Enlered June 15, 1973

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. 4920 Order No. R-4504

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 March 28, 1973, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>15th</u> day of June, 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 the applicant, Mobil Oil Corporation, is the owner and operator of the Stephens Estate Well No. 1, located in Unit L of Section 24, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the Wantz-Abo Zone produced in said well until 1964 at which time it was plugged back.

(4) That said well is currently producing as a dual completion in the Blinebry Oil and Drinkard zones as authorized by Order No. MC-1479.

(5) That the applicant proposes to complete the subject well in such a manner as to produce oil from the Blinebry, Tubb, Drinkard, Paddock, and Wantz-Abo Oil Pools through a single string of tubing, commingling in the well-bore the production from said pools. -2-Case No. 4920 Order No. R-4504

(6) That the evidence indicates that the Tubb zone in the subject well would very likely be classified as a gas well if it were completed as a single completion in said formation.

(7) That the subject well is located within the horizontal limits of land covered by a proposed unit agreement for the secondary recovery of oil from the Blinebry and Drinkard formations.

(8) That opening up all five of the zones proposed to be commingled in a common well-bore would jeopardize the efficiency of waterflood operations in the Blinebry and Drinkard zones in the immediate area.

(9) That applicant should devise some means of protecting the efficiency of the proposed waterflood operations in the immediate area if it is to commingle any or all of the five proposed zones in the subject well.

(10) That unless such is done, waste might result and correlative rights be impaired if the application is approved.

(11) That the application should be denied.

IT IS THEREFORE ORDERED:

(1) That the application of Mobil Oil Corporation to commingle production from the Blinebry, Tubb, Drinkard, Paddock, and Wantz-Abo Pools in the well-bore of its Stephens Estate Well No. 1, located in Unit L of Section 24, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby <u>denied.</u>

(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 ander ĽŲ ARMIJO EX J Member PORTER, Jr., Member & Secretary

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