

DOCKET: EXAMINER HEARING JUNE 11, 1958

Oil Conservation Commission 9 a.m., Mabry Hall, State Capitol, Santa Fe, NM

The following cases will be heard before Daniel S. Nutter, Examiner:

- CASE 1337: Application of Gulf Oil Corporation for an order amending Order R-1093. Applicant, in the above-styled cause, seeks an order amending Order R-1093 to provide for the commingling, in exception to Rule 303, but only after separate measurement, of oil produced from the Fusselman, Ellenburger, and McKee formations underlying its Learcy McBuffington Lease, comprising the S/2 of Section 13, Township 25 South, Range 37 East, Lea County, New Mexico, and the transfer of said production by means of automatic custody transfer equipment, in exception to Rule 309 (a); applicant also seeks authority to commingle the production, after separate measurement, from the Blinebry and Drinkard formations and the Langlie-Mattix Pool underlying the above-described McBuffington Lease, and to transfer said production by means of automatic custody transfer equipment. Applicant further seeks authority to produce more than 16 wells into each of the common transfer facilities described above, in exception to Rule 309 (a).
- CASE 1341: Application of Jal Oil Company, Inc. for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Sarkeys Well No. 2, located 660 feet from the North and West lines of Section 25, Township 21 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Blinebry Oil Pool and oil from the Tubb Gas Pool through parallel strings of tubing.
- CASE 1464: Application of Amerada Petroleum Corporation for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Ida Wimberley Well No. 3, located 1980 feet from the South line and 990 feet from the West line of Section 24, Township 25 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Fusselman adjacent to the Justis-Fusselman Pool, and oil from the Drinkard formation adjacent to the Justis-Drinkard Pool through parallel strings of tubing.
- CASE 1465: Application of Magnolia Petroleum Company for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its New Mexico "S" No. 1 Well, located 990 feet from the North line and 1650 feet from the East line of Section 2, Township 16 South, Range 32 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Wolfcamp formation adjacent to the Anderson Ranch-Wolfcamp Pool and oil from the Anderson Ranch-Devonian Pool through parallel strings of tubing.

CASE 1466: Application of Tidewater Oil Company for an exception to Rule 309 of the Commission Rules and Regulations. Applicant, in the above-styled cause, seeks an order authorizing the installation of automatic custody transfer equipment with positive displacement meters and automatic sampling equipment and other related facilities to receive, measure, and transfer custody of oil from the Justis-Ellenburger Pool produced from the wells located on its Coates "C" Lease, which comprises the E/2, SE/4 NW/4, and NE/4 SW/4 of Section 24, Township 25 South, Range 37 East, Lea County, New Mexico.

CASE 1467: Application of Continental Oil Company for the establishment of a new Tubb gas pool and for the promulgation of special rules and regulations. Applicant, in the above-styled cause, seeks an order establishing a new pool for Tubb gas production to be designated as the Warren-Tubb Gas Pool with horizontal limits consisting of the E/2 of Section 28, Township 20 South, Range 38 East, Lea County, New Mexico. The applicant further seeks the promulgation of special pool rules similar to those adopted for the Tubb Gas Pool, as set forth in Order R-586, subject to modification of certain of said rules.

CASE 1468: Application of Continental Oil Company for the establishment of a new Blinebry gas pool and for the promulgation of special rules and regulations. Applicant, in the above-styled cause, seeks an order establishing a new pool for Blinebry gas production to be designated as the Warren-Blinebry Gas Pool with horizontal limits consisting of the E/2 of Section 28, Township 20 South, Range 38 East, Lea County, New Mexico. The applicant further seeks the promulgation of special pool rules similar to those adopted for the Blinebry Gas Pool, as set forth in Order R-610, subject to modification of certain of said rules.

CASE 1469: Application of Phillips Petroleum Company for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order establishing a 320-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the S/2 of Section 14, Township 19 South, Range 36 East, Lea County, New Mexico, said unit to be dedicated to the applicant's Bern "A" Well No. 1, located 660 feet from the South and East lines of said Section 14.

CASE 1470: Application of Phillips Petroleum Company for a non-standard gas proration unit. Applicant, in the above-styled cause, seeks an order establishing a 320-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the N/2 of Section 12, Township 19 South, Range 36 East, Lea County, New Mexico, said unit to be dedicated to the applicant's Monument Well No. 1, located 1977 feet from the North line and 660 feet from the East line of said Section 12.

Case 1468



CONTINENTAL OIL COMPANY

825 PETROLEUM BUILDING
ROSWELL, NEW MEXICO

May 9, 1958

R. L. ADAMS
DIVISION SUPERINTENDENT
OF PRODUCTION
NEW MEXICO DIVISION

New Mexico Oil Conservation Commission
Box 871
Santa Fe, New Mexico

Attention: Mr. A. L. Porter, Jr., Secretary-Director

Gentlemen:

Attached are three copies of Continental Oil Company's application for a new pool designation for Blinebry gas production from its Warren Unit BT Well No. 8, located 1980 feet from the south and east lines of Section 28, T-20S, R-38E, NMPM, Lea County, New Mexico, and for the establishment of pool rules to govern the production from this pool. It is respectfully requested that this matter be set for hearing at the earliest convenient date.

