

Entered March 10, 1976

JAR

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. 5633  
Order No. R-5175

APPLICATION OF SHELL 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 March 3, 1976, at Santa Fe, New Mexico, before Examiner, Richard L. Stamets.

NOW, on this 10th day of March, 1976, 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, Shell Oil Company, is the owner and operator of the J. P. Well No. 1, located in Unit C of Section 2, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant seeks authority to commingle Blinebry, Tubb-Drinkard and Devonian production within the wellbore of the above-described well.

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

(5) That from the Tubb-Drinkard zone, the subject well is capable of low marginal production only.

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

(7) 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.



(8) 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.

(9) 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.

(10) That in order to allocate the commingled production to each of the commingled zones in the subject well, 24 percent and 47 percent of the commingled oil and gas production, respectively, should be allocated to the Blinebry zone, 22 percent and 27 percent of the commingled oil and gas production, respectively, to the Tubb-Drinkard zone, and 54 percent and 26 percent of the commingled oil and gas production, respectively, should be allocated to the Devonian zone.

IT IS THEREFORE ORDERED:

(1) That the applicant, Shell Oil Company, is hereby authorized to commingle Blinebry, Tubb-Drinkard and Devonian production within the wellbore of the J. P. Well No. 1, located in Unit C of Section 2, Township 25 South, Range 37 East, NMPM, Justis Field, Lea County, New Mexico.

(2) That 24 percent and 47 percent of the commingled oil and gas production, respectively, shall be allocated to the Blinebry zone, 22 percent and 27 percent of the commingled oil and gas production, respectively, shall be allocated to the Tubb-Drinkard zone and 54 percent and 26 percent of the commingled oil and gas production, respectively, shall be allocated to the Devonian zone.

(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.

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

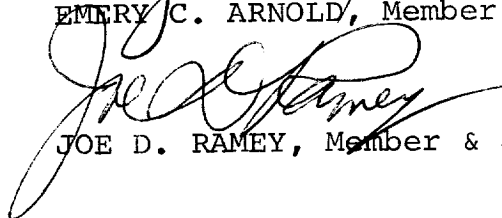
STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION



PHIL R. LUCERO, Chairman



EMERY C. ARNOLD, Member



JOE D. RAMEY, Member & Secretary

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