

Entered January 28, 1980  
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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. 6677  
Order No. R-6257

APPLICATION OF TEXAS PACIFIC OIL  
COMPANY, INC. 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 October 2, 1979, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 28th day of January, 1980, 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, Texas Pacific Oil Company, Inc., is the owner and operator of the Elliott B-6 Well No. 1, located in Unit M of Section 6, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant seeks authority to commingle oil production from the Arrowhead-Grayburg Pool and gas production from the Eumont Gas Pool within the wellbore of the above-described well.

(4) That from the Arrowhead-Grayburg zone, the subject well is capable of low marginal production only.

(5) That from the Eumont zone, the subject well is capable of low marginal production only.

(6) That while the proposed commingling might result in the recovery of additional hydrocarbons from each of the subject pools, waste could occur through the wetting of the Eumont gas

-2-

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sands by Arrowhead-Grayburg oil if the well were shut in for an extended period.

(7) That there is no mechanism to assure the Division that said Elliott B-6 Well No. 1 would not be shut-in for an extended period following completion of the proposed downhole commingling.

(8) That to avoid the potential for waste the subject application should be denied.

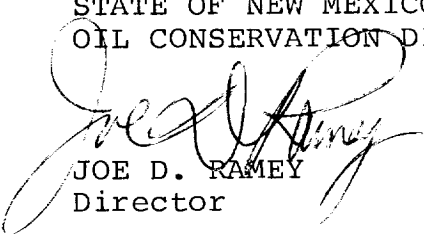
IT IS THEREFORE ORDERED:

(1) That the application of Texas Pacific Oil Company, Inc., to commingle Arrowhead-Grayburg oil production and Eumont gas production within the wellbore of the Elliott B-6 Well No. 1, located in Unit M of Section 6, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby denied.

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

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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