

Entered July 14, 1976
JDR

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. 5692
Order No. R-5227

APPLICATION OF CITIES SERVICE OIL
COMPANY FOR A DUAL COMPLETION AND
DOWNHOLE COMMINGLING, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 7, 1976, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 14th day of July, 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, Cities Service Oil Company, seeks authority to complete its Owen "A" Well No. 1, located in Unit P of Section 35, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, as a dual completion (conventional), completing said well in such a manner as to commingle Blinebry and Drinkard oil production and to dually complete said zones with the Wantz-Granite Wash Pool.

(3) That from both the Blinebry and Drinkard zones, said well is capable of low marginal production.

(4) That the proposed commingling may result in the production of additional hydrocarbons from each of said pools, thereby preventing waste, and will not violate correlative rights.

(5) That the reservoir characteristics of each of the aforesaid pools are such that underground waste would not be caused by the proposed commingling.

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(6) That in order to determine the production from each of the commingled zones in the subject well, 55 percent of the commingled oil production should be allocated to the Blinebry zone and 45 percent to the Drinkard zone, and 20 percent of the commingled gas production should be allocated to the Blinebry zone and 80 percent to the Drinkard zone.

(7) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.

(8) That approval of the subject application will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Cities Service Oil Company, is hereby authorized to commingle Blinebry and Drinkard production in the wellbore of its Owen "A" Well No. 1, located in Unit P of Section 35, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

(2) That 55 percent and 20 percent of the commingled oil and gas production, respectively, shall be allocated to the Blinebry zone, and 45 percent and 80 percent of the commingled oil and gas production, respectively, shall be allocated to the Drinkard zone.

(3) That the applicant is hereby authorized to complete said Owen "A" Well No. 1 as a dual completion (conventional) in such a manner as to produce the commingled Blinebry-Drinkard production through a string of 1 1/2-inch EVE tubing and the Granite Wash production through a parallel string of 2 1/16-inch EVE tubing, with separation of the commingled zones and the Wantz-Granite Wash to be achieved by means of a packer set at approximately 7,375 feet.

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take packer-leakage tests upon completion and annually thereafter during the Annual Gas-Oil Ratio Test Period for the Wantz-Granite Wash Pool.

(2) 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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