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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. 4366 Order No. R-3989

APPLICATION OF MOBIL OIL CORPORATION FOR DOWN-HOLE COMMINGLING, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on July 1, 1970, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this <u>10th</u> day of July, 1970, 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, Mobil Oil Corporation, is the owner and operator of the Bridges State Well No. 109, located in Unit N of Section 24, Township 17 South, Range 34 East, NMPM, Lea County, New Mexico.

(3) That pursuant to authority granted by Administrative Order MC-1716-A, the subject well was completed by the applicant as a triple completion (conventional) to produce oil from the North Vacuum-Abo, Vacuum-Wolfcamp, and the Vacuum-Upper Pennsylvanian Pools through parallel strings of tubing.

(4) That the Vacuum-Wolfcamp and Vacuum-Upper Pennsylvanian zones are now capable of only low marginal production.

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(5) That the applicant now proposes to complete the subject well in such a manner as to produce oil from the North Vacuum-Abo Pool through one string of 2 3/8-inch tubing and to produce the low marginal production from the Vacuum-Wolfcamp and Vacuum-Upper Pennsylvanian Pools through a single parallel string of 2 3/8-inch tubing, commingling in the well-bore the production from the Vacuum-Wolfcamp and Vacuum-Upper Pennsylvanian oil zones, with separation of the North Vacuum-Abo zone and the commingled Vacuum-Wolfcamp and Vacuum-Upper Pennsylvanian zones by means of a packer set at approximately 9500 feet.

(6) That the proposed commingling of the Vacuum-Wolfcamp and Vacuum-Upper Pennsylvanian zones may substantially extend the productive lives of said zones.

(7) That the reservoir characteristics of the Vacuum-Wolfcamp and Vacuum-Upper Pennsylvanian zones in the subject well are such that underground waste would not be caused by the proposed commingling in the well-bore.

(8) That the proposed commingling may result in the recovery of additional oil from each of the commingled zones, thereby preventing waste, and will not violate correlative rights.

(9) That the mechanics of the proposed completion are feasible and in accord with good conservation practices.

(10) That in order to allocate the commingled production to each of the commingled zones in the subject well, approximately 75% of the future allowable and production should be attributed to the Vacuum-Wolfcamp zone, and 25% to the Vacuum-Upper Pennsylvanian zone.

(11) That approval of the subject application will prevent waste and protect correlative rights.

(12) That Administrative Order MC-1716-A should be placed in abeyance.

IT IS THEREFORE ORDERED:

(1) That the applicant, Mobil Oil Corporation, is hereby authorized to complete its Bridges State Well No. 109, located in Unit N of Section 24, Township 17 South, Range 34 East, NMPM, -3-CASE No. 4366 Order No. R-3989

Lea County, New Mexico, in such a manner as to produce oil from the North Vacuum-Abo Pool through one string of 2 3/8-inch tubing and to produce oil from the Vacuum-Wolfcamp and Vacuum-Upper Pennsylvanian Pools through a single parallel string of 2 3/8inch tubing, commingling in the well-bore the production from the Vacuum-Wolfcamp and Vacuum-Upper Pennsylvanian Pools, with separation of the North Vacuum-Abo zone and the commingled Vacuum-Wolfcamp and Vacuum-Upper Pennsylvanian zones by means of a packer set at approximately 9500 feet;

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with this order;

<u>PROVIDED FURTHER</u>, that the applicant shall take packerleakage tests upon completion and annually thereafter during the Annual Gas-Oil Ratio Test Period for the Vacuum-Wolfcamp Pool.

(2) That approximately 75% of the future allowable and production from the commingled zones shall be attributed to the Vacuum-Wolfcamp zone and approximately 25% to the Vacuum-Upper Pennsylvanian zone of the subject well until further order of the Commission.

(3) That the commingling in the well-bore authorized by this order shall continue only so long as the commingled production of the two zones does not exceed 80 barrels of oil per day.

(4) That the maximum amount of gas which may be produced daily from the commingled zones in the subject well shall be determined by multiplying 2,000 by the top unit allowable for the for the Vacuum-Wolfcamp Pool.

(5) That Administrative Order MC-1716-A is hereby placed in abeyance.

(6) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary. -4-CASE No. 4366 Order No. R-3989

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION Υ. S. DAVID F. CARGO, Chairman 17 ٠ ALEX J. ARMLJO, Member A. Partin 1-A. L. PORTER, Jr., Member & Secretary

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