

Entered August 13, 1984
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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. 8258
Order No. R-7627

APPLICATION OF THE RONADERO COMPANY,
INC. FOR DOWNHOLE COMMINGLING AND DUAL
COMPLETION, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on July 11, 1984,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 13th day of August, 1984, 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, The Ronadero Company, Inc., is
the owner and operator of its Rob Clay State Well No. 1 located
1650 feet from the North line and 1980 feet from the West line
of Section 23, Township 12 South, Range 32 East, the SE/4 NW/4
of said Section 23 to be dedicated to the well.
- (3) Applicant further seeks authority to commingle
Devonian and Pennsylvanian production within the wellbore of
the above-described well utilizing the Pennsylvanian gas
production for downhole gas lift.
- (4) That the mineral ownership of the Devonian and
Pennsylvanian formations is identical.
- (5) That the proposed commingling may result in the
recovery of additional hydrocarbons from 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

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caused 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, 94 percent of the commingled gas production and 5 percent of the commingled oil production should be allocated to the Pennsylvanian zone, and 6 percent of the commingled gas production and 95 percent of the commingled oil production to the Devonian zone.

(9) Applicant further seeks authority to dually complete the two zones in the event the commingling of the production proves unworkable.

(10) That in its current mechanical configuration, the Pennsylvanian zone cannot be efficiently produced in said well and that portion of the subject application seeking dual completion should be denied.

IT IS THEREFORE ORDERED:

(1) That the applicant, The Ronadero Company, Inc., is hereby authorized to commingle Devonian and Pennsylvanian production in the wellbore of its Rob Clay State Well No. 1 located 1650 feet from the North line and 1980 feet from the West line of Section 23, Township 12 South, Range 32 East, NMPM, Lea County, New Mexico, the SE/4 NW/4 of said Section 23 to be dedicated to the well.

PROVIDED HOWEVER, that said commingling shall be achieved by installation of a gas lift valve with a check valve at 9,000 feet and gas lift valves at approximately 2,000, 2,500, 3,000, 3,500, 4,000, and 4,500 feet on the Devonian production tubing in said well, the Pennsylvanian gas production being used to gas lift Devonian and Pennsylvanian oil production.

(2) That in order to allocate the commingled production to each of the commingled zones in the subject well, 94 percent of the commingled gas production and 5 percent of the commingled oil production should be allocated to the Pennsylvanian zone, and 6 percent of the commingled gas production and 95 percent of the commingled oil production to the Devonian zone.

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(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 that portion of the subject application seeking dual completion of said Rob Clay State Well No. 1 is hereby denied.

(5) 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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