

Entered June 25, 1973
R.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. 4961
Order No. R-4564

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 May 9, 1973,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 25th day of June, 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, Amoco Production Company, is the
owner and operator of the Southland Royalty "A" Well No. 4,
located in Unit X of Section 4, Township 21 South, Range 37 East,
NMPM, Lea County, New Mexico.

(3) That said well was originally completed as a single
producer from the Drinkard Oil Pool and was subsequently
completed as a dual completion, producing Drinkard oil through
tubing and Tubb gas through the casing-tubing annulus; that the
well was later completed as a triple completion, producing oil
from the Blinebry and Drinkard pools through parallel strings
of tubing and gas through the casing-tubing annulus by means
of a triple flow tube.

(4) That the Blinebry formation and the Drinkard formation
in the vicinity of the subject well are currently being considered
for secondary recovery by means of water flood.

(5) That the commingling of Tubb Gas Pool production in the
well-bore with production from the Blinebry and Drinkard Oil Pools,
because of the associated problems of equity determination and
possible migration of fluids from one zone into another, might
delay and possibly prevent the formation of waterflood projects in

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the area thereby leaving considerable volumes of oil reserves unrecovered, causing waste.

(6) That the possible commingling of production from the Blinebry and Drinkard Oil Pools in the well-bore of the subject well, maintaining the Tubb gas production as a separate entity in the well, would be less likely to create the problems described above, provided accurate determination of Blinebry and Drinkard production could be made.

(7) That in order to protect correlative rights and prevent waste, the application should be denied.

IT IS THEREFORE ORDERED:

(1) That the application of Amoco Production Company to complete its Southland Royalty "A" Well No. 4, located in Unit X of Section 4, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, in such a manner as to permit the commingling in the well-bore of production from the Blinebry and Drinkard Oil Pools and the Tubb Gas Pool is hereby denied.

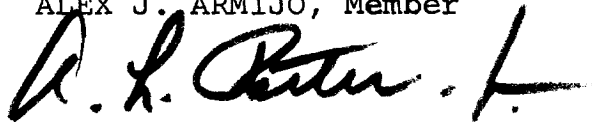
(2) That jurisdiction of this cause is hereby retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member


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

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