

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

January 11, 1991

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Conoco, Inc.
10 Desta Drive West
Midland, TX 79705-9982

Case 10245

Attention: Jerry Hoover

*RE: Request for Examiner Hearing, January 24, 1991
for pool creation and the contraction of both the
Blinebry Oil and Gas and Warren Tubb Gas Pool,
Lea County, New Mexico.*

Dear Mr. Hoover:

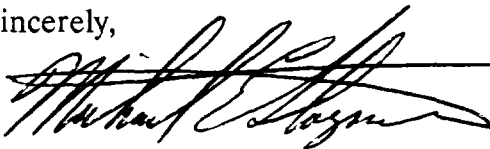
Subsequent to review of your application dated December 21, 1990, discrepancies were found which prevent me from setting the matter to hearing.

In deleting those areas which would form the proposed Warren Blinebry-Tubb Oil and Gas Pool from the two existing pools, non-contiguous blocks would be formed in both existing pools. I have attached land plats to help explain the situation.

Your application did not address this issue or offer a solution to the resulting nomenclature problem.

Should you wish to pursue this matter further, please confer with the Hobbs District Office of the Division for comments and assistance.

Sincerely,



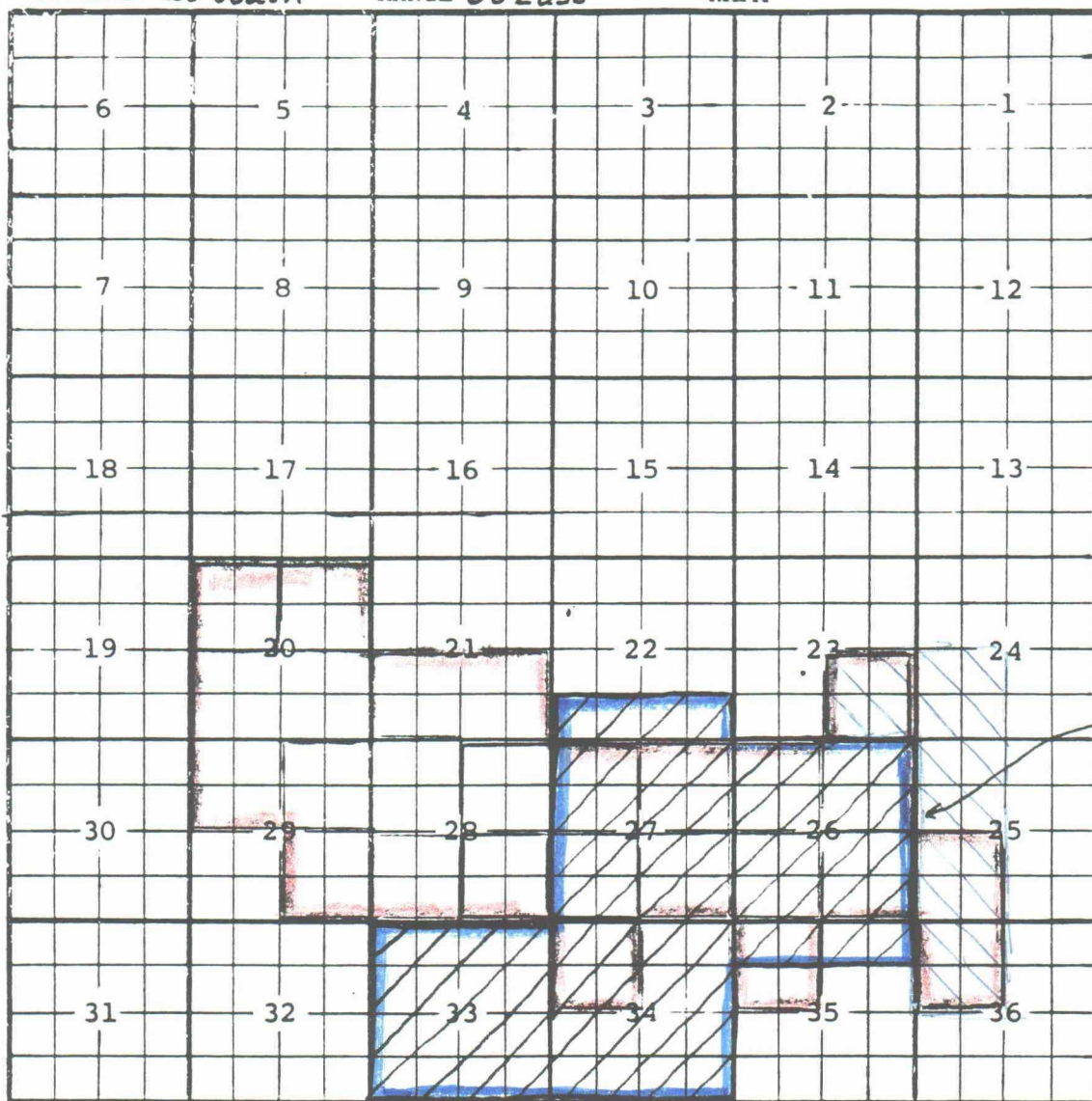
Michael E. Stogner
Chief Hearing Officer/Engineer

MES/ag

cc: Oil Conservation Division - Hobbs (Paul Kautz - Jerry Sexton)
File: Case No. 10220

COUNTY LeaPOOL Warren-Tubb GasTOWNSHIP 20 SouthRANGE 38 East

NMPM



Proposed:
Warren
Blinberry-Tubb
Oil & Gas
Pool.

Description: $\frac{SE}{4}$ Sec. 28 (R-1234, 8-6-58)

Ext: $\frac{SW}{4}$ Sec. 27 (R-1312, 1-1-59) $\frac{NW}{4}$ Sec. 27; $\frac{NE}{4}$ Sec. 28 (R-1424, 7-1-59)

Ext: $\frac{SE}{4}$ Sec. 27 (R-4957, 3-1-75) Ext: $\frac{NW}{4}$ Sec. 34 (R-5124, 12-1-75)

Ext: $\frac{NE}{4}$ Sec. 27, $\frac{SW}{4}$ Sec. 28 (R-5215, 6-1-76)

Ext: $\frac{S}{2}$ Sec. 21 (R-5417, 4-1-77) Ext: $\frac{SW}{4}$ Sec. 26 (R-5456, 7-1-77)

Ext: $\frac{SW}{4}$ Sec. 23, $\frac{NW}{4}$ Sec. 26 (R-5626, 2-1-78) Ext: $\frac{NW}{4}$ Sec. 28, -

