

*Entered September 10, 1974*  
*R. L. [illegible]*

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. 5307  
Order No. R-4854

APPLICATION OF CONTINENTAL OIL  
COMPANY 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 September 4, 1974, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 10th day of September, 1974, 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, Continental Oil Company, is the operator of its Reed "B" Well No. 2, located in Unit H of Section 23, Township 20 South, Range 36 East, NMPM, Lea County, New Mexico.
- (3) That the applicant seeks authority to commingle hydrocarbon production from the Eumont Gas Pool and the Eunice Monument Grayburg-San Andres Pool in the wellbore of the above-described well.
- (4) That from the Eumont Gas Pool, said well is capable of low marginal production only.
- (5) That from the Eunice Monument Grayburg-San Andres Pool, said 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 zones are such that underground waste would not be caused by the proposed commingling provided the well is not shut-in for an extended period.

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(8) That in order to allocate the commingled production to each of the commingled zones in the subject well, 90 percent of the commingled gas production should be allocated to the Eumont Gas Pool, 10 percent of the commingled gas production to the Eunice Monument Grayburg-San Andres Pool, and 100 percent of the commingled liquid hydrocarbon production to the Eunice Monument Grayburg-San Andres Pool.

IT IS THEREFORE ORDERED:

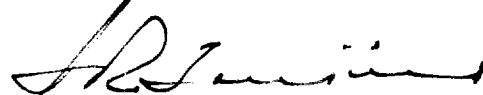
(1) That the applicant, Continental Oil Company, is hereby authorized to commingle hydrocarbon production from the Eumont Gas Pool and the Eunice Monument Grayburg-San Andres Pool within the wellbore of its Reed "B" Well No. 2, located in Unit H of Section 23, Township 20 South, Range 36 East, NMPM, Lea County, New Mexico.

(2) That 90 percent of the commingled gas production shall be allocated to the Eumont Gas Pool and that 10 percent of the commingled gas production and 100 percent of the commingled liquid hydrocarbon production shall be allocated to the Eunice Monument Grayburg-San Andres Pool.

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

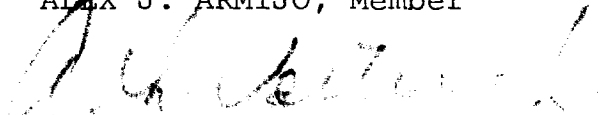
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION



I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member



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

S E A L

jr/