

Entered June 28, 1977
JR

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. 5966
Order No. R-5481

APPLICATION OF J. R. CONE 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 June 22, 1977, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 28th 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, J. R. Cone, is the owner and operator of the Eubanks Well No. 2, located in Unit L of Section 14, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That the applicant seeks authority to commingle Blinebry and Tubb production within the wellbore of the above-described well.
- (4) That from the Blinebry zone, the subject well is capable of low rates of production only.
- (5) That from the Tubb zone, the subject well is capable of low rates of production only.
- (6) That Commission Administrative Order No. MC-1449, which previously authorized the dual completion of said well, should be superseded.
- (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 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, 71 percent and 58 percent of the commingled oil and gas production, respectively, should be allocated to the Blinebry zone, and the remainder to the Tubb zone.

IT IS THEREFORE ORDERED:

(1) That the applicant, J. R. Cone, is hereby authorized to commingle Blinebry and Tubb production within the wellbore of the Eubanks Well No. 2 located in Unit L of Section 14, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

(2) That 71 percent and 58 percent of the commingled oil and gas production, respectively, shall be allocated to the Blinebry zone and the remainder shall be allocated to the Tubb 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 Commission Administrative Order No. MC-1449 is hereby superseded.

(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 herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Phil R. Lucero
PHIL R. LUCERO, Chairman

Emery C. Arnold
EMERY C. ARNOLD, Member

Joe D. Ramey
JOE D. RAMEY, Member & Secretary

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