- $\frac{NE}{4}$ Sec. 29 (R-5781, 9-1-78) Ext: $\frac{SE}{4}$ Sec. 26 (R-5911, 2-1-79)

Ext: $\frac{SE}{4}$ Sec. 29 (R-5988, 5-1-79) Ext: $\frac{NE}{4}$ Sec. 26 (R-6005, 6-1-79)

Ext: $\frac{S}{2}$ Sec. 20, $\frac{NW}{4}$ Sec. 29 (R-6169, 11-1-79) Ext: $\frac{NW}{4}$ Sec. 20 (R-6274, 3-1-80)

Ext: $\frac{NE}{4}$ Sec. 20 (R-6328, 5-1-80) Ext: $\frac{NW}{4}$ Sec. 35 (R-6449, 9-1-80)

Ext: $\frac{SE}{4}$ Sec. 23 (R-7158, 12-8-82) Ext: $\frac{SW}{4}$ Sec. 25, $\frac{NW}{4}$ Sec. 36 (R-8667, 6/10/88)

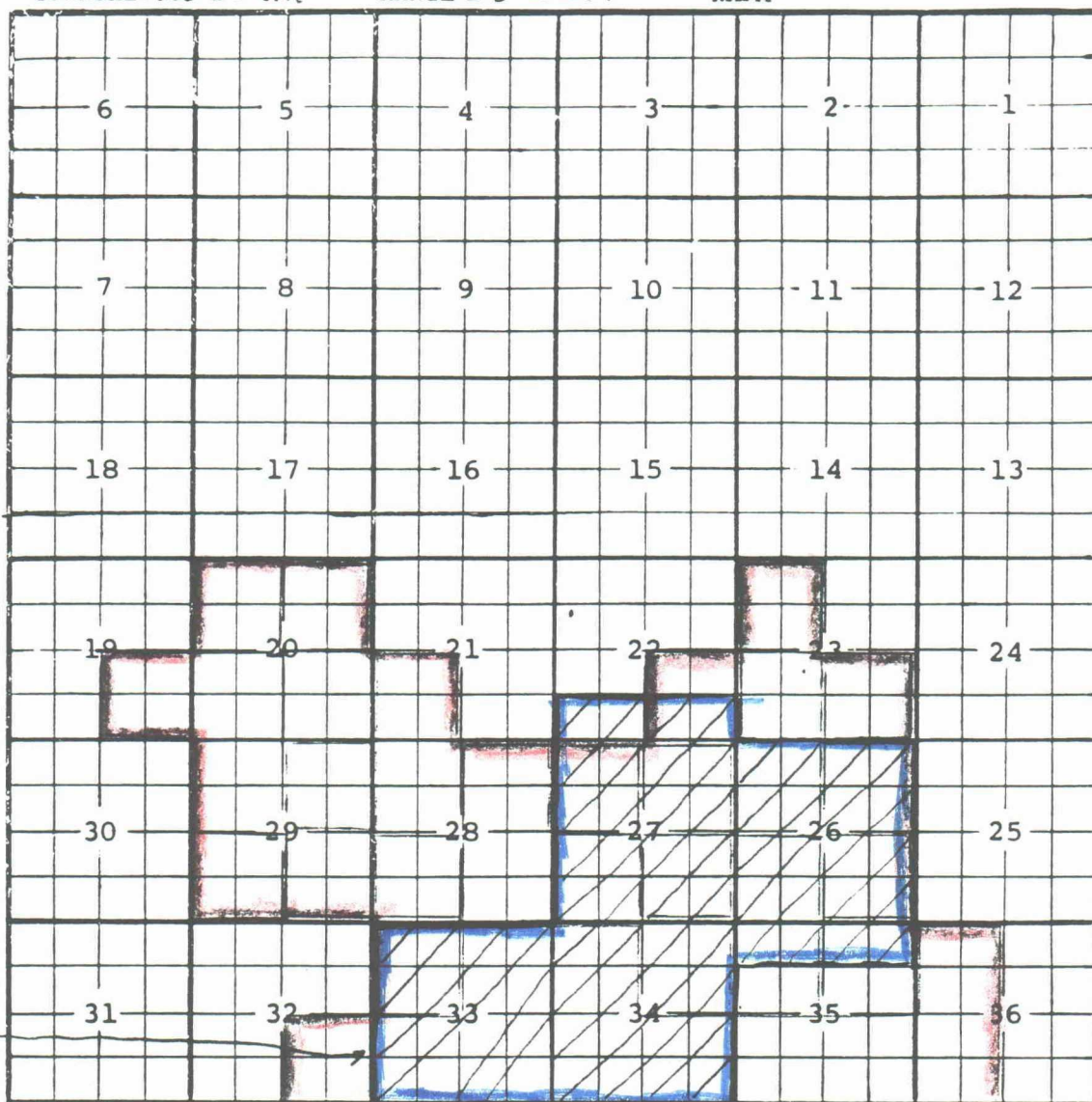
COUNTY Lea

POOL Blineby Oil and Gas

TOWNSHIP 20 South

RANGE 38 East

NMPM



Proposed
Warren
Blineby-Tubb
Oil & Gas
Pool.

Description: $\frac{SE}{4}$ Sec 32, $\frac{NE}{4} \& \frac{S}{2}$ Sec 33, $\frac{NW}{4} \& \frac{S}{2}$ Sec 34, -
- $\frac{S}{2}$ Sec 35, $\frac{W}{2}$ Sec 36 (R-1670-N, 1-1-74)

Ext: $\frac{SW}{4}$ Sec 27, $\frac{E}{2}$ Sec 28 (R-4957, 3-1-75)

Ext: $\frac{SE}{4}$ Sec 27 (R-5015, 6-1-75) Ext: $\frac{NW}{4}$ Sec 27 (R-5124, 12-1-75)

Ext: $\frac{NE}{4}$ Sec 27, $\frac{NE}{4}$ Sec 34 (R-5215, 6-1-76)

Ext: $\frac{SW}{4}$ Sec 28 (R-5252, 9-1-76) Ext: $\frac{SW}{4}$ Sec 21, $\frac{NW}{4}$ Sec 28 (R-5417, 4-1-77)

Ext: $\frac{SW}{4}$ Sec 26, $\frac{NW}{4}$ Sec 35 (R-5456, 7-1-77) Ext: $\frac{SW}{4}$ Sec 23, $\frac{NW}{4}$ Sec 26 (R-5626, 2-1-78)

