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BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5986
Order No. R-5499

APPLICATION OF J. GREGORY MERRION
FOR DOWNHOLE COMMINGLING, RIO ARRIBA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on July 20, 1977,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 9th day of August, 1977, the Commission,
a quorum being present, 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 Commission has jurisdiction of this cause and the
subject matter thereof.

(2) That the applicant, J. Gregory Merrion, is the owner
and operator of the Edna Well No. 2, located in Unit O of
Section 7, Township 24 North, Range 6 West, NMPM, Rio Arriba
County, New Mexico.

(3) That the applicant seeks authority to commingle
Devils Fork-Gallup and Mesaverde production within the
wellbore of the above-described well.

(4) That from the Devils Fork-Gallup zone, the subject
well is capable of low rates of production only.

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

(6) That the proposed commingling may result in the
recovery of additional hydrocarbons from each of the subject
pools, thereby preventing waste, and will not violate
correlative rights.

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well
Order*

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(7) That the reservoir characteristics of each of the subject zones are such that underground waste would not be caused by the proposed commingling provided that the well is not shut-in for an extended period.

(8) That to afford the Commission the opportunity to assess the potential for waste and to expeditiously order appropriate remedial action, the operator should notify the Aztec district office of the Commission any time the subject well is shut-in for 7 consecutive days.

(9) That in order to allocate the commingled production to each of the commingled zones in the subject well, 100 percent of the commingled oil production should be allocated to the Devils Fork-Gallup zone, and 100 percent of the commingled gas production to the Mesaverde zone.

IT IS THEREFORE ORDERED:

(1) That the applicant, J. Gregory Merrion, is hereby authorized to commingle Devils Fork-Gallup and Mesaverde production within the wellbore of the Edna Well No. 2, located in Unit O of Section 7, Township 24 North, Range 6 West, NMPM, Rio Arriba County, New Mexico.

(2) That 100 percent of the commingled oil production shall be allocated to the Devils Fork-Gallup zone and 100 percent of the commingled gas production shall be allocated to the Mesaverde zone.

(3) That the operator of the subject well shall immediately notify the Commission's Aztec district office any time the well has been shut-in for 7 consecutive days and shall concurrently present, to the Commission, a plan for remedial action.

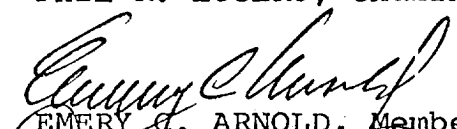
(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

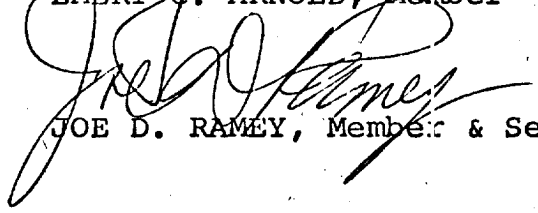
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DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman


EMERY C. ARNOLD, Member


JOE D. RAMEY, Member & Secretary

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