

CASE NO.

6375

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,

ETC.

Memo

From

MELBA CARPENTER

1/12/79

To Dick

I have been unable to talk to Les about the corrected Forms C-115 for the Harper Oil Co. well for which you are holding the downhole commingling order.

I did talk to Joe Coleman, however, and he said that they have been advised to submit the corrected reports, and that they are supposed to be working on them. I do not find that we have received them as yet, however.

OIL CONSERVATION COMMISSION-HOBBS

Memo

2/20/79

From

L. E. CLEMENTS
Inspector

To DICK

HARPER OIL SUBMITTED
INFO ON OIL & GAS
ACCOUNTING FORMS. - I
HAVE RETURNED SAME AND
ASKED FOR INFO TO BE
RE SUBMITTED ON C-115'S
ALSO TOLD THEM THEY WOULD
NOT GET DHC ORDER UNTIL
PROPER PAPER WORK HAS BEEN
FILED

	Bl	Dr	Abd
oil	50	30	20
gas		30	67

NEW MEXICO OIL CONSERVATION COMMISSION - HOBBS, NEW MEXICO

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
8 November 1978

EXAMINER HEARING

IN THE MATTER OF:

Application of Harper Oil
Company for Downhole comming-
ling, Lea County, New Mexico.

CASE 6375

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Lynn Teschendorf, Esq.
Legal Counsel for the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For Harper Oil
Company:

Thomas W. Kellahin, Esq.
Kellahin & Fox
Attorneys at Law
500 Don Gaspar
Santa Fe, New Mexico 87501

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3030 Plaza Blanca (S.E.) (714) 412-1122
Santa Fe, New Mexico 87501

I N D E X

JOE A. COLEMAN

Direct Examination by Mr. Kellahin

E X H I B I T S

Applicant Exhibit One, letter

Applicant Exhibit Two, excerpt from Commission Rule Book

Applicant Exhibit Three, Harper Oil Company production

Applicant Exhibit Four, schematic

Applicant Exhibit Five, Blinebry oil production

Applicant Exhibit Six, Drinkard oil production

Applicant Exhibit Seven, Wantz-Abo oil production

Applicant Exhibit Eight, reservoir pressure

Applicant Exhibit Nine, bottom hole pressure

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2020 Plaza Blanca (955) 471-2402
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1
2 MR. STAMETS: We will call the next
3 case, 6375.

4 MS. TESCHENDORF: Case 6375, Application
5 of Harper Oil Company for downhole commingling, Lea
6 County, New Mexico.

7 MR. KELLAHIN: Tom Kellahin of Kellahin
8 and Fox, appearing on behalf of the Applicant, and I
9 have one witness.

10 MR. STAMETS: Please stand and be
11 sworn, sir.

12 JOE A. COLEMAN
13 being called as a witness and having been duly sworn
14 upon his oath, testified as follows, to-wit:

15 DIRECT EXAMINATION

16 BY MR. KELLAHIN:

17 Q Would you please state your name, by
18 whom you are employed and in what capacity?

19 A Joe A. Coleman, Harper Oil Company,
20 Professional Engineer, Hobbs.

21 Q Mr. Coleman, have you previously
22 testified before the Oil Conservation Division?

23 A Yes, sir.

24 Q Have you made a study of and are you
25 familiar with the facts surrounding this particular
application?

1 A Yes, sir.

2 MR. KELLAHIN: We tender Mr. Coleman
3 as an expert witness.

4 MR. STAMETS: The witness is considered
5 qualified.

6 BY MR. KELLAHIN:

7 Q Mr. Coleman, would you please refer to
8 what we have marked as Exhibit Number One, identify
9 it and explain what Harper Oil Company is seeking to
10 accomplish?

11 A In Exhibit Number One is a letter
12 requesting this hearing, and we had secured comming-
13 ling between the Wantz-Abo and Drinkard zone, and we
14 are now asking for the Blinebry oil to be commingled
15 with these other two.

16 Q When was the Abo and the Drinkard
17 zones approved for commingling?

18 A Seventh and seventh of '72.

19 Q That was Commission Order R4333, is
20 that correct?

21 A Yes, sir.

22 Q Pursuant to that order, what was the
23 percentage of allocation to the Abo formation?

24 A Sixty percent Blinebry, 40 percent
25 Wantz-Abo at that time.

SALLY WALTON BOYD
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1020 Plaza Blanca (S.S.) 471-4402
Santa Fe, New Mexico 87501

1 Q That was 60 percent to the Drinkard?

2 A Yes, sir.

3 Q And 40 percent to the Wantz-Abo?

4 A Wantz-Abo.

5 MR. STAMETS: Was that spelled out in
6 the Order, 4333?

7 MR. KELLAHIN: Yes, sir.

8 BY MR. KELLAHIN:

9 Q Who are the offset operators to this
10 particular pro-ratio unit?

11 A Acoma Oil Corporation, Shell Oil Company,
12 Atlantic Richfield, Texas Pacific Oil Company, Mobile
13 Oil Corporation, Gulf Oil Company and Getty Oil
14 Company.

15 Q Now, have all those operators been
16 notified by Harper Oil Company by letter of the
17 proposed application?

18 A Yes, sir.

19 Q Have you received any objections to
20 the proposed commingling?

21 A No, sir.

22 Q Would you please refer to Exhibit
23 Number Two and identify that?

24 A That is taken directly from the
25 Commission Rule book and the answers have been

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Santa Fe, New Mexico 87501

1 spelled out here.

2 Q I see. All right. Let's read Exhibit
3 Two and Three together then. If I understand you
4 correctly, that's the way this has been put together?

5 A Yes, sir. Exhibit Three, of course, is
6 Harper Oil Company and it's the S. J. Sarkeys No. 2,
7 located Unit 8, 26, 21, 37, Lea County; Blinebry oil,
8 Drinkard oil and Wantz-Abo oil. The order number
9 for triple completion was 1705, and that the was
10 the second, 16, '66.

11 Q Would you summarize for us what has
12 been the production from each of the three zones
13 involved?

14 A All right, sir. 1975, this is Blinebry
15 oil, 6 barrels of oil per day for the whole year.
16 Drinkard oil, 4 barrels of oil per day. Wantz-Abo
17 oil, 3 barrels of oil per day. Drinkard-Abo gas,
18 44.5 MCF per day.

19 MR. STAMETS: That's the average daily
20 production for the year?

21 MR. COLEMAN: Yes, sir. '76, Blinebry,
22 6 barrels of oil per day; Drinkard oil, 3 barrels
23 of oil per day; Wantz-Abo oil, 2 barrels of oil per
24 day. Drinkard-Abo gas, 47 MCF per day. '77, Blinebry
25 oil, 5 barrels of oil per day; Drinkard oil, 3 barrels

1 of oil per day; Wantz-Abo oil, 2 barrels of oil per
2 day. Drinkard-Abo gas, 41.3. We have current
3 production listed on our C-116's.

4 BY MR. KELLAHIN:

5 Q C-116's are attached as an Exhibit
6 that we will get to in a moment, are they not?

7 A Yes, sir.

8 Q Do any of the zones make any water?

9 A Just a trifle.

10 Q In your opinion, is there any incom-
11 patibility with any of the fluids?

12 A No, sir, very similar.

13 Q The ownership in all three zones is
14 common?

15 A That is correct.

16 Q Do you have a recommendation to the
17 Examiner with regards to how you propose to allocate
18 production between or among all three zones?

