

Entered December 21, 1966
CLP

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. 3447
Order No. R-3117

APPLICATION OF TEXAS PACIFIC OIL
COMPANY 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 August 24, 1966,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 21st day of September, 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, Texas Pacific Oil Company, is the
operator of the J. P. Collier Well No. 1, located in Unit F of
Section 10, Township 11 South, Range 33 East, NMPM, Lea County,
New Mexico.

(3) That said well is presently completed and equipped to
produce from perforations in the North Bagley-Upper Pennsylvanian
Pool from 9466 feet to 9474 feet and from perforations in the
North Bagley-Middle Pennsylvanian Pool from 9862 feet to 9872
feet through parallel strings of tubing, separation of the two
pools being achieved by means of a packer set at 9852 feet.

(4) That said well is assigned a top allowable for each
of said pools.

-2-

CASE No. 3447

Order No. R-3117

(5) That said well is presently flowing as a top allowable well from the North Bagley-Upper Pennsylvanian Pool.

(6) That said well is presently shut in in the North Bagley-Middle Pennsylvanian Pool.

(7) That the applicant proposes to produce and to commingle in the casing-tubing annulus the non-marginal oil production from the aforesaid pools by means of a Special Multiple Zone Single String Production Hookup without first measuring the production from each zone.

(8) That the applicant proposes to ensure that neither of the aforesaid zones produces more than its assigned allowable by means of down-hole choke assemblies.

(9) That neither of the producing zones in the subject well is of a settled nature, and both are, in fact, presently subject to rapid change in productivity of oil and water.

(10) That a change in the rate of pumping, bottom hole pressure of either or both zones, or percent of water in either or both zones, can cause either or both zones to produce more or less than its calculated share of the combined allowable for said well thereby endangering correlative rights and causing waste.

(11) That the applicant has not established that correlative rights can be protected by allocating production from each of these non-marginal zones in said well by periodic production tests utilizing the subtraction method.

(12) That the subject application should be denied.

IT IS THEREFORE ORDERED:

(1) That the subject application is hereby denied.

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

-3-

CASE No. 3447


Order No. R-3117

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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