

~~Handwritten signature~~
Cities Service Oil Company
Box 97
Hobbs, New Mexico

MAIN OFFICE OCC

Oil Conservation Commission
State of New Mexico
Santa Fe, New Mexico

~~Handwritten signature~~
March 12, 1956

NSL-24

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copy to occ Hule
3/15/56

Re: Application to Dually Complete
Cities Service Oil Company's
Brunson "B" No. 6, Brunson Pool,
Lea County, New Mexico

Gentlemen:

By means of this application Cities Service Oil Company wishes to state the following:

1. That Cities Service Oil Company's Brunson "B" No. 6 is located 380' North of the South line and 330' East of the West line of Section 3-T22S-R37E, Lea County, New Mexico. That it was completed in the Granite Wash (Brunson Pool) on June 8, 1948, at a total depth of 7434 with 5½" casing cemented at 7374' and is currently producing as an oil well. That Cities Service Oil Company and Sinclair Oil & Gas Company have entered into a Gas Operators agreement in regard to the Southwest one-quarter section of Section 3-T22S-R37E Lea County, New Mexico.

2. That attached Exhibit "A" shows the location of said well and the surrounding wells and lease holders.

3. That applicant now desires to dually complete captioned well so as to produce oil from the Granite Wash (Brunson Pool) Formation through the tubing and gas from the Blinebry Formation through the casing-tubing annulus in the following manner:

- a. Perforate the 5½" casing approximately 5445' to 5720' opposite the Blinebry formation.
- b. Set a production type packer below these perforations at approximately 7300'.

4. That the manner and method of dually completing, which is shown in the attached diagramatic sketch marked Exhibit "B", is mechanically feasible and will prevent co-mingling of fluids from the two reservoirs.

5. That this well is located at an unorthodox gas location due to being less than 660' from an outer boundary of the tract, and copies of this application have been sent to all operators within a 1320' radius of the subject well as required by Rule 3 of Special Rules and Regulations for the Blinebry Gas Pool, Order R-610, Case No. 727.

6. That copies of this application have been sent to operators of all leases directly or diagonally offsetting the said Brunson "B" Lease of the applicant as Required by the New Mexico Oil Conservation Commission Rule 112-A for Dual Completions.

It is therefore respectfully requested that the Conservation Commission grant the applicant exception to Rule 2, Order R-610, Case No. 727, and permission to dually complete this well in accordance with the rules and regulations of the Commission.

Respectfully submitted,

CITIES SERVICE OIL COMPANY

By John D. Albright
John D. Albright
District Engineer

JDA/eb
Attach.

STATE OF NEW MEXICO)
COUNTY OF LEA)

Before me, the undersigned authority, on this day personally appeared John D. Albright, Known to me to be the duly authorized agent of this company who upon his oath says that the foregoing is true and correct to the best of his knowledge.

Subscribed and sworn to before me this 13th day of March, 1956.

