Onless February 14, 1915 Off.

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. 4887 Order No. R-4480

APPLICATION OF GEOLECTRIC, INC. FOR DOWNHOLE COMMINGLING, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 3, 1973, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>14th</u> 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, GeoLectric, Inc., is the owner and operator of the Ransom Well No. 1, located in Unit I of Section 13, Township 29 North, Range 11 West, NMPM, San Juan County, New Mexico.

(3) That the applicant proposes to complete the subject well in such a manner as to produce gas from the Aztec-Fruitland and Aztec-Pictured Cliffs Pools through a single string of tubing, commingling in the wellbore the production from said pools.

(4) That from the Aztec-Fruitland zone, the subject well is capable of extremely low marginal production only.

(5) That from the Aztec-Pictured Cliffs zone, the subject well is capable of extremely low marginal production only.

(6) That the reservoir characteristics of the Aztec-Fruitland and Aztec-Pictured Cliffs zones are such that underground waste would not be caused by the proposed commingling. -2-Case No. 4887 Order No. R-4480

(7) 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.

(8) That in order to allocate the commingled production to each of the commingled zones in the subject well, 25 percent of the commingled gas production should be allocated to the Aztec-Fruitland Pool, and 75 percent of the commingled gas production to the Aztec-Pictured Cliffs Pool.

IT IS THEREFORE ORDERED:

(1) That the applicant, GeoLectric, Inc. is hereby authorized to complete its Ransom Well No. 1, located in Unit I of Section 13, Township 29 North, Range 11 West, NMPM, San Juan County, New Mexico, in such a manner as to produce gas from the Aztec-Fruitland and Aztec-Pictured Cliffs Pools through a single string of tubing, commingling in the wellbore the production from said pools.

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;

(2) That 25 percent of the commingled gas production shall be allocated to the Aztec-Fruitland zone, and 75 percent of the commingled gas production to the Aztec-Pictured Cliffs zone.

(3) That this commingling authority shall remain in effect only for so long as the attributing of 75 percent of the well's total production to the Aztec-Pictured Cliffs Pool still results in the subject well being classified marginal in said pool.

(4) 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 pu ARMINO, Member Kenn PORTER, Jr., Member & Secretary

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