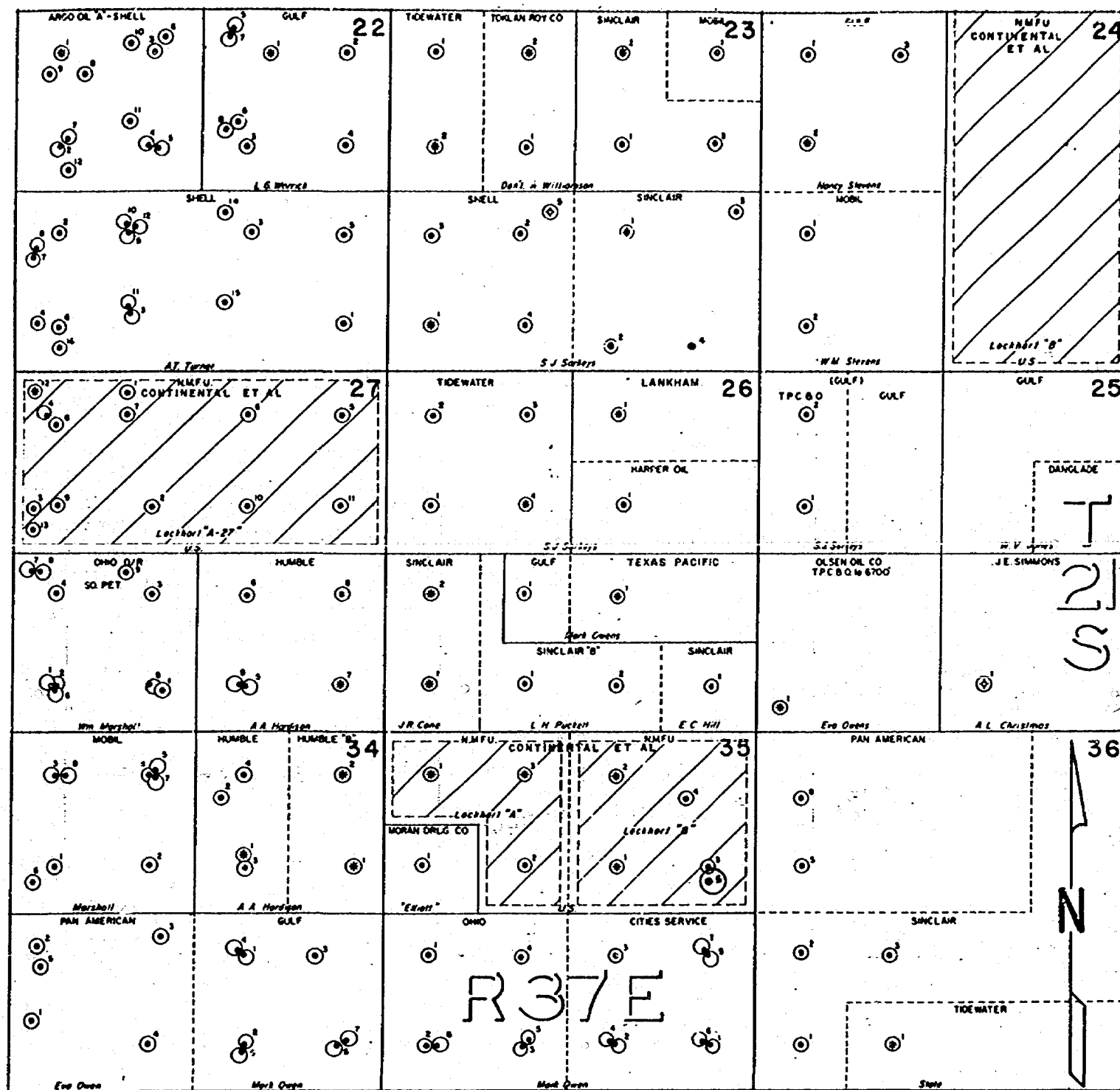
1. Applicant is operator and co-owner of the Lockhart B-35 lease consisting of NE/4 Section 35, T-21-S, R-37-E, Lea County, New Mexico.
2. Applicant has heretofore drilled the Lockhart B-35 Well No. 5 at a location 2180' FNL and 660' FEL of said Section 35, and completed it as a producer in the Wantz Granite Wash Oil Pool.
3. Production from the Wantz Granite Wash Pool declined sharply; and applicant, therefore, plugged back and recompleted in the Wantz Abo Pool.
4. Production from the Wantz Abo Pool was less than expected and is in fact marginally economical.
5. The indicated production from both zones would be such as to qualify the well for administrative downhole commingling had a dual-completion order been obtained.
6. Commingling of production from the Wantz Abo and Wantz Granite Wash Pools will result in the recovery of oil from both formations which otherwise would not be recovered and, therefore, is in the interest of preventing waste and will not impair correlative rights.