Ext: $\frac{NW}{4}$ Sec 23 (R-5754, 7-1-78) Ext: $\frac{NE}{4}$ Sec 29 (R-5781, 9-1-78)

Ext: $\frac{SE}{4}$ Sec 26 (R-5876, 12-1-78) Ext: $\frac{SE}{4}$ Sec 29 (R-5988, 5-1-79)

Ext: $\frac{SE}{4}$ Sec 19, $\frac{SW}{4}$ Sec 20, $\frac{NE}{4}$ Sec 26, $\frac{NW}{4}$ Sec 29 (R-6005, 6-1-79)

Ext: $\frac{SE}{4}$ Sec 20 (R-6211, 12-31-79) Ext: $\frac{NW}{4}$ Sec 20 (R-6275, 3-1-80)

Ext: $\frac{NE}{4}$ Sec 20 (R-6328, 5-1-80) Ext: $\frac{SW}{4}$ Sec 29 (R-6499, 11-1-80)

Ext: $\frac{SE}{4}$ Sec 22 (R-6536, 12-1-80) Ext: $\frac{NW}{4}$ Sec 33 (R-6967, 5-6-82)

Ext: $\frac{SE}{4}$ Sec 23 (R-7248, 3-30-83)



Midland Division
Exploration and Production

Conoco Inc.
10 Desta Drive West
Midland, TX 79705-4514
(915) 686-5400

December 21, 1990

Mr. Michael Stogner
New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87501

RECEIVED

20

OIL CONSERVATION DIVISION

Dear Mr. Stogner:

Request for Examiner Hearing
January 24, 1991 for Approval to
Create a New Oil and Gas Pool,
Special Pool Rules, and Contraction
of the Blinebry and Warren Tubb Pool,
Lea County, New Mexico

Case 10295

- (1) Conoco seeks the creation of a new oil and gas pool for Blinebry and Tubb production to be designated the Warren Blinebry-Tubb Oil and Gas Pool comprising the following described acreage in Lea County, New Mexico:

TOWNSHIP 20 SOUTH, RANGE 38 EAST

Section 22: S2/S2
Section 26: All
Section 27: All
Section 33: All
Section 34: All
Section 35: N2/N2

- (2) Conoco further proposes that the vertical limits of this pool be defined from the top of the Blinebry Pool (75' above the Blinebry Marker) down to the base of the Warren Tubb Pool (top of Drinkard). These vertical limits are specifically identified in Warren Unit Well No. 37, located in Unit J, Section 27, T-20S, R-38E, with the Blinebry top at 5865' and the Tubb base at 6741'.
- (3) The creation of this new pool is for the purpose of expanding the current North Blinebry Waterflood Secondary Recovery Project to include all of the above described horizontal acreage and vertical interval.
- (4) Conoco also seeks the promulgation of special rules and regulations for the new Warren Blinebry-Tubb Oil and Gas Pool including the establishment of a gas-oil ratio limitation of 4,000 cubic feet of gas per barrel of oil.
- (5) In conjunction with the proposed pool creation, Conoco further seeks the concomitant contraction of the Blinebry Oil and Gas Pool and the Warren Tubb Gas Pool by the following described acreage:

TOWNSHIP 20 SOUTH, RANGE 38 EAST

Section 22: S2/S2 Section 26: All Section 27: All Section 33: All Section 34: All
Section 35: N2/N2

(6) It is proposed that this application be set for hearing at the January 24, 1991 docket.

Very truly yours,

A handwritten signature in cursive script that reads "Jerry W. Hoover". The signature is fluid and written in dark ink.

Jerry W. Hoover
Regulatory Coordinator

JWH/tm

31 JAN 1991 10 09

CONOCO INC.
10 Desta Drive West
Midland, Texas 79705

1. Application for Expansion and Contraction of Conoco's North Blinebry Waterflood Project Located in the Warren Unit, Lea County, New Mexico, to include the following described acreage:

TOWNSHIP 20 SOUTH, RANGE 38 EAST

Section 22: S2/S2	Section 33: All
Section 26: All	Section 34: All
Section 27: All	Section 35: N2/N2

2. Application to Create a New Oil and Gas Pool, Special Pool Rules, and Contraction of the Blinebry and Warren Tubb Pools, Lea County, New Mexico, comprising the following described acreage:

TOWNSHIP 20 SOUTH, RANGE 38 EAST

Section 22: S2/S2	Section 33: All
Section 26: All	Section 34: All
Section 27: All	Section 35: N2/N2

WAIVER TO OBJECTION

We, the undersigned, as an offset operator, surface landowner, or interest owner, waive any objection to both of the above described applications, for NMOCD approval of waterflood expansion and pool creation, by Conoco in the above described area of their Warren Unit operations located in Lea County, New Mexico.

Company or Name: Chevron U.S.A. Inc.

Signature: Allan W. Bohling

Title: Protraction Engineer

Date: January 14, 91

Attention: Jerry Hoover

CONOCO INC.
10 Desta Drive West
Midland, Texas 79705

91 JAN 7 PM 9 59

1. Application for Expansion and Contraction of Conoco's North Blinebry Waterflood Project Located in the Warren Unit, Lea County, New Mexico, to include the following described acreage:

TOWNSHIP 20 SOUTH, RANGE 38 EAST

Section 22: S2/S2	Section 33: All
Section 26: All	Section 34: All
Section 27: All	Section 35: N2/N2

2. Application to Create a New Oil and Gas Pool, Special Pool Rules, and Contraction of the Blinebry and Warren Tubb Pools, Lea County, New Mexico, comprising the following described acreage:

TOWNSHIP 20 SOUTH, RANGE 38 EAST

Section 22: S2/S2	Section 33: All
Section 26: All	Section 34: All
Section 27: All	Section 35: N2/N2

WAIVER TO OBJECTION

We, the undersigned, as an offset operator, surface landowner, or interest owner, waive any objection to both of the above described applications, for NMOCD approval of waterflood expansion and pool creation, by Conoco in the above described area of their Warren Unit operations located in Lea County, New Mexico.

