

CASE 6628: TEXACO INC. FOR DOWNHOLE
COMMINGLING, LEA COUNTY, NEW MEXICO.

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CASE NO.

6628

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,

ETC.

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. 6628
Order No. R-6113

APPLICATION OF TEXACO INC. 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 August 22, 1979,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 19th day of September, 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, Texaco Inc., is the owner and
operator of the M. B. Weir "B" Well No. 9, located in Unit O of
Section 12, Township 20 South, Range 37 East, NMPM, Lea County,
New Mexico.
- (3) That the applicant seeks authority to commingle Skaggs-
Glorieta, East Weir-Blinbry, and Skaggs-Drinkard production
within the wellbore of the above-described well.
- (4) That from the Skaggs-Glorieta zone, the subject well
is expected to be capable of low marginal production only.
- (5) That from the East Weir-Blinbry zone, the subject
well is capable of low marginal production only.
- (6) That from the Skaggs-Drinkard zone, the subject well
is capable of low marginal production only.

-2-

Case No. 6622

Order No. R-6113

(7) 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.

(8) 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.

(9) 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.

(10) That in order to allocate the commingled production to each of the commingled zones in the subject well, 72 percent of the commingled oil production and 40 percent of the commingled gas production should be allocated to the Skaggs-Glorieta zone, 21 percent of the oil production and 42 percent of the gas production to the East Weir-Blinbry zone, and 7 percent of the oil production and 18 percent of the gas production should be allocated to the Skaggs-Drinkard zone.

IT IS THEREFORE ORDERED:

(1) That the applicant, Texaco Inc., is hereby authorized to commingle Skaggs-Glorieta, East Weir-Blinbry, and Skaggs-Drinkard production within the wellbore of the M. B. Weir "B" Well No. 9, located in Unit O of Section 12, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico.

(2) That 72 percent of the commingled oil production and 40 percent of the commingled gas production shall be allocated to the Skaggs-Glorieta zone, 21 percent of the oil production and 42 percent of the gas production shall be allocated to the East Weir-Blinbry zone, and 7 percent of the oil production and 18 percent of the gas production shall be allocated to the Skaggs-Drinkard 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.

-3-

Case No. 6020

Order No. R-6113

(4) 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.



SEAL

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Joe D. Ramey
JOE D. RAMEY
Director

fd/



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

September 21, 1979

Mr. Booker Kelly
White, Koch, Kelly & McCarthy
Attorneys at Law
Post Office Box 787
Santa Fe, New Mexico

Re: CASE NO. 6628
ORDER NO. R-6113

Applicant:

Texaco Inc.

Dear Sir:

Dear Sir:

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

Yours very truly,

JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCD X
Artesia OCD X
Aztec OCD

other

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
Oil Conservation Division
State Land Office Building
Santa Fe, New Mexico
22 August 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Texaco, Inc. for) CASE
downhole commingling, Lea County,) 6628
New Mexico.)

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Ernest L. Padilla, Esq.
Legal Counsel for the Division
State Land Office Bldg.
Santa Fe, New Mexico 87503

For the Applicant:

Booker Kelly, Esq.
WHITE, KOCH, KELLY & McCARTHY
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I N D E X

WES HAYWORTH

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1 MR. NUTTER: We'll call next Case Number
2 6628.

3 MR. PADILLA: Application of Texaco, Inc.
4 for downhole commingling, Lea County, New Mexico.

5 MR. KELLY: Booker Kelly of White, Koch,
6 Kelly and McCarthy, Santa Fe, on behalf of the witness, I
7 have one -- on behalf of the applicant. I have one witness
8 and ask that he be sworn.

9
10 (Witness sworn.)

11
12 WES HAYWORTH
13 being called as a witness and having been duly sworn upon
14 his oath, testified as follows, to-wit:

15
16 DIRECT EXAMINATION

17 BY MR. KELLY:

18 Q Would you please state your name, by whom
19 you're employed, and in what capacity?

20 A I'm Wes Hayworth, employed by Texaco, In-
21 corporated, as a reservoir engineer in the Hobbs District.

22 Q You have previously qualified before this
23 Commission as an expert in petroleum engineering?

24 A Yes, I have.

25 Q Would you state, referring to what has been

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1 marked Exhibit Number One, what does Texaco seek by this
2 application?

3 A. We seek to complete M. B. Weir "B" Well
4 No. 9 in the Glorieta formation, the Skaggs-Glorieta, and
5 downhole commingle it with the currently commingled pro-
6 duction from the Skaggs-Drinkard and Weir-Blinebry East
7 pools.

8 Well No. 9 is in the center of the map,
9 indicated by the red arrow.

10 Q. And as I understand it, this well is pre-
11 sently commingled in two of the zones but not in the Glorieta
12 zone?

13 A. That's correct.

14 Q. What is the order number on the present
15 commingling?

16 A. That order number was R-4999.

17 Q. All right. Now are there other similar
18 triple downhole comminglings in the area shown on the plat?

19 A. Yes, there are. As indicated by the
20 color-coding, these pools, these three pools are downhole
21 commingled in various combinations in a number of wells in
22 this area.

23 Well No. 5, C. H. Weir "B" Well No. 5,
24 which is located in Unit G of Section 11, is downhole com-
25 mingled in the Skaggs-Drinkard, Skaggs-Glorieta, and East

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1 Weir-Blinebry Pools.

2 Q Now referring to Exhibit Number Two, is
3 that data sheet submitted as part of your application?

4 A Yes, it was.

5 Q And what is the present status of the
6 Glorieta? Has that -- has that been perforated yet?

7 A No, the Glorieta has not been perforated
8 as yet.

9 Q All right. When you do perforate, you
10 will pump that zone along with the other two zones?

11 A That's correct.

12 Q Now how were you able to estimate a bottom
13 hole pressure on that zone?

14 A We estimated the bottom hole pressure
15 for the Glorieta zone based on measured bottom hole pressures
16 from offset wells.

17 Q And the exhibit shows that the crude
18 characteristics are all similar, is that correct, in gravity?

19 A Yes. These crudes that we've mentioned
20 are downhole commingled in other wells in the field and
21 surface commingled.

22 Q Okay. Now, turning to Exhibit Number
23 Three, would you explain that for the Examiner?

24 A Exhibit Number Three is a diagram of the
25 present completion in the well. The well is completed with

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1 two strings of 2-7/8ths inch casing cemented in place. The
2 well is currently completed in the Weir-Blinebry East Pool
3 between the depths of 5773 and 6010 feet, and in the Skaggs-
4 Drinkard Pool between the depths of 6783 and 6837 feet.

5 These two completions are downhole com-
6 mingled through perforations common to the two casing strings
7 between 6005 and 6010 feet.

8 Q And your proposed completion is shown
9 on Exhibit Number Four, is that correct?

10 A Exhibit Four is a diagram of our proposed
11 completion. We propose to complete the Glorieta -- Skaggs-
12 Glorieta formation between the depths of 5270 and 5345 feet.

13 Q Okay. Now what is the present rate of
14 production on the two zones that are presently downhole
15 commingled in it?

16 A The total rate is approximately 12 barrels
17 per day.

18 Q And you have performance curves on those
19 two zones along with a performance curve on an offset well
20 for the Glorieta?

21 A Yes, these are Exhibits Five through Seven.

22 Q How are you able to -- what is your esti-
23 mate of the initial production rate of the Glorieta com-
24 mingled?

25 A We estimate that the Glorieta will be able

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1 to produce 30 barrels of oil per day.

2 Q And what would be the total depth of this
3 downhole commingled well?

4 A The maximum depth will be 6837 feet.

5 Q So you would estimate your total initial
6 production of the two zones would be about what?

7 A In the neighborhood of 40 barrels per day.

8 Q How long do you think that that rate of
9 production would -- would go in the Glorieta?

10 A We anticipate that the Glorieta production
11 will begin an immediate decline of about 20 percent per year.

12 Q Do you have any figures of initial pro-
13 duction and current production on an offset Glorieta well?

14 A Yes, we do.

15 Q Would you give these to the Examiner?

16 A Well No. 8, M. B. Weir B No. 8, which is
17 the direct west offset to the subject well, initially pro-
18 duced 96 barrels of oil per day and is currently shut-in.

19 C. H. Weir "A" Well No. 10, a direct north
20 offset to the subject well, produced 68 barrels of oil per
21 day initially and is currently producing 3 barrels.

22 C. H. Weir "A" No. 7, which is two loca-
23 tions west and one location north of the subject well, pro-
24 duced 66 barrels initially and is currently producing 7 bar-
25 rels per day.

1 C. H. Weir "A" Well No. 3, which is two
2 locations north, one location west, produced initially 24
3 barrels per day and is currently producing 10 barrels per
4 day.

5 These are all from the Glorieta, of course.

6 Well No. 4, C. H. Weir No. 4, two loca-
7 tions north and two locations west, produced initially 50
8 barrels per day and is currently producing 14 barrels per
9 day.

10 Well No. -- C. H. Weir "B" No. 4, which
11 is three locations west and one location north, initially
12 produced 30 barrels per day and is currently producing 2
13 barrels per day.

14 Well No. 5, which we referred to earlier,
15 initially -- is located in Unit G of Section 11, initially
16 produced 33 barrels per day and is currently producing 8
17 barrels per day.

18 Q If the Commission were to deny this appli-
19 cation, what would Texaco do with that Glorieta zone?

20 A Well, as part of our anticipated procedure
21 in completing the Glorieta, we will set a bridge plug below
22 the Glorieta perforations in order to treat the Glorieta.

23 If this application was denied, we would
24 simply leave the bridge plug in place and produce the Glorieta.

25 Q And lose the production from the other two

1 zones?

2 A. Right, we would lose production from the
3 Blinebry and Drinkard zones.

4 Q. In your opinion would the dual completion
5 of these two zones have any adverse affect on the reservoir
6 or any proposed secondary recovery projects?

7 A. No, it would not.

8 Q. As far as you know, are there any present
9 secondary recovery projects in the immediate area?

10 A. No, there are not.

11 Q. In your opinion would the granting of this
12 application have any adverse affect on correlative rights
13 of other operators?

14 A. No, it would not. The zones are common
15 royalty and working interest ownership.

16 Q. And it would allow you to produce all three
17 zones rather than shut in the two?

18 A. That's right.

19 Q. Do you have anything you want to add as
20 far as the performance curves, Five, Six, and Seven?

21 A. The performance curves, I think, indicate
22 an established decline rate and also indicate that the wells
23 are of a marginal nature.

24 Q. Well, could you identify the well that you
25 would use for the performance curves on the Glorieta?

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1 A Yes, this is the M. B. Weir "B" Well No. 8,
2 and it's located one location west of the subject well.

3 Q Is that the one that is now shutin?

4 A Right.

5 Q Due to lack of production?

6 A We had mechanical problems downhole.

7 Q I see.

8 A Junk in the hole.

9 Q Were Exhibits One through Seven prepared
10 by you or under your supervision?

11 A Yes, they were.

12 MR. KELLY: Mr. Examiner, I'd move the
13 introduction of Texaco's Exhibits One through Seven.

14 MR. NUTTER: Texaco Exhibits One through
15 Seven will be admitted in evidence.

16 MR. KELLY: I have no further direct
17 examination.

18

19

CROSS EXAMINATION

20 BY MR. NUTTER:

21 Q Mr. Hayworth, referring to your Exhibits
22 Five and Seven, at what point there on these decline curves
23 for the Well NO. 9 were the Drinkard and the Glorieta forma-
24 tions commingled?

25 A I don't know that date. Well, wait a

1 minute, maybe I do.

2 That was in May of 1975.

3 Q Now, on your Exhibit Number Two, you show
4 that the Blinebry is making 14 and the Skaggs is making 4,
5 which would be a total of 18 barrels per day, but you stated
6 that the well is making 12 barrels per day.

7 A Well, the 4 and 14 are based on a 24-hour
8 test, whereas the 12 barrels per day is based on the decline
9 curves, which reflects the average production.

10 Q So it's not making on a daily basis what
11 it shows here on the test?

12 A This is a -- this is a one-day test.

13 Q Now how did you get your pressures here
14 for the Blinebry and the Drinkard?

15 A They were measured on an offset well, which
16 was recently approved for downhole commingling. That is
17 Well No. 10, which is directly north of the subject well.

18 Q And they were measured prior to the com-
19 mingling of the zones?

20 A Right.

21 Q And the 800 pounds that you've got on the
22 Glorieta is taken from what well?

23 A I don't know that. That was submitted by
24 the field. It was their estimate.

25 Q Well, it's kind of disturbing to me, Mr.

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1 Hayworth, to see that you've got a 1577 pound pressure in
2 the Drinkard and only 800 pounds estimated in the Glorieta.
3 There's a note here on your original application that the
4 Drinkard equals 197 percent of the Glorieta insofar as
5 pressure is concerned.

6 A. Okay.

7 Q. Is this advisable to put two zones to-
8 gether where the pressure is double that of one of them --
9 where the pressure of one is double that of the other?

10 A. Let me explain that a little further.

11 Those pressures are measured or estimated
12 at the midpoint of the perforations for each zone. When
13 these pressures are adjusted to a common datum at the mid-
14 point of the Drinkard perforations, they're within 200
15 pounds.

16 Q. Okay, would you give me those adjustment
17 pressures, then, at the datum, and what is the datum?

18 A. Okay. The datum is the midpoint of the
19 Drinkard perforations at 6810 feet.

20 The Glorieta, the adjusted pressure on
21 the Glorieta is 1356 psi and the adjusted pressure on the
22 Blinbry is 1448 psi.

23 Q. And then, of course, your Drinkard pressure
24 is measured at that same datum.

25 A. Right.

1 Q This 1577 would be at that point.

2 A Right, and this is based on, of course,
3 the depth difference and a grading of .37 psi per foot, which
4 is in turn based on the gravity of the oil.