19 A Well, the way current production is,
20 Blinebry is 50 percent, Drinkard 30 and Wantz-Abo 20.

21 Q Let's go to Exhibit Four and have you
22 identify that for me.

23 A That's a schematic of the original
24 installation, which is still the same. It hasn't
25 been changed.

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1 Q What occurred in the well to cause you
2 to request commingling for the Drinkard and the Abo
3 back in '72?

4 A We had a leak in the bottom pack,
5 apparently.

6 Q Instead of repairing that leak, you
7 sought approval for commingling?

8 A That's correct.

9 Q Now, what has occurred in the installation
10 of this well?

11 A We assume we have a leak in the top
12 packer.

13 Q Based upon what do you make that
14 assumption?

15 A Packer leakage test.

16 Q Is it economically feasible for Harper
17 Oil Company to repair the leak?

18 A It would be rather costly. We feel
19 that we're getting all the production that's available.

20 Q In your opinion, will the current
21 production justify the expense of making that type
22 of repair?

23 A In my opinion, it wouldn't justify
24 taking all those packers and redoing the installation.

25 Q All right. Let's look at Exhibit

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1 Number Five and have you identify that.

2 A That is the current production of
3 Blinebry Oil.

4 Q That current production is what?

5 A Six barrels per day.

6 Q Let's look at Exhibit Number Six.

7 A That is the Drinkard oil.

8 Q What is--

9 A Three barrels per day.

10 Q And Exhibit Number Seven?

11 A Wantz-Abo, three barrels per day.

12 Q And Exhibit Number Eight?

13 A That is the reservoir pressure, 24-hour

14 shut-in on the Blinebry oil at mid-point of the
15 casing perforation, which is 1132.

16 Q And Exhibit Number Nine?

17 A That is bottom hole pressure, 24-hour

18 shut-in, at the mid-point of the combined perforations
19 of Drinkard and Wantz-Abo, and it's 678.

20 Q What conclusions do you draw from
21 Exhibits Eight and Nine?

22 A That the pressures are relatively low
23 and they're not too far apart. We feel like we can
24 go ahead and produce the three zones. They are all
25 capable of flowing.

1 Q In your opinion, Mr. Coleman, will
2 approval of this application be in the best interests
3 of conservation and prevention of waste and protection
4 of correlative rights?

5 A Yes, I believe it would.

6 Q Were Exhibits One through Nine prepared
7 by you directly or compiled under your direction
8 and supervision?

9 A Yes, sir.

10 MR. KELLAHIN: If the Examiner please,
11 we move the introduction of Exhibits One through Nine.

12 MR. STAMETS: These Exhibits will be
13 admitted.

14 MR. KELLAHIN: That concludes our
15 examination of Mr. Coleman.

16 MR. STAMETS: Mr. Coleman, you said
17 all of the zones are flowing?

18 MR. COLEMAN: Yes, sir.

19 MR. STAMETS: And that means that each
20 one has its own tubing. Are they commingled at the
21 surface?

22 MR. COLEMAN: The Wantz-Abo-Drinkard
23 are commingled at the surface.

24 MR. STAMETS: What will you do with the
25 Blinebry; commingle it at the surface as well?

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1 MR. COLEMAN: We propose to leave it
2 the way it is at the present time.

3 MR. STAMETS: I notice the pressure
4 on the upper zone, the Blinebry zone, is substantially
5 higher than the combined pressure on the two lower
6 zones.

7 MR. COLEMAN: Yes, sir.

8 MR. STAMETS: Four-hundred-and-some
9 pounds. Do you anticipate that this could cause
10 any cross-flow between the Blinebry zone and the two
11 deeper zones?

12 MR. COLEMAN: Not the way the leak
13 appears. It's a very small leak. And, of course,
14 the Blinebry makes more oil than probably the combined
15 amount of the other two.

16 This pressure, of course, you have a
17 certain amount of oil in the tubing, and we feel
18 that producing it the way it's been produced will
19 give us as much production as you can get out of it.

20 MR. STAMETS: As long as the well is
21 flowing, you're not going to have that much pressure
22 differential between the zones?

23 MR. COLEMAN: No, sir.

24 MR. STAMETS: What about gas production?
25 Now, you have proposed a distribution of the -- or an

1 allocation of the production of the oil based on
2 this most recent test. What about the gas?

3 MR. COLEMAN: Well, of course, the gas
4 goes down the common line; the load pressure on the
5 Wantz-Abo and Drinkard, and it's a very small amount,
6 around 40,000 a day.

7 MR. STAMETS: Did our Order 4333
8 allocate the gas production?

9 MR. COLEMAN: Yes, sir. Sixty-seven
10 percent Wantz-Abo, 33 percent Drinkard.

11 MR. STAMETS: Is the gas being sold from
12 the Blinebry side?

13 MR. COLEMAN: It's probably selling
14 some, but it makes so little gas. Just enough to
15 flow. It's not really enough to be concerned about.

16 MR. STAMETS: Are the working royalty
17 interests the same between all zones?

18 MR. COLEMAN: Yes, sir.

19 MR. STAMETS: So you would recommend
20 that we not allocate any gas production to the
21 Blinebry zone?

22 MR. COLEMAN: Just a minimum amount,
23 because it's got to be producing some gas.

24 MR. STAMETS: Well, it would seem like
25 it would have to be in order to be flowing in this case.

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1 we can enter an order.

2 MR. COLEMAN: Well, on testing the
3 wells, of course, we have shown the Blinebry as
4 almost too small to measure. Of course, they all
5 go down a low-pressure line.

6 MR. STAMETS: Well, if after the
7 Hearing, Mr. Coleman, you will doublecheck this,
8 the Division will certainly check its records and
9 see if perhaps we have made some errors in the
10 stat book.

11 Once we get this problem resolved,
12 I'm sure we can enter an order, because it does not
13 appear that the volume is sufficient to cause a
14 problem in how its allocated.

15 Any other questions of the witness?
16 He may be excused.

17 MR. COLEMAN: Thank you.

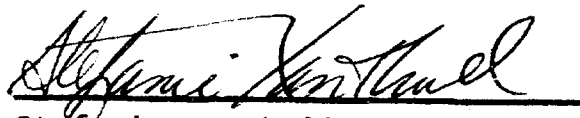
18 MR. STAMETS: Anything further in
19 this case? It will be taken under advisement.

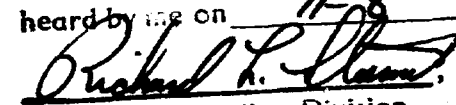
20 (Hearing concluded.)
21
22
23
24
25

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REPORTER'S CERTIFICATE

I, STEFANIE XANTHULL, a Court Reporter, DO
HEREBY CERTIFY that the foregoing and attached
Transcript of Hearing before the Oil Conservation
Division was reported by me; that the said transcript
is a full, true, and correct record of the Hearing,
prepared by me to the best of my ability, knowledge,
and skill, from my notes taken at the time of the
Hearing.


