

Entered May 2, 1979
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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. 6532
Order No. R-6004

APPLICATION OF NORTHWEST PRODUCTION
CORPORATION FOR DOWNHOLE COMMINGLING,
RIO ARriba COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on April 25, 1979,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 2nd day of May, 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, Northwest Production Corporation,
is the owner and operator of the Jicarilla 117E Well No. 5,
located in Unit M of Section 28, Township 26 North, Range 3
West, NMPM, Rio Arriba County, New Mexico.

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

(4) That from the Tapacito-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.

-2-

Case No. 6532
Order No. R-6004

(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.

(8) 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 Aztec district office of the Division 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, 64 percent of the commingled gas production should be allocated to the Tapacito-Pictured Cliffs zone, and 36 percent of the commingled gas production and all of the liquid production to the Blanco Mesaverde zone.

IT IS THEREFORE ORDERED:

(1) That the applicant, Northwest Production Corporation, is hereby authorized to commingle Tapacito-Pictured Cliffs and Blanco Mesaverde production within the wellbore of the Jicarilla 117E Well No. 5, located in Unit M of Section 28, Township 26 North, Range 3 West, NMPM, Rio Arriba County, New Mexico.

(2) That 64 percent of the commingled gas production shall be allocated to the Tapacito-Pictured Cliffs zone and 36 percent of the commingled gas production and all of the liquid production shall be allocated to the Blanco-Mesaverde zone.

(3) That the operator of the subject well shall immediately notify the Division's Aztec 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 jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

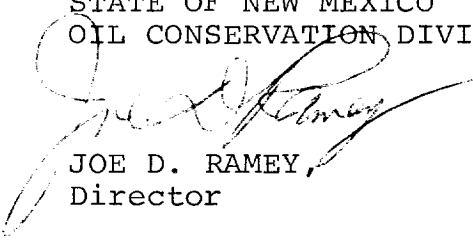
-3-

Case No. 6532

Order No. R-6004

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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