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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. 5077 Order No. R-4653

APPLICATION OF TEXACO INC. FOR DOWNHOLE COMMINGLING AND A DUAL COMPLETION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 17, 1973, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>l6th</u> day of November, 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 C. H. Weir "B" Well No. 4, located in Unit I of Section 11, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That the applicant seeks authority to commingle Skaggs-Glorieta and East Weir-Blinebry production within the wellbore of the above-described well and to dually complete said well in such a manner as to produce said commingled production and production from the East Weir-Tubb Pool through parallel strings of 2 3/8-inch tubing, achieving separation of the commingled zones and East Weir-Tubb Pool by means of a packer set at approximately 6350 feet.
- (4) That from the Skaggs-Glorieta zone, the subject well is capable of low marginal production only.
- (5) That from the East Weir-Blinebry zone, the subject well is capable of low marginal production only.
- (6) 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.
 - (7) That the reservoir characteristics of each of the subject

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zones are such that underground waste would not be caused by the proposed commingling provided that the well is not shut-in for an extended period.

- (8) 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.
- (9) That in order to allocate the commingled production to each of the commingled zones in the subject well, 70 percent of the commingled oil production should be allocated to the Skaggs-Glorieta zone and 30 percent of the commingled oil production to the East Weir-Blinebry zone.
- (10) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.
- (11) That approval of the subject application will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

- (1) That the applicant, Texaco Inc., is hereby authorized to commingle Skaggs-Glorieta and East Weir-Blinebry production within the wellbore of the C. H. Weir "B" Well No. 4 located in Unit I of Section 11, Township 20 South, Range 37 East, NMPM, Skaggs-Glorieta and East Weir-Blinebry Pools, Lea County, New Mexico.
- (2) That 70 percent of the commingled oil production shall be allocated to the Skaggs-Glorieta zone and 30 percent of the commingled oil production shall be allocated 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.
- (4) That applicant is hereby authorized to dually complete said well in such a manner as to permit the production of those aforesaid commingled fluids and those hydrocarbons from the East Weir-Tubb Oil Pool through parallel strings of 2 3/8-inch tubing, with separation of the commingled Glorieta and Blinebry zones and the Tubb zone achieved by means of a packer set at 6350 feet.

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.

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 East Weir-Tubb Pool.

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- (5) That Administrative Order MC-1918, which previously authorized the triple completion of the subject well to produce from the Eumont Gas Pool and the Skaggs-Glorieta and East Weir-Blinebry Pools, is hereby superseded.
- (6) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

 ${\tt DONE}$ at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

ALEX J. ARMIJO, Member

A. L. PORTER, JR., Member & Jecretary

SEAL