Stefanie Xanthull, CSR

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 6375,
heard by me on 11-8 19 78.
, Examiner
Oil Conservation Division

SALLY WALTON BOYD
CERTIFIED INTERVIEW REPORTER
5919 Park Avenue (G-15) 471-4663
Brooklyn, New York 11220

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6375
Order No. R-5961

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

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on November 8, 1978, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 30th day of March, 1979, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Harper Oil Company, is the owner and operator of the S. J. Sarkeys Well No. 2, located in Unit H of Section 26, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That the applicant seeks authority to commingle Blinebry, Drinkard and Wantz-Abo production within the wellbore of the above-described well.
- (4) That from each of said zones, the subject well is capable of low marginal production only.
- (5) 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.
- (6) That the reservoir characteristics of each of the subject zones are such that underground waste would not be caused

-2-

Case No. 6375
Order No. R-5961

by the proposed commingling provided that the well is not shut-in for an extended period.

(7) That to afford the Division 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 Division any time the subject well is shut-in for 7 consecutive days.

(8) That in order to allocate the commingled production to each of the commingled zones in the subject well, 50 percent of the commingled oil production should be allocated to the Blinebry zone, 30 percent and 33 percent of the commingled oil and gas production, respectively, to the Drinkard zone, and 20 percent and 57 percent of the commingled oil and gas production, respectively, to the Wantz-Abo zone.

(9) That Division Order No. R-4333, which authorized the dual completion of the Blinebry formation and the commingled Drinkard-Abo formations in the subject well, should be superseded.

IT IS THEREFORE ORDERED:

(1) That the applicant, Harper Oil Company, is hereby authorized to commingle Blinebry, Drinkard and Wantz-Abo production within the wellbore of its S. J. Sarkeys Well No. 2, located in Unit H of Section 26, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

(2) That 50 percent of the commingled oil production shall be allocated to the Blinebry zone, 30 percent and 33 percent of the commingled oil and gas production, respectively, shall be allocated to the Drinkard zone, and 20 percent and 57 percent of the commingled oil and gas production, respectively, shall be allocated to the Wantz-Abo zone.

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

(4) That Division Order No. R-4333 is hereby superseded.

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

-3-

Case No. 6375
Order No. R-5961

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



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Joe D. Ramey
JOE D. RAMEY
Director

SEAL

Ed/

JARREL SERVICES, INC.

POST OFFICE BOX 1854

PHONE 505 393-5396

HOBBS, NEW MEXICO 88240

October 12, 1978

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

Attention: Mr. Joe Namey, Director

Re: Harper Oil Company
S.J. Sarkeys, No. 2
Wantz ABO-Drinkard
Blinebry
Lea County, New Mexico

Gentlemen;

I here by request a Hearing for the approval of Down Hole Commingling of three Producing Zones in Harper Oil Company's S.J. Sarkeys, No. 2. Located in Unit H of Section 26, Township 21 South, Range 37 East, NMPN, Lea County, New Mexico. The Wantz Abo-Drinkard Zones are being Commingled by Commission Order No. H-4333.

Respectfully Requested,

Joe A. Coleman, Agent

Joe A. Coleman

JAC:MM

cc: Harper Oil Company
904 Hightower Bldg.
Oklahoma City, Oklahoma 73102

Jason W. Kellahin, Attorney at Law
P.O. Box 1769
Santa Fe, New Mexico 87501

BEFORE EXAMINER STAMETS	
OIL CONSERVATION DIVISION	
<i>Harper</i>	EXHIBIT NO. <u>1</u>
CASE NO.	<u>6375</u>
Submitted by	
Hearing Date	<u>8 Nov</u>

JARREL SERVICES, INC.

POST OFFICE BOX 1654

PHONE 505 393-5396

HOBBS, NEW MEXICO 88240

November 8, 1978

I.

- (A) Three Zones to be Commingled in the Well-Bore are Classified as Oil Zones.
- (B) The Total Daily Production from Three Zones before Commingling does not exceed 50 BBLS/Day.
- (C) Three Zones are Capable of Flowing.
- (D) Neither Zone Produces more than a Trace of Water.
- (E) The Fluids from each Zone are compatible with the Fluids from the other.
- (F) Total Volume of Crude will not be Reduced.
- (G) Ownership of the Three Zones to be Commingled is Common.
- (H) The Commingling will not jeopardize Secondary Recovery Operations.

BEFORE EXAMINER STAMETS	
OIL CONSERVATION DIVISION	
EXHIBIT NO.	2
CASE NO.	
Submitted by	
Hearing Date	

JARREL SERVICES, INC.

POST OFFICE BOX 1654

PHONE 505 393-5396

HOBBS, NEW MEXICO 88240

2.

(A) Harper Oil Company
905 hightower Bldg.
Oklahoma City, Oklahoma 73102

(B) S.J. Sarkeys, No. 2
H 26 21s 37e
Lea County

(C) Blinebry Oil
Drinkard Oil
Wantz Abo Oil
Order Number 1705, 2-16-66

} old triple comp?

(D) Production Test on C-116

(E) Decline
1975
Blinebry Oil 6 BO/D
Drinkard Oil 4 BO/D
Wantz Abo Oil 3 BO/D
Drinkard-Abo Gas 44.5 MCF/D

