

*Entered October 27, 1974  
R.L.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. 5345  
Order No. R-4895

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 October 16, 1974, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 29th day of October, 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, Texaco Inc., is the owner and operator of the G. L. Erwin "B" Fed. (NCT-2) Well No. 5, located in Unit P of Section 35, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant has completed said well as a quadruple tubingless completion in the North Justis-Fusselman, North Justis-Montoya, Waddell, and North Justis-Ellenburger Pools under authority granted by the Commission by its Administrative Order MC-1237-A.

(4) That the applicant seeks authority to commingle Fusselman, Montoya, and Ellenburger production within the wellbore of the above-described well in such a manner as to permit commingled oil to be produced through the former Waddell casing string and all or part of the commingled gas to be produced through any of the various casing strings.

(5) That the Waddell zone is to be abandoned.

(6) That from the Fusselman zone, the subject well is capable of marginal production only.

(7) That from the Montoya zone, the subject well is capable of low marginal production only.

(8) That from the Ellenburger zone, the subject well is capable of low marginal production only.

(9) 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.

(10) That the reservoir characteristics of each of the subject 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.

(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 7 consecutive days.

(12) That in order to allocate the commingled production to each of the commingled zones in the subject well, 43 percent of the commingled oil production should be allocated to the Fusselman zone, 20 percent of the commingled oil production to the Montoya zone, 37 percent should be allocated to the Ellenburger zone, and 100 percent of the commingled gas production should be allocated to the Montoya zone.

(13) That the Secretary-Director of the Commission should administratively adjust the percentages set out in Finding No. (10) above if subsequent testing indicates such adjustment would permit more accurate allocation of the commingled production.

IT IS THEREFORE ORDERED:

(1) That the applicant, Texaco Inc., is hereby authorized to commingle Fusselman, Montoya and Ellenburger production within the wellbore of the G. L. Erwin "B" Fed. (NCT-2) Well No. 5, located in Unit P of Section 35, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, in such a manner as to permit commingled oil to be produced through the former Waddell casing string and all or any part of the commingled gas to be produced through any of the various casing strings.

(2) That 43 percent of the commingled oil production shall be allocated to the Fusselman zone, 20 percent of the commingled oil production shall be allocated to the Montoya zone, and 37 percent of the commingled oil production shall be allocated to the Ellenburger zone, and 100 percent of the commingled gas production should be allocated to the Montoya zone;

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PROVIDED HOWEVER, that the Secretary-Director of the Commission may administratively adjust said percentages if subsequent testing should indicate such adjustment would permit more accurate allocation of the commingled production.


(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 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

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