

Entered June 14, 1977
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. 5937
Order No. R-5462

APPLICATION OF SUN 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 May 25, 1977, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 14th day of June, 1977, 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, Sun Oil Company, is the owner and operator of the Shearn Federal Well No. 1, located in Unit L of Section 15, Township 19 South, Range 32 East, NMPM, Lea County, New Mexico.
- (3) That the applicant seeks authority to commingle Lusk-Morrow, East Lusk-Wolfcamp and East Lusk-Bone Springs production within the wellbore of the above-described well.
- (4) That from each of said zones, the subject well is capable of low rates of production only.
- (5) 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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(6) That the well should be equipped in such a manner as to prevent fluids from the upper zones from coming in contact with the Morrow zone.

(7) 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.

(8) That in order to allocate the commingled production to each of the commingled zones in the subject well, 67 percent and 62 percent of the commingled oil and gas production, respectively, should be allocated to the Lusk-Morrow zone, 23 percent and 37 percent of the commingled oil and gas production, respectively, to the East Lusk-Wolfcamp zone and ten percent and one percent of the commingled oil and gas production, respectively, should be allocated to the East Lusk-Bone Springs zone.

IT IS THEREFORE ORDERED:

(1) That the applicant, Sun Oil Company, is hereby authorized to commingle Lusk-Morrow, East Lusk-Wolfcamp and East Lusk-Bone Springs production within the wellbore of the Shearn Federal Well No. 1, located in Unit L of Section 15, Township 19 South, Range 32 East, NMPM, Lea County, New Mexico.

(2) That said Shearn Federal Well No. 1 shall be equipped with a standing valve above the Morrow zone or in some other manner so as to prevent fluids from the upper two zones from coming in contact with the Morrow zone.

(3) That 67 percent and 62 percent of the commingled oil and gas production, respectively, shall be allocated to the Lusk-Morrow zone, 23 percent and 37 percent of the commingled oil and gas production, respectively, shall be allocated to the East Lusk-Wolfcamp zone, and ten percent and one percent of the commingled oil and gas production, respectively, to the East Lusk-Bone Springs zone.

(4) 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.

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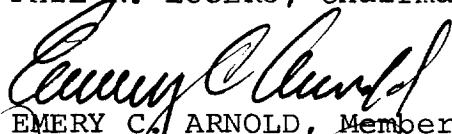
(5) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

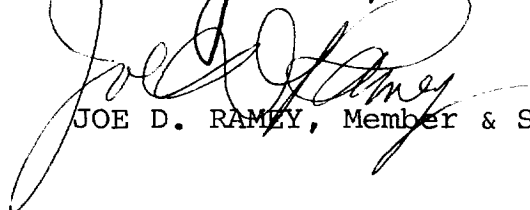
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



PHIL R. LUCERO, Chairman



EMERY C. ARNOLD, Member



JOE D. RAMSEY, Member & Secretary

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