

Entered March 30, 1979
JLR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6375
Order No. R-5961

APPLICATION OF HARPER OIL COMPANY
FOR DOWNHOLE COMMINGLING, LEA
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on November 8, 1978, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 30th day of March, 1979, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Harper Oil Company, is the owner and operator of the S. J. Sarkeys Well No. 2, located in Unit H of Section 26, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That the applicant seeks authority to commingle Blinebry, Drinkard and Wantz-Abo production within the wellbore of the above-described well.
- (4) That from each of said zones, the subject well is capable of low marginal 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.
- (6) That the reservoir characteristics of each of the subject zones are such that underground waste would not be caused

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by the proposed commingling provided that the well is not shut-in for an extended period.

(7) That to afford the Division 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 Division 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, 50 percent of the commingled oil production should be allocated to the Blinebry zone, 30 percent and 33 percent of the commingled oil and gas production, respectively, to the Drinkard zone, and 20 percent and 67 percent of the commingled oil and gas production, respectively, to the Wantz-Abo zone.

(9) That Division Order No. R-4333, which authorized the dual completion of the Blinebry formation and the commingled Drinkard-Abo formations in the subject well, should be superseded.

IT IS THEREFORE ORDERED:

(1) That the applicant, Harper Oil Company, is hereby authorized to commingle Blinebry, Drinkard and Wantz-Abo production within the wellbore of its S. J. Sarkeys Well No. 2, located in Unit H of Section 26, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

(2) That 50 percent of the commingled oil production shall be allocated to the Blinebry zone, 30 percent and 33 percent of the commingled oil and gas production, respectively, shall be allocated to the Drinkard zone, and 20 percent and 67 percent of the commingled oil and gas production, respectively, shall be allocated to the Wantz-Abo zone.

(3) That the operator of the subject well shall immediately notify the Division's Hobbs district office any time the well has been shut-in for 7 consecutive days and shall concurrently present, to the Division, a plan for remedial action.

(4) That Division Order No. R-4333 is hereby superseded.

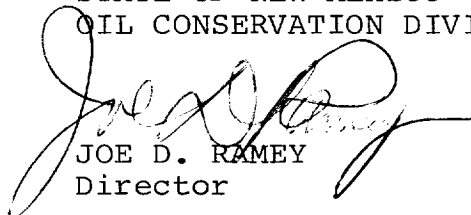
(5) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



JOE D. RAMEY
Director

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