

Example of allocating total monthly gas production from H. O. Watson lease to each well.

Assume: 50,000 MCF total gas production from two wells in June, 1962,  
both wells produce 30 days

Well No. 1  $P_{t1}$  avg = 770 psia avg pressure for month

Well No. 2  $P_{t2}$  avg = 790 psia avg pressure for month

$$P_{t1} \approx P_{w1}$$

$$(P_{c1}^2 - P_{t1}^2) = 2,250,000 - 594,000 = 1,656,000$$

from deliverability data on Well No. 1

Well No. 1  $Q_1$  = 980 MCF/day

$$(P_{c2}^2 - P_{t2}^2) = 1,822,000 - 625,000 = 1,197,000$$

from deliverability data on Well No. 2

$Q_2$  = 670 MCF/day

Allocated monthly production to Well No. 1 for June 1, 1962

$$\frac{Q_1 \times \text{days produced}}{Q_1 \times \text{days produced} + Q_2 \times \text{days produced}} \times 50,000 \text{ MCF (actual lease total production)}$$

$$\frac{980 \times 30}{980 \times 30 + 670 \times 30} \times 50,000 = 29,700 \text{ MCF}$$

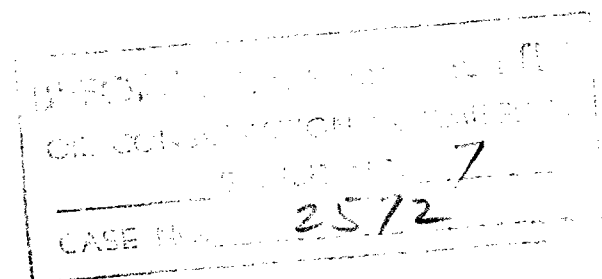
Allocated monthly production to Well No. 2 for June, 1962

$$\frac{Q_2 \times \text{days produced}}{Q_2 \times \text{days produced} + Q_1 \times \text{days produced}} \times 50,000 \text{ MCF/Mo}$$

$$\frac{670 \times 30}{670 \times 30 + 980 \times 30} \times 50,000 = 20,300 \text{ MCF}$$

$$Q_1 + Q_2 = Q_t$$

$$29,700 + 20,300 = 50,000$$



State of New Mexico  
Oil Conservation Commission



STATE GEOLOGIST  
A. L. PORTER, JR.  
SECRETARY - DIRECTOR

July 17, 1962

Re: Case No. 2572  
Order No. R-2291  
Applicant:  
**Tenneco Oil Company**

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

A. L. Porter, Jr.

OTHER \_\_\_\_\_

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE No. 2572  
Order No. R-2291

APPLICATION OF TENNECO OIL COMPANY  
FOR AN EXCEPTION TO RULE 21(A) OF  
ORDER NO. R-1670, BASIN-DAKOTA GAS  
POOL, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on June 7, 1962, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 17th. day of July, 1962, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Tenneco Oil Company, is the owner and operator of the H. O. Watson Lease comprising all of Section 22, Township 27 North, Range 12 West, NMPM, San Juan County, New Mexico, upon which lease two wells have been completed in the Basin-Dakota Gas Pool.

(3) That the applicant proposes, as an exception to the provisions of Rule 21(A) of the rules for the prorated gas pools of Northwestern New Mexico (Order No. R-1670), to commingle the production from the two wells located on the H. O. Watson Lease. Applicant proposes to install a common tank battery and separating facility to service the two wells and to allocate monthly gas production to each well on the basis of deliverability tests and average flowing tubing pressures.

(4) That due to the inherent difficulties which would be encountered in apportioning production on the basis proposed, the commingled production from the two subject wells could not be

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CASE No. 2572  
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accurately attributed to each individual well, and this method of allocation should not be permitted in a prorated gas pool.

(5) That the commingling of liquid hydrocarbons from the two subject wells should be permitted in accordance with the Commission's Manual for the Installation and Operation of Commingling Facilities.

IT IS THEREFORE ORDERED:

That the applicant, Tenneco Oil Company, is hereby authorized to commingle the liquid hydrocarbon production from its Watson Wells Nos. 1 and 2, located on the H. O. Watson Lease comprising all of Section 22, Township 27 North, Range 12 West, NMPM, Basin-Dakota Gas Pool, San Juan County, New Mexico.

PROVIDED HOWEVER, That the commingling of liquid hydrocarbons shall be in conformance with the Commission's Manual for the Installation and Operation of Commingling Facilities with the allocation of produced liquids based upon semi-annual gas-liquid ratio tests.

PROVIDED FURTHER, That the gas production from the subject wells shall be separately measured and that a separator shall be installed for each well.

IT IS FURTHER ORDERED:

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

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman



E. S. WALKER, Member



A. L. PORTER, Jr., Member & Secretary



esr/