

*Entered May 6th, 1971
C. 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. 4530
Order No. R-4140

APPLICATION OF AMOCO PRODUCTION
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 April 28, 1971,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 6th day of May, 1971, 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, Amoco Production Company, is the
owner and operator of the Southland Royalty "A" Well No. 2,
located in Unit B of Section 9, Township 21 South, Range 37 East,
NMPM, Lea County, New Mexico.

(3) That pursuant to authority granted by Order No. R-2343
the subject well was completed as a triple completion (conven-
tional) to produce oil from the Blinebry and Drinkard Pools and
gas from the Tubb Gas Pool.

(4) That the Blinebry and Drinkard zones in the subject well
are now capable of only low marginal production.

(5) That the applicant now proposes to complete the subject
well in such a manner as to produce gas from the Tubb Gas Pool
through one string of 2-inch tubing and to produce the low

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marginal oil production from the Blinebry and Drinkard Pools through a single parallel string of 2 3/8-inch tubing, commingling in the well-bore the production from the Blinebry and Drinkard oil zones, with separation of the Tubb zone and the commingled Blinebry and Drinkard zones by means of packers set at approximately 6037 feet and 6550 feet.

(6) That the proposed commingling of the Blinebry and Drinkard zones may substantially extend the productive lives of said zones.

(7) That the reservoir characteristics of the Blinebry and Drinkard zones in the subject well 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 commingled zones, thereby preventing waste, and will not violate correlative rights.

(9) That the mechanics of the proposed completion are feasible and in accord with good conservation practices.

(10) That in order to allocate the commingled production to each of the commingled zones in the subject wells, 50% of the commingled oil production should be allocated to the Blinebry zone, 50% of the commingled oil production to the Drinkard zone, 32% of the commingled gas production to the Blinebry zone, and 68% of the commingled gas production to the Drinkard zone in the subject well.

(11) That approval of the subject application will prevent waste and protect correlative rights.

(12) That Order No. R-2343 should be superseded.

IT IS THEREFORE ORDERED:

(1) That the applicant, Amoco Production Company, is hereby authorized to complete its Southland Royalty "A" Well No. 2 located in Unit B of Section 9, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, in such a manner as to produce gas from the Tubb Gas Pool through one string of 2-inch tubing and to produce oil from the Blinebry and Drinkard Pools through a single parallel string of 2-3/8-inch tubing, commingling in the

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well-bore the production from the Blinebry and Drinkard Pools, with separation of the Tubb zone and the commingled Blinebry and Drinkard zones by means of packers set at approximately 6037 feet and 6550 feet.

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall notify the Commission of any substantial increase of the gas-oil ratio of the commingled zones.

(2) That 50% of the commingled oil production shall be allocated to the Blinebry zone, 50% of the commingled oil production to the Drinkard zone, 32% of the commingled gas production to the Blinebry zone, and 68% of the commingled gas production to the Drinkard zone.

(3) That the commingling in the well-bore authorized by this order shall continue only so long as the commingled production of the two zones does not exceed 40 barrels of oil per day nor 80 barrels of water per day.

(4) That the maximum amount of gas which may be produced daily from the commingled zones in the subject well shall be determined by multiplying 2,000 by the top unit allowable for the Blinebry Pool.

(5) That Order No. R-2343 is hereby superseded.

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

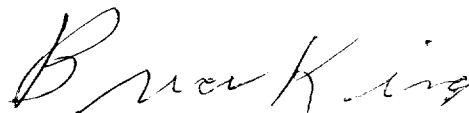
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DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



BRUCE KING, Chairman



ALEX J. ARMIJO, Member



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

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