} Are daily yr

1976
Blinebry Oil 6 BO/D
Drinkard Oil 3 BO/D
Wantz Abo Oil 2 BO/D
Drinkard-ABO Gas 47.0 MCF/D

1977
Blinebry Oil 5 BO/D
Drinkard Oil 3 BO/D
Wantz Abo Oil 2 BO/D
Drinkard-Abo Gas 41.3 MCF/D

50 %
30 %
20 %

(F) Bottom Hole Pressure on C-124

(G) Gravity: Blinebry 39.5, Drinkard 41.0, Wantz Abo 39.5

(H) All Stripper Production

(I) Off Set Operator Notified

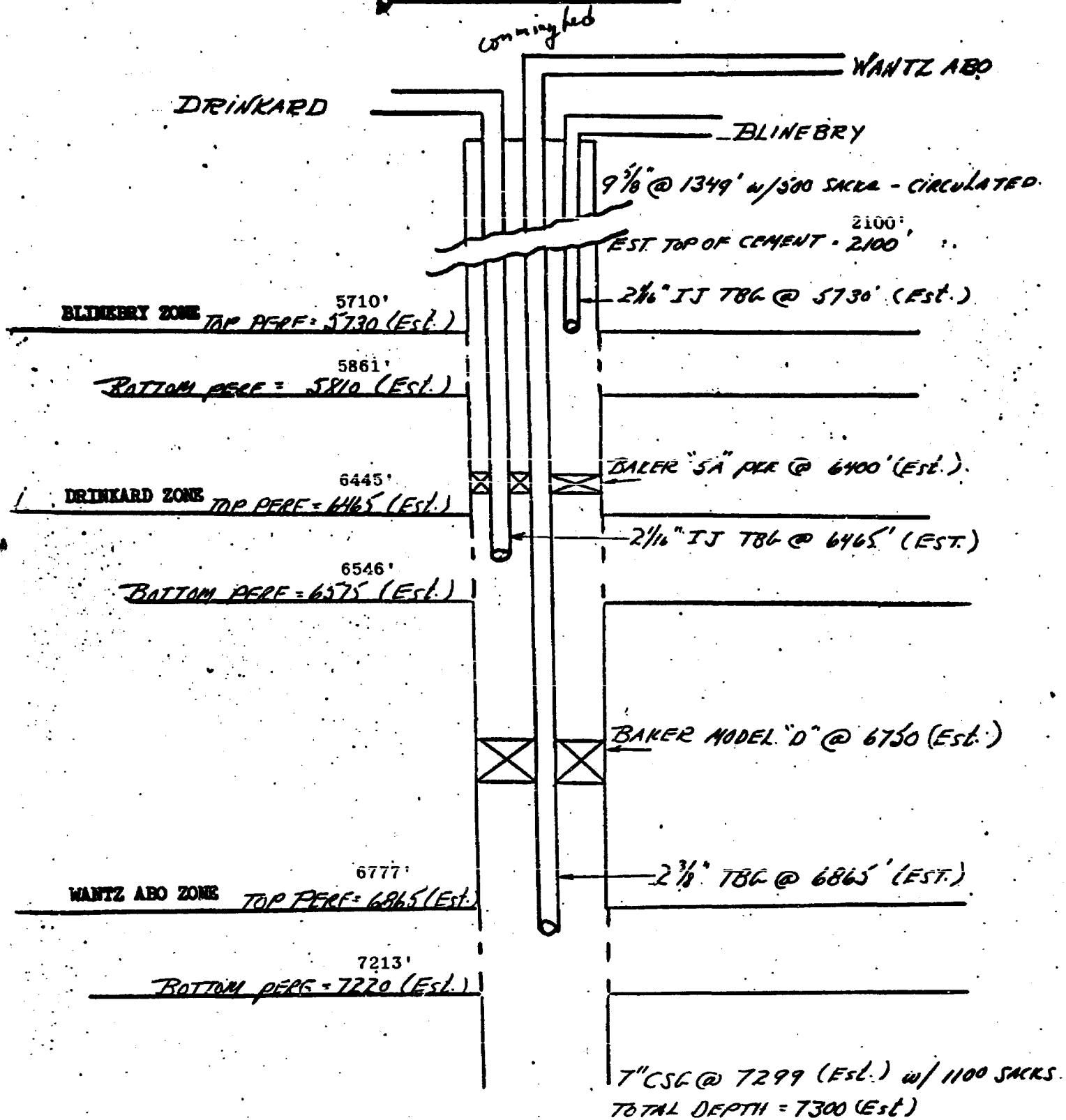
BEFORE EXAMINER STATES
OIL CONSERVATION DIVISION

Case No. 3

Submitted by _____

Hearing Date _____

**DIAGRAMATIC SKETCH
PIPE COMPLETION INSTALLATION**



Company - HARPER OIL COMPANY
 Lease - S. J. SARKEYS NO. 2
 Field - WANTZ ABO, DRINKARD, BLINEBRY
 Location - NW SE NE T-21-S, R-37-E
 IEA COUNTY, NEW MEXICO

BEFORE EXAMINER STAMPS
 OIL CONSERVATION DIVISION

CASE NO.

Submitted by

Hearing Date

4

C-1:6
Revised 1-1-63

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

During good-well 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 allowable 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 0.640.

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

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.

(Signature)
Agent November 6, 1978

NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS

C-118
Revised 1-1-65

Operator Harper Oil Company		Pool Drinkard		County Lea											
Address 905 Hightower Bldg. Oklahoma City, Oklahoma 73102		TYPE OF TEST - (X) <input type="checkbox"/> Scheduled <input checked="" type="checkbox"/> Special		Completion <input type="checkbox"/> PROG. DURING TEST <input checked="" type="checkbox"/> GAS - OIL RATIO											
LEASE NAME	WELL NO.	LOCATION U S T R			DATE OF TEST	CHOKE SIZE	TBG. PRESS.	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	WATER DLS.	GRAV. OIL	OIL DLS.	GAS M.C.P.	GAS - OIL RATIO CU. FT/BSL	
S.J. Sarkeys	2	H	26	21	37	11/1/78	25/64	215	4	24	TR	41.0	3	43.0	14333

BEFORE EXAMINER SIGNATURES
OIL CONSERVATION DIVISION
NOV 11 1978
Submitted by
Hearing Date

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

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 allowable 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 201 and appropriate pool rules.

(Signature)
Agent November 6, 1978

**NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS**

C-116
Revised 1-1-65

Operator Harper Oil Company		Pool Wantz Abo		County Lea	
Address		TYPE OF TEST - (X)		Schedul <input type="checkbox"/> Completion <input type="checkbox"/> Special <input checked="" type="checkbox"/>	
LEASE NAME S.J. Sarkeys		WELL NO. 2	LOCATION U H S 26 T 21 R 37	DATE OF TEST 11/1/78	CHOKE SIZE F 20/64
				T.B.G. PRESS. 215	DAILY ALLOW-ABLE 4
				LENGTH OF TEST 24	WATER DILS. TR
				PROD. DURING TEST 41.8	OIL GRAV. 3
				GAS M.C.F. 43.0	GAS - OIL RATIO 14333

BEFORE EXAMINER SIGNATURES
OIL CONSERVATION DIVISION
CASA GRANDE, ARIZONA
Submitted by _____
Hearing Date _____

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 oil-washers who's 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 0.68.
Report casing pressure in line 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 313 and appropriate pool rules.

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

Agent **November 6, 1978**

TYPE OF REPORT - (X)	
Initial Completion	
Special	X
General Survey	

General Survey							Pool			County			Date			
Operator Harper Oil Company							Drinkard Oil - Wantz Abo Oil			Lea			October 28, 1978			
Address 905 Hightower Bldg. Oklahoma City, Oklahoma 73102							Producing Formation Drinkard-Abo			Oil Gradient						
LEASE	WELL NO.	LOCATION			ELEV. (ft)	DATE TESTED	Z IN FEET	SHUT-IN PRESS.	BOMB TEST DATA			SONIC INSTRUMENT TEST DATA*			PRESS. AT DATUM	
		U	S	T R					psi/ft.	Water Gradient	Gas Gravity	Datum Plane				
S.J. Sarkeys																
	2	H	26	21 37	3389 0 KB	10/28/78	24	570	6339	108	669	-	-	-	-	678

BEFORE EXAMINATION STARTS
OIL CONSERVATION DIVISION

CASE NO. _____
Sonic by _____
Hearing Date _____

EX-111-100
a

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

November 3, 1978

JARREL SERVICES, INC.

POST OFFICE BOX 1654

PHONE 505 393-5396

HOBBS, NEW MEXICO 88240

October 12, 1978

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

Attention: Mr. Joe Ramey, Director

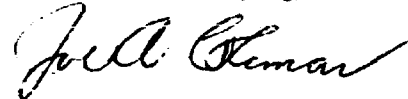
Re: Harper Oil Company
S.J. Sarkeys, No. 2
Wantz ABO-Drinkard
Blinebry
Lea County, New Mexico

Gentlemen;

I here by request a Hearing for the approval of Down Hole Commingling of three Producing Zones in Harper Oil Company's S.J. Sarkeys, No. 2. Located in Unit H of Section 26, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico. The Wantz Abo-Drinkard Zones are being Commingled by Commission Order No. R-4333.

Respectfully Requested,

Joe A. Coleman, Agent



JAC:MM

cc: Harper Oil Company
904 Hightower Bldg.
Oklahoma City, Oklahoma 73102

Jason W. Kellahin, Attorney at law
P.O. Box 1769
Santa Fe, New Mexico 87501

BEFORE EXAMINER STAMETS	
OIL CONSERVATION DIVISION	
EXHIBIT NO.	1
CASE NO.	6325
Submitted by	
Hearing Date	

JARREL SERVICES, INC.

POST OFFICE BOX 1654

PHONE 505 393-8300

HOBBS, NEW MEXICO 88240

November 8, 1978

I.