WHEREFORE, applicant respectfully requests that this application be set for hearing before the Commission's duly appointed examiner and, upon hearing, an order be entered authorizing the commingling in the wellbore of production from the Lockhart B-35 Well No. 5 as described above.

Respectfully submitted,

CONTINENTAL OIL COMPANY

BY E. L. Oshlo
E. L. OSHLO, Assistant Division Manager
of Production



CONTINENTAL OIL COMPANY
 PRODUCTION DEPARTMENT
 HOBBS DIVISION
 LOCKHART B-35 LEASE
 LEA COUNTY, NEW MEXICO

Scale: 1" = 2000'

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
CONTINENTAL OIL COMPANY FOR AUTHORITY
TO COMMINGLE IN THE WELLBORE PRODUCTION
FROM THE WANTZ ABO AND WANTZ GRANITE
WASH POOLS IN ITS LOCKHART B-35 WELL
NO. 5, SECTION 35, TOWNSHIP 21 SOUTH,
RANGE 37 EAST, LEA COUNTY, NEW MEXICO.

APPLICATION

Applicant, CONTINENTAL OIL COMPANY, hereby respectfully requests authority to commingle in the wellbore production from the Wantz Abo and Wantz Granite Wash Oil Pools in its Lockhart B-35 Well No. 5, located in Section 35, T-21-S, R-37-E, Lea County, New Mexico, and in support thereof would show:

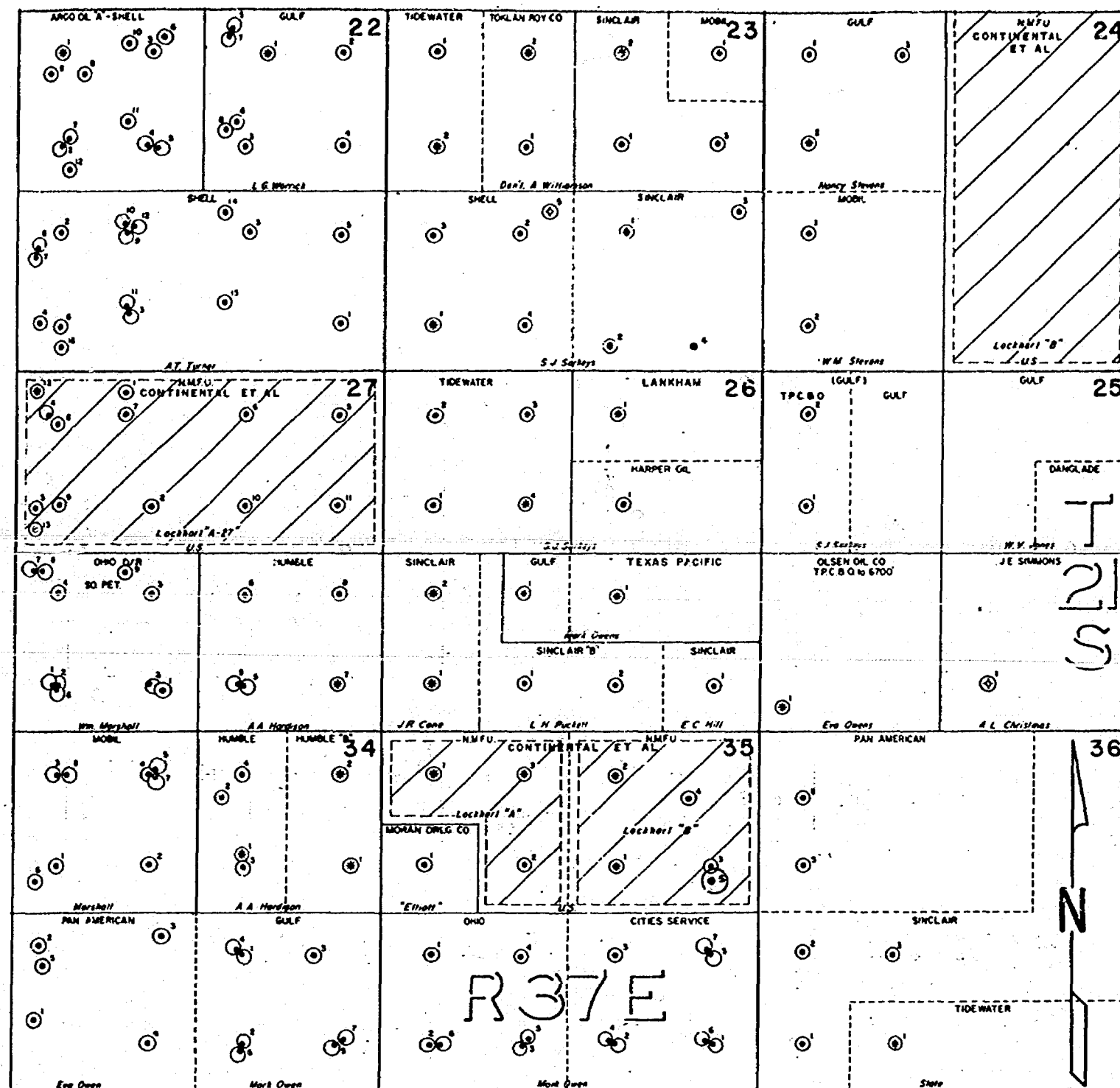
1. Applicant is operator and co-owner of the Lockhart B-35 lease consisting of NE/4 Section 35, T-21-S, R-37-E, Lea County, New Mexico.
2. Applicant has heretofore drilled the Lockhart B-35 Well No. 5 at a location 2180' FNL and 660' FEL of said Section 35, and completed it as a producer in the Wantz Granite Wash Oil Pool.
3. Production from the Wantz Granite Wash Pool declined sharply; and applicant, therefore, plugged back and recompleted in the Wantz Abo Pool.
4. Production from the Wantz Abo Pool was less than expected and is in fact marginally economical.
5. The indicated production from both zones would be such as to qualify the well for administrative downhole commingling had a dual-completion order been obtained.
6. Commingling of production from the Wantz Abo and Wantz Granite Wash Pools will result in the recovery of oil from both formations which otherwise would not be recovered and, therefore, is in the interest of preventing waste and will not impair correlative rights.