5 Q I see. Okay. That looks a lot better that
6 way, then.

7 MR. NUTTER: Are there any further ques-
8 tions of the witness?

9 MR. KELLY: One question, Mr. Examiner.

10
11 REDIRECT EXAMINATION

12 BY MR. KELLY:

13 Q Do you have a recommendation as far as the
14 allocation between the two zones?

15 A Yes, I do. I recommend that based on the
16 current production from the Blinebry and Drinkard zones and
17 the anticipated 30 barrels per day from the Glorieta, we
18 recommend that 72 percent of the production be allocated to
19 the Glorieta, 21 percent to the Blinebry, and 7 percent to
20 the Drinkard.

21 MR. KELLY: Nothing further.

22 MR. NUTTER: If there are no further ques-
23 tions, the witness may be excused.

24 Do you have anything further, Mr. Kelly?

25 MR. KELLY: Nothing, Mr. Examiner.

1 MR. NUTTER: Does anyone have anything
2 they wish to offer in Case Number 6628?

3 We'll take the case under advisement.

4
5 (Hearing concluded.)
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REPORTER'S CERTIFICATE

I, SALLY W. BOYD, 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, from my notes taken at the time of the hearing.

Sally W. Boyd C.S.R.
Sally W. Boyd, C.S.R.

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 6628
heard by me on 8/22 1979.
[Signature], Examiner
Oil Conservation Division

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
Oil Conservation Division
State Land Office Building
Santa Fe, New Mexico
22 August 1979

EXAMINER HEARING

IN THE MATTER OF:

Application of Texaco, Inc. for) CASE
downhole commingling, Lea County,) 6628
New Mexico.)

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

Ernest L. Padilla, Esq.
Legal Counsel for the Division
State Land Office Bldg.
Santa Fe, New Mexico 87503

For the Applicant:

Booker Kelly, Esq.
WHITE, KOCH, KELLY & MCCARTHY
220 Otero Street
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I N D E X

WES HAYWORTH

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E X H I B I T S

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Santa Fe, New Mexico 87501

1 MR. NUTTER: We'll call next Case Number
2 6628.

3 MR. PADILLA: Application of Texaco, Inc.
4 for downhole commingling, Lea County, New Mexico.

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13 being called as a witness and having been duly sworn upon
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22 Q You have previously qualified before this
23 Commission as an expert in petroleum engineering?

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25 Q Would you state, referring to what has been

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1 marked Exhibit Number One, what does Texaco seek by this
2 application?

3 A We seek to complete M. B. Weir "B" Well,
4 No. 9 in the Glorieta formation, the Skaggs-Glorieta, and
5 downhole commingle it with the currently commingled pro-
6 duction from the Skaggs-Drinkard and Weir-Blaine East
7 pools.

8 Well No. 9 is in the center of the map,
9 indicated by the red arrow.

10 Q And as I understand it, this well is pre-
11 sently commingled in two of the zones but not in the Glorieta
12 zone?

13 A That's correct.

14 Q What is the order number on the present
15 commingling?

16 A That order number was R-4999.

17 Q All right. Now are there other similar
18 triple downhole comminglings in the area shown on the plat?

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20 color-coding, these pools, these three pools are downhole
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22 this area.

23 Well No. 5, C. H. Weir "B" Well No. 5,
24 which is located in Unit G of Section 11, is downhole com-
25 mingled in the Skaggs-Drinkard, Skaggs-Glorieta, and East

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1 Weir-Blinebry Pools.

2 Q Now referring to Exhibit Number Two, is
3 that data sheet submitted as part of your application?

4 A Yes, it was.

5 Q And what is the present status of the
6 Glorieta? Has that -- has that been perforated yet?

7 A No, the Glorieta has not been perforated
8 as yet.

9 Q All right. When you do perforate, you
10 will pump that zone along with the other two zones?

11 A That's correct.

12 Q Now how were you able to estimate a bottom
13 hole pressure on that zone?

14 A We estimated the bottom hole pressure
15 for the Glorieta zone based on measured bottom hole pressures
16 from offset wells.

17 Q And the exhibit shows that the crude
18 characteristics are all similar, is that correct, in gravity?

19 A Yes. These crudes that we've mentioned
20 are downhole commingled in other wells in the field and
21 surface commingled.

22 Q Okay. Now, turning to Exhibit Number
23 Three, would you explain that for the Examiner?

24 A Exhibit Number Three is a diagram of the
25 present completion in the well. The well is completed with

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1 two strings of 2-7/8ths inch casing cemented in place. The
2 well is currently completed in the Weir-Blinebry East Pool
3 between the depths of 5773 and 6010 feet, and in the Skaggs-
4 Drinkard Pool between the depths of 6783 and 6837 feet.

5 These two completions are downhole com-
6 mingled through perforations common to the two casing strings
7 between 6005 and 6010 feet.

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9 on Exhibit Number Four, is that correct?

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11 completion. We propose to complete the Glorieta -- Skaggs-
12 Glorieta formation between the depths of 5270 and 5345 feet.

13 Q Okay. Now what is the present rate of
14 production on the two zones that are presently downhole
15 commingled in it?

16 A The total rate is approximately 12 barrels
17 per day.

18 Q And you have performance curves on those
19 two zones along with a performance curve on an offset well
20 for the Glorieta?

21 A Yes, these are Exhibits Five through Seven.

22 Q How are you able to -- what is your esti-
23 mate of the initial production rate of the Glorieta com-
24 mingled?

25 A We estimate that the Glorieta will be able

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Santa Fe, New Mexico 87501

1 to produce 30 barrels of oil per day.

2 Q And what would be the total depth of this
3 downhole commingled well?

4 A The maximum depth will be 6837 feet.

5 Q So you would estimate your total initial
6 production of the two zones would be about what?

7 A In the neighborhood of 40 barrels per day.

8 Q How long do you think that that rate of
9 production would -- would go in the Glorieta?

10 A We anticipate that the Glorieta production
11 will begin an immediate decline of about 20 percent per year.

12 Q Do you have any figures of initial pro-
13 duction and current production on an offset Glorieta well?

14 A Yes, we do.

15 Q Would you give these to the Examiner?

16 A Well No. 8, M. B. Weir B No. 8, which is
17 the direct west offset to the subject well, initially pro-
18 duced 96 barrels of oil per day and is currently shut-in.

19 C. H. Weir "A" Well No. 10, a direct north
20 offset to the subject well, produced 68 barrels of oil per
21 day initially and is currently producing 3 barrels.

22 C. H. Weir "A" No. 7, which is two loca-
23 tions west and one location north of the subject well, pro-
24 duced 66 barrels initially and is currently producing 7 bar-
25 rels per day.

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1 C. H. Weir "A" Well No. 3, which is two
2 locations north, one location west, produced initially 24
3 barrels per day and is currently producing 10 barrels per
4 day.

5 These are all from the Glorieta, of course.

6 Well No. 4, C. H. Weir No. 4, two loca-
7 tions north and two locations west, produced initially 50
8 barrels per day and is currently producing 14 barrels per
9 day.

10 Well No. -- C. H. Weir "B" No. 4, which
11 is three locations west and one location north, initially
12 produced 30 barrels per day and is currently producing 2
13 barrels per day.

14 Well No. 5, which we referred to earlier,
15 initially -- is located in Unit G of Section 11, initially
16 produced 33 barrels per day and is currently producing 8
17 barrels per day.

18 Q If the Commission were to deny this appli-
19 cation, what would Texaco do with that Glorieta zone?

20 A Well, as part of our anticipated procedure
21 in completing the Glorieta, we will set a bridge plug below
22 the Glorieta perforations in order to treat the Glorieta.

23 If this application was denied, we would
24 simply leave the bridge plug in place and produce the Glorieta.

25 Q And lose the production from the other two

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1 zones?

2 A. Right, we would lose production from the
3 Blinebry and Drinkard zones.

4 Q In your opinion would the dual completion
5 of these two zones have any adverse affect on the reservoir
6 or any proposed secondary recovery projects?

7 A. No, it would not.

8 Q As far as you know, are there any present
9 secondary recovery projects in the immediate area?

10 A. No, there are not.

11 Q In your opinion would the granting of this
12 application have any adverse affect on correlative rights
13 of other operators?

14 A. No, it would not. The zones are common
15 royalty and working interest ownership.

16 Q And it would allow you to produce all three
17 zones rather than shut in the two?

18 A. That's right.

19 Q Do you have anything you want to add as
20 far as the performance curves, Five, Six, and Seven?

21 A. The performance curves, I think, indicate
22 an established decline rate and also indicate that the wells
23 are of a marginal nature.

24 Q Well, could you identify the well that you
25 would use for the performance curves on the Glorieta?

1 A Yes, this is the M. B. Weir "B" Well No. 8,
2 and it's located one location west of the subject well.

3 Q Is that the one that is now shutin?

4 A Right.

5 Q Due to lack of production?

6 A We had mechanical problems downhole.

7 Q I see.

8 A Junk in the hole.

9 Q Were Exhibits One through Seven prepared
10 by you or under your supervision?

11 A Yes, they were.

12 MR. KELLY: Mr. Examiner, I'd move the
13 introduction of Texaco's Exhibits One through Seven.

14 MR. NUTTER: Texaco Exhibits One through
15 Seven will be admitted in evidence.

16 MR. KELLY: I have no further direct
17 examination.

18

19

CROSS EXAMINATION

20 BY MR. NUTTER:

21 Q Mr. Hayworth, referring to your Exhibits
22 Five and Seven, at what point there on these decline curves
23 for the Well NO. 9 were the Drinkard and the Glorieta forma-
24 tions commingled?

25

A I don't know that date. Well, wait a

1 minute, maybe I do.

2 That was in May of 1975.

3 Q Now, on your Exhibit Number Two, you show
4 that the Blinebry is making 14 and the Skaggs is making 4,
5 which would be a total of 18 barrels per day, but you stated
6 that the well is making 12 barrels per day.

7 A Well, the 4 and 14 are based on a 24-hour
8 test, whereas the 12 barrels per day is based on the decline
9 curves, which reflects the average production.

10 Q So it's not making on a daily basis what
11 it shows here on the test?

12 A This is a -- this is a one-day test.

13 Q Now how did you get your pressures here
14 for the Blinebry and the Drinkard?

15 A They were measured on an offset well, which
16 was recently approved for downhole commingling. That is
17 Well No. 10, which is directly north of the subject well.

18 Q And they were measured prior to the com-
19 mingling of the zones?

20 A Right.

21 Q And the 800 pounds that you've got on the
22 Glorieta is taken from what well?

23 A I don't know that. That was submitted by
24 the field. It was their estimate.

25 Q Well, it's kind of disturbing to me, Mr.

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Santa Fe, New Mexico 87501

1 Hayworth, to see that you've got a 1577 pound pressure in
2 the Drinkard and only 800 pounds estimated in the Glorieta.
3 There's a note here on your original application that the
4 Drinkard equals 197 percent of the Glorieta insofar as
5 pressure is concerned.

6 A. Okay.

7 Q Is this advisable to put two zones to-
8 gether where the pressure is double that of one of them --
9 where the pressure of one is double that of the other?

10 A. Let me explain that a little further.

11 Those pressures are measured or estimated
12 at the midpoint of the perforations for each zone. When
13 these pressures are adjusted to a common datum at the mid-
14 point of the Drinkard perforations, they're within 200
15 pounds.

16 Q Okay, would you give me those adjustment
17 pressures, then, at the datum, and what is the datum?

18 A. Okay. The datum is the midpoint of the
19 Drinkard perforations at 6810 feet.

20 The Glorieta, the adjusted pressure on
21 the Glorieta is 1356 psi and the adjusted pressure on the
22 Blinbry is 1448 psi.

23 Q And then, of course, your Drinkard pressure
24 is measured at that same datum.

25 A. Right.

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CERTIFIED SHORTHAND REPORTER
3010 Plaza Blanca (905) 471-2462
Santa Fe, New Mexico 87501

1 Q This 1577 would be at that point.

2 A Right, and this is based on, of course,
3 the depth difference and a grading of .37 psi per foot, which
4 is in turn based on the gravity of the oil.

5 Q I see. Okay. That looks a lot better that
6 way, then.

7 MR. NUTTER: Are there any further ques-
8 tions of the witness?

9 MR. KELLY: One question, Mr. Examiner.

10
11 REDIRECT EXAMINATION

12 BY MR. KELLY:

13 Q Do you have a recommendation as far as the
14 allocation between the two zones?

15 A Yes, I do. I recommend that based on the
16 current production from the Blinebry and Drinkard zones and
17 the anticipated 30 barrels per day from the Glorieta, we
18 recommend that 72 percent of the production be allocated to
19 the Glorieta, 21 percent to the Blinebry, and 7 percent to
20 the Drinkard.

21 MR. KELLY: Nothing further.

22 MR. NUTTER: If there are no further ques-
23 tions, the witness may be excused.

24 Do you have anything further, Mr. Kelly?

25 MR. KELLY: Nothing, Mr. Examiner.

1 MR. NUTTER: Does anyone have anything
2 they wish to offer in Case Number 66287

3 We'll take the case under advisement.
4

5 (Hearing concluded.)
6
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SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
393 Plaza Blanca (505) 471-2462
Santa Fe, New Mexico 87501

REPORTER'S CERTIFICATE

I, SALLY W. BOYD, 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, from my notes taken at the time of the hearing.