My Commission expires 2-8-58

Fred Lawson
Notary Public, Lea County, New Mexico

MAILING LIST

Oil Conservation Commission (3)
State of New Mexico
Box 871
Santa Fe, New Mexico

NMOCC
Box 2045
Hobbs, New Mexico

New Mexico Oil and Gas Engr.
Committee
Hobbs, New Mexico

Gulf Oil Corporation
Box 2167
Hobbs, New Mexico

Tidewater Associated Oil Co.
Box 1404
Houston, Texas

Magnolia Petroleum Corporation
Box 727
Kermit, Texas

Ohio Oil Company
Box 552
Midland, Texas

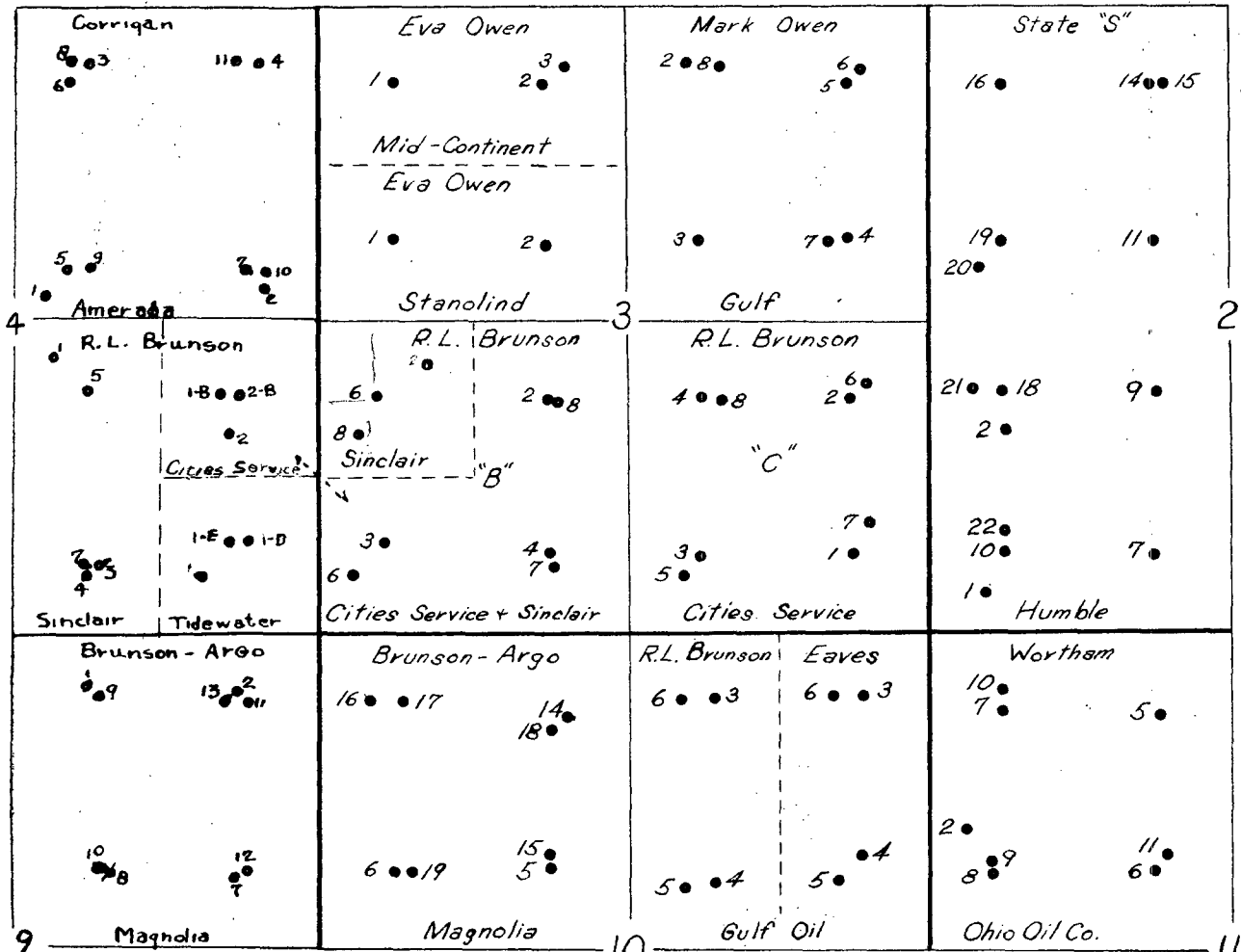
Sinclair Oil & Gas Company
Box 1470
Hobbs, New Mexico