Company or Name: ELK OIL COMPANY

Signature: 

Title: President

Date: January 16, 1991



RECEIVED
JAN 22 1991 9 49 AM

Amoco Production Company

Houston Region
501 WestLake Park Boulevard
Post Office Box 3092
Houston, Texas 77253

James F. Trickett
Regional Environmental, Safety &
Regulatory Affairs Manager

January 11, 1991

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Application for Expansion and Contraction
Warren Unit
Conoco's North Blinebry Waterflood Project
Lea County, New Mexico

File: JCA-2899-986.51NM

Attention: William J. LeMay

Amoco Production Company has been advised that Conoco Inc has filed an application for expansion and contraction of their North Blinebry Waterflood Project located in the Warren Unit, Lea county, New Mexico, to include the following described acreage:

TOWNSHIP 20 SOUTH, RANGE 38 EAST

Section 22: S2/S2	Section 33: All
Section 26: All	Section 34: All
Section 27: All	Section 35: All

Conoco also has filed an application to create a new oil and gas pool, special pool rules, and contraction of the Blinebry and Warren Tubb Pools, Lea County, New Mexico, comprising the following described acreage:

TOWNSHIP 20 SOUTH, RANGE 38 EAST

Section 22: S2/S2	Section 33: All
Section 26: All	Section 34: All
Section 27: All	Section 35: All

As an interest operator, Amoco Production Company has no objection to either of the above described applications, for NMOCD approval of waterflood expansion and pool creation, by Conoco in their Warren Unit operations located in Lea County, New Mexico.

Yours very truly,

James F. Trickett
MLC/ *JAT*

KELLAHIN, KELLAHIN AND AUBREY

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

W. THOMAS KELLAHIN
KAREN AUBREY

CANDACE HAMANN CALLAHAN

JASON KELLAHIN
OF COUNSEL

TELEPHONE (505) 982-4285
TELEFAX (505) 982-2047

February 20, 1991

*Case file
10245*

Mr. Jim Morrow
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87504

Re: Application of Conoco, Inc. for Pool
Creations, Special Pool Rules, and
Contraction of the Blinbry Oil and
Gas and Warren Tubb Gas Pool, Lea County,
New Mexico
NMOCD Case No. 10245

Dear Jim:

On behalf of Conoco, Inc., please find enclosed a proposed order for entry in the reference case. This case now set for the February 21, 1991 Examiner's hearing is the companion case to Case No. 10220 which you heard on January 24, 1991.

Also enclosed to aid in the processing of the order is our word processing disk which contains the draft order.

Please call me if you have any questions.

~~Very~~ truly yours,


W. Thomas Kellahin

WTK/tic
Enclosures

cc: Jerry Hoover
Conoco, Inc.
10 Desta Drive West
Midland, Texas 79705

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

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

CASE NO. 10245
ORDER NO. R-

APPLICATION OF CONOCO, INC. FOR
POOL CREATIONS, SPECIAL POOL RULES,
AND CONTRACTION OF THE BLINEBRY
OIL AND GAS POOL AND WARREN TUBB
GAS POOL, LEA COUNTY, NEW MEXICO

CONOCO INC.'S PROPOSED
ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on February 21, 1991, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this ____ day of March, 1991, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and having been fully advised in the premises,

FINDS THAT:

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

(2) Division case No. 10220 transcript was consolidated with the subject case at the time of the hearing for the purpose of testimony.

(3) Conoco seeks the creation of a new oil and gas pool for Blinebry and Tubb production comprising all or portions of Section 22, 26, 27, 33, 34, and 35, T20S, R38E, to be designated the Warren Blinebry-Tubb Oil and Gas Pool, and the promulgation of special pool rules therefor, including a provision to allow for simultaneous dedication of pool acreage to both oil and gas wells, special gas allowable considerations, any other provisions deemed necessary for such a pool. Conoco also seeks the concomitant contraction of the Blinebry Oil and Gas Pool and the Warren-Tubb Gas Pool and the creation of a new gas pool for Tubb production comprising the SE/4 and SW/4 of Section 23, SW/4 of Section 24, W/2 of Section 25 and the NW/4 of Section 36, T20S, R38E. Said area is located approximately 10 miles south of Hobbs, New Mexico.

(4) Conoco seeks the creation of a new oil and gas pool for Blinebry and Tubb production to be designated the Warren Blinebry-Tubb Oil and Gas Pool comprising the following described acreage in Lea County, New Mexico:

TOWNSHIP 20 SOUTH, RANGE 38 EAST

Section 22:	S/2S/2
Section 26:	All
Section 27:	All
Section 33:	All
Section 34:	All
Section 35:	N/2N/2

(5) Conoco further proposes that the vertical limits of this pool be defined from the top of the Blinebry Pool (75 feet above the Blinebry Marker) down to the base of the Warren Tubb Pool (top of Drinkard). These vertical limits are specifically identified in Warren Unit Well No. 37, located in Unit J, Section 27, T20S, R38E, with the Blinebry top at 5865 feet and the Tubb base at 6741 feet.

(6) The creation of this new pool is for the purpose of expanding the current North Blinebry Waterflood Secondary Recovery Project to include all of the above described horizontal acreage and vertical interval which was the subject of Division Case No. 10220.

(7) Conoco also seeks the promulgation of special rules and regulations for the new Warren Blinebry-Tubb Oil and Gas Pool.

(8) In conjunction with the proposed pool creation, Conoco further seeks the concomitant contraction of the

CASE NO. 10245
ORDER NO. R-
PAGE 4

Blinebry Oil and Gas Pool and the Warren Tubb Gas Pool by
the following described acreage in TOWNSHIP 20 SOUTH, RANGE
38 EAST:

Blinebry Oil & Gas Pool

Section 22:	S/2SE/4
Section 26:	All
Section 27:	All
Section 33:	All
Section 34:	All
Section 35:	N/2N/2

Warren Tubb Gas Pool

Section 26:	All
Section 27:	All
Section 34:	NW/4
Section 35:	NW/4

(9) The applicant testified that over the operational history of the Blinebry Oil and Gas Pool and the Tubb ~~Oil~~ ^{Blinebry Gas} ~~and Gas~~ Pool, the Division has allowed commingling of these ^{oil/gas in the} pools within the wellbores of numerous wells in the subject area.

(10) This commingling has resulted in the development of effective communication between the two pools, which has in turn resulted in similar formation pressures and production responses.

(11) Consequently, the vertical interval containing the Blinebry and Tubb formations more closely resembles, at this late stage of primary development, one common single source of supply.

(12) The applicant further presented evidence and testimony which indicates that secondary recovery operations conducted simultaneously within the Blinebry and Tubb formations would be the most efficient method of operation and would result in the recovery of the maximum amount of secondary reserves from the subject formations within the subject area.

(13) In order to prevent waste caused by the loss of secondary reserves resulting from inefficient secondary recovery operations, and by the unnecessary duplication of facilities required to conduct separate waterflood operations within the two subject formations, the application of Conoco for the creation of a new oil and gas pool for the purpose of conducting secondary recovery operations should be approved.

