

Entered May 18, 1976  
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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. 5672  
Order No. R-5212

APPLICATION OF HORACE F. McKAY, JR.  
FOR DOWNHOLE COMMINGLING AND SIMULTANEOUS  
DEDICATION, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 28, 1976, at Santa Fe, New Mexico, before Examiner, Richard L. Stamets.

NOW, on this 18th day of May, 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, Horace F. McKay, Jr., is the owner and operator of the Beardon Well No. 1A, located in Unit C of Section 19, Township 29 North, Range 10 West, NMPM, San Juan County, New Mexico.

(3) That the applicant seeks authority to commingle Aztec-Fruitland and Aztec-Pictured Cliffs gas production within the wellbore of the above-described well.

(4) That applicant further seeks approval for the simultaneous dedication of the NW/4 of said Section 19 to the above-described well and to his Beardon Well No. 1 in Unit E of said Section 19.

(5) That from the Aztec-Fruitland zone, the subject well is capable of low rates of production only.

(6) That from the Aztec-Pictured Cliffs zone, the subject well is capable of low rates of 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.

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(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 Aztec 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, 10 percent of the commingled production should be allocated to the Aztec-Fruitland zone, and 90 percent of the commingled production to the Aztec-Pictured Cliffs zone.

IT IS THEREFORE ORDERED:

(1) That the applicant, Horace F. McKay, Jr., is hereby authorized to commingle Aztec-Fruitland and Aztec-Pictured Cliffs production within the wellbore of the Beardon Well No. 1A, located in Unit C of Section 19, Township 29 North, Range 10 West, NMPM, San Juan County, New Mexico.

(2) That 10 percent of the commingled production shall be allocated to the Aztec-Fruitland zone and 90 percent of the commingled production shall be allocated to the Aztec-Pictured Cliffs zone.

(3) That applicant is further authorized to simultaneously dedicate the NW/4 of said Section 19 to the above-described well and to his Beardon Well No. 1 in Unit E of said Section 19.

(4) That the operator of the subject well shall immediately notify the Commission's Aztec 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.

(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.

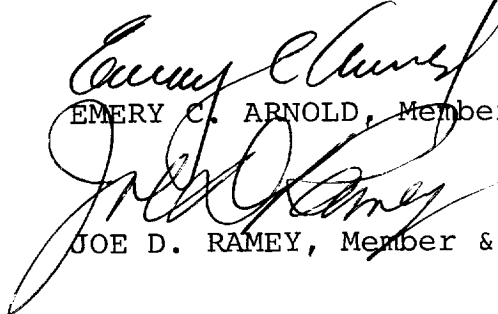
STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION



PHIL R. LUCERO, Chairman



EMERY C. ARNOLD, Member



JOE D. RAMEY, Member & Secretary

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