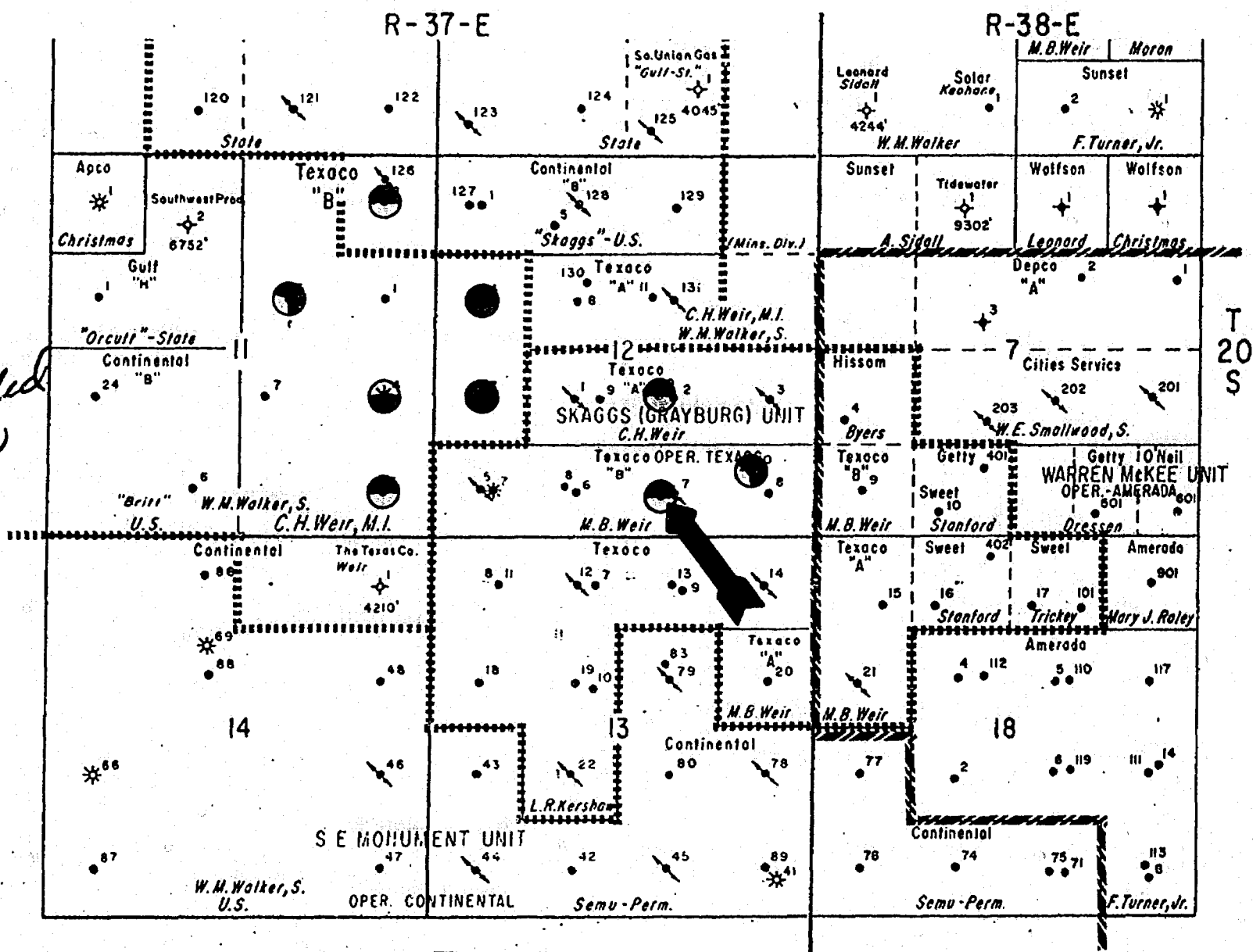
Sally W. Boyd, C.S.R.

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3030 Plaza Blanca (SOS) 471-2482
Santa Fe, New Mexico 87501

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 6628,
heard by me on 7/22 1979.

[Signature], Examiner
Oil Conservation Division

R 4999
 commingled
 BL & DR



LEGEND

- ZONES DOWNHOLE COMMINGLED
 OR APPROVED FOR DHC
- SKAGGS DRINKARD
 - SKAGGS GLORIETA
 - MONUMENT TUBB
 - WEIR BLINERRY EAST

BEFORE EXAMINER NUTTER
 OIL CONSERVATION DIVISION
 Texaco EXHIBIT NO. 1
 CASE NO. 6624

TEXACO Inc.
 M.B. WEIR "B" LEASE
 LEA COUNTY, NEW MEXICO
 Scale: 1" = 2000'

DATA SHEET FOR WELLBORE COMMINGLING

②

Operator: TEXACO Inc.

Address: P. O. Box 728, Hobbs, New Mexico 88240

Lease and Well No.: M. B. Weir "B" Well No. 9

Location: Unit O, 660' FSL and 2180' FEL, Section 12, T-20-S, R-37-E, Lea County, New Mexico

WELL DATA

	Upper Pool	Middle Pool	Lower Pool
Name of Pool	<u>Skaggs Glorieta</u>	<u>ORDER NO. MC-1554 Weir Blinebry, East</u>	<u>ORDER NO. MC-1554 Skaggs Drinkard</u>
Producing Method	<u>Proposed Completion</u>	<u>Pumping</u>	<u>Pumping</u>
BHP	<u>800*</u>	<u>1108*</u>	<u>1577*</u>
Type Crude	<u>1356 Sour</u>	<u>1448 Sour</u>	<u>6810 mid. pt. g. oil Sour</u>
Gravity	<u>35.3</u>	<u>35.5</u>	<u>35.5</u>
GOR Limit	<u>2000</u>	<u>2000</u>	<u>2000</u>
Completion Interval	<u>Proposed Interval 5270-5345'</u>	<u>5773-6010'</u>	<u>6782-6837'</u>
Current Test Date	<u>-</u>	<u>6-19-79</u>	<u>6-19-79</u>
Oil	<u>estimate 30 BOPD from later.</u>	<u>14</u>	<u>4</u>
Water	<u>0</u>	<u>0</u>	<u>0</u>
GOR	<u>720% per yr decline</u>	<u>12286</u>	<u>14250</u>
Selling Price of Crude - \$/BBL.	<u>17.10</u>	<u>17.10</u>	<u>17.10</u>
Daily Income - \$/Day	<u>-</u>	<u>232.54</u>	<u>66.44</u>

COMMINGLED DATA:

Gravity of Commingled Crude 35.4
Selling Price of Commingled Crude - \$/BBL. 17.10
Daily Income - \$/Day 820.80

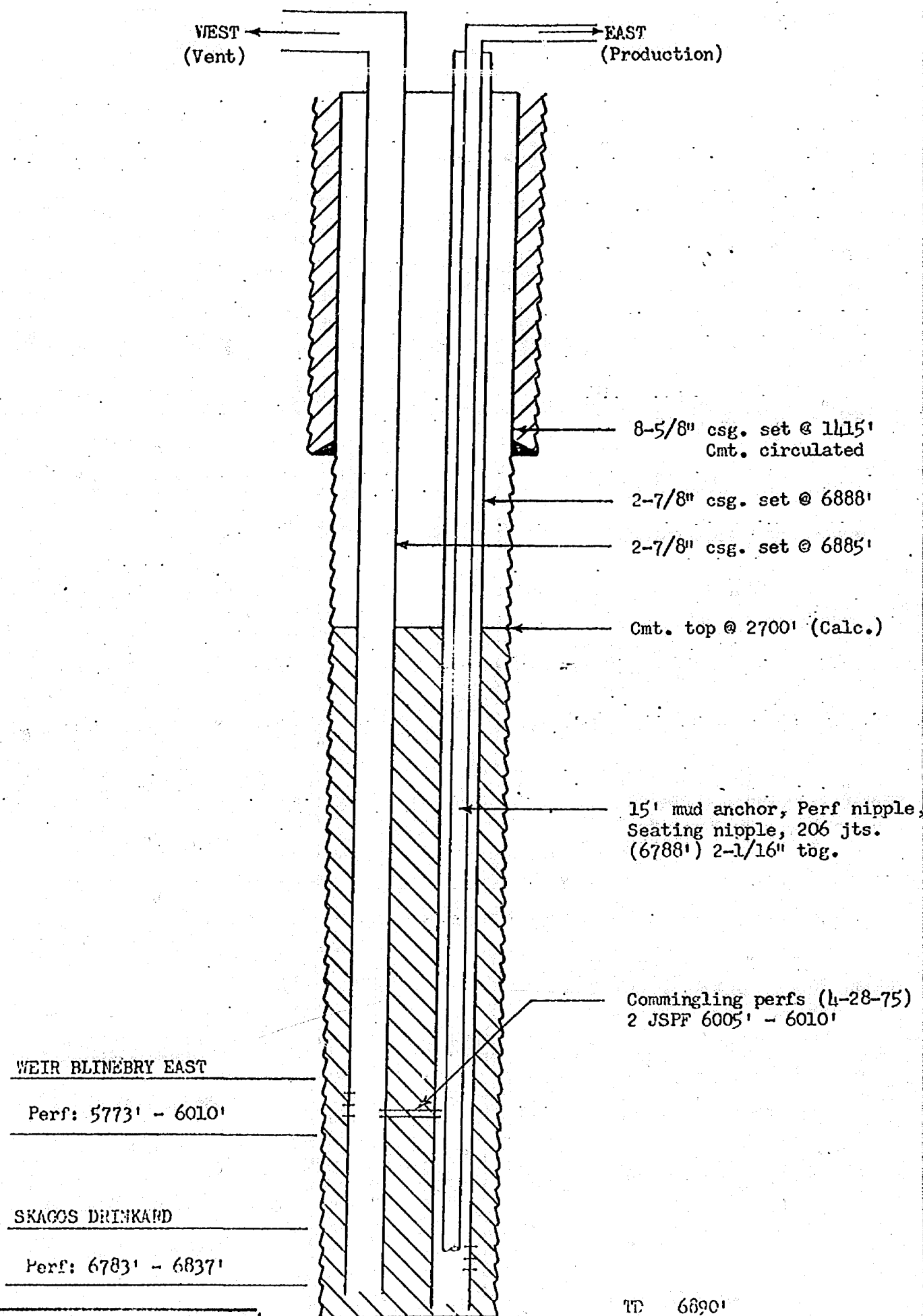
BEFORE EXAMINER NUTTER	
OIL CONSERVATION DIVISION	
Texaco	EXHIBIT NO. <u>2</u>
CASE NO.	<u>6628</u>

Net (Gain) (Loss) from Wellbore Commingling - \$/Day 521.82 (30 BOPD increase estimated)
based on current producing rates.

* Estimated from BHP of offset or wells in the field.

*expect total prod of about 40 BOPD
72% Water 21% Sol 7% DW*

*720
2580
2100
840
720
280*



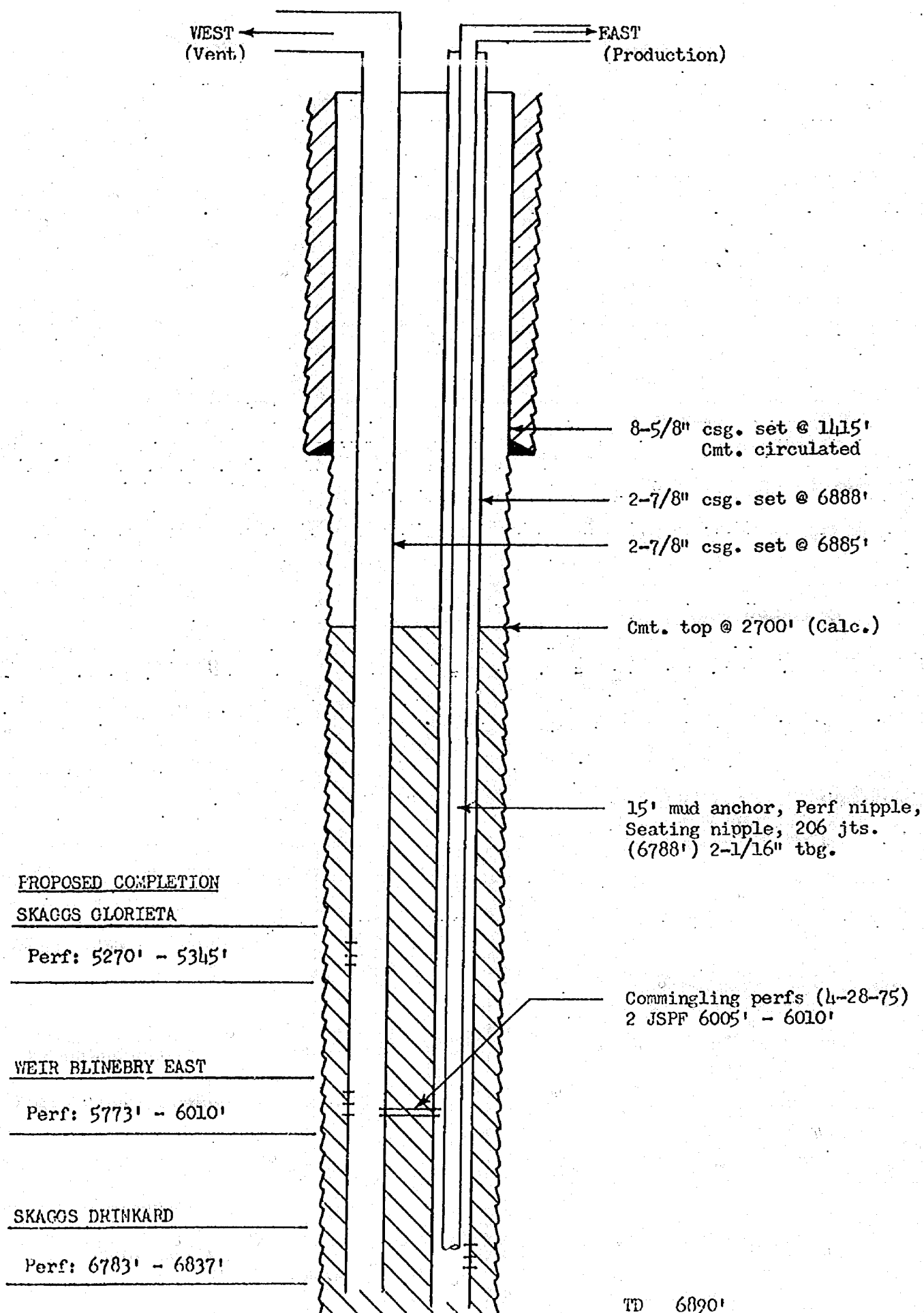
BEFORE EXAMINER NUTTER
OIL CONSERVATION DIVISION

TEXACO EXHIBIT NO. 3
CASE NO. 6628

PRESENT COMPLETION

TEXACO Inc.
M.P. WEIR "B" WELL NO. 9
SKAGGS & WEIR EAST FIELDS
IEA COUNTY, NEW MEXICO

VRH/CRC 8-15-79



BEFORE EXAMINER NUTTER

OIL CONSERVATION DIVISION

Texaco EXHIBIT NO. 4

CASE NO. 6628

PROPOSED COMPLETION

TEXACO Inc.

