

Entered April 11, 1983
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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. 7788
Order No. R-7259

APPLICATION OF AMOCO PRODUCTION
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 February 2, 1983, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 11th day of April, 1983, 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, Amoco Production Company, is the owner and operator of the State "FU" Well No. 2, located 960 feet from the South line and 1980 feet from the West line of Section 25, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico.

(3) That the applicant seeks authority to commingle Airstrip Upper Bone Spring and Airstrip Lower Bone Spring production within the wellbore of the above-described well.

(4) That approximately 16,000 barrels of oil were produced from the Airstrip-Lower Bone Spring zone in said well between September 1979 and November 1979 at which time a cast iron bridge plug was set at 10,100 feet.

(5) That the subject well is presently producing from the Airstrip-Upper Bone Spring zone.

-2-

Case No. 7788
Order No. R-7259

(6) That the applicant proposes to drill out the cast iron bridge plug to produce both zones simultaneously into the wellbore.

(7) That the applicant has failed to prove that the bottom hole pressures of both zones are such that there will be no crossflow between the zones when commingled.

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

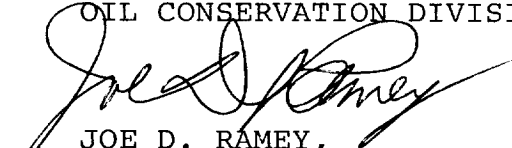
IT IS THEREFORE ORDERED:

(1) That the application of Amoco Production Company to commingle Airstrip-Upper Bone Spring and Airstrip- Lower Bone Spring production within the wellbore of the State "FU" Well No. 2 located 960 feet from the South line and 1980 feet from the West line of Section 25, Township 18 South, Range 34 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 hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY,
Director

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