

Entered December 29, 1978  
JLR

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 6391  
Order No. R-5887

APPLICATION OF ACOMA OIL CORPORATION  
FOR DOWNHOLE COMMINGLING, LEA COUNTY,  
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on November 21, 1978, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 29th day of December, 1978, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Acoma Oil Corporation, is the owner and operator of the Sarkeys Well No. 1, located in Unit A of Section 26, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That the applicant seeks authority to commingle Blinebry, Wantz-Abo and Drinkard production within the wellbore of the above-described well.
- (4) That from the Blinebry zone, the subject well is capable of low marginal production only.
- (5) That from the Wantz-Abo zone, the subject well is capable of low marginal production only.
- (6) That from the Drinkard zone, the subject well is capable of low marginal production only.

-2-

Case No. 6391  
Order No. R-5887

(7) 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.

(8) 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 well is not shut-in for an extended period.

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

(10) That in order to allocate the commingled production to each of the commingled zones in the subject well, 58 percent of the commingled oil production and none of the gas production should be allocated to the Blinebry zone, 17 percent of the commingled oil production and 47 percent of the gas production to the Wantz-Abo zone, and 25 percent of the commingled oil production and 53 percent of the gas production should be allocated to the Drinkard zone.

(11) That Division Order No. R-4248, which previously authorized the commingling of Drinkard and Wantz-Abo production in the subject well, should be superseded.

IT IS THEREFORE ORDERED:

(1) That the applicant, Acoma Oil Corporation, is hereby authorized to commingle Blinebry, Wantz-Abo and Drinkard production within the wellbore of its Sarkeys Well No. 1, located in Unit A of Section 26, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

(2) That 58 percent of the commingled oil production and none of the gas production shall be allocated to the Blinebry zone, 17 percent of the commingled oil production and 47 percent of the gas production shall be allocated to the Wantz-Abo zone, and 25 percent of the commingled oil production and 53 percent of the gas production shall be allocated to the Drinkard zone.

(3) That the operator of the subject well shall immediately notify the Division's Hobbs district office any time the well has been shut-in for 7 consecutive days and

-3-

Case No. 6391  
Order No. R-5887

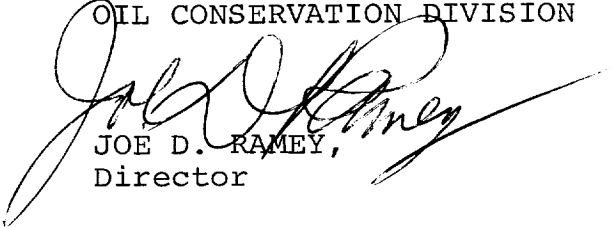
shall concurrently present, to the Division, a plan for remedial action.

(4) That Division Order No. R-4248 is hereby superseded.

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

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

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



JOE D. RAMEY,  
Director

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