

*Entered September 4, 1969*  
*A.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. 4143  
Order No. R-3821

APPLICATION OF AMERADA PETROLEUM  
CORPORATION FOR DOWNHOLE COMMINGLING  
AND SPECIAL GAS-OIL RATIO LIMITATION,  
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 4, 1969,  
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 4th day of September, 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, Amerada Petroleum Corporation, is  
the operator of the Fred Turner, Jr., "A" Well No. 2, located in  
Unit K of Section 18, Township 20 South, Range 38 East, NMPM,  
Lea County, New Mexico.

(3) That Order No. R-2974, dated October 4, 1965, authorized  
the applicant to dually complete the subject well in such a manner  
as to produce gas from the prorated Eumont Gas Pool through the  
casing-tubing annulus and to produce oil from the Skaggs Grayburg-  
San Andres Oil Pool through 1 1/2-inch tubing, with separation of  
zones by a packer set at approximately 3690 feet.

(4) That the applicant proposes to remove the 1 1/2-inch  
tubing, set 3 1/2-inch tubing just above the packer, and produce

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both of the subject zones through said tubing and annulus, commingling the production in the well-bore.

(5) That the applicant further seeks the establishment of a special gas-oil ratio limitation of 4000 cubic feet of gas per barrel of oil for the commingled production from said well.

(6) That the Grayburg zone of the subject well as a result of receiving a response from nearby water injection wells to the northwest and southwest produces considerable water.

(7) That if the Eumont and Grayburg zones are commingled in the well-bore, the water produced by the Grayburg zone may have an adverse and detrimental effect on the Eumont zone in the vicinity of the subject well, which already produces some water, thus causing waste.

(8) That commingling in the well-bore of the subject zones would prevent accurate determination, necessary for proration purposes, of the volumes of gas produced by the prorated Eumont zone of the subject well.

(9) That commingling in the well-bore of an oil zone and a gas zone would render ineffective the gas-oil ratio limitation applicable to the oil zone.

(10) 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.

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. ARMILLO, Member

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

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