(14) In order to assure the orderly development and operation of the proposed secondary recovery project within the Warren Blinebry-Tubb Oil and Gas Pool, special rules and

regulations, including, but not limited to, well location requirements, oil and ~~gas well~~ spacing, classification, acreage dedication, and recompletions, and reporting procedures should be adopted.

omit (15) The applicant further requested that the special rules and regulations allow for simultaneous dedication of acreage to oil and gas wells within the pool boundaries.

omit (16) The effect of allowing simultaneous dedication of acreage within the pool would result in a more efficient and complete production of remaining primary gas reserves, thereby preventing waste, and should be approved.

(17) Since the above requests for contractions will create non-contiguous blocks in the remaining Blinebry Oil and Gas Pool and in the Warren Tubb Gas Pool, the following solution to this resulting nomenclature problem is suggested.

(a) Warren Tubb Gas Pool Solution: To connect the two non-contiguous Warren Tubb Gas Pool blocks, add the following acreage in T20S, R38E:

Section 24: SW/4
Section 25: NW/4

CASE NO. 10245
ORDER NO. R-
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and rename this 960-acre block of the Warren Tubb Gas Pool, which extends around the eastern perimeter of the Warren Unit as the "Warren Tubb East Gas Pool" to distinguish it from the remainder of the main pool located in Sections 20, 21, 28 and 29 to the west.

(b) Blinebry Oil and Gas Pool Solution: To connect the only non-contiguous Blinebry Oil and Gas Pool block, add the following acreage in T20S, R38E:

Section 21: SE/4
Section 22: N/2SW/4

IT IS THEREFORE ORDERED THAT:

(1) A new pool for Blinebry and Tubb production is hereby created and designated the Warren Blinebry-Tubb Oil and Gas Pool comprising vertical limits defined from a depth of 5530 feet (2101 feet sub-sea) to a depth of 6680 feet (3251 feet sub-sea) on the log run June 21, 1951 on the Shell Argo Well No. 8 located 660 feet from the South line and 2310 feet from the West line of Section 15, T21S, R37E, N.M.P.M., Lea County, New Mexico, and with horizontal limits comprised of the following described acreage:

CASE NO. 10245
ORDER NO. R-
PAGE 8

TOWNSHIP 20 SOUTH, RANGE 38 EAST

Section 22:	S/2S/2
Section 26:	All
Section 27:	All
Section 33:	All
Section 34:	All
Section 35:	N/2N/2

(2) The horizontal boundaries of the Blinebry Oil and Gas Pool and the Tubb Oil and Gas Pool, are hereby contracted by the deletion of the following described acreage:

TOWNSHIP 20 SOUTH, RANGE 38 EAST:

Blinebry Oil & Gas Pool

Section 22:	S/2SE/4
Section 26:	All
Section 27:	All
Section 33:	All
Section 34:	All
Section 35:	N/2N/2

Warren Tubb Gas Pool

Section 26:	All
Section 27:	All
Section 34:	NW/4
Section 35:	NW/4

CASE NO. 10245
ORDER NO. R-
PAGE 9

(3) A new pool for Tubb production is hereby created and designated the Warren Tubb East Gas Pool comprising the following described acreage:

T20S, R38E

Section 23: SE/4 and SW/4
Section 24: SW/4
Section 25: NW/4 and SW/4
Section 36: NW/4

(4) The Blinebry Oil and Gas Pool is hereby expanded to include the following described acreage:

T20S, R38E

Section 21: SE/4
Section 22: N/2SW/4

(5) Temporary special Rules and Regulations governing operations within the Warren Blinebry-Tubb Oil and Gas Pool are hereby promulgated as follows:

**SPECIAL RULES AND REGULATIONS FOR THE
WARREN BLINEBRY-TUBB OIL AND GAS POOL**

RULE 1. Each well completed or recompleted in the Warren Blinebry-Tubb Oil and Gas Pool or in the Blinebry or Tubb formations within the designated pool

boundaries shall be spaced, drilled, operated, and produced in accordance with the Special Rules and Regulations hereinafter set forth.

RULE 2. A producing oil well within the Warren Blinebry-Tubb Oil and Gas Pool shall have dedicated to it a tract consisting of 40 acres comprised of a governmental quarter-quarter section or lot and shall be located no closer than 330 feet to any outer boundary of such tract.

RULE 3. The Division Director shall have authority to grant exceptions to the well location requirements of Rule 2 in accordance with the terms and provisions of General Rule 104(F), and provided the requirements contained in said rule are complied with.

RULE 4. A producing gas well within the Warren Blinebry-Tubb Oil and Gas Pool shall have dedicated to it a tract consisting of 160 acres comprised of contiguous governmental quarter-quarter sections or lots and shall be located no closer than 330 feet to any quarter quarter interior boundary nor closer than 660 feet to the outer boundary of the 160-acre spacing unit.

May
omit

*May
omit*

RULE 5. Acreage within the pool may be simultaneously dedicated to oil and gas wells.

*Warren
Tubb
Gas Pool
Tubb Pool
classified
as
oil
or
gas*

RULE 6. An oil well in the Warren Blinebry-Tubb Oil and Gas Pool shall be a well producing from the vertical and horizontal limits of the pool and not classified as a gas well.

*May
omit*

RULE 7. A gas well in the Warren Blinebry-Tubb Oil and Gas Pool shall be a well producing from defined gas intervals within the Blinebry or Tubb formations, and shall not be subject to any specific gas-liquid hydrocarbon ratio; an oil well in the pool may be recompleted as a gas well in the Blinebry or Tubb formation provided the operator of such well makes application to and receives approval from the supervisor of the Division's Hobbs District Office.

*May
omit*

RULE 8. Commingling of production in the wellbore of any well producing from both oil zones and gas zones in the Warren Blinebry-Tubb Oil and Gas Pool is permitted.

RULE 9. Oil wells in the Warren Blinebry-Tubb Oil and Gas Pool shall have capacity allowables and shall be exempt from the oil and casinghead gas allowables as provided in either Division Rule 701 F(3) or Rules 503, 505, and 506.

(4) The effective date of this order shall be March 1, 1991.

(5) The horizontal limits of the Warren Blinebry-Tubb Oil and Gas Pool shall be expanded by administrative approval of the Division's Hobbs District Office, but any expansion of said pool shall be only for the purpose of expanding or approving any secondary recovery operations within the pool.

