Entered September 6, 1972 all

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. 4755 Order No. R-4366

APPLICATION OF TEXACO INC. FOR DOWNHOLE COMMINGLING, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on July 12, 1972, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 6th day of September, 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, Texaco Inc., is the owner and operator of the C. H. Weir "B" Well No. 5, located in Unit G of Section 11, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That the applicant seeks authority to commingle production from the Skaggs-Drinkard, Skaggs-Glorieta, and East Weir-Blinebry Pools in the wellbore of the above-described well and to produce the commingled production through a single string of tubing.
- (4) That from the Skaggs-Drinkard zone, the subject well is capable of low marginal production only.
- (5) That from the Skaggs-Glorieta zone, the subject well is capable of low marginal production only and is currently shut-in due to mechanical difficulties.
- (6) That from the East Weir-Blinebry zone, the subject well is capable of low marginal production only.

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- (7) That the proposed commingling may result in the recovery of additional hydrocarbons from each of the subject pools, thereby preventing waste, and will not violate correlative rights.
- (8) That the reservoir characteristics of each of the subject zones is such that underground waste would not be caused by the proposed commingling provided that the well is not shut-in for an extended period.
- (9) That to afford the Commission the opportunity to assess the potential for waste and to expeditiously order appropriate remedial action, the operator should notify the Hobbs district office of the Commission any time the subject well is shut-in for 7 consecutive days.
- (10) That in order to allocate the commingled production to each of the commingled zones in the subject well, 25% of the commingled oil production should be allocated to the Skaggs-Drinkard zone, 42% of the commingled oil production to the Skaggs-Glorieta zone, 33% of the commingled oil production to the East Weir-Blinebry zone, 60% of the commingled casinghead gas production to the Skaggs-Drinkard zone, and 40% of the commingled gas production to the East Weir-Blinebry zone.
- (11) That Commission Order No. R-2181, as amended by Order No. R-2181-A, should be superseded.

IT IS THEREFORE ORDERED:

- (1) That the applicant, Texaco Inc., is hereby authorized to complete its C. H. Weir "B" Well No. 5, located in Unit G of Section 11, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, in such a manner as to commingle in the wellbore the production from the Skaggs-Drinkard, Skaggs-Glorieta and East Weir-Blinebry Pools and to produce said commingled production through a single string of tubing until further order of the Commission.
- (2) That 25% of the commingled oil production shall be allocated to the Skaggs-Drinkard zone, 42% of the commingled oil production shall be allocated to the Skaggs-Glorieta zone, 33% of the commingled oil production shall be allocated to the East Weir-Blinebry zone, 60% of the commingled casinghead gas production to the Skaggs-Drinkard zone, and 40% of the commingled gas production to the East Weir-Blinebry zone.
- (3) That the operator of the subject well shall immediately notify the Commission's Hobbs district office any time the well has been shut-in for 7 consecutive days and shall concurrently present, to the Commission, a plan for remedial action.

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- (4) That Commission Order No. R-2181, as amended by Order No. R-2181-A, is hereby superseded.
- (5) 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

VI II I

BRUCE KING, Chairman

ALEX J. ARMIJO, Member

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

SEAL