



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

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

December 15, 1992

Exxon Company U.S.A.
P.O. Box 1600
Midland, Texas 79702-1600

Attention: D. J. Bates

Re: F.F. Hardison "B" Well No. 7
Section 27, T-21S, R-37E, NMPM

Dear Mr. Bates:

Reference is made to your request dated November 6, 1992, to downhole commingle Blinebry and Drinkard production within the wellbore of the F.F. Hardison "B" Well No. 7. We have reviewed your application and have found that the subject well does not qualify for downhole commingling at the present time due to the relatively high producing rate of the Blinebry zone. Please be advised that you may re-submit your application at such time as the Blinebry production drops to a marginal level.

Enclosed please find your returned application. If you should have any questions, please contact me at (505) 827-5800.

A handwritten signature in cursive script, appearing to read "David Catanach".

David Catanach
Engineer

xc: OCD-Hobbs



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

11-13-92

BRUCE KING
GOVERNOR

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

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

RE: Proposed:

MC _____
DHC ☒ _____
NSL _____
NSP _____
SWD _____
WFX _____
PMX _____

Gentlemen:

I have examined the application for the:

Exxon Corp. J. J. Hardison B #7-P 27-21-37
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

Gas prod is high & down hole commingls

Yours very truly,

Jerry Sexton
Supervisor, District 1

/ed

EXXON COMPANY, U.S.A.

POST OFFICE BOX 1600 • MIDLAND, TEXAS 79702-1600

PRODUCTION DEPARTMENT
SOUTHWESTERN DIVISION

November 6, 1992

DHC Order Request
F. F. Hardison -B- #7-P-27-21-37
#7U Blinebry Oil and Gas (Gas)
#7L Drinkard (Gas)

New Mexico Oil Conservation Division
State Land Office Building
P. O. Box 2088
Santa Fe, NM 87504

Exxon respectfully request a downhole commingle order for the aforementioned well. Enclosed is the DHC Order Request for your review and approval as required by NMOCD Rule 303, paragraph "D", items 1 through 10.

If you have any questions, please call me at 915/688-7874.

Sincerely,


D. J. Bates
Administrative Specialists

DJB/mcn
Enclosure
B:07.DJB

c: NMOCD, Hobbs District Office
Offset Operators

List of Offset Operators to be notified.
Lease: F. F. Hardison -B- in Lea County, New Mexico
(Located in SE 1/4 of Section 27, NE 1/4 of Section 34)

Well: F. F. Hardison -B- #7-P-27-21-37

Amoco Production Company
P. O. Box 3092
Houston, TX 77253
Attn: Land Department

Chevron, U.S.A., Inc.
P. O. Box 1150
Midland, TX 79702
Attn: Land Department

Conoco, Inc.
P. O. Box 1959
Midland, TX 79702
Attn: Land Department

John H. Hendrix, Corporation
223 W. Wall, Suite 525
Midland, TX 79701
Attn: Land Department

Marathon Oil Company
P. O. Box 552
Midland, TX 79702
Attn: Land Department

Mobil Producing Texas & New Mexico, Inc.
12450 Greenspoint Drive
Houston, TX 77060
Attn: Land Department

Texaco Exploration and Production Inc.
P. O. Box 3109
Midland, TX 79702
Attn: Land Department

F. F. Hardison "B" #7
Downhole Commingling - Required Data

To obtain approval for downhole commingling, we have enclosed the following data pursuant to Rule 303 (C) (2) (a through j):

1. Exxon's name and address:

Exxon Company, USA
P.O. Box 1600
Midland TX 79702

2. Lease name, well number, well location, and name of pools to be commingled:

F. F. Hardison "B" No. 7, Unit P, Section 27, T-21S, R-37-E, Lea County, New Mexico. Pools to be commingled: Blinebry Oil and Gas and Drinkard.

3. A plat of the area showing the acreage dedicated to the well and ownership of all offsetting leases:

Attached.

4. A 24-hour productivity test on Division Form C-116 showing the amount of oil, gas, and water produced from each zone:

Attached.

5. A production decline curve for zones showing that a period of at least one year a steady rate of decline has been established for each zone which will permit a reasonable allocation of the commingled production to each zone for statistical purposes:

Decline curves for the Blinebry and Drinkard are attached.

