

Entered July 6, 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. 5698  
Order No. R-5233

APPLICATION OF EL PASO NATURAL GAS  
COMPANY 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 June 23, 1976,  
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 6th 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, El Paso Natural Gas Company, is the  
owner and operator of the San Juan 28-7 Unit Well No. 82, located  
in Unit A of Section 4, Township 27 North, Range 7 West, NMPM,  
Rio Arriba County, New Mexico.

(3) That the applicant seeks authority to commingle South  
Blanco-Pictured Cliffs and Blanco Mesaverde production within  
the wellbore of the above-described well.

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

(5) That from the Blanco Mesaverde zone, 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.

(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.

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(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 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, 30 percent of the commingled gas production should be allocated to the South Blanco-Pictured Cliffs zone, and 70 percent and 100 percent of the commingled gas and oil production, respectively, to the Blanco Mesaverde zone.

IT IS THEREFORE ORDERED:

(1) That the applicant, El Paso Natural Gas Company, is hereby authorized to commingle South Blanco-Pictured Cliffs and Blanco Mesaverde production within the wellbore of the San Juan 28-7 Unit Well No. 82, located in Unit A of Section 4, Township 27 North, Range 7 West, NMPM, Rio Arriba County, New Mexico.

(2) That 30 percent of the commingled gas production shall be allocated to the South Blanco-Pictured Cliffs zone and 70 percent and 100 percent of the commingled gas and oil production, respectively, shall be allocated to the Blanco Mesaverde zone.

(3) 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.

(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 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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