WHEREFORE, applicant respectfully requests that this application be set for hearing before the Commission's duly appointed examiner and, upon hearing, an order be entered authorizing the commingling in the wellbore of production from the Lockhart B-35 Well No. 5 as described above.

Respectfully submitted,

CONTINENTAL OIL COMPANY

BY E. L. Oshlo
E. L. OSHLO, Assistant Division Manager
of Production



CONTINENTAL OIL COMPANY
 PRODUCTION DEPARTMENT
 HOBBS DIVISION
 LOCKHART B-35 LEASE
 LEA COUNTY, NEW MEXICO

Scale: 1" = 2000'

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. 6130

Order No. R- 5630

APPLICATION OF CONTINENTAL OIL COMPANY
FOR DOWNHOLE COMMINGLING, LEA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 18,
19 78, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this day of January, 19 78, 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, Continental Oil Company, is the
owner and operator of the Lockhart B-35 Well No. 5, located
in Unit H of Section 35, Township 21 South, Range
37 East, NMPM, Lea County, New Mexico.

(3) That the applicant seeks authority to commingle
Wantz-Abo and Wantz-Granite Wash production
within the wellbore of the above-described well.

(4) That from the Wantz Abo zone, the
subject well is capable of low ^{rates of} ~~marginal~~ production only.

(5) That from the Wantz Granite Wash zone, the
subject well is capable of low ^{rates of} ~~marginal~~ production only.

(6) That the proposed commingling may result in the recovery
of additional hydrocarbons from each of the subject pools, thereby
preventing waste, and will not violate correlative rights.

Case No. _____
Order No. R- _____

(7) That the reservoir characteristics of each of the subject zones are such that underground waste would not be caused by the proposed commingling provided that the well is not shut-in for an extended period.

(8) That to afford the Commission the opportunity to assess the potential for waste and to expeditiously order appropriate remedial action, the operator should notify the Hobbs district office of the Commission any time the subject well is shut-in for 7 consecutive days.

(9) That in order to allocate the commingled production to each of the commingled zones in the subject well, 50 percent and 80 percent of the commingled oil and gas production, ^{respectively,} should be allocated to the Wantz-Abo zone, and 50 percent and 20 percent of the commingled oil and gas production, ^{respectively,} to the Wantz-Granite Wash zone.

IT IS THEREFORE ORDERED:

(1) That the applicant, Continental Oil Company, is hereby authorized to commingle Wantz-Abo and Wantz-Granite Wash production within the wellbore of the Lockhart B-35 Well No. 5, located in Unit H of Section 35, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

(2) That 50 percent and 80 percent of the commingled oil and gas production, ^{respectively,} shall be allocated to the Wantz-Abo zone and 50 percent and 20 percent of the commingled oil and gas production, ^{respectively,} shall be allocated to the Wantz-Granite Wash zone.

(3) That the operator of the subject well shall immediately notify the Commission's Hobbs district office any time the well has been shut-in for 7 consecutive days and shall concurrently present, to the Commission, a plan for remedial action.

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

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