6. A current bottomhole pressure for each zone

Drinkard - 433 psi	measured by 7 day buildup in Hardison B #7
Blinebry - 400 psi	measured by 3 day shut-in and fluid level in Hardison B #2

7. A description of the fluid characteristics of each zone showing that the fluids will not be incompatible in the wellbore:

Produced fluids are already surface commingled with no compatibility problems.

8. A computation showing that the value of the commingled production will not be less than the sum of the values of the individual streams:

All of the crude and condensate currently produced from the Blinebry and Drinkard is already being surface commingled into one common stock tank, and sold as a mixture.

9. A formula for the allocation of production to each of the commingled zones and a description of the factors or data used in determining such a formula:

Producing Reservoir	Production prior to workover	Production after workover	% Oil	% Gas
-----	-----	-----	---	---
Drinkard	80 kcf/d/0 bopd	80 kcf/d/0 bopd	0	12
Blaine	193 kcf/d/0 bopd	600 kcf/d/4 bopd	100	88

10. A statement that all offset operators and, in case of a well on Federal land, the United States Geological Survey, has been notified in writing of the proposed commingling.

By copy of this letter, we are notifying the offset operators of this proposed commingling.

11. In addition, working interest and royalty interest ownership in all zones are the same.

50 YEARS



1935 - 1985

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800



TONEY ANAYA
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

February 13, 1986

Exxon Company, USA
P. O. Box 1600
Midland, Texas 79702-1600

Attention: Melba Knipling

Administrative Order NSP-1482 (SD)

Dear Ms. Knipling:

Reference is made to your application for a 120-acre non-standard gas spacing and proration unit consisting of the following acreage in the Blinebry Oil and Gas Pool:

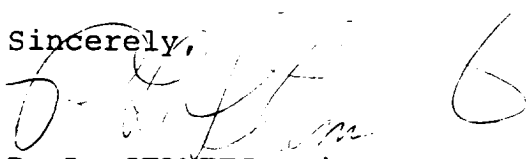
LEA COUNTY, NEW MEXICO

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 27: NE/4 SE/4 and S/2 SE/4

It is my understanding that this unit is to be simultaneously dedicated to your F. F. Hardison "B" Wells Nos. 7 and 8 located 660 feet from the South and East lines (Unit P) and 1980 feet from the South line and 660 feet from the East line (Unit I), respectively, of said Section 27. Further, you are hereby permitted to produce the allowable assigned the unit from these wells in any proportion.

By authority granted me under the provisions of Rule 5(c)2 of Division Order No. R-1670, as amended, the above non-standard proration unit is hereby approved.

Sincerely,


R. L. STAMETS, Director

RLS/MES/dr

cc: Oil Conservation Division
Hobbs, New Mexico

Original: Central File
Copy: Anthony Dist.
C. Hiltkamp
J. Bagwell

Noted

Marvin CCHS

EXXON COMPANY, U.S.A.

POST OFFICE BOX 1600 • MIDLAND, TEXAS 79702-1600

December 19, 1985

PRODUCTION DEPARTMENT
SOUTHWEST/ROCKY MOUNTAIN DIVISION

F. F. Hardison "B"
Well Nos. 7 and 8
Section 27, T21S, R37E
Lea County, New Mexico

Mr. Richard L. Stamets, Director
State of New Mexico
Oil Conservation Commission
Energy and Minerals Department
P. O. Box 2088
Santa Fe, New Mexico 87501

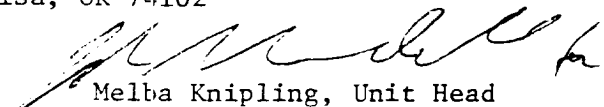
The F. F. Hardison "B" Well No. 6 was recently recompleted as an oil well in the Blinebry (Blinebry) Pool, which requires a 40 acre proration unit. Since special rules for the Blinebry Oil and Gas Pool prohibit dual dedication of acreage to oil and gas, it will be necessary to reduce the gas proration unit dedicated to the F. F. Hardison "B" Well Nos. 7 and 8.

Exxon Corporation respectfully requests administrative approval for the present 160 acre proration unit shared by F. F. Hardison "B" Well Nos. 7 and 8 to be reduced to a non-standard 120 acre proration unit as shown on the attached plats. Form C-102 is attached for each well. Both wells are dually completed in the Blinebry and Drinkard pools as gas wells.

As required by Rule 104.II., the non-standard unit consists of contiguous quarter-quarter sections and lies within a single governmental quarter section.

