

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT ~ OIL CONSERVATION DIVISION



1935 - 198

April 2, 1986

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STATE LAND OFFICE BUILDING
SANTA FE. NEW MEXICO 87501
(505) 827-5800

Administrative Order No. DHC-604

Texaco USA P. O. Box 728 Hobbs, New Mexico 88240

Attention: W. B. Cade

Re: New Mexico "O" State NCT-1 No. 11 Well, Unit F, Section 36, T-17-S, R-34-E, NMPM,

Lea County, New Mexico.

Vacuum Abo. Vacuum Wolfcamp and Vacuum

Upper Pennsylvanian Pools

Gentlemen:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations to permit the subject well to commingle the production from the three pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303-C, and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion and required separation of the two zones is hereby placed in abeyance.

In accordance with the provisions of Rule 303.C.4., total commingled oil production from the subject well shall not exceed 80 barrels per day, and total water production from the well shall not exceed 160 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by multiplying 2,000 by top unit allowable for the Vacuum Abo North Pool.

In accordance with the provisions of Rule 303-C, the supervisor of the Hobbs District Office of the Oil Conservation Division shall determine the proper allocation of production from the subject well following its completion.

Pursuant to Rule 303-C 5, the commingled authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Very_truly yours,

R. L. STAMETS,

Director

cc: Gas Co. of N.M.

OCD District Office - Hobbs