



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

BRUCE KING
GOVERNOR

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

July 8, 1994

Texaco Expl & Prod Inc.
ATT: Larry Johnson
P O Box 730
Hobbs, NM 88241

RE: ALLOWABLE FOR THE B F HARRISON B
#25-C, Sec.9, T-23S, R-37E

Gentlemen:

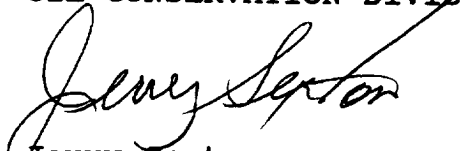
We have received your C-104 requesting allowable and authorization to transporters on the B F Harrison B #25. We understand that Texaco went to hearing on this well on July 7 and is still waiting on the ruling. We will grant you an allowable until the ruling is made on the hearing.

Your allowable will be according to the GOR limit of the Teague Tubb pool. The GOR limit is 2000 cu. ft. per barrel, top casinghead gas of 248 mcf per day for this pool.

If you have any questions on this matter, please call the District I, Hobbs office (505) 393-6161.

Yours very truly,

OIL CONSERVATION DIVISION


Jerry Sexton
District I, Supervisor

JS;dp
cc:C P Basham, Texaco-Midland office
Bill LaMay
file



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NORTH TEAGUE FIELD
PROPOSED DEVELOPMENT PLAN FOR THE
LOWER PADDOCK-BLINEBRY, TUBB, DRINKARD, AND ABO

It is proposed to create three new pools within the North Teague Field area. The first will be an associated oil and gas pool for the Lower Paddock-Blinebry developed on 80 acres, the second an associated oil and gas pool for the Tubb developed on 80 acres, and the third being a Drinkard-Abo oil pool developed on 40 acres. Development can be done by drilling just one 7" well on each 40 acre location completed in the Drinkard-Abo and dualled with either a Blinebry or Tubb completion. Tubb and Blinebry completions can be "checkerboarded" for most efficient drainage patterns.

Lower Paddock-Blinebry Pool: Create an associated oil and gas pool developed on 80 acres. Operation of the pool will be in accordance with the New Mexico Oil Conservation Division's Order No. R-5353 (which defines the rules and regulations for Associated Oil and Gas Pools) including promulgation of special pool rules for a 6000:1 limiting gas-oil ratio. A well will be classified as a oil well if it has a gas-oil ratio less than 30,000 scf/bbl oil, or a gas well if its GOR is in excess of 30,000:1. An oil well standard proration unit will be 40 acres, top oil allowable will be 107 BOPD (from depth bracket allowables) and gas allowable will be 642 MCFPD (GOR limit of 6000 * 107 = 642 MCFPD). A gas well standard proration unit is 160 acres w/location requirements to be within 150 feet of the center of the quarter-quarter section which it is in. The gas allowable is determined by multiplying the top oil allowable by the limiting GOR and by a fraction, the numerator being the number of acres dedicated to the particular gas well and the denominator which is the number of acres in a standard oil proration unit. In this case the top gas allowable for a 160 acre proration unit will be $107 \text{ BOPD} * 6000 * (160/40) = 2568 \text{ MCFPD}$. Order R-5353 allows the production of this gas from more than one well within the proration unit in any proportion. Any 80 acre tracts can be developed by filing for a Non-Standard Proration Unit which can be administratively approved.

Tubb Pool: Create an associated oil and gas pool with a limiting GOR = 6000:1 and develop on 80 acres. Oil and gas well classification as defined above. Oil well standard proration unit to be 40 acres with top oil allowable = 142 BOPD (depth bracket allowable). Top gas allowable for oil well = 852 MCFPD ($142 \text{ BOPD} * 6000 \text{ SCF/BO} = 852 \text{ MCFPD}$). Gas well proration unit = 160 acres w/top gas allowable = 3408 MCFPD ($142 \text{ BOPD} * 6000 * (160/40) = 3408 \text{ MCFPD}$).

Drinkard-Abo Pool: It is proposed to combine the Drinkard and Abo formations into one oil pool if data shows that damage will not occur. Special pool rules to establish a GOR limit of 10,000:1 will be requested. Top oil allowable will be 142 BOPD (from depth bracket allowables) and top casinghead gas allowable will be 1,420 MCFPD, with a standard proration unit of 40 acres.