Stanolind Oil & Gas Company
Box 899
Roswell, New Mexico

Amerada Petroleum Corporation
Box 2040
Tulsa, Oklahoma

**PLAT SHOWING LOCATION
OF
PROPOSED DUAL GAS-OIL COMPLETION**

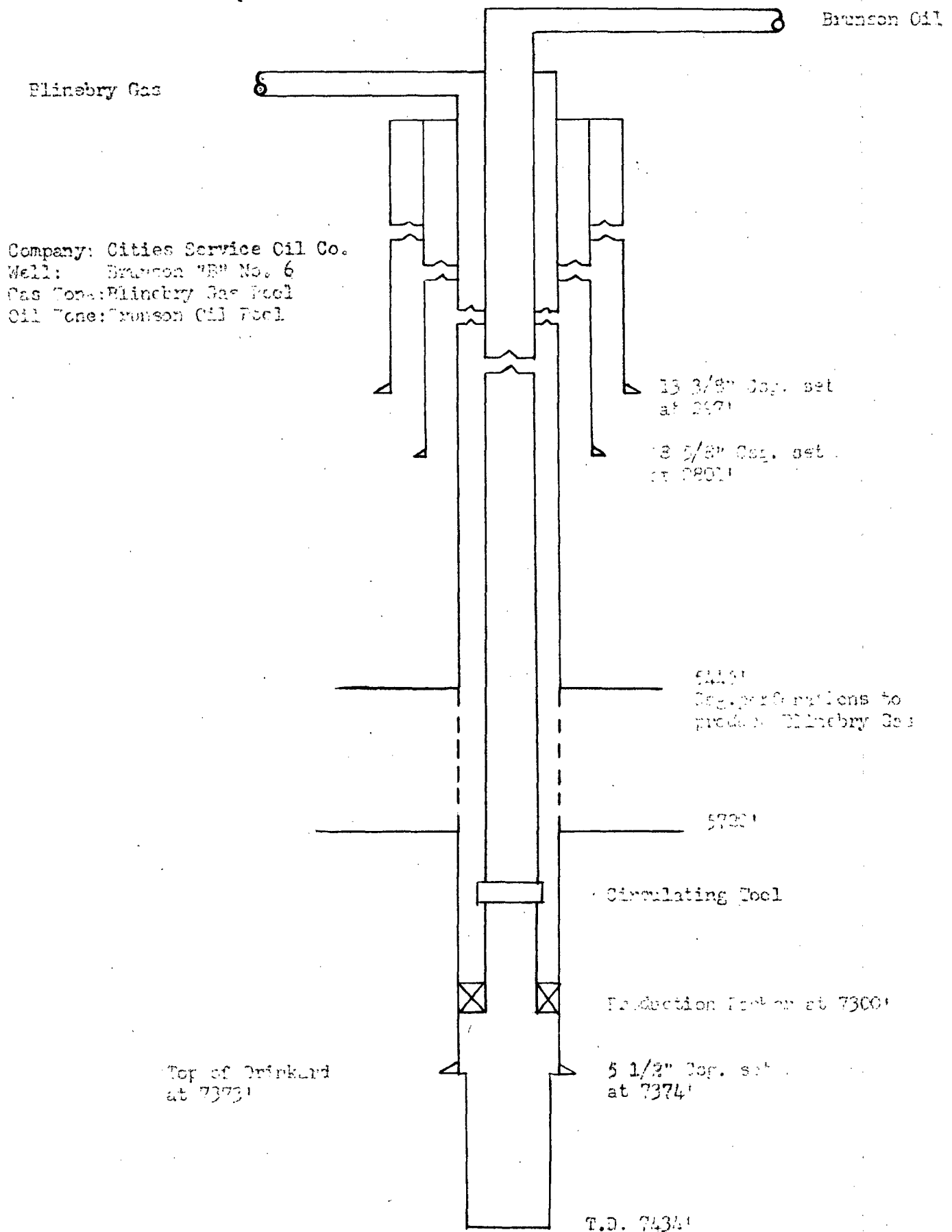
COMPANY: Cities Service Oil Company
WELL: Brunson "B" No. 6
GAS ZONE: Blinbry
OIL ZONE: Granite Wash (Brunson Pool)



RS-37-E

EXHIBIT - A

DIAGRAMATIC SKETCH OF DUAL GAS-OIL COMPLETION



MAIN OFFICE OCC

OIL CONSERVATION COMMISSION

1956 MAR 23 AM 8:34

BOX 2045

HOBBS, NEW MEXICO

DATE March 20, 1956

MR. W. B. MACEY
OIL CONSERVATION COMMISSION
BOX 871
SANTA FE, NEW MEXICO

RE:

PROPOSED NSP

PROPOSED NSL

24

Dear Mr. Macey:

I have examined the application dated 3/2

for the Cities Service Oil Co. Brunson B #6-M 3-22-37

Operator

Lease and Well No.

