

*Entered February 17, 1973
A.B.*

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. 4890
Order No. R-4475

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 January 17, 1973, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 14th day of February, 1973, 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 Mobil State Well No. 1, located in Unit H of Section 25, Township 17 South, Range 34 East, NMPM, Lea County, New Mexico.
- (3) That pursuant to authority granted by Administrative Order MC-1526, said Well No. 1 was completed by the applicant as a triple completion (tubingless) to produce oil from the North Vacuum-Abo, Vacuum-Wolfcamp, and Vacuum-Upper Pennsylvanian Pools.
- (4) That subsequently Administrative Order DHC-12 authorized downhole commingling of the Abo and Wolfcamp production in the subject well.
- (5) That each of the three zones in the subject well is capable of only low marginal production.
- (6) That the applicant now seeks authority to complete said Well No. 1 in such a manner as to produce oil from the subject well through one string of 2 7/8-inch casing, commingling in the wellbore the production from the North Vacuum-Abo, Vacuum-Wolfcamp, and Vacuum-Upper Pennsylvanian Pools.

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(7) That the proposed commingling in the subject well of the three zones may substantially extend the productive lives of said zones in the subject well.

(8) That the reservoir characteristics of each of the zones in the subject well are such that underground waste would not be caused by the proposed commingling in the wellbore.

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

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

(11) 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 seven consecutive days.

(12) That the allowable and commingled production should be allocated to each of the zones in the well upon the basis of 40 percent North Vacuum-Abo, 20 percent Vacuum-Wolfcamp, and 40 percent Vacuum-Upper Pennsylvanian.

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

(14) That Administrative Orders MC-1526 and DHC-12 should be superseded.

IT IS THEREFORE ORDERED:

(1) That the applicant, Texaco Inc., is hereby authorized to complete its Mobil State Well No. 1, located in Unit H of Section 25, Township 17 South, Range 34 East, NMPM, Lea County, New Mexico, in such a manner as to produce oil from the North Vacuum-Abo, Vacuum-Wolfcamp, and Vacuum-Upper Pennsylvanian Pools through one string of 2 7/8-inch casing, commingling in the wellbore the production from the pools.

(2) That the allowable and commingled production shall be allocated to each of the zones commingled in the wellbore of the subject well on the basis of 40 percent to the North Vacuum-Abo, 20 percent to the Vacuum-Wolfcamp, and 40 percent to the Vacuum-Upper Pennsylvanian.

(3) That the commingling in the wellbore authorized by this order shall continue only so long as the commingled production of the three zones does not indicate significant stimulation of any of the zones by pressure maintenance operations in the area.

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(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 Vacuum-Upper Pennsylvanian Pool.

(5) 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 seven consecutive days and shall concurrently present to the Commission a plan for remedial action.

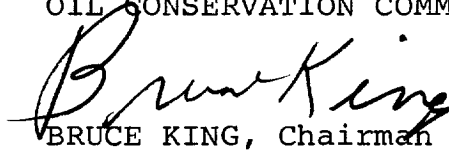
(6) That the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with this order.

(7) That Administrative Orders MC-1526 and DHC-12 are hereby superseded.


(8) 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. ARMILLO, Member


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

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