

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY AND MINERALS
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF
J. R. CONE FOR DETERMINATION OF
PERMANENT ALLOCATION OF PRODUCTION
AND FOR THE ADJUSTMENT OF SAID
PRODUCTION ALLOCATION RETROACTIVE TO
AUGUST 16, 1984, FROM THE BLINEBRY,
TUBB AND DRINKARD POOLS FOR ITS
J. R. CONE #2 EUBANKS WELL,
LEA COUNTY, NEW MEXICO.

CASE: 9989

A P P L I C A T I O N

Comes now J. R. CONE, by and through his attorneys,
Kellahin, Kellahin & Aubrey, and applies to the New
Mexico Oil Conservation Division for an order determining
the permanent allocation of production from the Blinebry,
Tubb, and Drinkard Pools and for the adjustment of said
production allocation retroactive to August 16, 1984 for
its J. R. Cone #2 Eubanks well located in Unit L, SW/4 of
Section 14, T21S, R37E, Lea County, New Mexico, and in
support thereof would show:

1. On June 22, 1987 Division Order R-5481 was
issued authorizing that downhole commingling of the Tubb
and Blinebry Pools in the referenced wellbore.

2. On June 27, 1984 Administrative Order DHC-473
was issued covering the referenced well, authorizing the
downhole commingling of the Blinebry, Tubb and Drinkard

Pool in this well and assigning a temporary allocation of production from this well on the bases:

	<u>Oil</u>	<u>Gas</u>
Blinebry Pool	33%	54%
Tubb Pool	17%	40%
Drinkard Pool	50%	6%

3. This temporary allocation was in error, in that it neglected the relationship between the Blinebry and Tubb allocations provided for in Order R-5481, and under which the well had produced from the last half of 1977 through the first part of 1984. It also neglected the consideration of the last Drinkard production from this well as an isolated formation and cited in the application for commingled production between the Blinebry, Tubb and Drinkard, which resulted in Order DHC-473.

4. The temporary allocation under Order DHC-473 should have been Blinebry 35.5% of the oil and 37% of the gas, Tubb 14.5% oil and 27% gas, and Drinkard 50% oil and 36% gas.

5. Applicant requests that this matter be set on the Examiner docket for hearing in Santa Fe, New Mexico on June 8, 1988.

6. Notice of this application has been sent to all offset operators and interested parties as follows:


El Paso Natural Gas Company
P. O. Box 1492
El Paso, Texas 79978

Chevron, U.S.A.
P. O. Box 670
Hobbs, New Mexico 88240

Shell Western Exploration & Production Inc.
P. O. Box 1950
Hobbs, New Mexico 88240

WHEREFORE, Applicant requests that this matter be set for hearing and that after notice and hearing the allocation for the subject well be determined, made permanent and applied retroactive to the date of the first production from the triple commingling.

Respectfully submitted:

A handwritten signature in dark ink, appearing to read 'W. Thomas Kellahin', written over a horizontal line.

W. Thomas Kellahin
Kellahin, Kellahin & Aubrey
P. O. Box 2265
Santa Fe, New Mexico 87504