Entered Alexander 11, 1713

## 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. 5118 Order No. R-4289-A

APPLICATION OF SHELL OIL COMPANY FOR AN EXTENSION OF ORDER NO. R-4289, LEA COUNTY, NEW MEXICO.

## ORDER OF THE COMMISSION

## BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on December 3, 1973, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>llth</u> day of December, 1973, 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 Shell Oil Company seeks an extension of the downhole commingling authority granted by Order No. R-4289 for applicant's Antelope Ridge Well No. 2, located in Unit B of Section 4, Township 24 South, Range 34 East, NMPM, Antelope Ridge Field, Lea County, New Mexico.

(3) That pursuant to the authority granted by Order R-2787, the subject well was completed as a dual completion (conventional) to produce gas from the Antelope Ridge-Morrow Pennsylvanian and the Antelope Ridge-Devonian Gas Pools.

(4) That communization between the two zones developed in the Fall of 1971 due to mechanical difficulties.

(5) That the applicant has expended substantial sums and diligent effort to remedy or alleviate the situation to no avail.

(6) That the reservoir characteristics of the Antelope Ridge-Morrow Pennsylvanian and Antelope Ridge Devonian zones in the subject well are such that underground waste would not be caused by a continuation of the commingling in the wellbore.

(7) That one or both of the producing zones might be lost or damaged during further workover operations.

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(8) That the method of allocating production to each of the commingled zones upon the basis of the  $H_2S$  content of the commingled stream will protect correlative rights.

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

IT IS THEREFORE ORDERED:

(1) That the applicant, Shell Oil Company, is hereby authorized an extension of Order No. R-4289, which order authorized temporary downhole commingling of the Morrow Pennsylvanian and Devonian production in the wellbore in its Antelope Ridge Well No. 2, located in Unit B of Section 4, Township 24 South, Range 34 East, Antelope Ridge Field, Lea County, New Mexico, until further order of the Commission.

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

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION TRUJILLO, Chairman R RMT.TO Member A. L. PORTER, JR., Mender & Secretary

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