M.P. WEIR "B" WELL NO. 9

SKAGGS & WEIR EAST FIELDS

LEA COUNTY, NEW MEXICO

WRH/CRC 8-15-79

Dockets Nos. 35-79 and 36-79 are tentatively set for September 5 and 19, 1979. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - AUGUST 22, 1979

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

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

CASE 6545: (Continued from July 25, 1979, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Corinne Grace, Travelers Indemnity Company, and all other interested parties to appear and show cause why the Kuklah Baby Well No. 1 located in Unit G of Section 24, Township 22 South, Range 26 East, Eddy County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 6626: Application of T. H. McElvain Oil & Gas Properties for pool commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the commingling of Gallup and Dakota production in its Miller B Well No. 6 located in Unit G of Section 12, Township 24 North, Range 7 West.

CASE 6627: Application of Caribou Four Corners, Inc. for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Gallup formation underlying a previously approved 64.32-acre non-standard unit comprising the NW/4 NW/4 and that portion of Lot 5 lying north of the San Juan River, all in Section 18, Township 29 North, Range 14 West, Cha Cha-Gallup Oil Pool, 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 6628: Application of Texaco Inc. for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Skaggs-Glorieta, Skaggs-Drinkard and East Weir-Blinbry production in the wellbore of its M. B. Weir "B" Well No. 9 located in Unit O of Section 12, Township 20 South, Range 37 East.

CASE 6629: Application of Hilliard Oil & Gas, Inc. for directional drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to directionally drill its Hanson Bonds Well No. 1 located 1650 feet from the North line and 330 feet from the East line of Section 20, Township 9 South, Range 35 East, to a Devonian bottom hole location within 100 feet of a point 1325 feet from the North line and 430 feet from the East line of said Section 20.

CASE 6630: Application of El Paso Natural Gas Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Basin-Dakota and BS Mesa-Gallup production in the wellbore of its San Juan 27-4 Unit Well No. 37 located in Unit N of Section 33, Township 27 North, Range 4 West.

CASE 6631: Application of Reserve Oil, Inc. for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Jalmat gas and Langlie Mattix oil production in the wellbore of its Cooper Jal Unit Well No. 149-306 located in Unit J of Section 18, Township 24 South, Range 37 East.

CASE 6632: Application of Mesa Petroleum Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Frank State Well No. 1 located in Unit I of Section 7, Township 19 South, Range 23 East, to produce gas from the Abo and Morrow formations, Runyan Ranch Field, through the casing-tubing annulus and through tubing.

CASE 6633: Application of Mesa Petroleum Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Yates Federal Com Well No. 1-Y located in Unit J of Section 20, Township 17 South, Range 27 East, to produce gas from the Logan Draw-Cisco Canyon Gas Pool and an undesignated Morrow pool through the casing-tubing annulus and through tubing.

CASE 6634: Application of Durham Inc. for special pool rules or a spacing exception, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Lake Arthur-Pennsylvanian Gas Pool to provide for 320-acre spacing rather than 160 acres. In the absence of objection, this pool will be placed on the standard 320-acre spacing for Pennsylvanian gas pools rather than the present 160-acre spacing. In the alternative applicant seeks to limit the application of the pool's rules to the horizontal limits of the pool, being the SW/4 of Section 31, Township 15 South, Range 27 East.

TOWNSHIP 25 NORTH, RANGE 12 WEST, NMPM

Section 4: N/2 and SE/4
Section 5: N/2
Section 6: N/2
Section 9: NE/4
Section 10: NW/4

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM

Section 19: SW/4
Section 20: W/2
Section 31: W/2

(c) CREATE a new pool in San Juan County, New Mexico, classified as a gas pool for Fruitland production and designated as the Farmer-Fruitland Pool. The discovery well is Manana Gas, Incorporated Bobbie Herrera Well No. 1 located in Unit K of Section 4, Township 30 North, Range 11 West, NMPM. Said pool would comprise:

TOWNSHIP 30 NORTH, RANGE 11 WEST, NMPM

Section 4: SW/4

(d) CREATE a new pool in San Juan County, New Mexico, classified as an oil pool for Pennsylvanian production and designated as the Big Gap-Pennsylvanian Oil Pool. The discovery well is Bass Enterprises Production Company Navajo 20 Well No. 1 located in Unit O of Section 20, Township 27 North, Range 19 West, NMPM. Said pool would comprise:

TOWNSHIP 27 NORTH, RANGE 19 WEST, NMPM

Section 20: SE/4

(e) EXTEND the Aztec-Fruitland Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM

Section 29: NE/4

TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM

Section 25: SE/4

(f) EXTEND the Aztec-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 31 NORTH, RANGE 11 WEST, NMPM

Section 35: E/2

(g) EXTEND the Bisti-Lower Gallup Oil Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 14 WEST, NMPM

Section 9: E/2 SE/4
Section 10: SW/4
Section 15: N/2 NE/4

(h) EXTEND the Blanco Mesaverde Pool in Rio Arriba and San Juan Counties, New Mexico, to include therein:

TOWNSHIP 25 NORTH, RANGE 3 WEST, NMPM

Section 4: N/2

TOWNSHIP 26 NORTH, RANGE 2 WEST, NMPM

Section 30: All (Partial Section)
Section 31: All (Partial Section)

TOWNSHIP 27 NORTH, RANGE 2 WEST, NMPM

Section 16: W/2
Section 20: E/2
Section 21: NW/4

(i) EXTEND the Blanco-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

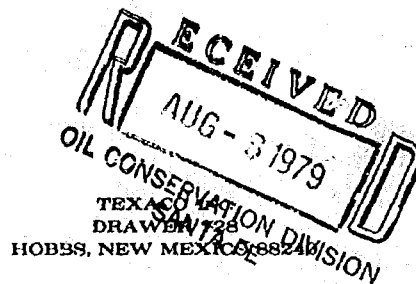
TOWNSHIP 29 NORTH, RANGE 8 WEST, NMPM

Section 4: NW/4
Section 5: NE/4

- TOWNSHIP 30 NORTH, RANGE 14 WEST, NMPM
Section 35: N/2 and SE/4
- (q) EXTEND the Harris Mesa-Chacra Pool in San Juan County, New Mexico, to include therein:
- TOWNSHIP 27 NORTH, RANGE 9 WEST, NMPM
Section 5: NE/4
- TOWNSHIP 28 NORTH, RANGE 9 WEST, NMPM
Section 32: E/2
- (r) EXTEND the Kutz-Fruitland Pool in San Juan County, New Mexico, to include therein:
- TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM
Section 32: NE/4
- (s) EXTEND the West Kutz-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:
- TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM
Section 26: SW/4
- (t) EXTEND the La Plata-Gallup Oil Pool in San Juan County, New Mexico, to include therein:
- TOWNSHIP 32 NORTH, RANGE 13 WEST, NMPM
Section 32: N/2 and SW/4
- (u) EXTEND the West Lindrith Gallup-Dakota Oil Pool in Rio Arriba County, New Mexico, to include therein:
- TOWNSHIP 24 NORTH, RANGE 3 WEST, NMPM
Section 6: S/2 (Partial Section)
Section 18: All (Partial Section)
- TOWNSHIP 24 NORTH, RANGE 4 WEST, NMPM
Section 5: N/2
Section 6: N/2
Section 24: SE/4
Section 25: NE/4
- (v) EXTEND the Otero-Chacra Pool in Rio Arriba and San Juan Counties, New Mexico, to include therein:
- TOWNSHIP 26 NORTH, RANGE 7 WEST, NMPM
Section 3: All
Section 4: All
Section 10: N/2 and SE/4
- (w) EXTEND the Rusty-Chacra Pool in Sandoval County, New Mexico, to include therein:
- TOWNSHIP 22 NORTH, RANGE 7 WEST, NMPM
Section 20: SE/4
Section 21: E/2 and SW/4
- (x) EXTEND the Straight Canyon-Dakota Pool in San Juan County, New Mexico, to include therein:
- TOWNSHIP 31 NORTH, RANGE 16 WEST, NMPM
Section 14: SE/4
- (y) EXTEND the WAW Fruitland-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:
- TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM
Section 29: S/2
Section 30: E/2
Section 32: N/2
- TOWNSHIP 26 NORTH, RANGE 13 WEST, NMPM
Section 13: E/2 and SW/4
Section 14: SE/4
- TOWNSHIP 27 NORTH, RANGE 13 WEST, NMPM
Section 18: E/2



August 2, 1979



REQUEST FOR EXAMINER HEARING
APPLICATION BY TEXACO INC. TO
DOWNHOLE COMMINGLE IN THE
M. B. WEIR "B" WELL NO. 9
UNIT O, SECTION 12, T-20-S, R-37-E
LEA COUNTY, NEW MEXICO

State of New Mexico
Energy & Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. J. D. Ramey
Secretary-Director

Case 6628

Gentlemen:

This letter confirms our telephone conversation with Mr. C. G. Ulvog on August 1, 1979 during which it was requested that our application to downhole commingle the Texaco Inc. operated M. B. Weir "B" Well No. 9 be included on the August 22, 1979 Hearing Docket. All the necessary documents and exhibits have been submitted to, and received by, the New Mexico Oil Conservation Division in Santa Fe.

Yours very truly,

TEXACO INC.
PRODUCING DEPARTMENT-CENTRAL U. S.

J. V. Gannon
J. V. Gannon

District Superintendent

SWS:JEB

cc: Department of Energy & Minerals
Oil Conservation Division
P. O. Box 1980
Hobbs, New Mexico 88240

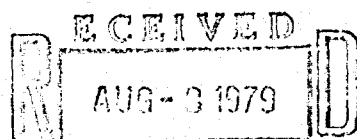
OIL CONSERVATION COMMISSION
Hobbs DISTRICT

Case 6628
for 8/22/79

OIL CONSERVATION COMMISSION
BOX 2088
SANTA FE, NEW MEXICO

DATE July 30, 1979

RE: Proposed MC _____
Proposed DHC X _____
Proposed NSL _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____



OIL CONSERVATION DIVISION
SANTA FE

Gentlemen:

I have examined the application dated _____
for the Texaco Inc. M. B. Weir "B" No. 9-0 12-20-37
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

O.K.-----J.S.

Yours very truly,

Supervisor, District 1



PETROLEUM PRODUCTS

July 25, 1979

TEXACO INC.
DRAWER 728
HOBBS, NEW MEXICO 88240

DOWNHOLE COMMINGLING

M. B. WEIR "B" WELL NO. 9
UNIT 0, SECTION 12, T-20-S, R-37-E
WEIR BLINEBRY EAST, SKAGGS DRINKARD
AND SKAGGS GLORIETA FIELD
LEA COUNTY, NEW MEXICO

State of New Mexico
Department of Energy and Minerals
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico, 87501

Attention: Mr. Joe D. Ramey
Secretary-Director

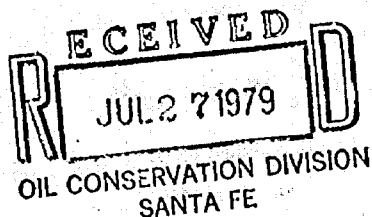
Gentlemen:

TEXACO Inc. respectfully requests Administrative approval to commingle production from the Skaggs Glorieta and the already commingled Skaggs Drinkard and Weir Blinebry East pools in the wellbore of the M. B. Weir "B" Well No. 9 in accordance with NMOCC Rule 303-C.

This well meets all prerequisites for downhole commingling as described in NMOCC Rule 303-C, 1, (a thru h).

These three zones have been surface commingled and downhole commingled in various combinations on this lease and others in the field and no incompatibility between the fluids has been found.

All Offset Operators (List Attached) have been notified of this application by copy of this letter.



This is recycled paper

Case 6628
Set for Reg
Rule 303-C (downhole
commingling) is
for duals, not
triples. Also
pres dif:
Drinkard
equal 1979
of Glorieta

8/1 -
Texaco called,
will decide on
leaving hole
and call back.

State of New Mexico
Dept. of Energy & Minerals

- 2 -


July 25, 1979

All data required by NMOCC Rule 303-C, 2, for Administrative approval to downhole commingle, are attached. Since the Glorieta is not open in this well, a production decline curve from our offset well (shut-in in 1975 due to mechanical problems) is included to show an established decline rate for the zone.

Yours very truly,

TEXACO INC.
PRODUCING DEPARTMENT-CENTRAL U. S.

