SKELLY OIL COMPANY

July 10, 1974

DOMESTIC EXPL. & PROD. DEPARTMENT
MIDLAND E & P DISTRICT
F. L. FRANZ, DISTRICT PRODUCTION MANAGER
M. J. EKMAN, DISTRICT ENGINEER
F. J. HENSLEY, LEAD RESERVOIR ENGINEER
F. J. PETRO, LEAD PRODUCTION ENGINEER

ADDRESS REPLY TO:
P. O. BOX 1351
MIDLAND, TEXAS 79701

File: Hobbs "A" Wells No. 6 & 7
Lease No. 54860
Justis Blinebry and Justis Tubb Drinkard
Lea County, New Mexico

Re: Application for Administrative Approval
For Exception to Rule 303-A

Oil Conservation Commission (2)
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Secretary Director

Oil Conservation Commission (1)
State of New Mexico
P. O. Box 1980
Hobbs, New Mexico 88240

Attention: Mr. Joe D. Ramey

Gentlemen:

Skelly Oil Company respectively requests administrative approval for exception to Rule 303-A of the Commission rules and regulations for the purpose of down-hole commingling of the Justis Blinebry and Justis Tubb Drinkard zones in the Hobbs "A" Wells No. 6 & 7. The Hobbs "A" No. 6 is located 1650' FNL & 330' FWL of Section 30, T-25S, R-38E, NMPM. The Hobbs "A" No. 7 is located 467' FNL & 467' FWL of Section 30, T-25S, R-38E, NMPM, Lea County, New Mexico.

The Commission authorized the dual completion of Hobbs "A" No. 6 & 7 under Orders No. DC-779 and DC-825, respectively.

Offset operators have been notified by copy of this application. All necessary exhibits and required information for this application are attached.

Very truly yours,

Leland Franz

Leland Franz

DHC/clw
Attach.

cc: Offset Operators

OFFSET OPERATORS
HOBBS "A" LEASE

Union Texas Petroleum
1300 Wilco Bldg.
Midland, Texas 79701

Getty Oil Company
P. O. Box 249
Hobbs, New Mexico 88240

Atlantic Richfield Company
P. O. Box 1710
Hobbs, New Mexico 88240

Amoco Production Company
P. O. Box 68
Hobbs, New Mexico 88240

Requirements for Down-hole
Commingling Application

1. Current 24 hour productivity tests for both wells on Commission Form C-116 are attached. The Justis Tubb Drinkard zones in both wells are currently temporary abandoned.

2. Production decline curves and a completion history for each well are attached. It is recommended the production for each zone from each well be allocated as follows:

   Hobbs "A" Well No. 6
   Justis Blinebry: Oil 70%; Gas 50%
   Justis Tubb Drinkard: Oil 30% Gas 50%

   Hobbs "A" Well No. 7
   Justis Blinebry: Oil 46%; Gas 50%
   Justis Tubb Drinkard: Oil 54%; Gas 50%

3. The bottom hole pressure for the Justis Blinebry and Justis Tubb Drinkard zones are estimated to be 800 psi (-2300') and 1120 psi (-2800') respectively.

4. Results of Water Analyses for both zones are attached.

5. The gravity of the individual oil samples from the Justis Blinebry and Justis Tubb Drinkard zones are both 37° API, therefore, the value of the commingled production should increase as a result of resuming production from the Tubb Drinkard zone in both wells.

NEW MEXICO OIL CONSERVATION COMMISSION

GAS - OIL RATIO TESTS

Form C-116
Revised 1-1-65

Operator: **Skelly Oil Company**

Pool: **Justis Blinebry**

County: **Lea**

Address: **P. O. Box 1351, Midland, Texas 79701**

TYPE OF TEST - (X): Scheduled [ ] Completion [ ] Special [**X**]

LEASE NAME	WELL NO.	LOCATION U	S	T	R	DATE OF TEST	STATUS	CHOKE SIZE	TBG. PRESS.	DAILY ALLOWABLE	LENGTH OF TEST HOURS	PROD. DURING TEST WATER BBLS.	GRAV. OIL	OIL BBLS.	GAS M.C.F.	GAS - OIL RATIO CU.FT./BBL.
Hobbs "A"	**6**	**E**	**30**	**25**	**38**	**6-17-74**	**P**	**--**	**--**	**6**	**24**	**7**	**37**	**10**	**55**	**5500**
	7	**D**	**30**	**25**	**38**	**6-17-74**	**P**	**--**	**--**	**6**	**24**	**12**	**37**	**9**	**59**	**6556**

No well will be assigned an allowable greater than the amount of oil produced on the official test.

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 Commission.

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.

Mail original and one copy of this report to the district office of the New Mexico Oil Conservation Commission in accordance with Rule 301 and appropriate pool rules.

