a. J. J. 1975 - C. J. P. 1975 - C. J. 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. 5471 Order No. R-5022

APPLICATION OF UNION TEXAS PETROLEUM FOR DOWNHOLE COMMINGLING, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

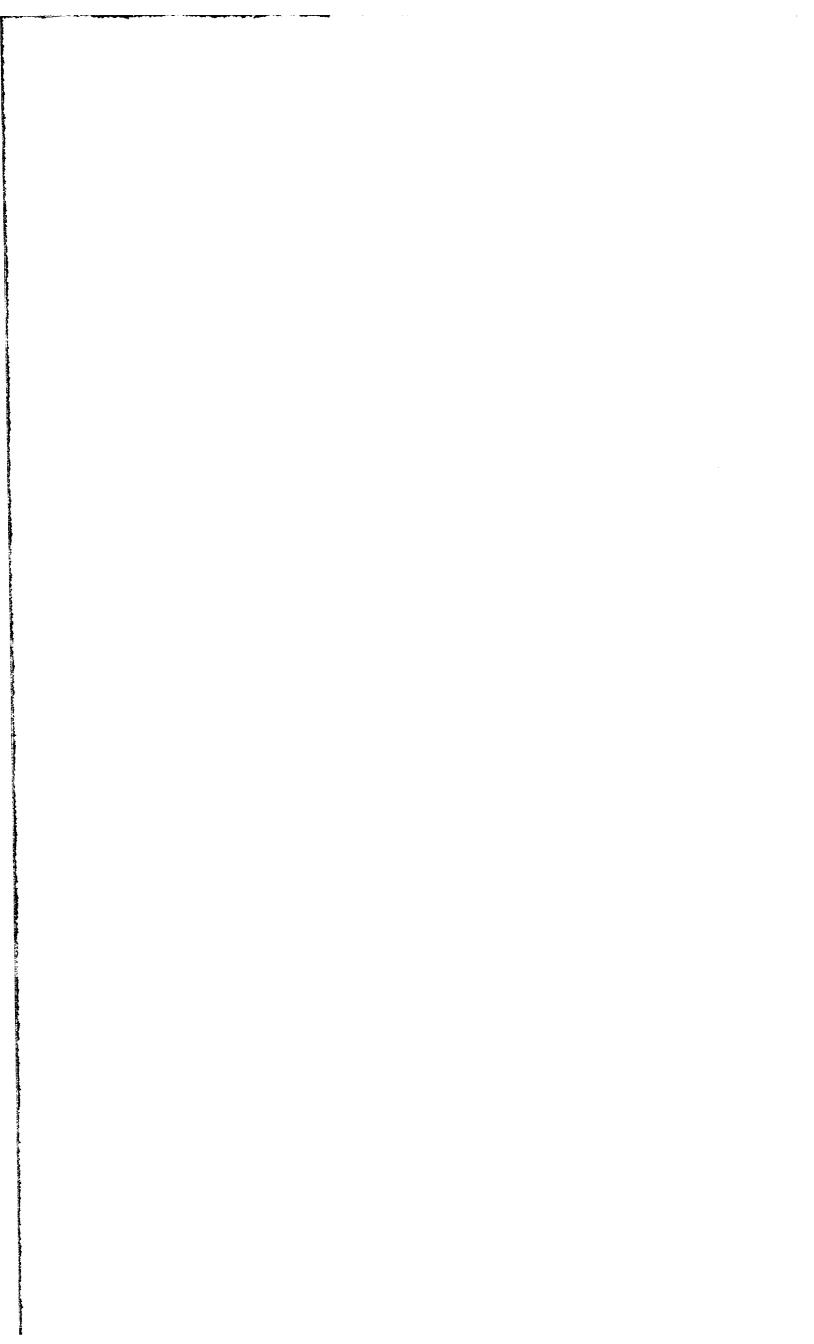
BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 14, 1975, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 22nd day of May, 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 applicant, Union Texas Petroleum, is the owner and operator of the Carlson "B" Wells Nos. 1 and 2, located in Unit P of Section 23 and Unit H of Section 26, respectively, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That the applicant seeks authority to commingle Justis Blinebry and Justis Tubb-Drinkard production within the wellbore of the above-described wells.
- (4) That from the Justis-Blinebry zone, each of the subject wells is capable of marginal production only.
- (5) That from the Justis Tubb-Drinkard zone, each of the subject wells 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.



-2-Case No. 5471 Order No. R-5022

- (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 operator should notify the Hobbs district office of the Commission any time either of the subject wells is shut-in for 7 consecutive days.
- (9) That in order to allocate the commingled production to each of the commingled zones in each of the subject wells, Blinebry production should be determined on the basis of the previously established production decline curve, and Tubb-Drinkard production determined by subtracting said Blinebry production from total production.

IT IS THEREFORE ORDERED:

- (1) That the applicant, Union Texas Petroleum, is hereby authorized to commingle Justis-Blinebry and Justis Tubb-Drinkard production within the wellbore of the Carlson "B" Wells Nos. 1 and 2, located in Unit P of Section 23 and Unit H of Section 26, Respectively, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.
- (2) That the Blinebry production from each well shall be determined from the previously established production decline curve for the Blinebry zone, and the Tubb-Drinkard production from each well shall be determined by subtracting the Blinebry production from the well's total production.
- (3) That the operator of the subject wells shall immediately notify the Commission's Hobbs district office any time either 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 herein-above designated.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

./R. TRUJILLO, Chairman

Mil R. LUCERO, Member

. PORTER, Jr., Member & Secretary

S E A L jr/

