

*Entered August 16, 1965*  
*R.L.P.*

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. 3112  
Order No. R-2824-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 o'clock a.m. on July 28, 1965, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 16th day of August, 1965, 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 this case has been reopened pursuant to the provisions of Order No. R-2824 to permit the applicant to show cause why the authority granted under Order No. R-2824 should not be terminated.

(3) That the applicant has established that the Gallup and Dakota zones in the subject well are marginal and that it is not economically feasible to equip these zones for conventional operation.

(4) That the applicant has established that continued use of the dual-flow downhole choke assembly in the subject well will permit the recovery of otherwise unrecoverable oil, thereby preventing waste.

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(5) That the applicant has established that correlative rights will be protected by allocating production from the subject well to each zone by periodic production tests utilizing the subtraction method.

IT IS THEREFORE ORDERED:

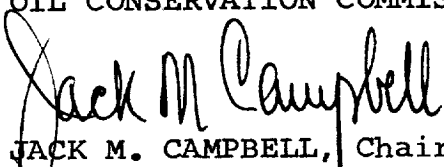
(1) That the authority granted under Order No. R-2824 is hereby continued in full force and effect;

PROVIDED HOWEVER, that a production test shall be conducted annually and production allocated to the Gallup and Dakota zones of the subject well by the subtraction method until further order of the Commission.


(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

  
JACK M. CAMPBELL, Chairman

  
GUYTON B. HAYS, Member

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

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