- (A) Three Zones to be Commingled in the Well-Bore are Classified as Oil Zones.
- (B) The Total Daily Production from Three Zones before Commingling does not exceed 50 BBLS/Day.
- (C) Three Zones are Capable of Flowing.
- (D) Neither Zone Produces more than a Trace of Water.
- (E) The Fluids from each Zone are compatible with the Fluids from the other.
- (F) Total Volume of Crude will not be Reduced.
- (G) Ownership of the Three Zones to be Commingled is Common.
- (H) The Commingling will not jeopardize Secondary Recovery Operations.

BEFORE EXAMINER STAMETS	
OIL CONSERVATION DIVISION	
EXHIBIT NO.	2
CASE NO.	6375
Submitted by	
Hearing Date	

JARREL SERVICES, INC.

POST OFFICE BOX 1884

PHONE 505 393.3396

HOBBS, NEW MEXICO 88240

2.

(A) Harper Oil Company
905 hightower Bldg.
Oklahoma City, Oklahoma 73102

(B) S.J. Sarkeys, No. 2
H 26 21s 37e
Lea County

(C) Blinebry Oil
Drinkard Oil
Wantz Abo Oil
Order Number 1705, 2-16-66

(D) Production Test on C-116

(E) Decline
1975

Blinebry Oil 6 BO/D
Drinkard Oil 4 BO/D
Wantz Abo Oil 3 BO/D
Drinkard-Abo Gas 44.5 MCF/D

1976

Blinebry Oil 6 BO/D
Drinkard Oil 3 BO/D
Wantz Abo Oil 2 BO/D
Drinkard-ABO Gas 47.0 MCF/D

1977

Blinebry Oil 5 BO/D
Drinkard Oil 3 BO/D
Wantz Abo Oil 2 BO/D
Drinkard-Abo Gas 41.3 MCF/D

(F) Bottom Hole Pressure on C-124

(G) Gravity: Blinebry 39.5, Drinkard 41.0, Wantz Abo 39.5

(H) All Stripper Production

(I) Off Set Operator Notified

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

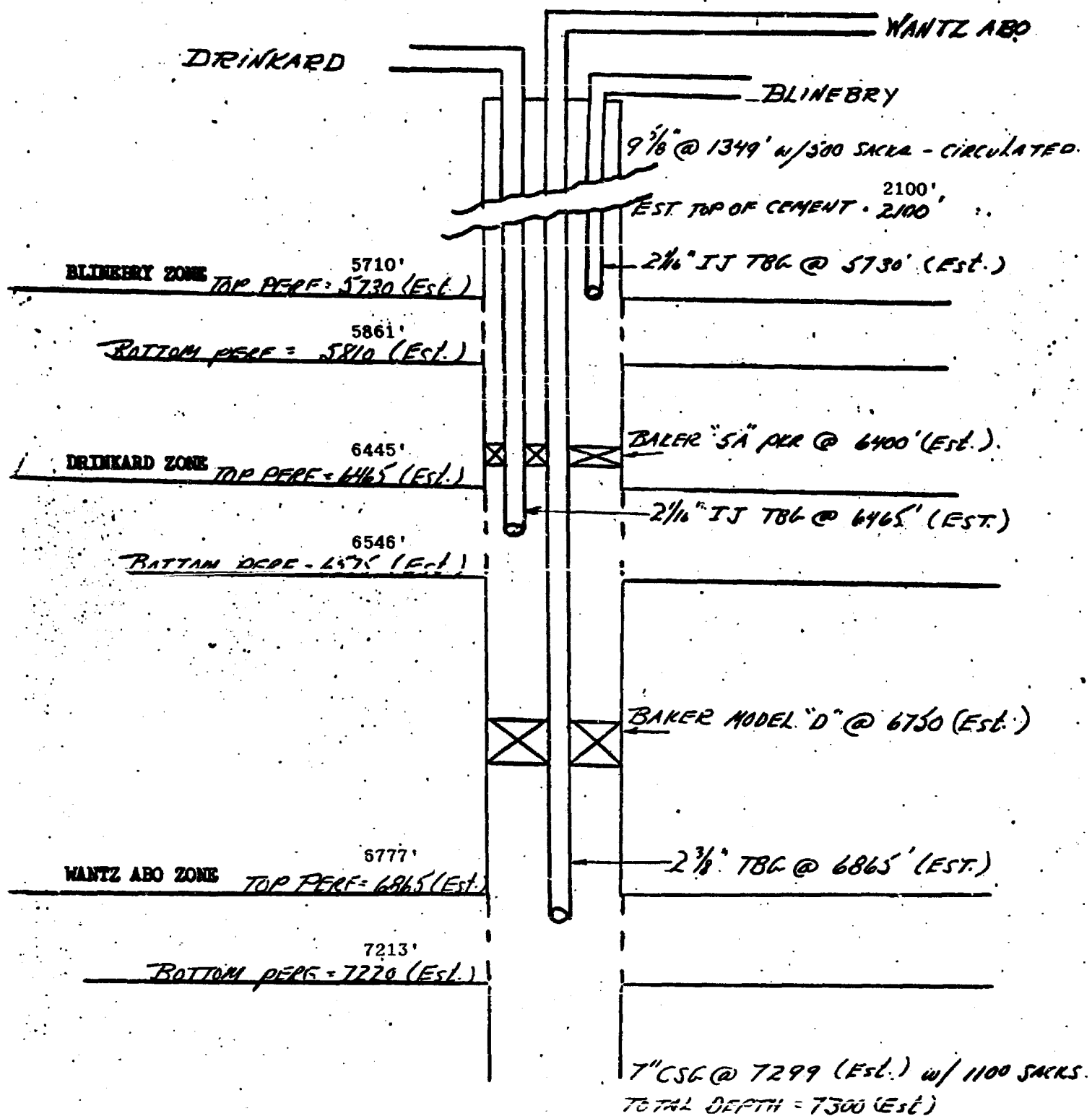
EXHIBIT NO. 3

CASE NO. 6325

Submitted by _____

Hearing Date _____

DIAGRAMATIC SKETCH
PIPE COMPLETION INSTALLATION



Company - HARPER OIL COMPANY
 Lease - S. J. SARKEYS NO. 2
 Field - WANTZ ABO, DRINKARD, BLINEBRY
 Location - NW SE NE T-21-S, R-37-E
 LEA COUNTY, NEW MEXICO

BEFORE EXAMINER STAMETS
 OIL CONSERVATION DIVISION

EXHIBIT NO. 7

CASE NO. 6375

Submitted by

Hearing Date

NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS

C-116
Revised 1-1-65

Operator Harper Oil Company		Pool Blinbury Oil		County Lea	
Address 905 Hightower Bldg. Oklahoma City, Oklahoma 73102				Type of TEST - (X)	
LEASE NAME S. J. Sarkeys	WELL NO. 2	LOCATION U S T R			DATE OF TEST 11/1/78
					CHOKE SIZE F 30/64
				T.B.G. PRESS.	30
				DAILY ALLOW- ABLE	8
				LENGTH OF TEST HOURS	24
				WATER DLS.	0
				GRV. OIL DLS.	39.5
				OIL DLS.	6
				GAS M.C.F.	TSTM
				GAS - OIL RATIO CU. FT/BSL	-

BEFORE EXAMINER STARTS
OIL CONSERVATION DIVISION
EXAMINER NO. 5
CASE NO. 6213
Submitted by _____
Hearing Date _____

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 allowable when authorized by the Commission.
Gas volume 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.
Well original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 301 and appropriate pool rules.

