BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF ENRON OIL & GAS COMPANY FOR DOWNHOLE COMMINGLING, EDDY COUNTY, NEW MEXICO.

CASE NO. <u>//748</u>

APPLICATION

Comes now, ENRON OIL & GAS COMPANY, through its undersigned attorneys, hereby makes application to the New Mexico Oil Conservation Division for downhole commingling of production from the Atoka and Morrow formations in its Sand Tank "6" Federal No. 1 Well, and in support thereof states:

- 1. Applicant seeks authority for downhole commingling of gas production from the Atoka formation, Sand Tank-Atoka Gas Pool, and Morrow formation, Undesignated Sand Tank-Morrow Gas Pool in the wellbore of its Sand Tank "6" Federal No. 1 Well located 1980 feet from the North line and 1650 feet from the East line of Section 6, Township 18 South, Range 30 East, N.M.P.M., Eddy County, New Mexico.
- 2. Commingling gas production in this well will not damage either reservoir and will result in the increased recovery of hydrocarbons.
- 3. Granting this application will be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Enron Oil & Gas Company requests that this matter be set for hearing before a duly appointed Examiner of the Oil Conservation Division on March 20, 1997 and, after notice and hearing as required by law, the Division enter its order granting this application.

Respectfully submitted,

CAMPBELL, CARR, BERGE & SHERIDAN, P.A.

Post Office Box 2208

Santa Fe, New Mexico 87504

Telephone: (505) 988-4421

ATTORNEYS FOR ENRON OIL & GAS COMPANY

11748

CASE 11748:

Application of Enron Oil & Gas Company for downhole commingling, Eddy County, New Mexico. Applicant seeks approval to downhole commingle production from the Atoka formation, Sand Tank-Atoka Gas Pool, and the Morrow formation, Undesignated Sand Tank-Morrow Gas Pool, within the wellbore of its Sand Tank "6" Federal No. 1 Well located 1980 feet from the North line and 1650 feet from the East line of Section 6, Township 18 South, Range 30 East. Said area is located approximately _____ miles _____ of _____, New Mexico.

CAMPBELL, CARR, BERGE 8 SHERIDAN, P.A.

LAWYERS

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February 25, 1997

(a) 11748

HAND-DELIVERED

William J. LeMay, Director Oil Conservation Division New Mexico Department of Energy, Minerals and Natural Resources 2040 South Pacheco Street Santa Fe, New Mexico 87503

Re: Application of Enron Oil & Gas Company for downhole commingling, Eddy County, New Mexico

Dear Mr. LeMay:

Enclosed in triplicate is the Application of Enron Oil & Gas Company in the above-referenced case as well as a copy of a legal advertisement. Enron Oil & Gas Company respectfully requests that this matter be placed on the docket for the March 20, 1997 Examiner hearings.

Very truly yours,

WILLIAM F. CARR

WFC:mlh Enclosures

cc: Patrick J. Tower (w/enclosures)