

Entered January 27 1972
D.S.

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. 4645
Order No. R-4248

APPLICATION OF ACOMA 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 January 19, 1972, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 27th day of January, 1972, 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, Acoma Oil Corporation, is the owner and operator of the S. J. Sarkeys A Well No. 1, a triple completion, located in Unit A of Section 26, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That pursuant to authority granted by Administrative Order MC-1692, the subject well was completed as a triple completion to produce oil from the Blinebry, Drinkard, and Wantz-Abo Oil Pools through parallel strings of tubing.

(4) That the applicant now proposes to complete the subject well in such a manner as to produce oil from the Blinebry Oil Pool through one string of tubing and to produce the Drinkard and Wantz-Abo Pools through a single parallel string of tubing, commingling in the well-bore the production from the Drinkard and Wantz-Abo oil zones, with separation of

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the Blinebry zone and the commingled zones by means of a packer.

(5) That from the Drinkard zone, the subject well is capable of extremely low marginal production only.

(6) That from the Wantz-Abo zone, the subject well is capable of extremely low marginal production only.

(7) That the reservoir characteristics of the Drinkard and Abo zones are such that underground waste would not be caused by the proposed commingling.

(8) That the proposed commingling may result in the recovery of additional hydrocarbons from each of the commingled zones, thereby preventing waste, and will not violate correlative rights.

(9) That in order to allocate the commingled production to each of the commingled zones in the subject well, 33% of the commingled oil production should be allocated to the Drinkard Pool, 67% of the commingled oil production to the Wantz-Abo Pool, and 100% of the commingled gas production to the Drinkard zone.

(10) That Administrative Order MC-1692 should be placed in abeyance.

IT IS THEREFORE ORDERED:

(1) That the applicant, Acoma Oil Corporation, is hereby authorized to complete its S. J. Sarkeys A Well No. 1, located in Unit A of Section 26, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, in such a manner as to produce oil from the Blinebry Pool through one string of tubing and to produce oil from the Drinkard and Wantz-Abo Pools through a single parallel string of tubing, commingling in the well-bore the production from the Drinkard and Wantz-Abo Pools, with separation of the Blinebry zone and the commingled zones by means of a packer.

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;

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PROVIDED FURTHER, that the applicant shall take packer-leakage tests upon completion and annually thereafter during the Annual Gas-Oil Ratio Test Period for the Blinebry Oil Pool.

(2) That 33% of the commingled oil production shall be allocated to the Drinkard zone, 67% of the commingled oil production to the Wantz-Abo zone, and 100% of the 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 50 barrels of oil per day nor 100 barrels of water per day.

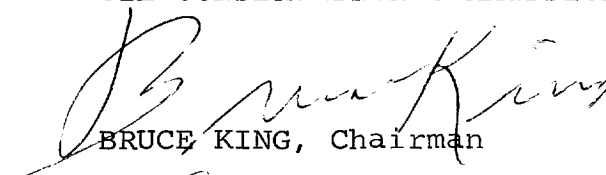
(4) That the maximum amount of gas which may be produced daily from the commingled zones in the subject well shall be determined by multiplying 2,000 by the top unit allowable for the Drinkard Pool.

(5) That Administrative Order MC-1692 is hereby placed in abeyance.

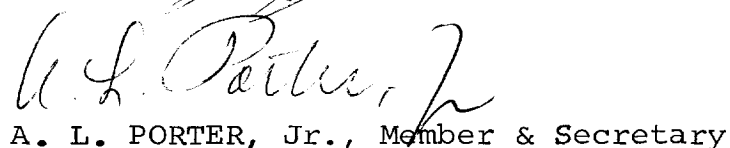
(6) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


BRUCE KING, Chairman


ALEX J. ARMIJO, Member


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

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