

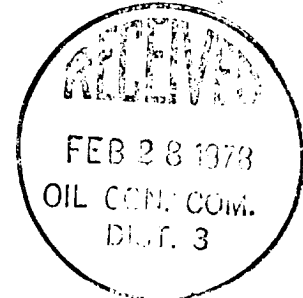
BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 6122
Order No. R-5649

APPLICATION OF CAULKINS OIL COMPANY
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 January 18, 1978, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 21st day of February, 1978, 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, Caulkins Oil Company, is the owner and operator of the Breech E Wells Nos. 64 and 58 located in Unit A of Section 1 and Section 3, respectively, the State A Well No. 62 in Unit A of Section 2, and the Breech D Well No. 341 located in Unit B of Section 21, all in Township 26 North, Range 6 West; and its Breech F Wells Nos. 4 and 45 located in Unit A of Section 33 and Unit M of Section 35, respectively, both in Township 27 North, Range 6 West, Rio Arriba County, New Mexico.

(3) That the applicant seeks authority to commingle Mesaverde and Dakota production within the wellbores of the above-described wells.

(4) That from the Mesaverde zone, the subject wells are capable of low rates of production only.

(5) That from the Dakota zone, the subject wells are capable of low rates of 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.

(7) That the reservoir characteristics of each of the subject zones are such that underground waste would not be caused by the proposed commingling provided that the wells are not shut-in for an extended period.

(8) That to afford the Commission the opportunity to assess the potential for waste and to expeditiously order appropriate remedial action, the operator should notify the Aztec district office of the Commission any time any of the subject wells is shut-in for 7 consecutive days.

(9) That commingled production from each of said wells should be allocated to each of the commingled zones based upon the production history for such well.

IT IS THEREFORE ORDERED:

(1) That the applicant, Caulkins Oil Company, is hereby authorized to commingle Mesaverde and Dakota production within the wellbore of its Breech E Wells Nos. 64 and 58 located in Unit A of Section 1 and Section 3, respectively, its State A Well No. 62 in Unit A of Section 2, and its Breech D Well No. 341 located in Unit B of Section 21, all in Township 26 North, Range 6 West; and its Breech F Wells Nos. 4 and 45 located in Unit A of Section 33 and Unit M of Section 35, respectively, both in Township 27 North, Range 6 West, Rio Arriba County, New Mexico.

(2) That the commingled production shall be allocated to each of the zones in said wells as set forth below:

Well	Mesaverde		Dakota	
	Oil%	Gas%	Oil%	Gas%
Breech D No. 341-	22	15	78	85
Breech E No. 58-	18	37	82	63
Breech E No. 64-	24	25	76	75
Breech F No. 4-	7	7	93	93
Breech F No. 45-	2	34	98	66
State A No. 62-	18	30	82	70

(3) That the operator of the subject wells shall immediately notify the Commission's Aztec district office any time any of the wells has been shut-in for 7 consecutive days and shall concurrently present, to the Commission, a plan for remedial action.

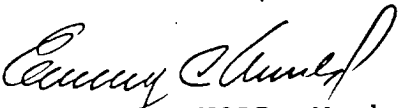
(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

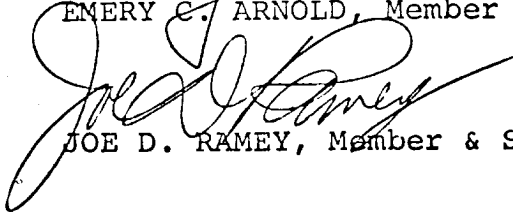
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DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman


EMERY C. ARNOLD, Member


JOE D. RAMEY, Member & Secretary

S E A L

jr/