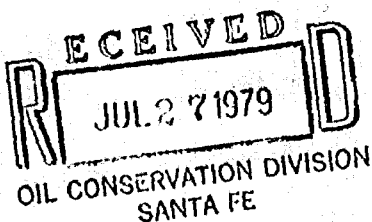
WER:JEB


J. V. Cannon
District Superintendent

Attachments

CC: Department of Energy and Minerals
Oil Conservation Division
P. O. Box 1980
Hobbs, New Mexico 88240

Offset Operators (List Attached)



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

C-116
Revised 1-1-85

Operator TEXACO Inc.		Pool See Below				County Lea										
Address P. O. Box 728, Hobbs, New Mexico 88240						TYPE OF TEST - (X)		Scheduled <input type="checkbox"/>		Completion <input type="checkbox"/>		Special <input checked="" type="checkbox"/>				
LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	STATUS	CHOKE SIZE	T.B.G. PRESS.	DAILY ALLOWABLE	LENGTH OF TEST HOURS	PROD. DURING TEST				GAS - OIL RATIO CU.FT./BBL.
		U	S	T	R							WATER BBL.S.	GRAV. OIL	OIL BBL.S.	GAS M.C.F.	
M. B. Weir "B"	9 -	0	12	20	37											
<u>Weir Blinebry East</u>						6-29-79	P	-	-	14	24	0	35.5	14	172	12286
<u>Skaggs Drinkard</u>						6-29-79	P	-	-	4	24	0	35.5	4	57	14250

RECEIVED
 JUL 27 1979
 CONSERVATION DIVISION
 SANTA FE

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

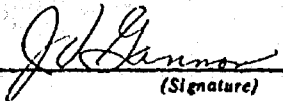
During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized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

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

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

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

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


 (Signature)
District Superintendent
 (Title)
July 25, 1979
 (Date)

DATA SHEET FOR WELLBORE COMMINGLING

Operator: **TEXACO Inc.**

Address: **P. O. Box 728, Hobbs, New Mexico 88240**

Lease and Well No.: **M. B. Weir "B" Well No. 9**

Location: **Unit O, 660' FSL and 2180' FEL, Section 12, T-20-S, R-37-E, Lea County, New Mexico**

WELL DATA

	<u>Upper Pool</u>	<u>Middle Pool</u>	<u>Lower Pool</u>
Name of Pool	<u>Skaggs Glorieta</u>	<u>ORDER NO. MC-1554 Weir Blinebry, East</u>	<u>ORDER NO. MC-1554 Skaggs Drinkard</u>
Producing Method	<u>Proposed Completion</u>	<u>Pumping</u>	<u>Pumping</u>
BHP	<u>800*</u>	<u>1108*</u>	<u>1577*</u>
Type Crude	<u>Sour</u>	<u>Sour</u>	<u>Sour</u>
Gravity	<u>35.3</u>	<u>35.5</u>	<u>35.5</u>
GOR Limit	<u>2000</u>	<u>2000</u>	<u>2000</u>
Completion Interval	<u>Proposed Interval 5270-5345'</u>	<u>5773-6010'</u>	<u>6782-6837'</u>
Current Test Date	<u>-</u>	<u>6-19-79</u>	<u>6-19-79</u>
Oil	<u>-</u>	<u>14</u>	<u>4</u>
Water	<u>-</u>	<u>0</u>	<u>0</u>
GOR	<u>-</u>	<u>12286</u>	<u>14250</u>
Selling Price of Crude - \$/BBL.	<u>17.10</u>	<u>17.10</u>	<u>17.10</u>
Daily Income - \$/Day	<u>232.54</u>	<u>66.44</u>	

COMMINGLED DATA:

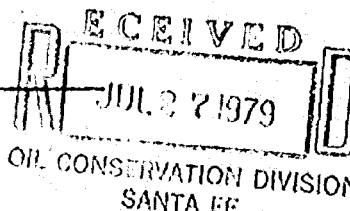
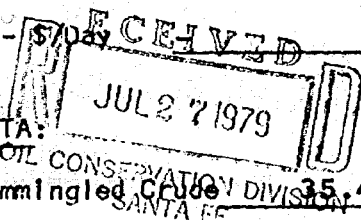
Gravity of Commingled Crude 35.4

Selling Price of Commingled Crude - \$/BBL. 17.10

Daily Income - \$/Day 820.80

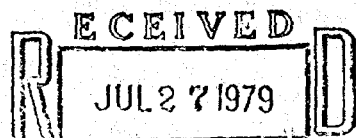
Net (Gain) (Loss) from Wellbore Commingling - \$/Day 521.82 (30 BOPD increase estimated)
based on current producing rates.

* Estimated from BHP of offset or wells in the field.

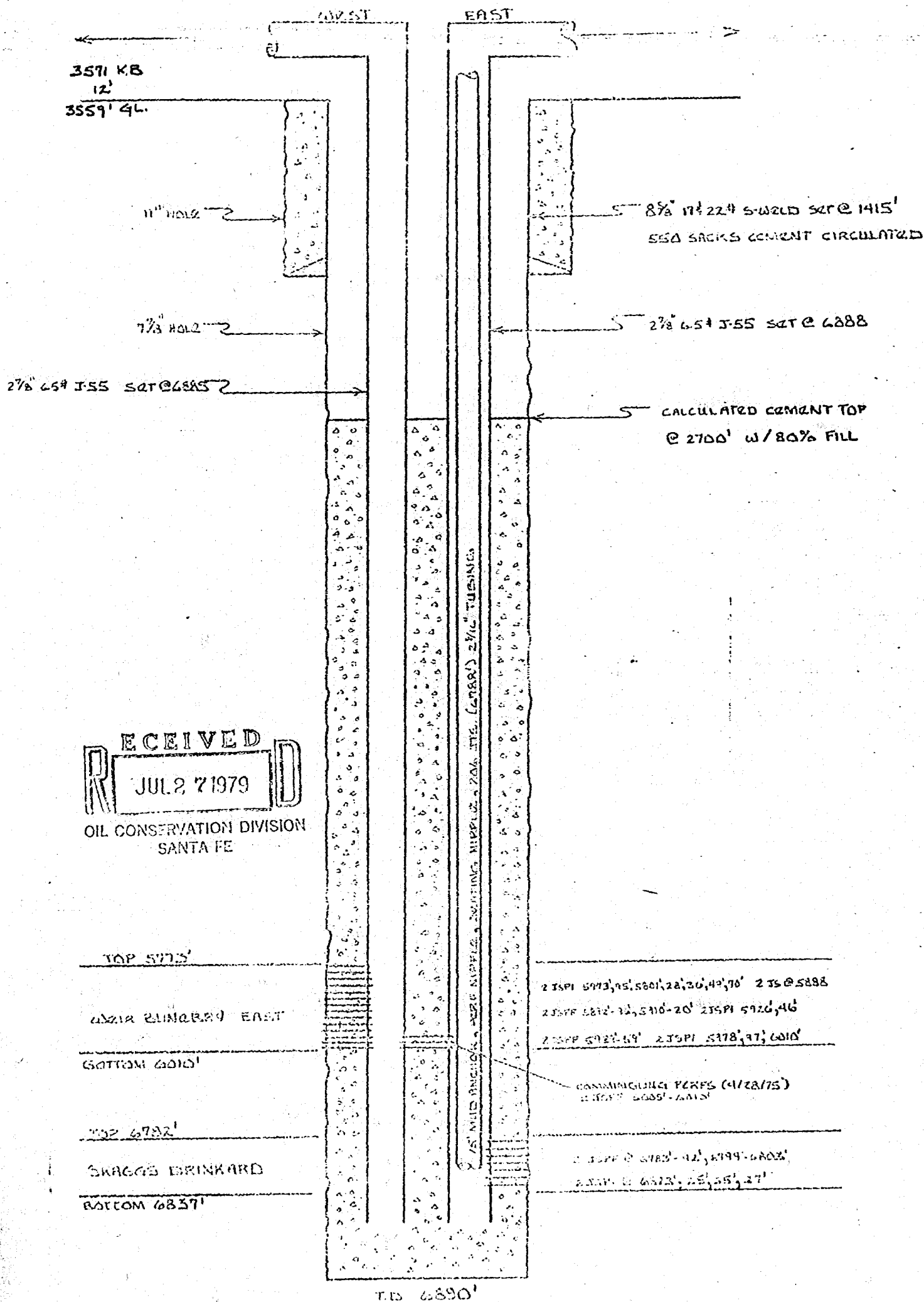


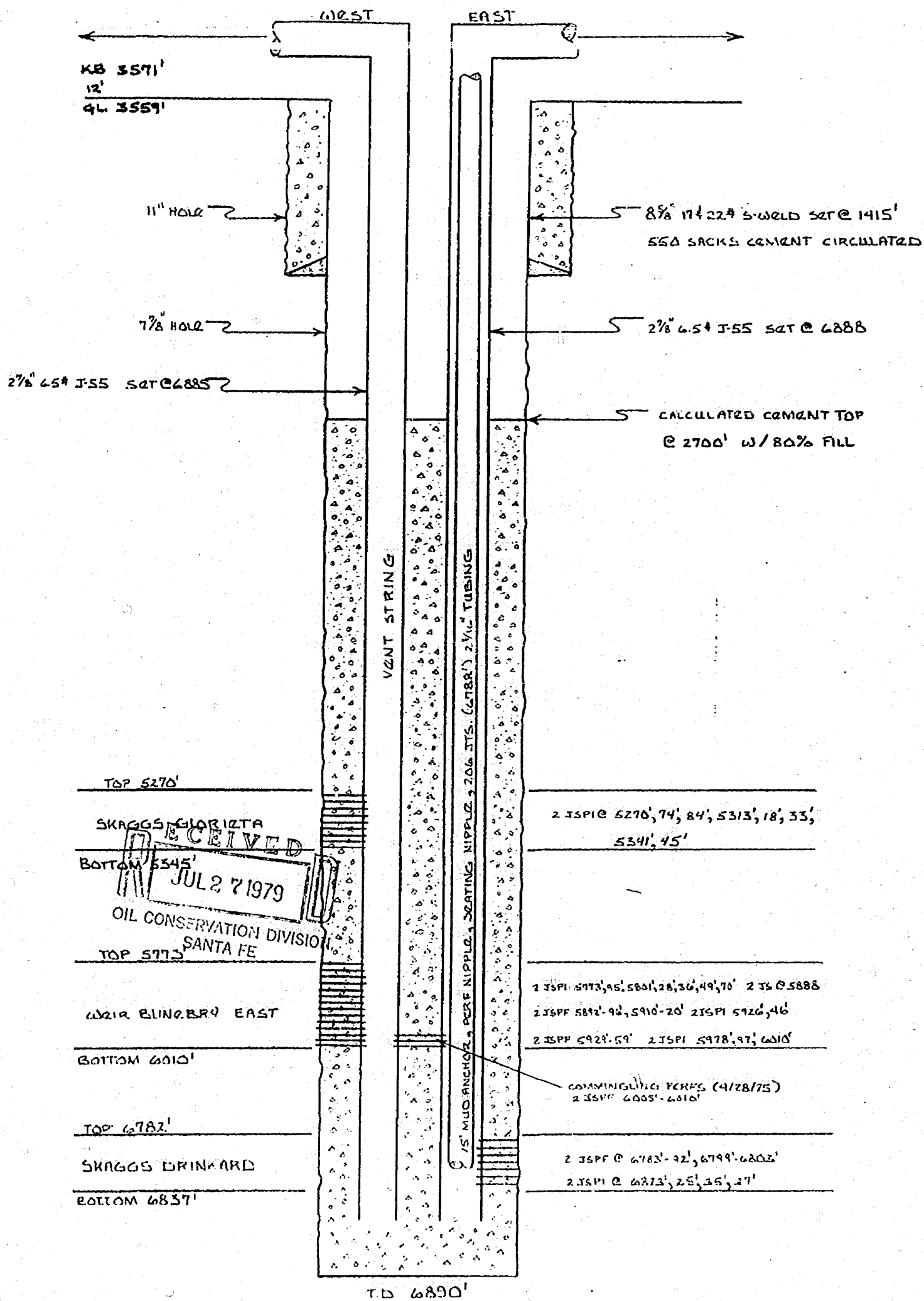
OFFSET OPERATOR

Amerada Hess Corporation
Drawer 817
Seminole, Texas 79360



OIL CONSERVATION DIVISION
SANTA FE





M.B. W21R 'B' WELL No. 9

MAFASD WELLBORE DIAGRAM

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OIL PRODUCTION
BBL/DAY

TEXACO Inc.