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

CASE NO. 10245
ORDER NO. R-
PAGE 13

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

WILLIAM J. LEMAY
Director

S E A L



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

March 18, 1991

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

*KELLAHIN, KELLAHIN & AUBREY
Attorneys at Law
P. O. Drawer 2265
Santa Fe, New Mexico 87504*

*RE: CASE NO. 10245
ORDER NO. R-9467*

Dear Sir:

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

Sincerely,

Florene Davidson

*Florene Davidson
OC Staff Specialist*

FD/sl

cc: BLM - Carlsbad

FAX TRANSMITTAL SHEET
OIL CONSERVATION DIVISION - FAX NO. (505) 827-5741

TO: *Tom Kellabin*

FR: *Michael E. Stogner*

PAGES w/cover: *2*

DATE: *April 8, 1991*

The attached letter from Conoco Inc. is in regards to our telephone conversation earlier today. Please contact me ASAP w/ your comments on how to proceed w/ this. Thanks.
Michael E. Stogner

If th

, please call (505) 827-5806.

IMPORTANT MESSAGE

FOR *Mike*
 DATE *4/5* TIME *11:05* A.M.
 M *John Simmots*
 OF *BLM - Roswell*
 PHONE *622-9042*
AREA CODE NUMBER EXTENSION

TELEPHONED		PLEASE CALL	<input checked="" type="checkbox"/>
CAME TO SEE YOU		WILL CALL AGAIN	
WANTS TO SEE YOU		RUSH	
RETURNED YOUR CALL		SPECIAL ATTENTION	

MESSAGE *re: Warren Unit*

SIGNED
 LITHO IN U.S.A.

Christy



Midland Division
Exploration and Production

Conoco Inc.
10 Desta Drive West
Midland, TX 79705-4514
(915) 686-5400

April 8, 1991

Ms. Sarah Archuleta
New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501-2088

Dear Ms. Archuleta:

Re: Division Order R-9467

Effective March 1, 1991, the subject Division Order was approved reclassifying the attached list of wells into the Warren Brinebry-Tubb Oil & Gas Pool.

Unfortunately, due to MMS regulations, we are unable to report the attached list of wells under the new pool until the BLM approves consolidating two of our participating areas. Obtaining this approval could take anywhere from 30 to 90 days.

We are requesting the effective date for the new pool implementation be postponed until we obtain BLM approval.

If you have questions, please contact me at (915)686-6553.

Respectfully yours,

Nannette Nelson
Analyst

053/skh

*Thursday
Morning*

*Warren Brine
Warren Tubb*

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

April 12, 1991

KELLAHIN, KELLAHIN & AUBREY
Attorneys at Law
P. O. Drawer 2265
Santa Fe, New Mexico 87504

RE: CASE NO. 10245
ORDER NO. R-9467-A

Dear Sir:

Enclosed herewith are two copies of the each of the above-referenced Division orders recently entered in the subject cases.

Sincerely,

Florene Davidson

Florene Davidson
OC Staff Specialist

by sl

FD/sl

cc: BLM - Carlsbad



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

181 APR 8 55

BRUCE KING
GOVERNOR

March 28, 1991

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

William J. LeMay
Director
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

SUBJECT: Division Order R-9467

Dear Mr. LeMay:

According to the provisions of Division Order R-9467, effective March 1, 1991, the WARREN BLINEBRY-TUBB OIL & GAS POOL was created in Lea County, New Mexico, from acreage deleted from the Blinebry Oil & Gas Pool and the Warren-Tubb Gas Pool. The pool is created with special vertical limits: from 75 feet above the Blinebry marker found at 5940 feet (5865 feet) to the base of the Tubb formation at 6741.

Temporary special rules are assigned to the pool which include the following:

1. A standard proration unit for an oil well to be 40 acres, consisting of a governmental qtr/qtr section with the well to be located no closer than 330 feet to the outside of the tract.
2. An oil well to have a capacity allowable and be exempt from oil and casinghead gas allowables.
3. A well will be classified as an oil well if the produced hydrocarbons possess a gravity of 45 degrees API or less

The following wells currently producing from the Blinebry and/or the Warren Tubb Gas Pool are reclassified as producing from the Warren Blinebry-Tubb Oil & Gas Pool:

Conoco Inc	Warren Ut Blby Bty 1	#70-P	22-20-38
"	"	#44-M	26-20-38
"	"	#45-N	"
"	"	#46-K	"
"	"	#48-F	"
"	"	#49-J	"
"	"	#53-C	"
"	"	#54-E	"
"	"	#55-G	"
"	"	#57-D	"

Conoco	Warren Ut Blby Bty 2	#58-I	26-20-38
"	Warren Ut Blby Bty 1	#59-L	"
"	"	#64-A	"
"	Warren Unit Blinebry	#9-E	27-20-38
"	Warren Unit	#26-M	"
"	Warren Ut Blby Bty 1	#30-K	"
"	"	#31-O	"
"	"	#32-P	"
"	"	#33-F	"
"	"	#36-D	"
"	"	#37-J	"
"	"	#40-G	"
"	"	#41-J	"
"	"	#42-I	"
"	"	#68-A	"
"	"	#15-P	33-20-38
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"	"	#17-I	"
"	"	#19-H	"
"	"	#21-B	"
"	"	#76-J	"
"	Warren Unit	#80-G	"
"	"	#84-C	"
"	Warren Ut Blby Bty 1	#91-F	"
"	"	#93-N	"
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"	"	#18-L	"
"	"	#20-E	"
"	"	#34-C	"
"	"	#38-F	"
"	"	#39-B	"
"	"	#75-K	"
"	Warren Ut Blby Bty 2	#11-A	35-20-38
"	"	#79-D	"
"	Warren Unit Tubb	#79-D	"

EAST WARREN-TUBB GAS POOL

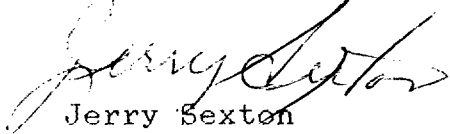
The East Warren-Tubb Gas Pool includes acreage deleted from the Warren-Tubb Gas Pool.

The following wells currently classified as producing from the Warren-Tubb Gas Pool are reclassified as producing from the East Warren-Tubb Gas Pool:

Adobe Resources Corp	Linda Fed	#1-K	23-20-38
"	"	#5-N	"
Conoco	Sims Fed	#1-O	"

Very truly yours

OIL CONSERVATION DIVISION

A handwritten signature in cursive script, appearing to read "Jerry Sexton", is written over the typed name.