Yours very truly,

R. L. Adams

RLA-JC

Enc

cc: HLJ, FTE

*Docket mailed
5-27-58*

BEFORE THE OIL CONSERVATION COMMISSION
OF THE
STATE OF NEW MEXICO

MAILED OFFICE 1950-000

IN THE MATTER OF THE APPLICATION OF
CONTINENTAL OIL COMPANY FOR A NEW
GAS POOL DESIGNATION FOR BLINEBRY
PRODUCTION FROM ITS WARREN UNIT BT
WELL NO. 8 LOCATED IN SECTION 28,
T20S, R38E, LEA COUNTY, NEW MEXICO,
THE HORIZONTAL LIMITS OF SAID POOL
TO ENCOMPASS THE E/2 OF SECTION 28,
T20S, R38E, N.M.P.M., LEA COUNTY,
NEW MEXICO: AND FOR THE ESTABLISH-
MENT OF POOL RULES TO GOVERN THE
PRODUCTION FROM THIS POOL.

A P P L I C A T I O N

Comes now applicant, Continental Oil Company, and respectfully petitions the Commission for a new pool designation for Blinebry gas production from its Warren Unit BT No. 8 well, located 1980 feet from the South and East lines of Section 28, T20S, R38E, N.M.P.M., Lea County, New Mexico, and for pool rules governing the production from this pool. In support of this application, applicant would show:

1. That applicant is operator of the Warren Unit which contains, in addition to other lands, Section 28, T20S, R38E, N.M.P.M., Lea County, New Mexico.
2. That applicant drilled and completed on March 12, 1950, its Warren Unit Drinkard Well No. 8 as an oil well in the Drinkard formation at a location 1980 feet from the South and East lines of said Section 28.
3. That said well was plugged back and dual completed for gas production from the Tubb and Blinebry formations during February, 1957. The calculated open flow potential for the Blinebry zone was 7560 MCF of gas per day. At a producing rate of 4677 MCF per day, the well produced distillate at a rate of 147 barrels per day for a gas-distillate ratio of 31,816 to 1. After recompletion, the well was redesignated the Warren Unit BT No. 8.
4. That the attached plat, contoured on the Blinebry marker, indicates the location of the Warren Unit BT No. 8, the location and distance to the nearest Blinebry gas production, the general topographical features of the Blinebry formation in this area, and the area suggested for inclusion in the proposed new pool.

5. That the nearest Blinebry gas producer, the Shell-Taylor Glenn No. 1, is located approximately 10,500 feet South in the Blinebry Gas Pool.

6. That the nearest Terry-Blinebry oil producer, the Continental Warren Unit No. 21, is located approximately 2640 feet South of the Warren Unit BT No. 8.

7. That the accumulation of gas under the Warren Unit BT No. 8 is separated from the Terry-Blinebry oil production to the South by an area of relatively low permeability as evidenced by pressure differentials between the two areas.

8. That the suggested name for this new pool is the Warren Blinebry Gas Pool.

That applicant further respectfully requests pool rules governing this proposed new pool similar to those adopted for the Blinebry Gas Pool but with certain specific rules as included in Order R-610 being changed to read as indicated herewith:

Rule 7: In the event an oil well producing from the Blinebry zone is reclassified as a gas well in the Warren Blinebry Gas Pool, the operator of such well will be afforded the opportunity to form a non-standard proration unit for the well; provided, however, that until such unit is formed, such well shall be allocated a gas allowable commensurate with the acreage contained in the unit formerly dedicated to the oil well.

Rule 9: The dual completion of a well so as to produce gas from the Warren Blinebry Gas Pool and oil from the Blinebry formation is hereby prohibited.

Rule 18: A gas well in the Warren Blinebry Gas Pool shall mean a well producing from within the vertical and horizontal limits of the Warren Blinebry Gas Pool which:

- (a) Produces liquid hydrocarbons possessing a gravity of 48° API or greater, or,
- (b) Produces liquid hydrocarbons possessing a gravity of less than 48° API, but with a gas liquid ratio of 10,000 cubic feet gas, or more, per barrel of liquid hydrocarbon.

O.K. if
same as Blinebry

Rule 19: A well producing from within the horizontal and vertical limits of the Warren Blinebry Gas Pool and not classified as a gas well as defined in Rule 18, shall be classified as an oil well.

Rule 22: Delete paragraph 2.

Rule 23: No gas, either dry or casinghead gas, shall be flared, vented or otherwise wasted in the Warren Blinebry Gas Pool at any time after ninety (90) days from the date of completion of a well in said pool.