Performance Curve
M. B. WEIR "B" NO. 9
WEIR BLINERY EAST POOL
LEA COUNTY, NEW MEXICO

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1966

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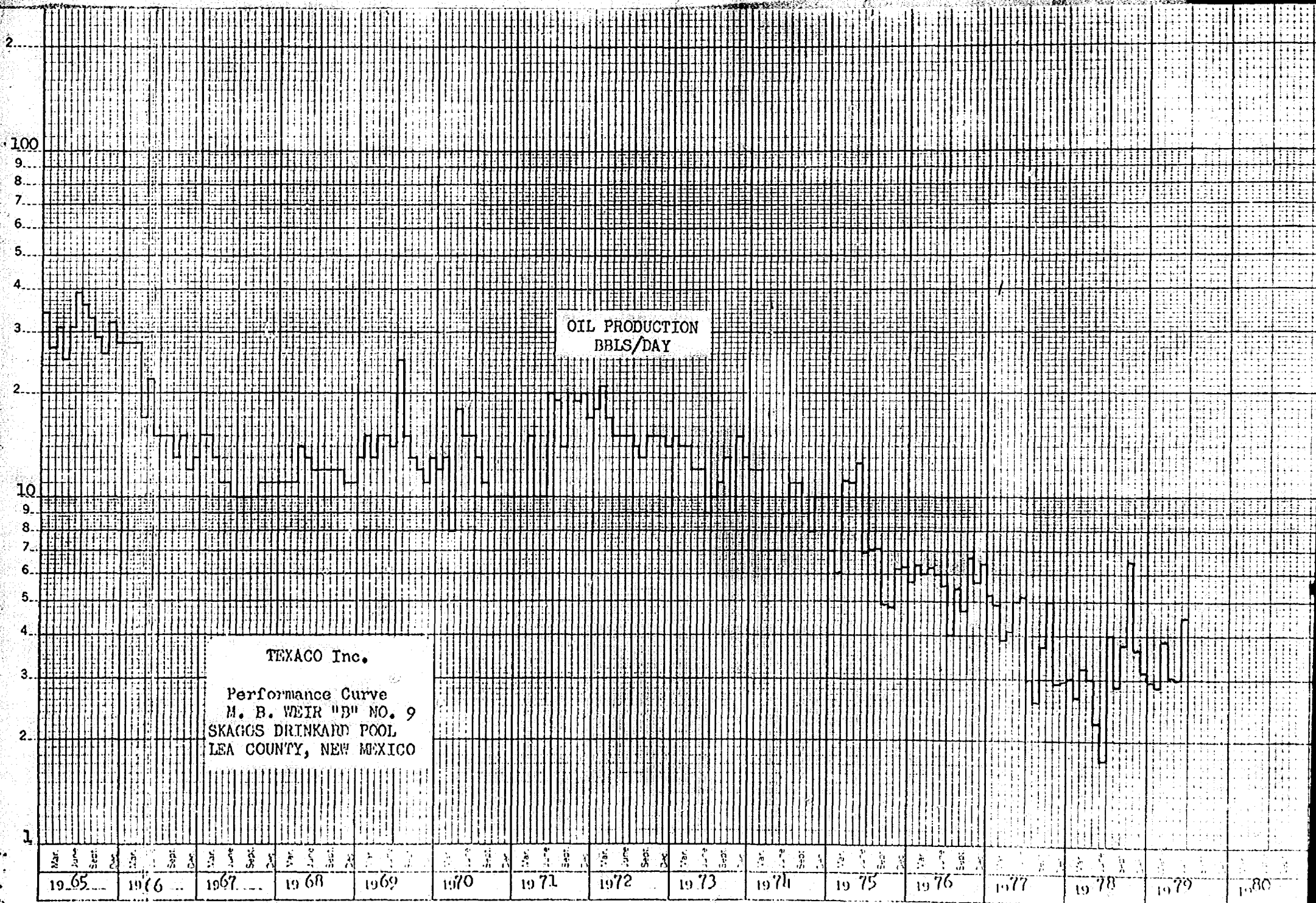
19 78

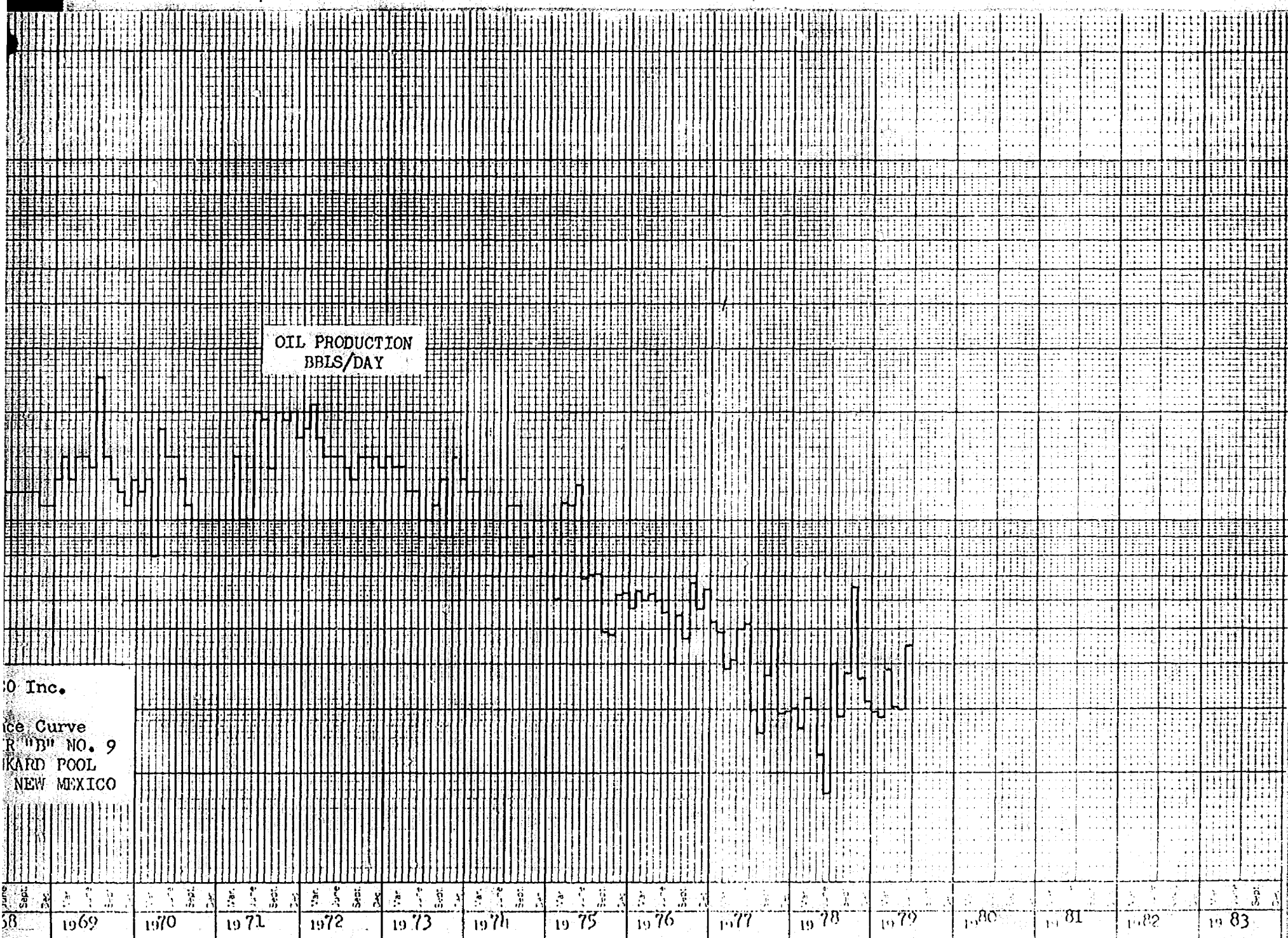
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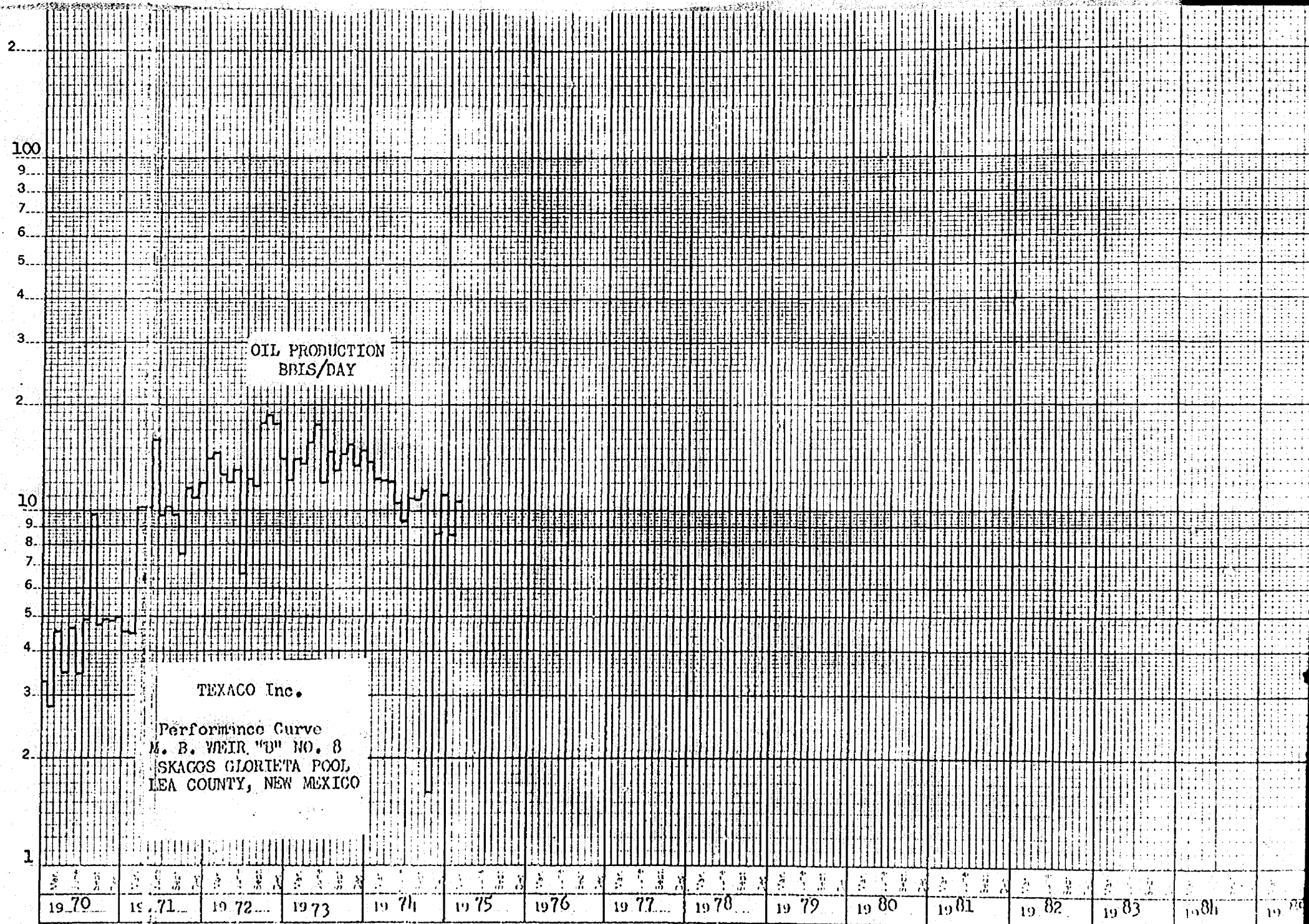
OIL PRODUCTION
BBLS/DAY

Curve
NO. 9
EAST POOL
MEXICO

1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983
------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------







PRODUCTION
BLS/DAY

ve
0.8
POOL
MEXICO



PETROLEUM PRODUCTS

TEXACO INC.
DRAWER 728
HOBBS, NEW MEXICO 88240

July 25, 1979

DOWNHOLE COMMINGLING

M. B. WEIR "B" WELL NO. 9
UNIT 0, SECTION 12, T-20-S, R-37-E
WEIR BLINEBRY EAST, SKAGGS DRINKARD
AND SKAGGS GLORIETA FIELD
LEA COUNTY, NEW MEXICO

State of New Mexico
Department of Energy and Minerals
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico, 87501

Case 6628

Attention: Mr. Joe D. Ramey
Secretary-Director

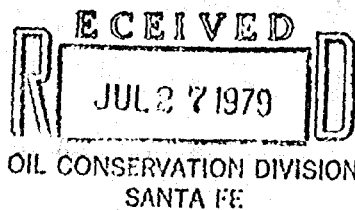
Gentlemen:

TEXACO Inc. respectfully requests Administrative approval to commingle production from the Skaggs Glorieta and the already commingled Skaggs Drinkard and Weir Blinebry East pools in the wellbore of the M. B. Weir "B" Well No. 9 in accordance with NMOCC Rule 303-C.

This well meets all prerequisites for downhole commingling as described in NMOCC Rule 303-C, 1, (a thru h).

These three zones have been surface commingled and downhole commingled in various combinations on this lease and others in the field and no incompatibility between the fluids has been found.

All Offset Operators (List Attached) have been notified of this application by copy of this letter.



This is recycled paper

State of New Mexico
Dept. of Energy & Minerals

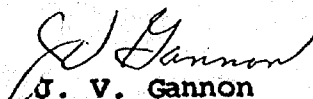
- 2 -

July 25, 1979

All data required by NMOCC Rule 303-C, 2, for Administrative approval to downhole commingle, are attached. Since the Glorieta is not open in this well, a production decline curve from our offset well (shut-in in 1975 due to mechanical problems) is included to show an established decline rate for the zone.

Yours very truly,

TEXACO INC.
PRODUCING DEPARTMENT-CENTRAL U. S.

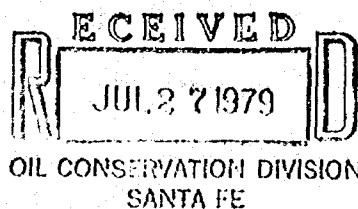

J. V. Gannon
District Superintendent

WER:JEB

Attachments

cc: Department of Energy and Minerals
Oil Conservation Division
P. O. Box 1980
Hobbs, New Mexico 88240

Offset Operators (List Attached)



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

C-116
Revised 1-1-65

Operator TEXACO Inc.		Pool See Below				County Lea										
Address P. O. Box 728, Hobbs, New Mexico 88240						TYPE OF TEST - (X)		Scheduled <input type="checkbox"/>		Completion <input type="checkbox"/>		Special <input checked="" type="checkbox"/>				
LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	STATUS	CHOKE SIZE	TUB. PRESS.	DAILY ALLOWABLE	LENGTH OF TEST HOURS	PROD. DURING TEST				GAS - OIL RATIO CU.FT./BBL.
		U	S	T	R							WATER BBL.	GRAV. OIL	OIL BBL.	GAS M.C.F.	
M. B. Weir "B"	9	0	12	20	37											
Weir Blinebry East						6-29-79	P	-	-	14	24	0	35.5	14	172	12286
Skaggs Drinkard						6-29-79	P	-	-	4	24	0	35.5	4	57	14250

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

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

Gas volumes must be reported in MCF measured at a pressure base of 15,025 psia and a temperature of 60° F. Specific gravity base will be 0.60.

