

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. 5832
Order No. R-5352

APPLICATION OF EL PASO NATURAL GAS
COMPANY FOR DOWNHOLE COMMINGLING,
SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 5, 1977,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 17th day of January, 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, El Paso Natural Gas Company, is the
owner and operator of the Storey C Well No. 10, located in
Unit N of Section 35, Township 28 North, Range 9 West, NMPM,
San Juan County, New Mexico.

(3) That the applicant seeks authority to commingle South
Blanco-Pictured Cliffs and Blanco-Mesaverde production within
the wellbore of the above-described well.

(4) That from the South Blanco-Pictured Cliffs zone, the
subject well is capable of low marginal production only.

(5) That from the Blanco-Mesaverde zone, the subject well
is capable of low marginal 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.

Case No. 5832
Order No. R-5352

(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, 37 percent of the commingled gas production and 15 percent of the condensate production should be allocated to the South Blanco-Pictured Cliffs zone, and 63 percent of the commingled gas production and 85 percent of the condensate production to the Blanco-Mesaverde zone.

IT IS THEREFORE ORDERED:

(1) That the applicant, El Paso Natural Gas Company, is hereby authorized to commingle South Blanco-Pictured Cliffs and Blanco-Mesaverde production within the wellbore of the Storey C Well No. 10, located in Unit N of Section 35, Township 28 North, Range 9 West, NMPM, San Juan County, New Mexico.

(2) That 37 percent of the commingled gas production and 15 percent of the condensate production shall be allocated to the South Blanco-Pictured Cliffs zone and 63 percent of the commingled gas production and 85 percent of the condensate shall be allocated to the Blanco-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.

-3-

Case No. 5832
Order No. R-5352

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Phil R. Lucero
PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member

Joe D. Ramey
JOE D. RAMEY, Member & Secretary

S E A L

dr/