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

(Signature) **Dennis H. Cowan**

Engineering Technician
(Title)

July 10, 1974
(Date)

NEW MEXICO OIL CONSERVATION COMMISSION

GAS OIL RATIO TESTS

Revised 1-1-65

Operator	Pool	County
Skelly Oil Company	Justis Tubb Drinkard	Lea

Address	TYPE OF TEST – (X)	Scheduled [ ]	Completion [ ]	Special [X]
P. O. Box 1351, Midland, Texas 79701				

LEASE NAME	WELL NO.	LOCATION U	S	T	R	DATE OF TEST	STATUS	CHOKE SIZE	TBG. PRESS.	DAILY ALLOWABLE	LENGTH OF TEST HOURS	PROD. DURING TEST WATER BBLS.	GRAV. OIL	OIL BBLS.	GAS M.C.F.	GAS – OIL RATIO CU.FT. BBL.
Hobbs "A"	6	E	30	25	38	T.A.	T									
	7	D	30	25	38	T.A.	T									

No well will be assigned an allowable greater than the amount of oil produced on the official test.

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 Commission.

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

Dennis H. Cowan (Signature)

Engineering Technician (Title)

July 10, 1974 (Date)

Completion History
Hobbs "A" Well No. 6

The subject well was drilled and completed Aug. 15, 1959, as a dual oil producer in the Justis Blinebry and Justis Tubb Drinkard zones. The Blinebry zone was potentialed flowing 1129 BOPD, 0 BWPD, 828 MCFPD after treatment with 500 gallons of acid (15%) and fractured with 30,000 gallons lease oil and 24,600# sand. The producing interval treated was 5373-5547'.

Jan. 9, 1969, a D.R. Plug was set in packer @ 5760 and additional Blinebry perforations were opened from 5099-5329 and this interval fractured with 80,000 gallons gelled brine and 120,000# sand in four (4) stages using temperature survey.

The Justis Tubb Drinkard zone in the Hobbs "A" No. 6 was potentialed in Aug., 1959, for 226 BOPD, 0 BWPD, 92 MCFPD, after treatment with 18,000 gallons of lease oil and 14,000# sand. The producing interval fractured was 5837-5879'. Request for authority to shut down one zone of multiple completed well filed 1-24-69, and the lower zone (Justis Tubb Drinkard) was temporarily abandoned.

Completion History
Hobbs "A" Well No. 7

The subject well was drilled and completed Sept. 26, 1959, as a dual oil producer in the Justis Blinebry and Justis Tubb Drinkard zones. The Blinebry zone was potentialed at 1104 BOPD, 0 BWPD, 907 MCFPD after treatment with 500 gallons mud acid and fractured with 30,000 gallons lease crude and 30,000# sand. The producing interval treated was 5340-5529'.

Nov. 26, 1968, additional Blinebry perforations were added 5117-5309'. An "EZ" Drill BP @ 5674 and interval fractured with 22,000 gallons gelled water and 30,000# sand.

The Justis Tubb Drinkard zone in the Hobbs "A" No. 7 was potentialed for 523 BOPD, 0 BWPD, 345 MCFPD after treatment with 500 gallons mud acid, and fractured with 20,000 gallons lease crude and 10,000# sand. Request for authority to shut down one zone of multiple completed well filed 11-20-68, and the lower zone (Justis Tubb Drinkard) was temporarily abandoned.

Martin Water Laboratories

P. O. BOX 1468
MONAHANS, TEXAS 79756
PHONE 943-3234 OR 563-1040

RESULT OF WATER ANALYSES

406 W. ILLINOIS
MIDLAND, TEXAS 79701
PHONE 683-4521

TO: Mr. Dennis Cowan
P. O. Box 1351 Midland, Texas

LABORATORY NO. 67482
SAMPLE RECEIVED 6-14-74
RESULTS REPORTED 6-17-74

COMPANY Skelly Oil Company LEASE Hobbs "A"
FIELD OR POOL Justice (Blinbry)
SECTION ___ BLOCK ___ SURVEY ___ COUNTY Lea STATE New Mexico
SOURCE OF SAMPLE AND DATE TAKEN:
NO. 1 Produced (Tubb) water - taken from State "L". 6-14-74
NO. 2 Produced (Blinebry) water - taken from Hobbs "A". 6-14-74
NO. 3
NO. 4
REMARKS:

CHEMICAL AND PHYSICAL PROPERTIES

	NO. 1	NO. 2	NO. 3	NO. 4
Specific Gravity at 60° F.	1.1005	1.0789		
pH When Sampled				
pH When Received	7.9	7.85		
Bicarbonate as HCO_3	227	549		
Supersaturation as $CaCO_3$				
Undersaturation as $CaCO_3$				
Total Hardness as $CaCO_3$	24,700	12,600		
Calcium as Ca	6,800	3,720		
Magnesium as Mg	1,871	802		
Sodium and/or Potassium	51,265	41,816		
Sulfate as SO_4	1,708	2,806		
Chloride as Cl	95,165	71,019		
Iron as Fe	26.0	7.0		
Barium as Ba				
Turbidity, Electric				
Color as Pt				
Total Solids, Calculated	157,036	120,712		
Temperature °F				
Carbon Dioxide, Calculated				
Dissolved Oxygen, Winkler				
Hydrogen Sulfide	0.0	1.0		
Resistivity, ohms/m at 77° F.	0.068	0.080		
Suspended Oil				
Filtrable Solids as mg/l				
Volume Filtered, ml				

Results Reported As Milligrams Per Liter

Additional Determinations And Remarks: A careful examination of the above analyses reveals no evidence which would indicate any incompatibility problem between these waters for mixing them or producing them from the same well.

Form No. 3

cc: Mr. Dale Crockett, Hobbs

By _____
Waylan C. Martin, M. A.