Jerry Sexton
Supervisor, District I

JS:bp

cc: Bureau of Land Management
Engineering Committee
Nelda Morgan - Proration Dept.
Donna Pitzer - Proration Dept.
File

KELLAHIN, KELLAHIN AND AUBREY

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

TELEPHONE (505) 982-4285
TELEFAX (505) 982-2047

W. THOMAS KELLAHIN
KAREN AUBREY

CANDACE HAMANN CALLAHAN

JASON KELLAHIN
OF COUNSEL

April 10, 1991

RECEIVED

APR 10 1991

OIL CONSERVATION DIVISION

Mr. William J. LeMay
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

HAND DELIVERED

Re: Request of Conoco Inc.
for a Stay of Order R-9467

Dear Mr. LeMay:

On behalf of Conoco, Inc., please find enclosed our application for a Stay of the referenced Order. We are informed by Mr. Stogner of the Division that unless the order is stayed today, the Division programmer will have already entered into the NMOCD computers the necessary data to make the nomenclature changes tomorrow morning.

I have enclosed a proposed Order Staying R-9467 for your consideration.

Should you have any questions, please call me or Mr. Jerry Hoover, (915) 686-6548.

Very truly yours,



W. Thomas Kellahin

WTK/tic
Enclosure

cc: Jerry Hoover (Conoco, Inc.)

cc: Attached mailing list

142/1trt410.078

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

APPLICATION OF CONOCO, INC. FOR
POOL CREATION, SPECIAL POOL RULES,
AND CONTRACTION OF THE BLINEBRY
OIL AND GAS AND WARREN-TUBB GAS
POOLS, LEA COUNTY, NEW MEXICO.

NOMENCLATURE
CASE NO. 10245
ORDER R-9467

RECEIVED

APPLICATION OF CONOCO, INC.
FOR A STAY OF
DIVISION ORDER R-9467

CONSERVATION DIVISION

COMES NOW CONOCO, INC., through its attorneys, Kellahin, Kellahin & Aubrey, and requests the Division to Stay Division Order R-9467 and in support thereof states:

1. At the request of Conoco, Inc. and after notice and hearing the Division entered Order R-9467 which has an effective date of March 1, 1991.

2. Subsequent to the entry of the referenced order, Conoco discovered that the Bureau of Land Management would require approval of a new and separate participating area for the acreage included in Order R-9467 prior to the recognizing the existence of the newly created pool in their accounting system.

3. Because of the time required to file for and secure such BLM action, the effective date used in Order R-9467, if implemented, will result in confusion and substantial administrative burden on the BLM, the NMOCD and Conoco all as set forth in Mr. Hoover's affidavit attached hereto as Exhibit "A."

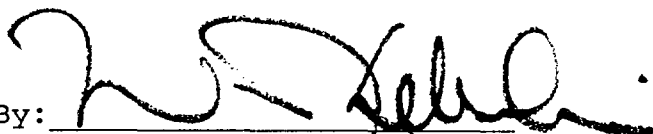
4. Conoco seeks a Stay of the subject Order and its effective date until a new effective date can be coordinated with the BLM approval of the change in nomenclature for the subject wells which is estimated to be at least an additional 90 days from the date of this request.

5. Copies of this request have been forwarded to all parties shown on Exhibit "B," attached hereto, who were originally provided with notice of this case.

6. That this case should be reopened and set for hearing on the next available Division Examiner's docket now tentatively set for May 2, 1991.

WHEREFORE, CONOCO, INC. respectfully requests that the Division Director enter an Order Staying Division Order R-9467 pending further action by the Division.

KELLAHIN, KELLAHIN & AUBREY

By: 

W. Thomas Kellahin
Post Office Box 2265
Santa Fe, New Mexico 87504
(505) 982-4285

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION
OF CONOCO, INC. FOR POOL CREATION,
SPECIAL POOL RULES, AND CONTRACTION
OF THE BLINEBRY OIL AND GAS AND
WARREN-TUBB GAS POOLS, LEA COUNTY,
NEW MEXICO.

NOMENCLATURE
CASE NO. 10245
ORDER R-9467

AFFIDAVIT OF JERRY HOOVER

STATE OF TEXAS)
) SS.
COUNTY OF MIDLAND)

JERRY HOOVER, being duly sworn upon oath, deposes
and states:

1. I am a Petroleum Engineer and I obtained a
B.S. degree in Petroleum Engineering from Texas Tech
University in 1977. I have been employed by Conoco,
Inc. as a petroleum engineer since 1977 and am
currently the Regulatory Coordinator for Conoco with
assigned responsibilities for the State of New Mexico.
I have testified before the New Mexico Oil Conservation
Division and was an expert witness in Case No. 10245
and Case No. 10220.

2. In Case No. 10220 (Order R-6906-B) Conoco
sought and obtained Division approval for expansion of
its Conoco-Southland Blinebry Cooperative Waterflood
Project and the correspondingly necessary adjustments
in the horizontal limits of the project. Case No.
10245 (Order R-9467) sought changes in the horizontal
and vertical limits of the Blinebry Oil & Gas and the
Warren Tubb Gas Pools with the creation of a new
Warren-Blinebry Oil and Gas Pool in order to implement
the expansion of that waterflood project.

3. Conoco was unaware that the creation of the
new pool by the New Mexico Oil Conservation Division
Order R-9467 would result in accounting complications

EXHIBIT "A"

between the OCD and the BLM that could not be reconciled with the effective date established by the order.

4. The Bureau of Land Management can not reclassify the subject wells according to the newly established OCD nomenclature until a new participating area has been requested by Conoco, justified by engineering and geological study, and approved by the BLM.

5. BLM action on this request could take at least 90 days and perhaps substantially longer.

6. If the Division does not grant a stay of the effective date of Order R-9467, then Conoco will be required to file Division Forms C-115 using one set of nomenclatures for the wells while the BLM forms will continue to be filed using the old nomenclature. The double filing of different reporting forms for the same wells will result in an administrative burden for the NMOCD, the BLM and Conoco Inc.

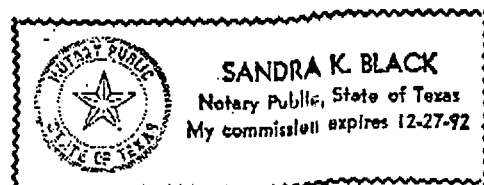
Jerry Hoover
Jerry Hoover, for and on
behalf of Conoco, Inc.

STATE OF TEXAS)
) ss.
COUNTY OF MIDLAND)

On this 10th day of April, 1991, before me personally appeared Jerry Hoover known to me to be the person described in and who executed this instrument and acknowledged that he has the requisite authority to and did executed the same as his own free act and deed for and on behalf of Conoco, Inc.