Paragraph 2 & 3 - no change.

Rule 24: Bottom hole pressure tests will be conducted annually during the month of May on all wells producing from the Warren Blinebry Gas Pool. Results of such tests will be reported to the Commission on Form C-124 on or before the 25th day of June of each calendar year.

Paragraph 2 & 3 - no change.

Wherefore, applicant respectfully prays that this application be set for hearing before the Commission's duly appointed examiner at Hobbs, New Mexico, that due notice thereof be given, and that upon hearing an order be entered establishing a new pool designation and pool rules for the Continental Oil Company Warren Unit BT No. 8 Blinebry formation.

Respectfully submitted

By R. L. Adams

Case 1468
Exhibit 3

NEW MEXICO OIL CONSERVATION COMMISSION
BEFORE EXAMINER NUTTER

OIL CONSERVATION COMMISSION

Form C-122

Revised 12-1-55

EXHIBIT NO. 1468 MULTI-POINT BACK PRESSURE TEST FOR GAS WELLS

Pool CASE NO. 1468 Formation Blinberry County Lea

Initial Annual Special X Date of Test 3-25-58

Company Continental Oil Company Lease Warren Unit B.T. Well No. 8

Unit J Sec. 28 Twp. 20-S Rge. 38-E Purchaser El Paso Natural Gas Co.

Casing 7" Wt. 23# I.D. 6.336 Set at 9072 PB 6692 Perf. 5875 To 6210

Tubing 2" OD Wt. 4.7 I.D. 1.995 Set at 5999 Perf. To

Gas Pay: From 5875 To 6210 L. 5875 xG-MIX .791 -GL 4647 Bar.Press. 13.2

Producing Thru: Casing Tubing X Type Well G.G. Dual

Single-Bradenhead-G. G. or G.O. Dual

Date of Completion: 2-11-57 Packer 6240 Reservoir Temp. 100°

OBSERVED DATA

Tested Through (FLOWMETER) (ORIFICE) (METER) Type Taps Flange

No.	Flow Data					Tubing Data		Casing Data		Duration of Flow Hr.
	(FLOWMETER) (Line) Size	(ORIFICE) (Orifice) Size	Press. psig	Diff. h _w	Temp. °F.	Press. psig	Temp. °F.	Press. psig	Temp. °F.	
SI						1835				72
1.	4	1.50	632	5.8	48	1510				24
2.	4	1.50	593	17.6	55	1255				24
3.	4	1.50	616	24.0	63	1073				24
4.	4	1.50	585	33.6	63	902				24
5.										

FLOW CALCULATIONS

No.	Coefficient (24-Hour)	$\sqrt{h_w P_f}$	Pressure psia	Flow Temp. Factor F _t	Gravity Factor F _g	Compress. Factor F _{pv}	Rate of Flow Q-MCFPD @ 15.025 psia
1.	13.99	61.18	645.2	1.0117	.9427	1.092	891
2.	13.99	103.29	606.2	1.0048	"	1.075	1482
3.	13.99	122.89	629.2	.9971	"	1.074	1736
4.	13.99	141.77	598.2	.9971	"	1.070	1994
5.							

PRESSURE CALCULATIONS

Gas Liquid Hydrocarbon Ratio 23,186 cf/bbl.
Gravity of Liquid Hydrocarbons 56 deg.
F_c 9.936 (1-e⁻⁸) 0.274

Specific Gravity Separator Gas .675
Specific Gravity Flowing Fluid .791
P_c 1848.2 P_c 3415.8

No.	P _w P _t (psia)	P _t ²	F _c Q	(F _c Q) ²	(F _c Q) ² (1-e ⁻⁸)	P _w ²	P _c ² -P _w ²	Cal. P _w	P _w / P _c
1.	1523.2	2320.1	8.85	78.32	21.46	2341.6	1074.2	1530.2	.75
2.	1268.2	1608.3	14.73	216.97	59.45	1739.8	1676.0	1319.0	.71
3.	1086.2	1179.8	17.25	297.56	81.53	1261.3	2154.5	1123.1	.61
4.	915.2	837.6	19.81	392.44	107.53	945.1	2470.7	972.2	.53
5.									

Absolute Potential: 2,700 MCFPD; n .97

COMPANY Continental Oil Company
ADDRESS Box 427, Hobbs, New Mexico
AGENT and TITLE W. D. Howard, Gas Tester
WITNESSED
COMPANY

REMARKS

Flow Rate No.	1	2	3	4
Bbls. Distillate Production	42	68	79	86
Gas-Oil Ratio	21,214	21,794	21,975	23,186

COMPANY	Continental Oil Co.
WELL	Warren Unit BT No.8 (Blinebry)
LOCATION	J 28-20S-38E
COUNTY	Lea
DATE	3-25-58