Exxon Corporation is notifying all offset operators of our application for a non-standard proration unit by copy of this letter. The following offset operators have been notified by certified mail:

Conoco, Inc., Director of Regulatory Affairs, 5 Greenway Plaza East, Houston, TX 77046
Marathon Oil Company, P. O. Box 552, Midland, Texas 79702
Mobil Producing Texas and N. Mexico, Inc., 9 Greenway Plaza, Suite 2700
Houston, Texas 77046
Texaco Producing, Inc. (Getty) P. O. Box 1231, Midland, Texas 79702
Arco Oil and Gas Company, P. O. Box 521, Tulsa, OK 74102


Melba Knipling, Unit Head
NGPA and Permits

MCK:dc
Attachment: Form C-102
Ownership Map
cc: NMOCC District Office, Hobbs, NM

Exxon Lse No. 52267

State Leg. No.

WELL LOCATION AND ACREAGE DEDICATION PLAT

Federal Lab. No.

All distances must be from the outer boundaries of the Section

Form C-102
Supersedes C-128
Effective 1-1-65

Operator Exxon Corporation		Lease F. F. Hardison "B"		Well No. 7	
Unit Letter P	Section 27	Township 21-S	Range 37-E	County Lea	
Actual Footage Location of Well: 660 feet from the South line and 660 feet from the East line					
Ground Level Elev. 3393	Producing Formation Upper Clearfork	Pool Blinebry		Dedicated Acreage: 120 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below. Well No. 7 and Well No. 8 to share 120 acre proration unit.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name _____

Melba Kriplinger
Position

Proration Specialist

Company Exxon Corporation

Box 1600 Midland, Texas

Date _____

11-2.76

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

June 5, 1974

**Registered Professional Engineer
and/or Land Surveyor**

H. S. Waterfield

Certificate No.

Submit 2 copies to Appropriate District Office.
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department
OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-116
Revised 1/1/89

GAS - OIL RATIO TEST

Operator Exxon Co., U.S.A. Operations Accounting P.C. #3		Pool Blinebry/Drinkard		County Lea								
Address P. O. Box 1600 Midland, TX 79702		TYPE OF TEST - (X)		Completion ☐ Scheduled ☐ Special ☐								
LEASE NAME	WELL NO.	LOCATION			DATE OF TEST	CHOKE SIZE	TBG. PRESS.	DAILY ALLOW-ABLE	LENGTH OF TEST HOURS	PROD. DURING TEST		GAS - OIL RATIO CU.FT/BBL.
		U	S	T						R	WATER BBL.S.	
F. F. Hardison B DHC Permit #	7	P	27	21	37	10-8-92 F	100% Blinebry Oil 0% Drinkard Oil 13% Blinebry Gas 87% Drinkard Gas		24	8	4	600

Instructions:

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Division.
Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F.
Specific gravity base will be 0.60.
Report casing pressure in lieu of tubing pressure for any well producing through casing.

(See Rule 301, Rule 1116 & appropriate pool rules.)

I hereby certify that the above information is true and complete to the best of my knowledge and belief.

Sandra E. Matzke
Signature

Sandra E. Matzke, Staff Office Asst.
Printed name and title
10/13/92
Date
688-6663
Telephone No.

Submit 2 copies to Appropriate
District Office.
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-116
Revised 1/1/89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

GAS - OIL RATIO TEST

Operator Exxon Co., U.S.A. Operations Accounting P.C. #3		Pool Blinebry/Drinkard		County Lea	
Address P. O. Box 1600 Midland, TX 79702		TYPE OF TEST - (%)		Completion ☐ Special ☐	
LEASE NAME		WELL NO.		LENGTH OF TEST HOURS	
F. F. Hardison B		7		24	
DHC Permit #		LOCATION U S T R		DAILY ALLOW-ABLE	
		P 27 21 37			
		DATE OF TEST		TBG PRESS.	
		10-8-92 F			
		CHOKE SIZE		GAS - OIL RATIO CU FT/BBL	
		100% Blinebry Oil		4 600	
		0% Drinkard Oil			
		13% Blinebry Gas			
		87% Drinkard Gas			
		PROD. DURING TEST			
		WATER BBL.S.		GRAV. OIL	
		8		4	

Instructions:

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Division.
Gas volumes must be reported in MCF measured at a pressure base of 15.025 psia and a temperature of 60° F.
Specific gravity base will be 0.60.

