
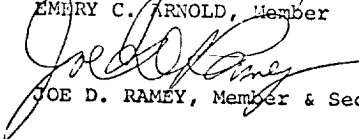


hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman


EMORY C. ARNOLD, Member


JOE D. RAMEY, Member & Secretary

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5688
Order No. R-5357

APPLICATION OF DUGAN PRODUCTION
CORPORATION FOR DOWNHOLE COMMINGLING,
RIO ARriba COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 9, 1976,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 25th day of January, 1977, the Commission,
a quorum being present, having considered the testimony, the
record, and the recommendations of the Examiner, and being
fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required
by law, the Commission has jurisdiction of this cause and the
subject matter thereof.
- (2) That the applicant, Dugan Production Corporation, is
the owner and operator of the Jicarilla "E" Well No. 1, located
in Unit M of Section 21, Township 26 North, Range 3 West,
NMJM, Rio Arriba County, New Mexico.
- (3) That the applicant seeks authority to commingle
Tapacito-Pictured Cliffs and Blanco Mesaverde production
within the wellbore of the above-described well.
- (4) That from the Pictured Cliffs zone, the subject well
is capable of low marginal production only.
- (5) That from the Mesaverde zone, the subject well is
capable of low marginal production only.
- (6) That the proposed commingling may result in the recovery
of additional hydrocarbons from each of the subject pools,
thereby preventing waste, and will not violate correlative
rights.