

*Entered August 5, 1966
CJP*

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. 3432
Order No. R-3099

APPLICATION OF GULF OIL CORPORATION
FOR DOWN-HOLE COMMINGLING, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on July 19, 1966,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 5th day of August, 1966, 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 Harry Leonard (NCT-C) Well No. 11, located
in Unit K of Section 36, Township 21 South, Range 36 East, NMPM,
Lea County, New Mexico.

(3) That said well is now completed as a low marginal
pumping well in an undesignated Blinebry pool with perforations
from 5783 feet to 5890 feet.

(4) That prior to completion in the undesignated Blinebry
pool there was low marginal production from the Arrowhead-Drinkard
Pool through perforations from 6514 feet to 6590 feet.

(5) That the applicant proposes to produce and to commingle in
the well-bore the marginal oil production from the aforesaid pools.

(6) That the production from neither of said zones, in itself,
is sufficient to cover the operating costs of producing the well as
a single completion. Further, that the production from both zones,

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combined, is insufficient to cover the cost of installing conventional dual completion equipment and the operating cost of the well.

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

(8) That approval of the proposal will prevent waste in permitting the production of otherwise unrecoverable oil and will not violate correlative rights.

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

IT IS THEREFORE ORDERED:

(1) That the applicant, Gulf Oil Corporation, is hereby authorized to complete its Harry Leonard (NCT-C) Well No. 11, located in Unit K of Section 36, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, in such a manner as to produce oil from an undesignated Blinebry pool through perforations from 5783 feet to 5890 feet and from the Arrowhead-Drinkard Pool through perforations from 6514 feet to 6590 feet, commingling the production from each of said zones in the well-bore;

PROVIDED HOWEVER, that the production of each zone shall be established and future production allocated to the Blinebry and Arrowhead-Drinkard zones of the subject well in the proportion that the production from each zone bears to the combined production from both zones until further order of the Commission;

PROVIDED FURTHER, that commingling in the well-bore shall continue only so long as the commingled production does not exceed the top unit allowable for either of the zones in the subject well.

(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
JACK M. CAMPBELL, Chairman

Guyton B. Hays
GUYTON B. HAYS, Member

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

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