S-T-R

and my recommendations are as follows:

OK CR AND RFM

Yours very truly,

OIL CONSERVATION COMMISSION

C. M. Rieder

~~Stanley J. Stanley~~ C. M. Rieder
Engineer



NSL-241

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

March 1, 2006

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

OXY USA WTP Limited Partnership

P. O. Box 50250

Midland, Texas 79710-0250

Attention: David Stewart
Senior Regulatory Analyst
david_stewart@oxy.com

Administrative Order NSP-1897 (L) (SD)

Dear Mr. Stewart:

Reference is made to the following: (i) your application (*administrative application reference No. pTDS0-603752812*) dated February 1, 2006 that was submitted to the New Mexico Oil Conservation Division ("Division") in Santa Fe, New Mexico on February 6, 2006; (ii) a voice-mail message for Mr. Michael E. Stogner, Engineer with the Division in Santa Fe, from Ms. Elizabeth S. Bush-Ivie, Regulatory Team Leader, with OXY USA WTP Limited Partnership's ("OXY") in Houston, Texas, on Monday afternoon, February 6, 2006, checking on the status of your application; (iii) your telephone conversation with Mr. Stogner on Thursday morning, February 16, 2006, concerning past Blinebry gas production within the immediate area that is the subject of your application; and (iv) the Division's records in Hobbs and Santa Fe, including the files on Division Administrative Orders NSP-941, NSP-942, NSL-24, and NSL-680: all concerning OXY's request for a 120-acre non-standard gas spacing and proration unit ("GPU") consisting of the following acreage in the Blinebry Oil and Gas Pool (72480):

LEA COUNTY, NEW MEXICO
TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 3: NE/4 SW/4 and S/2 SW/4.

Further, OXY seeks to simultaneously dedicate this 120-acre GPU to the following two described wells located at locations considered to be "unorthodox" pursuant to Rule 2 (b) 1 of the "Special Rules and Regulations for the Blinebry Oil and Gas Pool," as promulgated by Division Order No. R-8170, as amended:

- (1) Brunson "B" Well No. 2 (API No. 30-025-12573), located 1912 feet from the South and West lines (Unit K) of Section 3; and

March 1, 2006

Page 1

(2) Brunson "B" Well No. 7 (API No. 30-025-09980), located 622 feet from the South line and 1990 feet from the West line (Unit N) of Section 3 [*this well was the subject of Division Administrative Order NSL-680, dated September 17, 1974, which order approved this location for the Tubb Oil and Gas Pool (86440)*].

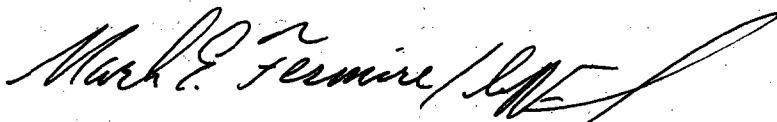
Your application has been duly filed under the provisions of: (i) Division Rules 104.D (2), 104.F, 605.B, and 1210.A (2) [formerly Rule 1207.A (2)]; and (ii) the special pool rules currently governing the Blinebry Oil and Gas Pool (*Division Order No. R-8170, as amended*).

By the authority granted me under the provisions of Division Rules 104.D (2), 104.F (2) and 605.B (2), and the applicable provisions of the special Blinebry Oil and Gas pool rules, the above-described 120-acre non-standard GPU and unorthodox Blinebry gas well locations for the Brunson "B" Wells No. 2 and 7 are hereby approved.

This newly established 120-acre GPU is to be simultaneously dedicated to the above-described Brunson "B" Wells No. 2 and 7, with allowable assigned thereto in accordance with Rule 5 of the special Blinebry Oil and Gas pool rules based upon the unit size of 120 acres.

Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,



Mark E. Fesmire, P. E.
Director

MEF/ms

cc: New Mexico Oil Conservation Division – Hobbs
Ms. Elizabeth S. Bush-Ivie, OXY USA WTP LP - Houston, TX (elizabeth_bush@oxy.com)
Files: NSL-680
NSL-24
NSP-941
NSP-942