

Entered February 25, 1975
A.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. 5419
Order No. R-4967

APPLICATION OF J. GREGORY MERRION
AND ROBERT L. BAYLESS FOR DOWNHOLE
COMMINGLING, RIO ARRIBA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 19, 1975, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 25th day of February, 1975, 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 applicants, J. Gregory Merrion and Robert L. Bayless, are the owners and operators of the North Lindrith Unit Com Well No. 1, located in Unit M of Section 20, Township 26 North, Range 2 West, NMPM, Rio Arriba County, New Mexico.

(3) That the applicants seek authority to commingle Gavilan-Pictured Cliffs and Blanco Mesaverde production within the wellbore of the above-described well.

(4) That from the Gavilan-Pictured Cliffs Pool, the subject well is capable of low marginal production only.

(5) That from the Blanco Mesaverde Pool, 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.

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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 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 operators should notify the Aztec 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, 50% of the commingled production should be allocated to the Gavilan-Pictured Cliffs Pool, and 50% of the commingled production to the Blanco Mesaverde Pool.

IT IS THEREFORE ORDERED:

(1) That the applicants, J. Gregory Merrion and Robert L. Bayless, are hereby authorized to commingle Gavilan-Pictured Cliffs and Blanco Mesaverde production within the wellbore of the North Lindrith Unit Com Well No. 1, located in Unit M of Section 20, Township 26 North, Range 2 West, NMPM, Rio Arriba County, New Mexico.

(2) That 50 percent of the commingled production shall be allocated to the Gavilan-Pictured Cliffs Pool and 50 percent of the commingled production shall be allocated to the Blanco Mesaverde Pool.

(3) That the operator of the subject well shall immediately notify the Aztec district office of the Commission 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.

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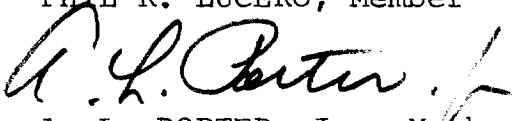
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DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

I. R. TRUJILLO, Chairman


PHIL R. LUCERO, Member


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

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