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

(Signature)
Agent November 6, 1978

**NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS**

C-118
Revised 1-1-65

Operator Harper Oil Company		Pool Drinkard		County Lea							
Address 905 Hightower Bldg. Oklahoma City, Oklahoma 73102		Type of Test - (X) <input checked="" type="checkbox"/> TEST - (X)		Scheduled <input type="checkbox"/>							
LEASE NAME S.J. Sarkey	WELL NO. 2	LOCATION U S T R H 26 21 37	DATE OF TEST 11/1/78	CHOKE SIZE 25/64	TBG. PRESS. 215	DAILY ALLOW-ABLE 4	LENGTH OF TEST hours 24	Completion <input type="checkbox"/>			GAS - OIL RATIO CU. FT. / BBL.
								PROC. DURING TEST			
								WATER OIL DOL. 3DLS.	GRAV. OIL 3DLS.	GAS M.C.F.	
											1433

**BEFORE EXAMINER STARTS
OIL CONSERVATION DIVISION
EXAMINATION**

CASE NO. **6370**
Submitted by _____
Hearing Date _____

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 allowances 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 0.66.

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 303 and appropriate pool rules.

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

(Signature)
Agent **November 6, 1978**

NEW MEXICO OIL CONSERVATION COMMISSION
GAS-OIL RATIO TESTS

C-118
Revised 1-1-65

Operator Harper Oil Company		Pool Wantz Abo		County Lea	
Lease Name		WELL NO.		TYPE OF TEST - (X)	
S.J. Sarkeys		2		Scheduled <input type="checkbox"/> Special <input checked="" type="checkbox"/>	
		LOCATION U S T R		DATE OF TEST	
		H 26 21 37		11/1/78	
				CHOKE SIZE	
				F 20/64	
				T.B.G. PRESS.	
				215	
				DAILY ALLOW-ABLE	
				4	
				LENGTH OF TEST	
				24	
				WATER OIL BOLS.	
				TR 41.8	
				OIL BOLS.	
				3	
				GAS M.C.F.	
				43.0	
				GAS - OIL RATIO CU.FT./BBL.	
				14333	

BEFORE EXAMINER SIGNATURES
OIL CONSERVATION DIVISION
EXHIBIT NO. 7
CASE NO. 6335
Submitted by _____
Hearing Date _____

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 oil-washers when authorized by the Commission.
Gas volumes must be reported in MCF measured at a pressure base of 15.023 psia and a temperature of 60° F. Specific gravity base will be 0.611.
Report testing pressure in line 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.

Agent November 6 1978

NEW MEXICO OIL CONSERVATION COMMISSION

Form C-124
Revised 1-1-65

RESERVOIR PRESSURE REPORT

TYPE OF REPORT - (X)		Initial Completion		Special		General Survey												
Operator Harper Oil Company				Pool Blinberry Oil		County Lea												
Address 905 Hightower Bldg. Oklahoma City, Oklahoma 73102				Producing Formation Blinberry Oil		Oil Gradient .332												
				Water Gradient -		Gas Gravity .046												
				Date October 28, 1978		Datum Plane (-2397)												
LEASE	WELL NO.	LOCATION			ELEV. (ft)	DATE TESTED	SHUT-IN PRESS. (PSI)	BOMB TEST DATA				SONIC INSTRUMENT TEST DATA				PRES. AT DATUM		
		U	S	T				R	TEST DEPTH	B.M. TEMP. °F	DB-SEVERED PRESS.	PROD. TEST (BBL S./DAY)	LIQUID LEVEL	LIQUID GRAD-IENT PSI/FT.	WT. OF LIQUID COL. PSI		WT. OF GAS COL. PSI	CSC. PRESS.
S.J. Sarkeys	2	H	26	21	37	3389 KB	10/28/78	24	363	5639	100	1083	-	-	-	-	-	1132

BEFORE EXAMINER STATES
OIL CONSERVATION DIVISION
EXAMINER NO. 8
CASE NO. 6336
Submitted by _____
Hearing Date _____

All depths plus or minus sea level; all pressures psi; Bomb shall be calibrated frequently enough against a dead weight tester to ensure an accuracy of one per cent; gas gravity shall be determined by analysis; liquid level shall be feet above datum plane. see rule 602.
Well shall be produced at least 24 hours prior to shutting in for sonic test.

I hereby certify that the above information is true and complete to the best of my knowledge and belief.
JAMES SERVICES, INC.
(Signature)
Agent
(Title)

November 3, 1978
(Date)

TYPE OF REPORT - (X)

Initial Completion

Shut-in

General Survey

X

NEW MEXICO OIL CONSERVATION COMMISSION

RESERVOIR PRESSURE REPORT

Form C-124
Revised 1-1-65

Operator		Pool		County		Date									
Harper Oil Company		Drinkard Oil - Wantz Abo Oil		Lea		October 28, 1978									
Address 905 Hightower Bldg. Oklahoma City, Oklahoma 73102		Producing Formation Drinkard-Abo		Oil Gradient		Water Gradient									
				psi/ft.		psi/ft.									
				-		.018									
						Datum Plane (-3440)									
LEASE	WELL NO.	LOCATION	ELEV. (ft)	DATE TESTED	SHUT-IN PRESS. (psi)	BOMB TEST DATA				SONIC INSTRUMENT TEST DATA*				PRESS. AT DATUM	
						TEST DEPTH	B.H. TEMP. °F	GR. SERV. PRESS.	PROD. TEST (BBL-S/DAY)	LIQUID LEVEL	LIQUID GRAD-TEST (psi/ft)	WT. OF LIQUID COL. PSI	WT. OF GAS COL. PSI		CSG. PRESS.
S.J. Sarkeys	2	H 26 21 37	3389 0 KB	10/28/78	24	570	6339	108	669	-	-	-	-	-	678

BEFORE EXAMINER STATES
OIL CONSERVATION DIVISION
CASE NO. 6376
Submitted by
Hearing Date

All depths plus or minus sea level; all pressures psi; Bomb shall be calibrated frequently enough against a dead weight tester to ensure an accuracy of one per cent; gas gravity shall be determined by analysis; liquid level shall be feet above datum plane. see N.U.C. 902.
Well shall be produced at least 24 hours prior to shutting in for sonic test.

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

JARREL SERVICES, INC.

Agent

November 3, 1978

(Signature)

(Title)

(Date)

CASE 6370: Application of Amoco Production Company for an unorthodox gas well location and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Gilluly B Fed. Well No. 22 to be drilled 2310 feet from the North line and 1980 feet from the West line of Section 33, Township 20 South, Range 37 East, Eumont Gas Pool, Lea County, New Mexico, to be simultaneously dedicated with the current unit Wells No. 3 and 15 located in Units N and H, respectively, to the present 360-acre non-standard proration unit in Section 33.

CASE 6371: Application of Doyle Hartman for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of his Phillips-Woolworth Well No. 1 located 2310 feet from the North line and 1980 feet from the East line of Section 26, Township 24 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico.

CASE 6372: Application of Belco Petroleum Corporation for an unorthodox well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 1495 feet from the North line and 330 feet from the West line of Section 6, Township 23 South, Range 31 East, Los Mendanos Atoka Pool, Eddy County, New Mexico, the W/2 of said Section 6 to be dedicated to the well.

