STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

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

> CASE NO. 5958 <u>DE NCVO</u> Order No. R-5559-A

APPLICATION OF CONTINENTAL 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 July 10, 1985, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 18th day of July, 1985, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, Continental Oil Co., now Conoco, Inc., seeks an order authorizing downhole commingling of Chacra and Mesaverde production in the wellbore of certain AXI Apache "J" wells in Sections 5, 6, 7, and 8, Township 25 North, Range 5 West, NMPM, Rio Arriba County, New Mexico.

(3) The matter came on for hearing at 9 a.m. on June 8, 1977, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter and, pursuant to his hearing, Order No. R-5559 was entered on November 1, 1977, which granted the application in part.

(4) On November 23, 1977, application for Hearing <u>de novo</u> was made by Continental Oil Company and the matter was set for hearing before the Commission.

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(5) The matter came on for hearing \underline{de} <u>novo</u> on January 11, 1978, and was continued indefinitely.

(6) The matter was again brought on for hearing \underline{de} <u>novo</u> on July 10, 1985, at which time the applicant requested that the case be dismissed.

(7) The applicant's request for dismissal of this case should be granted and Order No. R-5559 should be continued in force.

IT IS THEREFORE ORDERED THAT:

(1) The application for hearing \underline{de} <u>novo</u> in Case No. 5958 is hereby <u>dismissed</u>.

(2) Division Order No. R-5559 is hereby continued in full force and effect.

(3) 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

JIM BACA, Member

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KELLEY, Member

R. L. STAMETS, Chairman and Secretary

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