Report casing pressure in lieu of tubing pressure for any well producing through casing.

(See Rule 301, Rule 1116 & appropriate pool rules.)

I hereby certify that the above information is true and complete to the best of my knowledge and belief.

Sandra E. Matzke
Signature

Sandra E. Matzke, Staff Office Asst.

Printed name and title

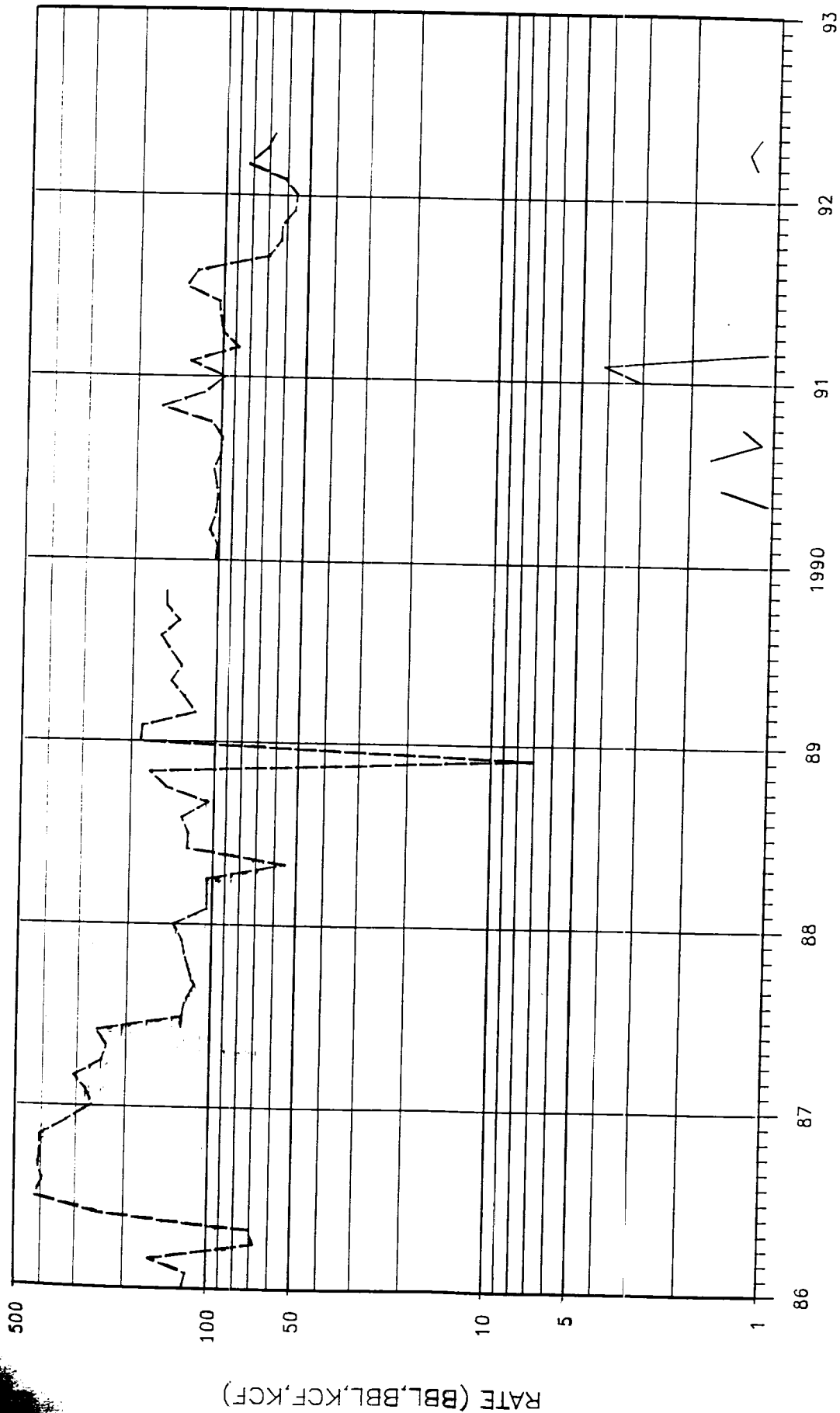
10/13/92

Date

688-6663

Telephone No.