CASE 6373: Application of Beard Oil Company for a dual completion, surface commingling, pool creation, and special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the gas-gas dual completion of its Hanlad Well No. 1 located in Unit E of Section 17, Township 17 South, Range 24 East, Eddy County, New Mexico, to produce gas from the Atoka formation through tubing and the Abo formation through the casing-tubing annulus, and to commingle the production at the surface. Applicant further seeks the creation of a new Abo gas pool and the adoption of special pool rules therefor, including a provision for 320-acre spacing and proration units for a temporary period of one year.

CASE 6374: Application of Mesa Petroleum Company for a special oil allowable, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a temporary increase in the oil allowable for its West Knowles Well No. 5 located in Unit H of Section 34, Township 16 South, Range 37 East, West Knowles-Drinkard Pool, Lea County, New Mexico, from 310 barrels to 500 barrels for the 90-day period extending from October 1, 1978 to December 31, 1978.

CASE 6375: Application of Harper Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of the Wantz-Abo, Drinkard, and Blinbry production within the wellbore of its S. J. Sarkeys Well No. 2 located in Unit H of Section 26, Township 21 South, Range 37 East, Lea County, New Mexico.

CASE 6352: (Continued and Readvertised)

Application of Southland Royalty Company for a dual completion, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Grenier "A" Well No. 1A located in Unit C of Section 26, Township 30 North, Range 10 West, to produce gas from the Blanco-Pictured Cliffs and Blanco Mesaverde Pools, San Juan County, New Mexico, with separation of the zones to be achieved by means of a polished bore receptacle and mandrel.

CASE 6346: (Continued and Readvertised)

Application of Supron Energy Corporation 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 the wellbore of its Jicarilla K Well No. 14 located in the SE/4 of Section 11, Township 25 North, Range 5 West, Rio Arriba County, New Mexico.

CASE 6348: (Continued and Readvertised)

Application of Supron Energy Corporation for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Mesaverde and Dakota production in the wellbore of its Starr Well No. 3 located in the NE/4 of Section 5, Township 26 North, Range 8 West, San Juan County, New Mexico.

CASE 6341: (Continued from October 11, 1978, Examiner Hearing)

Application of Supron Energy Corporation for dual completions and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the dual completion of its Jicarilla A Well No. 8 located in the NW/4 of Section 23; its Jicarilla E Well No. 7 located in the SE/4 of Section 15; and its Jicarilla E Well No. 8 located in the NW/4 of Section 15, all in Township 26 North, Range 4 West, Rio Arriba County, New Mexico, to produce gas from the Mesaverde formation through a separate string of tubing and to commingle Gallup and Dakota production in the wellbores of said wells.

Dockets Nos. 37-78 and 38-78 are tentatively set for hearing on November 21 and December 6, 1978. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - TUESDAY - NOVEMBER 7, 1978

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 6146: (DE NOVO) (Continued and Readvertised)

Application of Jerome P. McHugh for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Tapacito-Callup and Basin-Dakota production within the wellbore of his Jicarilla Well No. 5 located in Unit D of Section 29, Township 26 North, Range 4 West, Rio Arriba County, New Mexico.

Upon application of Jerome P. McHugh this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 6266: (DE NOVO)

Application of Harvey E. Yates Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of an Upper Pennsylvanian test well to be located 660 feet from the North and East lines or, in the alternative, 990 feet from the North and East lines of Section 23, Township 22 South, Range 23 East, Indian Basin-Upper Pennsylvanian Gas Pool, Eddy County, New Mexico, all of said Section 23 to be dedicated to the well.

Upon application of Harvey E. Yates Company this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 6377: Application of Durham, Inc., for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying Section 8, Township 21 South, Range 24 East, Indian Basin-Morrow Gas Pool, Eddy County, New Mexico, to be dedicated to a well to be drilled 1650 feet from the North and East lines of said Section 8. 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 6378: In the matter of the hearing called by the Oil Conservation Division on the motion of Shell Oil Company to permit Corinne Grace and all other interested parties to appear and show cause why Division Order No. R-3713, which pooled all of Section 8, Township 21 South, Range 24 East, Eddy County, New Mexico, should not be declared null and void, if said pooling order has not already automatically expired due to non-production.

CASE 6379: Application of Shell Oil Company for pool contraction and pool extension, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the contraction of the Indian Basin-Morrow Gas Pool by the deletion therefrom of the N/2 of Section 8, Township 21 South, Range 24 East, Eddy County, New Mexico, or in the alternative, all of said Section 8, and the extension of the Cemetery-Morrow Gas Pool to include the aforesaid N/2 or all of said Section 8.

DOCKET: EXAMINER HEARING - WEDNESDAY - NOVEMBER 8, 1978

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

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

CASE 6369: Application of Amoco Production Company for an unorthodox gas well location and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its DR Well No. 3 to be drilled 660 feet from the North and East lines of Section 16, Township 19 South, Range 32 East, Lea County, New Mexico, to be simultaneously dedicated with its Well No. 1 located in Unit E to the present 320-acre unit comprising the N/2 of said Section 16.

CASE 6342: (Continued from October 11, 1978, Examiner Hearing)

Application of Supron Energy Corporation for a dual completion and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Jicarilla J Well No. 10 located in the SE/4 of Section 26, Township 26 North, Range 5 West, Rio Arriba County, New Mexico, to produce gas from the Pictured Cliffs formation through a separate string of tubing and to commingle Tocito and Dakota production in the wellbore of said well.

CASE 6343: (Continued from October 11, 1978, Examiner Hearing)

Application of Supron Energy Corporation for a dual completion and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Jicarilla H Well No. 8 located in the SE/4 of Section 11, Township 26 North, Range 4 West, Rio Arriba County, New Mexico, to produce gas from the Pictured Cliffs formation through a separate string of tubing and to commingle Gallup and Dakota production in the wellbore of said well.

CASE 6344: (Continued from October 11, 1978, Examiner Hearing)

Application of Supron Energy Corporation for a dual completion and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Jicarilla F Well No. 1 located in the SW/4 of Section 27, Township 26 North, Range 4 West, Rio Arriba County, New Mexico, to produce gas from the Pictured Cliffs formation through a separate string of tubing and to commingle Mesaverde and Dakota production in the wellbore of said well.

CASE 6345: (Continued from October 11, 1978, Examiner Hearing)

Application of Supron Energy Corporation for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Gallup and Dakota production in the wellbore of its Jicarilla H Well No. 7 located in the SW/4 of Section 19, Township 26 North, Range 4 West, Rio Arriba County, New Mexico.

CASE 6347: (Continued from October 11, 1978, Examiner Hearing)

Application of Supron Energy Corporation for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Chacra and Dakota production in the wellbore of its Jicarilla K Well No. 17 located in the SW/4 of Section 12, Township 25 North, Range 5 West, Rio Arriba County, New Mexico.

