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State of New Mexico



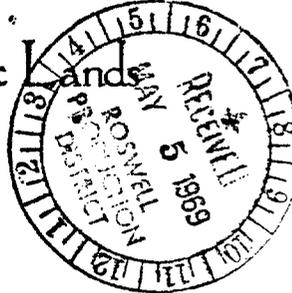
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Commissioner of Public Lands

ALEX J. ARMIJO
COMMISSIONER

May 1, 1969



P. O. BOX 1148
SANTA FE, NEW MEXICO

Gulf Oil Company
P. O. Drawer 1938
Roswell, New Mexico 88201

Re: Down-Hole Commingling Request
Arnott Ramsay (NCT-D) Lease
State No. B-229-1
SW/4, Sec. 33, T-21S, R-36E
J. F. Janda (NCT-B) Lease
State No. B-229-1
SW/4SE/4, Sec. 32, T-21E, R-36E
J. F. Janda (NCT-F) Lease
State No. B-229-1
NE/4NW/4, Sec. 4, T-22S, R-36E
Lea County, New Mexico

Gentlemen:

The above request is hereby approved by the Commissioner of Public Lands with the understanding that the Commissioner may withdraw his approval at any time the operation does not seem profitable to the State of New Mexico.

This action is also subject to approval by the Oil Conservation Commission.

Since these are marginal wells we will expect periodic reports on each one.

Please remit a Ten (\$10.00) Dollar filing fee at your earliest convenience.

Very truly yours,

ALEX J. ARMIJO
COMMISSIONER OF PUBLIC LANDS

By: *Ted Bilberry*
Ted Bilberry, Director
Oil and Gas Department

AJA:TB:ML:vls
cc: Oil Conservation Commission
Oil and Gas Accounting Commission

BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
EXHIBIT NO. 5
CASE NO. A#5 4131

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. 4131
Order No. R-3767

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 21, 1969,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 28th day of May, 1969, 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, Gulf Oil Corporation, is the owner
and operator of the following-described wells:

LEA COUNTY, NEW MEXICO

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM

Arnott Ramsay (NCT-D) Well No. 6 - Unit K - Section 33
Arnott Ramsay (NCT-D) Well No. 7 - Unit M - Section 33
Arnott Ramsay (NCT-D) Well No. 8 - Unit N - Section 33
Arnott Ramsay (NCT-D) Well No. 9 - Unit L - Section 33
J. F. Janda (NCT-B) Well No. 4 - Unit O - Section 32

TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM

J. F. Janda (NCT-F) Well No. 8 - Unit C - Section 4

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CASE No. 4131

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(3) That each of the subject wells is dually completed for the production of oil from the Jalmat and South Eunice Pools through parallel strings of tubing with separation of zones by a packer.

(4) That each of the subject wells is capable of only low marginal production from each of the subject zones.

(5) That the applicant proposes to remove the packer and one string of tubing from each of the subject wells and to produce the low marginal production from the subject zones through a single string of tubing in each well set at or near the lowermost perforations.

(6) That the proposed commingling may substantially extend the productive lives of the subject zones in each of the subject wells.

(7) That the reservoir characteristics of each of the zones in each of the wells are such that underground waste would not be caused by the proposed commingling in the well-bore.

(8) That the proposed commingling may result in the recovery of additional oil from each of the subject pools for each of the subject wells, thereby preventing waste, and will not violate correlative rights.

(9) That production tests should be conducted, prior to commingling, to determine the production from each zone in each well.

IT IS THEREFORE ORDERED:

(1) That the applicant, Gulf Oil Corporation, is hereby authorized to complete each of the following-described wells in such a manner as to produce oil from the Jalmat and South Eunice Pools through existing perforations, commingling the production from each of said zones in the well-bore:

LEA COUNTY, NEW MEXICO

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM

Arnott Ramsay (NCT-D) Well No. 6 - Unit K - Section 33

Arnott Ramsay (NCT-D) Well No. 7 - Unit M - Section 33

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CASE No. 4131

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(Continued)

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM

Arnott Ramsay (NCT-D) Well No. 8 - Unit N - Section 33
Arnott Ramsay (NCT-D) Well No. 9 - Unit L - Section 33
J. F. Janda (NCT-B) Well No. 4 - Unit O - Section 32

TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM

J. F. Janda (NCT-F) Well No. 8 - Unit C - Section 4

(2) That the production of each zone in each of the subject wells shall be established and future production allocated to the Jalmat Pool and the South Eunice Pool in each of the subject wells in the proportion that the production from each of said zones in each of the subject wells bears to the combined production from both zones in each of said wells until further order of the Commission.

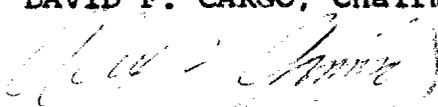
(3) That commingling in any well-bore shall continue only so long as the commingled production for that well does not exceed the top unit allowable for either of the zones in that well.

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

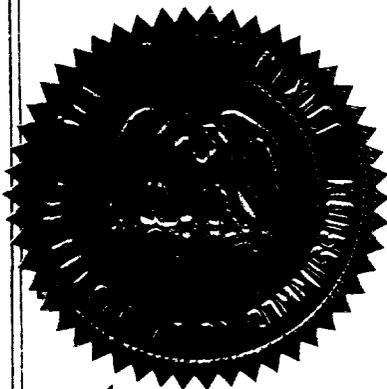
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


DAVID F. CARGO, Chairman


ALEX J. ARMIJO, Member


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



esr/