Entered November 25, 1980

### 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. 7061 Order No. R-6526

APPLICATION OF BETTIS, BOYLE & STOVALL 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 29, 1980, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>25th</u> day of November, 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, Bettis, Boyle & Stovall, is the owner and operator of the Justis B Well No. 8, located in Unit G of Section 20, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant seeks authority to commingle Jalmat and Langlie-Mattix production within the wellbore of the abovedescribed well.

(4) That the vertical limits of the Jalmat Pool as defined by Order No. R-520, dated August 12, 1954, include the Tansill and Yates formations and all but the lowermost 100 feet of the Seven Rivers formation.

(5) That the vertical limits of the Langlie-Mattix Pool, as defined by said Order No. R-520, include the lowermost 100 feet of the Seven Rivers formation and all of the Queen formation. -2-Case No. 7061 Order No. R-6526

(6) That there has been some disparity among some geologists as to the actual base of the Seven Rivers formation and the top of the Queen formation and hence as to the location of the 100foot marker separating the Jalmat and Langlie-Mattix Pools.

(7) That as a result of this disparity, the subject well and certain other wells in the general area which are classified as Jalmat wells have perforations extending across the aforesaid 100-foot marker in the Seven Rivers formation and into the Langlie-Mattix Pool.

(8) That such crossing over from one pool into the other in this case appears to be an unintentional error.

(9) That to rectify the aforesaid error would require workover operations on the subject well which would be expensive and might endanger the productivity of the subject well, and would actually serve no beneficial purpose, inasmuch as the production and reservoir characteristics of the perforations immediately above and below the 100-foot marker are quite similar.

(10) That a reasonable solution to the problem in this case is to authorize the commingling of Jalmat production and the production from the Upper Langlie-Mattix perforations in the wellbore of the subject well.

(11) That such commingling will prevent waste and should not impair correlative rights and should be approved.

(12) That to allocate the commingled production to each of the commingled zones in the subject well would be impracticable in this case, and therefore all of the production should be attributed to the Jalmat Pool.

# IT IS THEREFORE ORDERED:

(1) That the applicant, Bettis, Boyle & Stovall, is hereby authorized to commingle Jalmat and Upper Langlie-Mattix production within the wellbore of the Justis B Well No. 8, located in Unit G of Section 20, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.

(2) That all of the commingled production from the subject well shall be attributed to the Jalmat Pool.

(3) That the effective date of the aforesaid commingling authority shall be the date the Justis B Well No. 8 was perforated between 3275 feet and 3342 feet. -3-Case No. 7061 Order No. R-6526

(4) 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 hereinabove designated.

STATE OF NEW MEXICO OUL CONSERVATION DIVISION Ani <u> 14 / 1</u> 1 JOE D. RAMEY Director

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