CASE 6376: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating and extending vertical and horizontal limits of certain pools in Chaves, Eddy, and Lea Counties, New Mexico:

(a) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Pennsylvanian production and designated as the Mescalero Sands-Pennsylvanian Gas Pool. The discovery well is Petroleum Development Corporation Estelle Federal Well No. 1 located in Unit E of Section 34, Township 12 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 12 SOUTH, RANGE 30 EAST, NMPM
Section 34: W/2

(b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Yates production and designated as the Sioux-Yates Pool. The discovery well is Tishman Federal Well No. 1 located in Unit N of Section 5, Township 26 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 36 EAST, NMPM
Section 31: NE/4
Section 32: W/2

TOWNSHIP 26 SOUTH, RANGE 36 EAST, NMPM
Section 5: W/2

(c) EXTEND the Avalon-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM
Section 31: N/2
Section 32: N/2
Section 33: All

(d) EXTEND the Blinberry Oil and Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 26: SE/4

- (e) EXTEND the vertical limits of the Box-Canyon Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, to include the Canyon and Wolfcamp formations and redesignate said pool as the Box Canyon-Permian Pennsylvanian Gas Pool and extend the horizontal limits of said pool to include therein:

TOWNSHIP 21 SOUTH, RANGE 21 EAST, NMPM

Section 13: All
Section 23: S/2
Section 26: E/2
Section 35: E/2
Section 36: W/2

TOWNSHIP 22 SOUTH, RANGE 21 EAST, NMPM

Section 1: N/2

- (f) EXTEND the North Burton Flats-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM

Section 28: S/2
Section 33: E/2

- (g) EXTEND the East Carlsbad-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM

Section 27: S/2

- (h) EXTEND the South Carlsbad-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM

Section 28: N/2

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM

Section 10: N/2
Section 21: S/2

- (i) EXTEND the Comanche Stateline Tansill-Yates Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 36 EAST, NMPM

Section 33: NW/4

- (j) EXTEND the Eagle Creek-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM

Section 29: W/2

- (k) EXTEND the East Empire Yates-Seven Rivers Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM

Section 22: SW/4 and W/2 SE/4

- (l) EXTEND the Forehand Ranch-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM

Section 25: NW/4 SE/4

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

TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM

Section 16: SE/4

- (n) EXTEND the Jenkins-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 35 EAST, NMPM

Section 28: S/2

- (o) EXTEND the Kemnitz-Cisco Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM

Section 16: W/2

- (p) EXTEND the East Lusk-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM

Section 10: N/2 and SW/4
Section 15: NW/4

- (q) EXTEND the West Malaga-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM
Section 9: N/2

- (r) EXTEND the Revelation-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 25 EAST, NMPM
Section 3: W/2

- (s) EXTEND the Rock Tank-Upper Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 24 EAST, NMPM
Section 1: All

- (t) EXTEND the South Salt Lake-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 32 EAST, NMPM
Section 25: N/2

- (u) EXTEND the Southwest Sulphate-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 25 SOUTH, RANGE 26 EAST, NMPM
Section 14: NE/4 NE/4

- (v) EXTEND the Wantz-Granite Wash Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 3: NE/4

- (w) EXTEND the Watkins Yates-Seven Rivers-Queen-Grayburg Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 6: SW/4

- (x) EXTEND the White City-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMPM
Section 8: All

TOWNSHIP 25 SOUTH, RANGE 26 EAST, NMPM
Section 4: All

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

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM
Section 14: S/2

- (z) EXTEND the Winchester-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
Section 24: S/2

- (aa) EXTEND the Winchester-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
Section 26: E/2 and SW/4

JARREL SERVICES, INC.

OCT 13 1978

POST OFFICE BOX 1684

PHONE 505 393-5324

HOBBS, NEW MEXICO 88240

October 12, 1978

Case 6375

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

Attention: Mr. Joe Ramey, Director

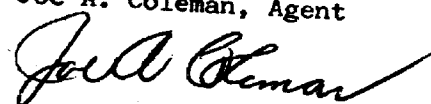
Re: Harper Oil Company
S.J. Sarkeys, No. 2
Wantz ABO-Drinkard
Blindery
Lea County, New Mexico

Gentlemen;

I here by request a Hearing for the approval of Down Hole Commingling of three Producing Zones in Harper Oil Company's S.J. Sarkeys, No. 2. Located in Unit H of Section 26, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico. The Wantz Abo-Drinkard Zones are being Commingled by Commission Order No. R-4333.

Respectfully Requested,

Joe A. Coleman, Agent



JAC:MM

cc: Harper Oil Company
904 Hightower Bldg.
Oklahoma City, Oklahoma 73102

Jason W. Kellahin, Attorney at Law
P.O. Box 1769
Santa Fe, New Mexico 87501

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6375

Order No. R-5961

APPLICATION OF HARPER OIL COMPANY

FOR DOWNHOLE COMMINGLING, LEA

COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on November 8
19 78, at Santa Fe, New Mexico, before Examiner Richard L.
Stamets.

NOW, on this March day of November, 19 79, the
Division Director, 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 Division has jurisdiction of this cause and the
subject matter thereof.

(2) That the applicant, Harper Oil Company, is
the owner and operator of the S. J. Sarkeys Well No. 2,
located in Unit H of Section 26, Township 21 South
Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant seeks authority to commingle
Drinkard and Blinebry Wantz - 1760 production
within the wellbore of the above-described well.

Blindbry
Wantz-Abc.

(4) That from ~~the~~ each of said zones, ~~Wanta-Abo~~ zone, the subject well is capable of low marginal production only.

~~(5) That from the Drinkard zone, the subject well is capable of low marginal production only.~~

(5) ~~(4)~~ 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.

(6) ~~(5)~~ 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.

(7) ~~(6)~~ That to afford the Division 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 Division any time the subject well is shut-in for 7 consecutive days.

(8) ~~(7)~~ That in order to allocate the commingled production to each of the commingled zones in the subject well, 50 percent percent of the commingled ~~50 percent~~ ^{oil} production should be allocated to the ~~Wanta-Abo~~ Blinebry zone, ^{30 percent} and 33 percent of the commingled ~~oil and gas~~ ^{respectively,} production to the Drinkard zone, and ^{respectively,} 20 percent and 67 percent of the commingled ~~oil and gas~~ ^{oil and gas} production to the Blinebry zone. Wanta-Abo zone

IT IS THEREFORE ORDERED:

(1) That the applicant, Harper Oil Company, is hereby authorized to commingle Blinebry ~~Wanta-Abo~~, Drinkard and Wanta-Abo ~~Blinebry~~ production within the wellbore of ~~its~~ the S. J. Sarkeys Well No. 2, located in Unit H of Section 26, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

(2) That the applicant shall consult with the Supervisor of the Hobbs District Office of the Division and determine an allocation formula for the allocation of production to each zone in each of the subject wells.

~~(6) That from the Blinebry zone, the subject well is capable of low marginal production only.~~

(9) That Division Order No. R-4333 should be suspended, which authorized the dual completion of the Blinebry formation and the commingled Drinkard-Abo formations in the subject well, should be suspended.

(2) 437 That 50 percent of the commingled oil production shall be allocated to the Blinberry zone and 30 percent and 33 percent of the commingled

oil and gas production ^{respectively, shall be allocated} shall be allocated to the Drinkard zone, and 2 percent ^{of the commingled oil and gas production,} shall be allocated to the Blinberry zone.

(3) 447 That the operator of the subject well shall immediately notify the Division's Hobbs district office any time the well has been shut-in for 7 consecutive days and shall concurrently present, to the Division, a plan for remedial action.

(5) 457 That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

(4) That Division Order No R-4333 which authorized the triple completion of ~~Sord's Sorkey's Well No 2~~ is hereby superseded.

NOV 28 1978

Amberg

CASE 6376: SOUTHEASTERN NEGOTIATIONS
CASE FOR NOVEMBER, 1978