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

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

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

J. W. Gannon
(Signature)

District Superintendent

(Title)

July 25, 1979

(Date)

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

C-116
Revised 1-1-65

Operator TEXACO Inc.		Pool See Below					County Lea									
Address P. O. Box 728, Hobbs, New Mexico 88240						TYPE OF TEST - (X) <input checked="" type="checkbox"/>		Scheduled <input type="checkbox"/>		Completion <input type="checkbox"/>		Special <input checked="" type="checkbox"/>				
LEASE NAME	WELL NO.	LOCATION				DATE OF TEST	STATUS	CHOKE SIZE	TBG. PRESS.	DAILY ALLOWABLE	LENGTH OF TEST HOURS	PROD. DURING TEST				GAS - OIL RATIO CU.FT/BBL
		U	S	T	R							WATER BBLs.	GRAV. OIL	OIL BBLs.	GAS M.C.F.	
M. B. Weir "B"	9 -	0	12	20	37											
<u>Weir Blinebry East</u>						6-29-79	P	-	-	14	24	0	35.5	14	172	12286
<u>Skaggs Drinkard</u>						6-29-79	P	-	-	4	24	0	35.5	4	57	14250

RECEIVED
 JUL 27 1979
 OIL CONSERVATION DIVISION
 SANTA FE

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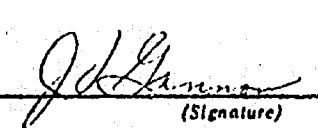
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Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 30) and appropriate pool rules.

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


 (Signature)
District Superintendent
 (Title)
July 25, 1979
 (Date)

DATA SHEET FOR WELLBORE COMMINGLING

Operator: **TEXACO Inc.**

Address: **P. O. Box 728, Hobbs, New Mexico 88240**

Lease and Well No.: **M. B. Weir "B" Well No. 9**

Location: **Unit O, 660' FSL and 2180' FEL, Section 12, T-20-S, R-37-E, Lea County, New Mexico**

WELL DATA

	Upper Pool	Middle Pool	Lower Pool
Name of Pool	<u>Skaggs Glorieta</u>	<u>ORDER NO. MC-1554</u> <u>Weir Blinebry, East</u>	<u>ORDER NO. MC-1554</u> <u>Skaggs Drinkard</u>
Producing Method	<u>Proposed Completion</u>	<u>Pumping</u>	<u>Pumping</u>
BHP	<u>800*</u>	<u>1108*</u>	<u>1577*</u>
Type Crude	<u>Sour</u>	<u>Sour</u>	<u>Sour</u>
Gravity	<u>35.3</u>	<u>35.5</u>	<u>35.5</u>
GOR Limit	<u>2000</u>	<u>2000</u>	<u>2000</u>
Completion Interval	<u>Proposed Interval</u> <u>5270-5345'</u>	<u>5773-6010'</u>	<u>6782-6837'</u>
Current Test Date	<u>-</u>	<u>6-19-79</u>	<u>6-19-79</u>
Oil	<u>-</u>	<u>14</u>	<u>4</u>
Water	<u>-</u>	<u>0</u>	<u>0</u>
GOR	<u>-</u>	<u>12286</u>	<u>14250</u>
Selling Price of Crude - \$/BBL.	<u>17.10</u>	<u>17.10</u>	<u>17.10</u>
Daily Income - \$/Day	<u>-</u>	<u>232.54</u>	<u>66.44</u>

COMMINGLED DATA:

Gravity of Commingled Crude 35.4

Selling Price of Commingled Crude - \$/BBL. 17.10

Daily Income - \$/Day 820.88

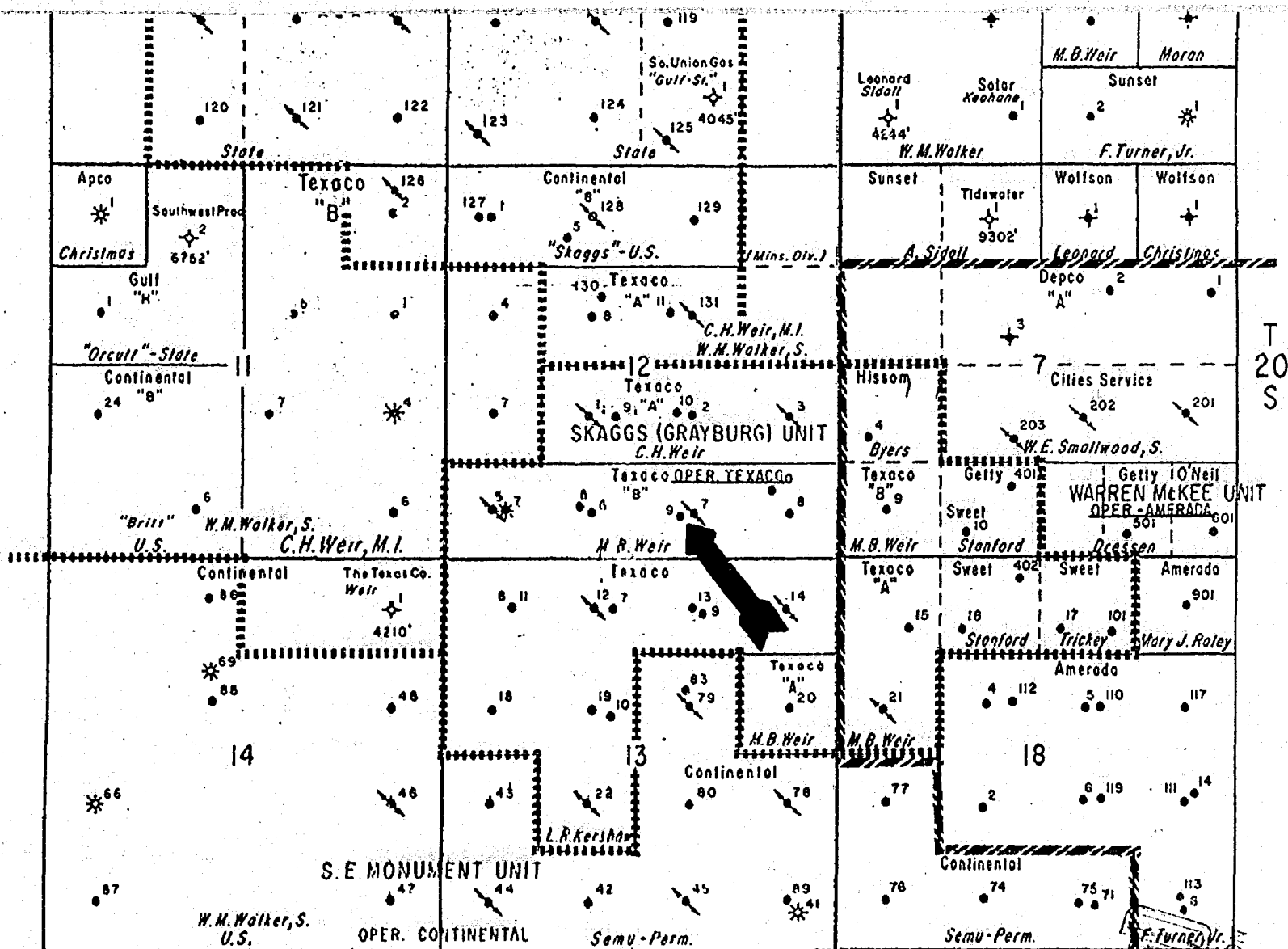
Net (Gain) (Loss) from Wellbore Commingling - \$/Day 521.82 (30 BOPD increase estimated)
based on current producing rates.

* Estimated from BHP of offset or wells in the field.

OFFSET OPERATOR

Amerada Hess Corporation
Drawer 817
Seminole, Texas 79360

RECEIVED
JUL 27 1979
OIL CONSERVATION DIVISION
SANTA FE



R-37-E

TEXACO'S

M.B. WEIR "B" LEASE

LEA COUNTY, NEW MEXICO

SCALE: 1" = 2000'

LEGEND



UNIT BOUNDARY

R-38-E

RECEIVED
JUL 27 1979
OIL CONSTRUCTION DIVISION
SANTA FE

3571 KB
12'
3559' 4L

11" HOLE

7 7/8" HOLE

27 1/2" 4.5# J-55 SET @ 4385

8 1/2" 17 1/2" 22# S-WELD SET @ 1415'
550 SACKS CEMENT CIRCULATED

27 1/2" 4.5# J-55 SET @ 4388

CALCULATED CEMENT TOP
@ 2700' W/ 80% FILL

RECEIVED
JUL 27 1979
OIL CONSERVATION DIVISION
SANTA FE

TOP 5175'

20212 21102327 21117

BOTTOM 4310'

21117 21117

21117 21117

BOTTOM 4337'

2 TSP 5173, 04, 5501, 22, 20, 43, 70' 2 TS @ 5288

2 TSP 5173, 12, 3110, 20' 2 TSP 5173, 46'

2 TSP 5173, 54' 2 TSP 5178, 17, 4010'

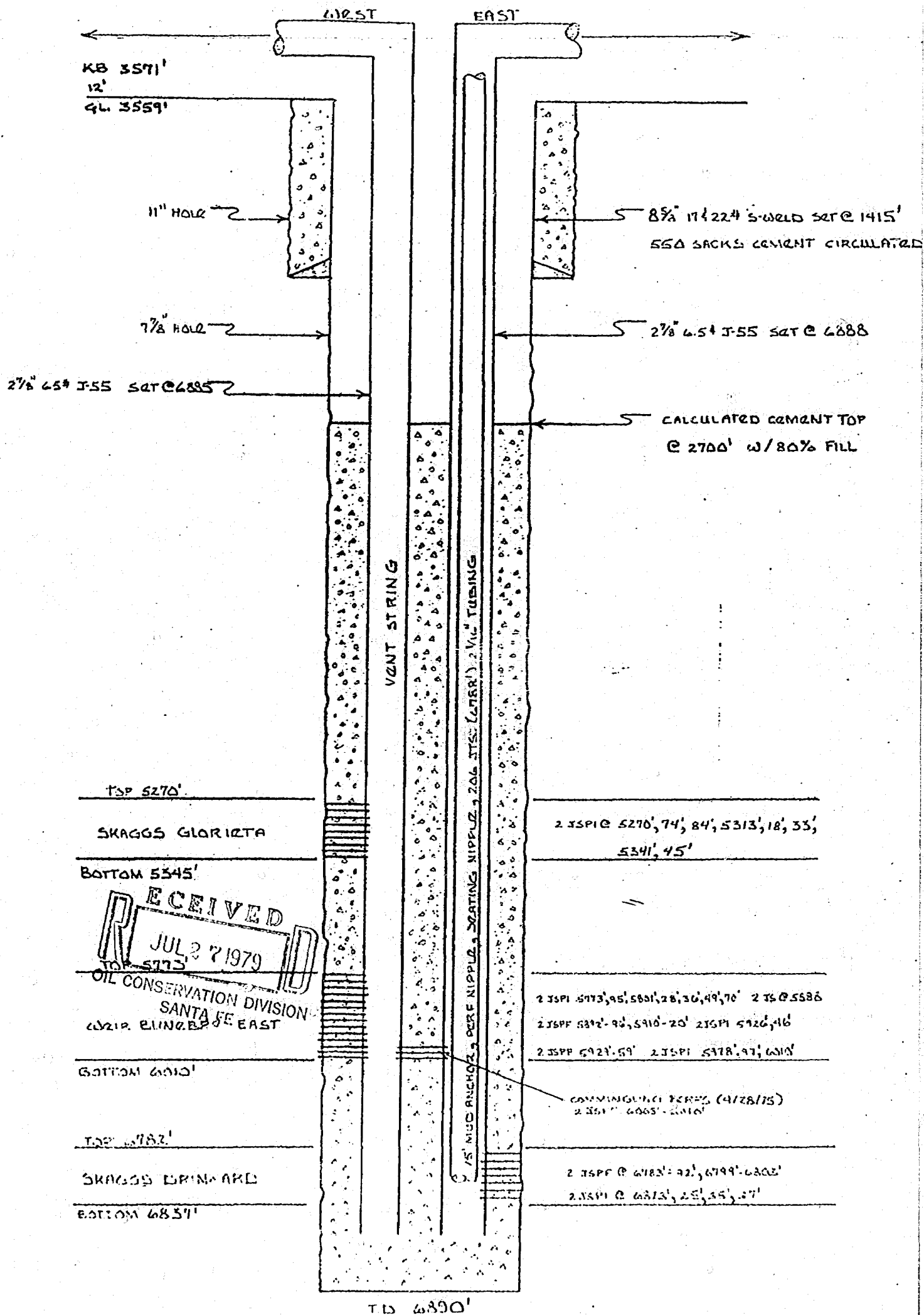
CONCRETE PILES (4/23/75)
2 TSP 5173, 46'