HARDISON GAS PRODUCTION W = 0007L (DRIHKARD)



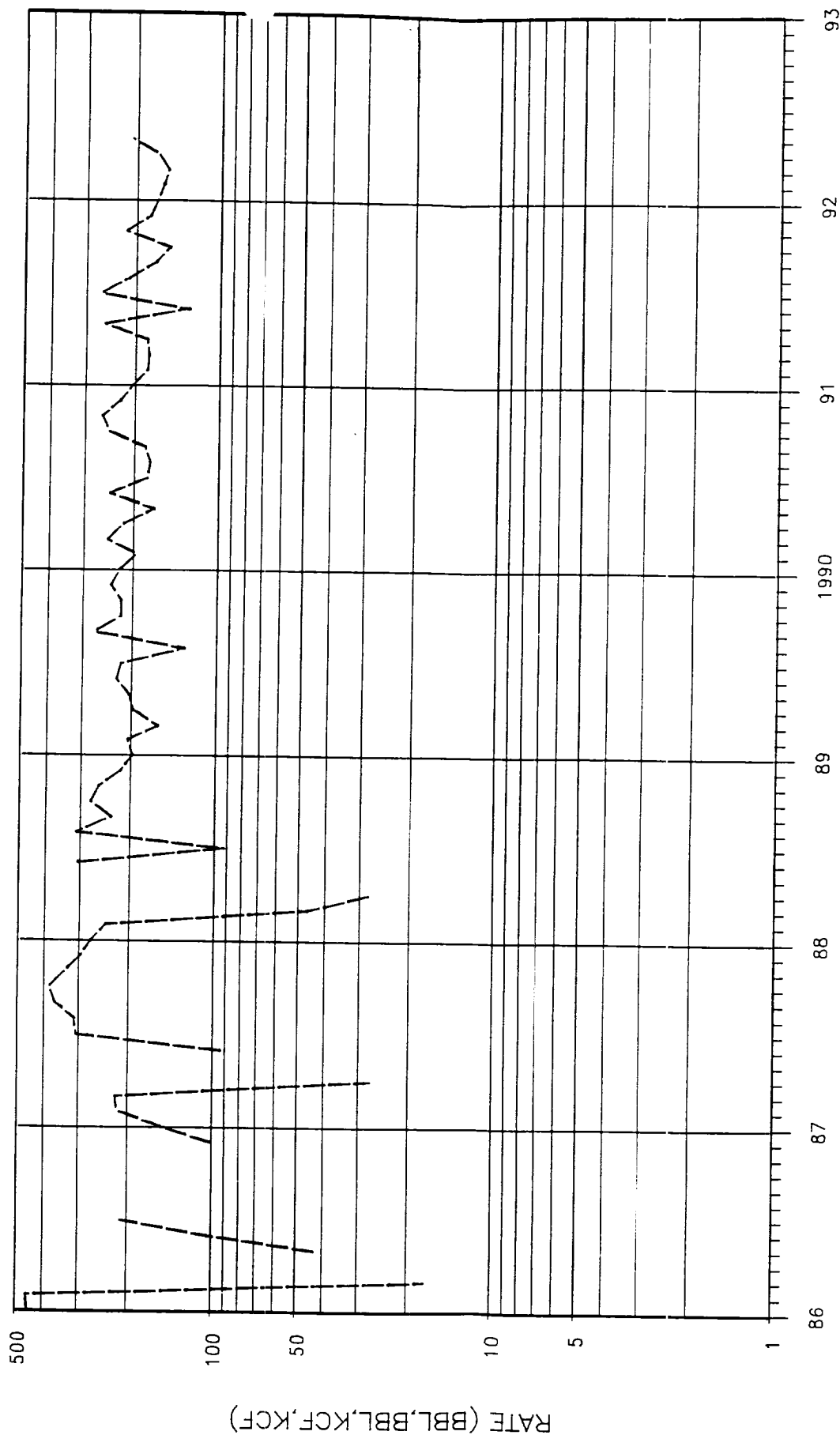
Legend

- DAILY PRDCOND
- - - DAILY SPRGWG
- DAILY PRDH2O
- . - . DAILY FWSGWG

RECEIVED
NOV 12 1992
JOD MOSES OFFICE

HARDISON GAS PRODUCTION

W = 0007U (BL INEBRY)



DATE

Legend

— DAILY PRDCOND

- - - DAILY SPRGWG

..... DAILY PRDH2O

- . - . - DAILY FWSGWG