Sandra K. Black
Notary Public

My Commission Expires:



NORTH BLINEBRY-TUBB NOTIFICATION MAILING LIST

OFFSET OPERATORS:

Adobe
300 W. Texas, Ste. 1100
Midland, TX 79701

ARCO
Box 1610
Midland, TX 79702

Exxon
Box 1600
Midland, TX 79702

Shell
Box 1910
Midland, TX 79702

Stevens & Tull
(address not located)

Elk Oil Company
Box 310
Roswell, New Mexico 88202

Amoco
Box 4072
Odessa, TX 79760

Chevron U.S.A.
Box 1150
Midland, TX 79702

Hixon Development
Box 2810
Farmington, NM 87499

Southland Royalty
c/o Meridian
21 Desta Drive
Midland, TX 79705

Vista Verde
(address not located)

SURFACE LANDOWNERS:

Bureau of Land Management
P.O. Box 1778
Carlsbad, NM 88220

Robert A. McCasland
P.O. Box 206
Eunice, NM 88231

Aline Sims
P.O. Box 1046
Eunice, NM 88231

Dallas McCasland
P.O. Box 206
Eunice, NM 88231

Muriel T. McNeill,
Marcia McNeill Blackburn,
Marilyn McNeill Cates,
Chris M. Furneaux
P.O. Box 686
Hobbs, NM 88240

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

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

NOMENCLATURE
CASE NO. 10245
ORDER R-9467

APPLICATION OF CONOCO, INC. FOR
POOL CREATION, SPECIAL POOL RULES,
AND CONTRACTION OF THE BLINEBRY
OIL AND GAS AND WARREN-TUBB GAS
POOLS, LEA COUNTY, NEW MEXICO

RECEIVED
APR 10 1991
OIL CONSERVATION DIVISION

ORDER OF THE DIVISION
STAYING ORDER R-9467

BY THE DIVISION:

This matter having come before the Division upon the request of Conoco, Inc. for a Stay of Division Order R-9467 and the Division Director having considered the request and being fully advised in the premises,

NOW, on this 10th day of April, 1991, the Division Director:

FINDS:

(1) That Division Order R-9467 was entered on March 15, 1991, upon application of Conoco, Inc. for the purpose of creating a new Blinebry-Tubb Oil and Gas Pool effective March 1, 1991 in companion with the Division's approval of Conoco's request for expansion of its Conoco Southland Blinebry Cooperative Waterflood Project in Division Case No. 10220 (Order R-6906-B).

(2) Subsequent to the entry of the Division Order R-9467, Conoco was unable to obtain the necessary

approval from the Bureau of Land Management incorporating the pool nomenclature changes in the participating areas for the subject waterflood project.

(3) It is necessary for the efficient administration of this project that the March 1, 1991 effective date of the Division's Order R-9467 be stayed and coordinated to correspond to an effective date acceptable to the Bureau of Land Management.

IT IS THEREFORE ORDERED:

(1) That Division Order R-9467 and its effective date of March 1, 1991 are hereby stayed pending further order of this Division.

(2) That this matter shall be placed on the next available Division Examiner's docket for Conoco, Inc. to appear and show cause why this Stay Order should not be vacated.

(3) 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 date and year hereinabove designated.

OIL CONSERVATION DIVISION

WILLIAM J. LEMAY
Director



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

OIL CONSERVATION DIVISION
RECEIVED
'91 APR 16 AM 9 24

BRUCE KING
GOVERNOR

April 12, 1991

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

William J. LeMay
Director
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Case No. 10245 m.s.

SUBJECT: Division Order R-9467-A Stay of Order R-9467

Dear Mr. LeMay:

Due to unforeseen circumstances, the provisions of Division Order R-9467, effective March 1, 1991, contracting and expanding the Blinbry Oil & Gas Pool, the contraction of the Warren-Tubb Gas Pool, the creation of the Warren Blinbry-Tubb Oil & Gas Pool, and the creation of the East Warren-Tubb Gas Pool, are stayed pending further order of the Division.

All wells listed in the letter dated March 28, 1991, reclassifying the wells as producing from the new pools, will remain in either the Blinbry Oil & Gas Pool or the Warren-Tubb Gas Pool for a minimum of ninety days or until such time as the issues are studied and the order is made effective.

We are enclosing a copy of the letter dated March 28, 1991, for your information.

Very truly yours

OIL CONSERVATION DIVISION

Jerry Sexton
Supervisor, District I

JS:bp

cc: Bureau of Land Management
Engineering Committee
Nelda Morgan - Proration Dept.
Donna Pitzer - Proration Dept.
File

Enclosure



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

March 28, 1991

BRUCE KING
GOVERNOR

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

William J. LeMay
Director
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

SUBJECT: Division Order R-9467

Dear Mr. LeMay:

According to the provisions of Division Order R-9467, effective March 1, 1991, the WARREN BLINEBRY-TUBB OIL & GAS POOL was created in Lea County, New Mexico, from acreage deleted from the Blinebry Oil & Gas Pool and the Warren-Tubb Gas Pool. The pool is created with special vertical limits: from 75 feet above the Blinebry marker found at 5940 feet (5865 feet) to the base of the Tubb formation at 6741.

Temporary special rules are assigned to the pool which include the following:

1. A standard proration unit for an oil well to be 40 acres, consisting of a governmental qtr/qtr section with the well to be located no closer than 330 feet to the outside of the tract.
2. An oil well to have a capacity allowable and be exempt from oil and casinghead gas allowables.
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"	"	#57-D	"

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"	Warren Ut Blby Bty 1	#59-L	"
"	"	#64-A	"
"	Warren Unit Blinebry	#9-E	27-20-38
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"	"	#79-D	"
"	Warren Unit Tubb	#79-D	"

EAST WARREN-TUBB GAS POOL

The East Warren-Tubb Gas Pool includes acreage deleted from the Warren-Tubb Gas Pool.

The following wells currently classified as producing from the Warren-Tubb Gas Pool are reclassified as producing from the East Warren-Tubb Gas Pool:

Adobe Resources Corp	Linda Fed	#1-K	23-20-38
"	"	#5-N	"
Conoco	Sims Fed	#1-O	"

Very truly yours

OIL CONSERVATION DIVISION



Jerry Sexton
Supervisor, District I

JS:bp

cc: Bureau of Land Management
Engineering Committee
Nelda Morgan - Proration Dept.
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