

Entered June 25, 1974
A.L.P.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

CASE NO. 5055
Order No. R-4651-A

IN THE MATTER OF CASE NO. 5055
BEING REOPENED PURSUANT TO THE
PROVISIONS OF ORDER NO. R-4651,
RIO ARriba COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 27, 1974, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 25th day of June, 1974, 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 by Order No. R-4651, dated November 16, 1973, Merrion and Bayless was authorized to complete its Canada Mesa Well No. 3, located in Unit A of Section 14, Township 24 North, Range 6 West, NMPM, Rio Arriba County, New Mexico, in such a manner as to produce gas from the Basin-Dakota Pool, and oil from the Gallup formation adjacent to the Devils Fork-Gallup Pool and oil from an undesignated Greenhorn Pool, commingled in the wellbore, through a single string of tubing.

(3) That Merrion and Bayless has completed said well in the above-described manner and Case No. 5055 was reopened pursuant to the provisions of Order No. R-4651 to determine a formula for the allocation of production to each of the zones open to the wellbore in said well.

(4) That the evidence presented indicates that the Gallup formation in the subject well is not in communication with the Gallup formation of the Devils Fork-Gallup Pool and that production from the Gallup formation in the subject well will not have any significant impact on the volumetric calculation of allowables for wells in said pool.

(5) That production tests of the subject well indicate that all oil produced from the subject well should be attributed to the undesignated Gallup-Greenhorn Pool completed in the well, and that all of the gas production from the subject well should be attributed to the Basin-Dakota Pool.

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(6) That in order to prevent waste and protect correlative rights, Order No. R-4651 should remain in effect until further order of the Commission.

IT IS THEREFORE ORDERED:

(1) That Orders Nos. (1), (2), and (3) of Order No. R-4651, dated November 16, 1973, are hereby stricken, and the following substituted therefor:

"(1) That the applicant, Merrion & Bayless, is hereby authorized to complete its Cañada Mesa Well No. 3, located in Unit A of Section 14, Township 24 North, Range 6 West, NMPM, Rio Arriba County, New Mexico, in such a manner as to produce gas from the Basin-Dakota Pool and oil from an undesignated Gallup-Greenhorn Pool commingled in the wellbore, through a single string of tubing."

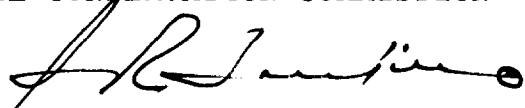
"(2) That all gas production from said well shall be attributed to the Basin Dakota Pool, and all oil production from said well shall be attributed to the undesignated Gallup-Greenhorn Pool completed in the well."

"(3) That the aforesaid Cañada Mesa Well No. 3 shall be exempt from the special rules pertaining to the Devils Fork-Gallup Pool."


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

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


I, R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member


A. L. PORTER, Jr., Member & Secretary

S E A L

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