

*Entered November 1-1-1974
A.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. 5348
Order No. R-4914

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

NOW, on this 12th day of November, 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 owner and operator of the Elliott B Well No. 6, located in Unit J of Section 6, Township 22 South, Range 37 East, and the Lockhart B-1 Well No. 9, located in Unit I of Section 1, Township 22 South, Range 36 East, NMPM, both in Lea County, New Mexico.
- (3) That the applicant seeks authority to commingle Blinebry and Drinkard production within the wellbore of each of the above-described wells.
- (4) That from the Blinebry zone, the subject wells are classified as oil wells and are capable of low marginal production only.
- (5) That from the Drinkard zone, the subject wells are 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.

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(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 that the wells are 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 either of the subject wells are shut-in for 7 consecutive days.

(9) That in order to allocate the commingled production to each of the commingled zones in said Elliott B Well No. 6, 50 percent of the commingled production should be allocated to the Blinebry zone and 50 percent of the commingled production to the Drinkard zone.

(10) That in order to allocate the commingled production to each of the commingled zones in said Lockhart B-1 Well No. 9, 67 percent of the commingled oil production and 50 percent of the commingled gas production should be allocated to the Blinebry zone, and 33 percent of the commingled oil production and 50 percent of the commingled gas production to the Drinkard zone.

IT IS THEREFORE ORDERED:

(1) That the applicant, Continental Oil Company, is hereby authorized to commingle Blinebry and Drinkard production within the wellbores of the Elliott B Well No. 6, located in Unit J of Section 6, Township 22 South, Range 37 East, NMPM, and the Lockhart B-1 Well No. 9, located in Unit I of Section 1, Township 22 South, Range 36 East, NMPM, both in Lea County, New Mexico.

(2) That for said Elliott B Well No. 6, 50 percent of the commingled production shall be allocated to the Blinebry zone and 50 percent of the commingled production shall be allocated to the Drinkard zone.

(3) That for said Lockhart B-1 Well No. 9, 67 percent of the commingled oil production and 50 percent of the commingled gas production shall be allocated to the Blinebry zone and 33 percent of the commingled oil production and 50 percent of the commingled gas production to the Drinkard zone.


(4) That the operator of the subject wells shall immediately notify the Commission's Hobbs district office any time either of the wells have been shut-in for 7 consecutive days and shall concurrently present, to the Commission, a plan for remedial action.

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

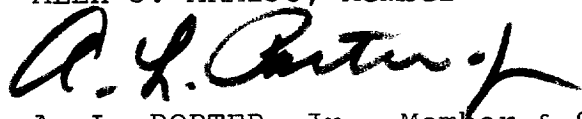
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DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

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

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