2 TSP 5173, 12, 3110, 20'

2 TSP 5173, 54' 2 TSP 5178, 17, 4010'

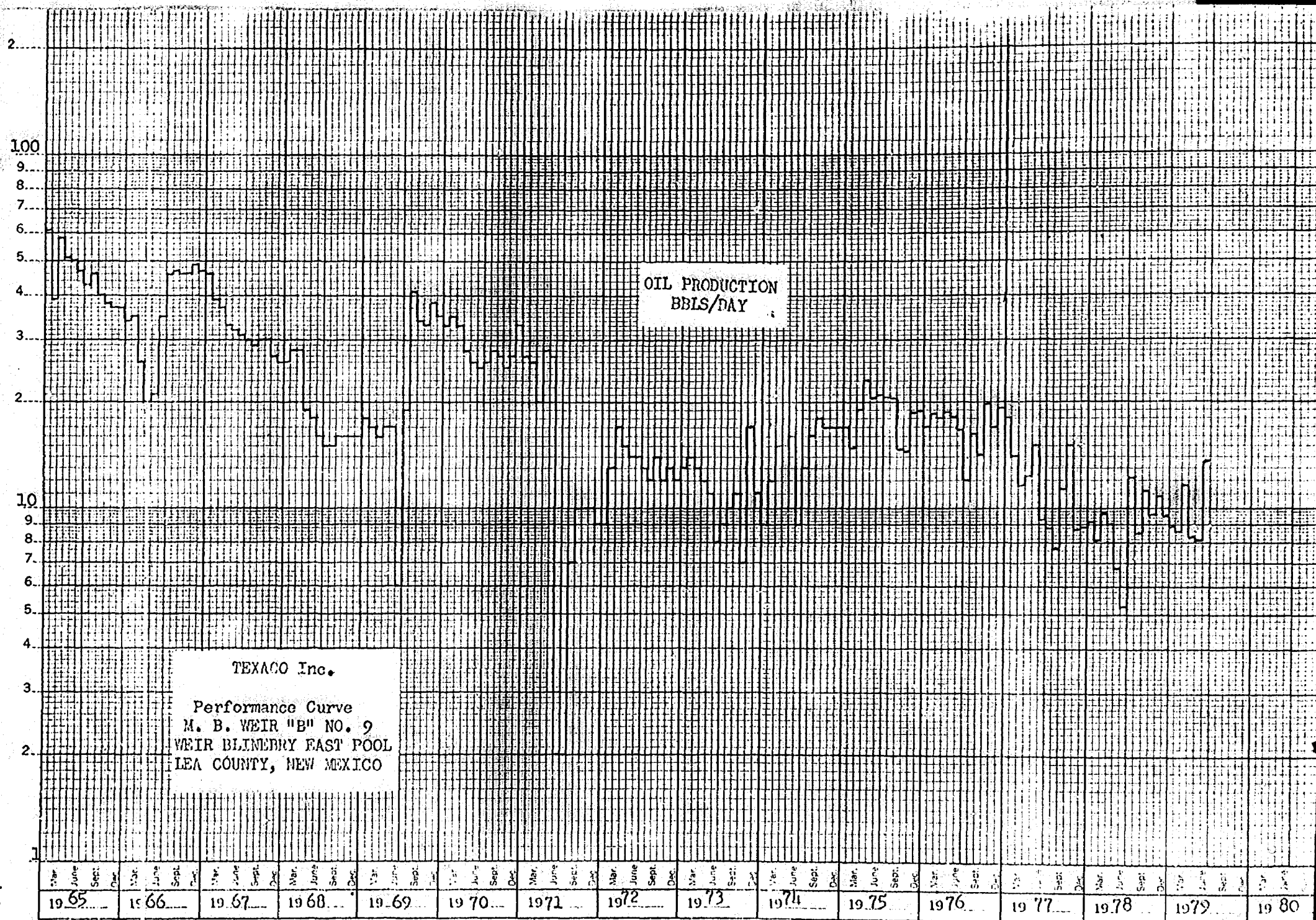
FE 4300'

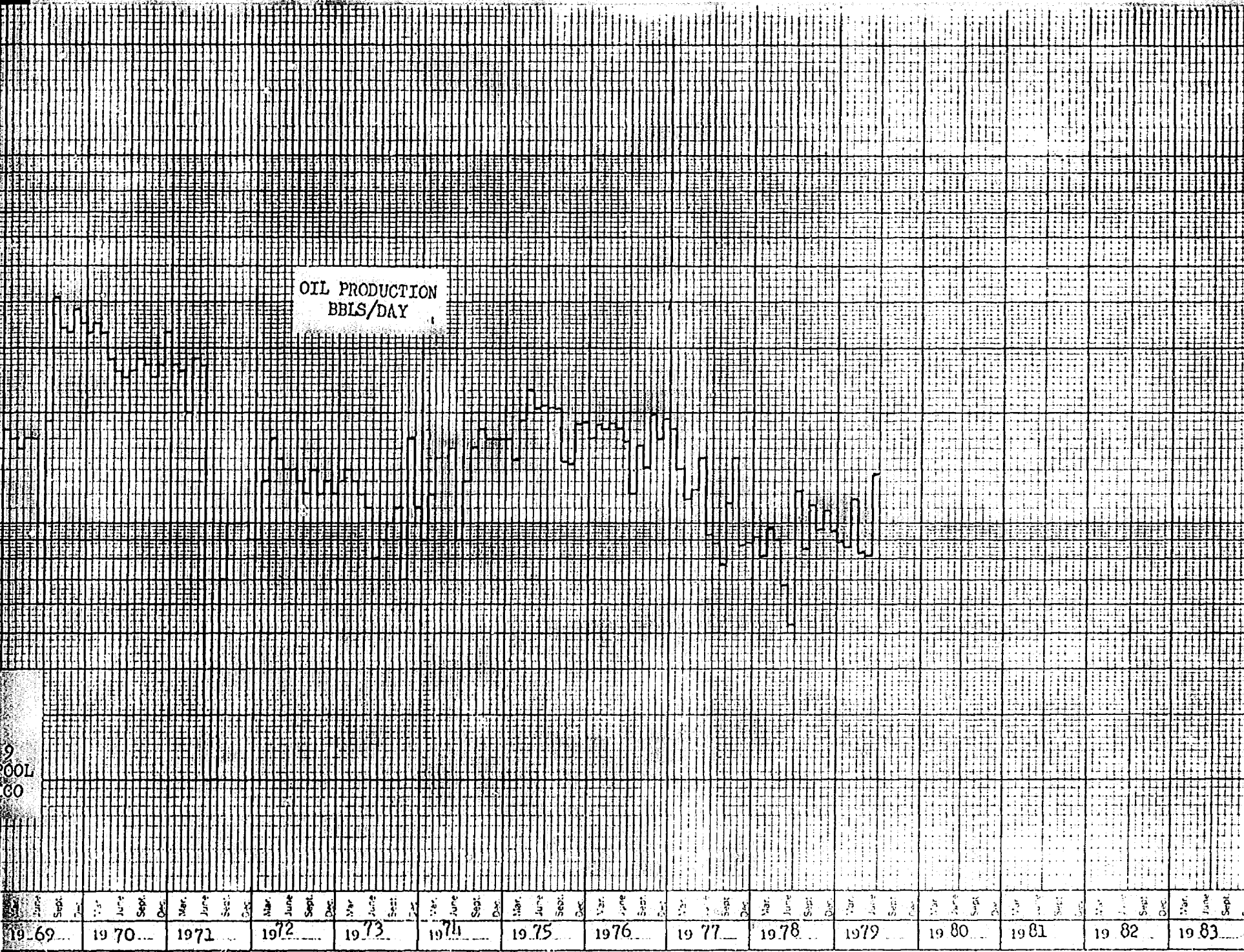
SEE DRAWING NO. 9
PRESENT LAYOUT DIAGRAM

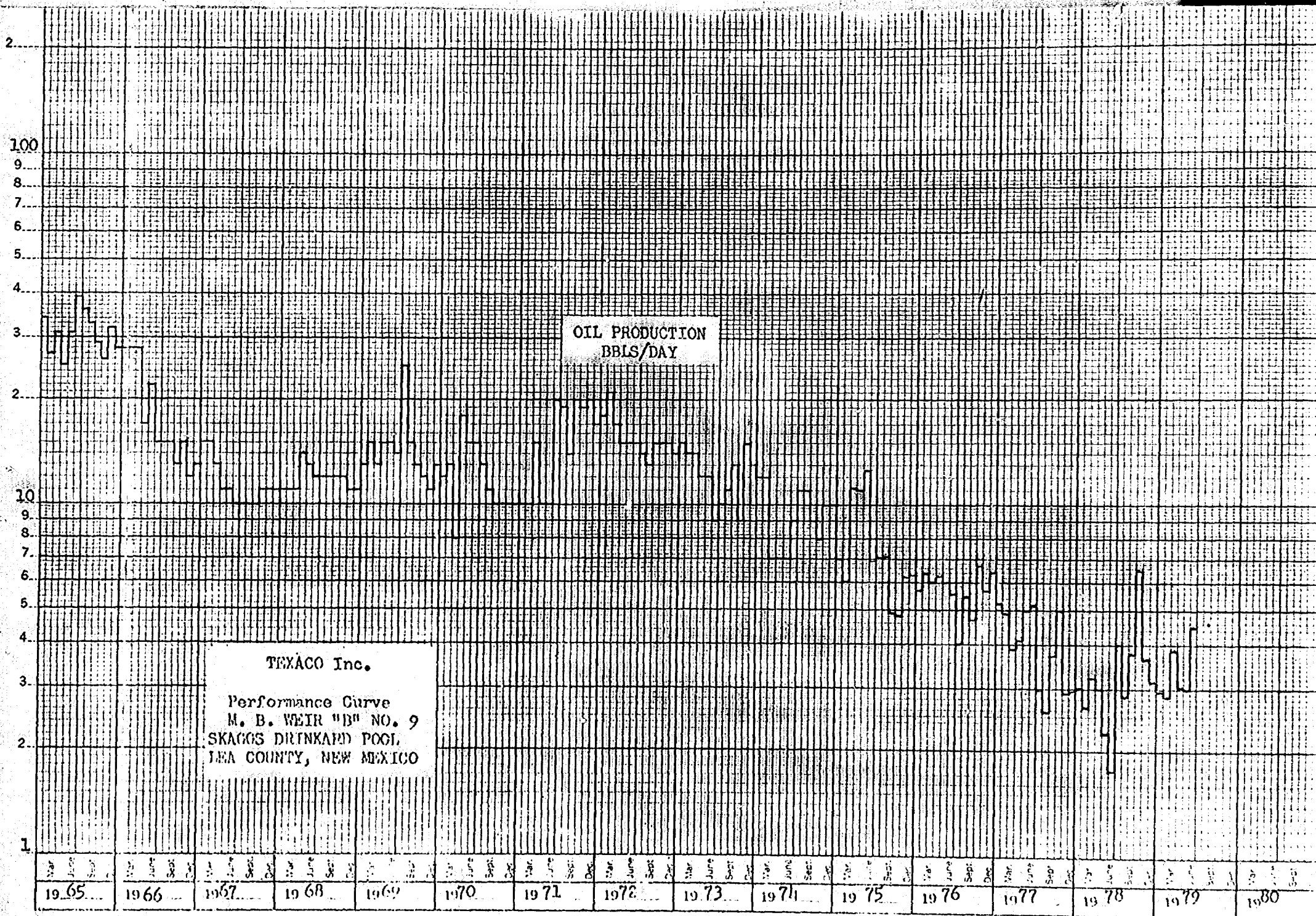


M.B. WIER 'B' WELL NO. 9

PROPOSED WELLBORE DIAGRAM







OIL PRODUCTION
BBLs/DAY

ve
NO. 9
POOL
MEXICO

1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983
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OIL PRODUCTION
BBL/DAY

TEXACO Inc.

Performance Curve
M. B. VEIR, "B" NO. 8
SKAGGS GLORIETA POOL
LEA COUNTY, NEW MEXICO

1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985
------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

dr/

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

CASE NO. 6628

Order No. 6113

APPLICATION OF TEXACO INC.

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 August 22,
19 79, at Santa Fe, New Mexico, before Examiner Daniel S.
Nutter.

NOW, on this _____ day of _____, 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, Texaco Inc., is
the owner and operator of the M. B. Weir "B" Well No. 9,
located in Unit 0 of Section 12, Township 20 South,
Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant seeks authority to commingle
production of Glorieta, Skaggs-Driskard and East Weir-Blumley and Skaggs-Driskard
within the wellbore of the above-described well.

(4) That from the Skaggs-Glorieta zone, the subject well is ^{expected to be} capable of low marginal production only.

(5) That from the ~~Skaggs-Drinkard~~ ^{East Weir-Blumery} zone, the subject well is capable of low marginal production only.

(6) That from the ~~East Weir-Blumery~~ ^{Skaggs-Drinkard} zone, the subject well is capable of low marginal production only.

(7) 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.

(8) 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.

(9) 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.

(10) That in order to allocate the commingled production to each of the commingled zones in the subject well, 72 percent of the commingled oil ^{and 40 percent of the commingled gas} production should be allocated to the Skaggs-Glorieta zone, and 21 percent of the ~~commingled oil~~ ^{and 42 percent of the gas production} production to the ~~Skaggs-Drinkard~~ ^{East Weir-Blumery} zone, and 7 percent of the ~~commingled oil~~ ^{and 18 percent of the gas production} production should be allocated to the Skaggs-Drinkard zone. (ALTERNATE)

~~(9) That in order to allocate the commingled production to each of the commingled zones in the wells, applicant should consult with the supervisor of the Hobbs district office of the Division and determine an allocation formula for each of the production zones.~~

IT IS THEREFORE ORDERED:

(1) That the applicant, Texaco Inc., is hereby authorized to commingle Skaggs-Glorieta, East Weir-Blinney and Skaggs-Drinkard production within the wellbore of the M. B. Weir "B" Well No. 9, located in Unit 0 of Section 12, Township 20 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.~~

~~(ALTERNATE)~~

(2) That 72 percent of the commingled oil and 40 percent of the commingled gas production shall be allocated to the Skaggs-Glorieta zone and 21 percent of the commingled oil and 42 percent of the gas production shall be allocated to the East Weir-Blinney zone, and 7 percent of the commingled oil and 18 percent of the gas production shall be allocated to the Skaggs-Drinkard 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 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.