

*Entered July 12, 1973
C.P.*

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. 4988
Order No. R-4587

APPLICATION OF TEXACO INC.
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 June 27, 1973, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 13th day of July, 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, Texaco Inc., is the owner and operator of the A. H. Blinebry Well No. 28, located in Unit A of Section 29, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico.

(3) That the applicant seeks authority to commingle production from the Blinebry, Tubb, and Drinkard Oil Pools in the wellbore of the above-described well and to produce the commingled production through a single string of tubing.

(4) That from the Blinebry zone, the subject well is capable of low marginal production only.

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

(6) That from the Drinkard zone, the subject well is capable of low marginal production only.

(7) 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.

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

(9) 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 Hobbs district office of the Commission any time the subject well is shut-in for 7 consecutive days.

(10) That in order to allocate the commingled production to each of the commingled zones in the subject well, 37-1/2% of the commingled oil production should be allocated to the Blinebry zone, 12-1/2% of the commingled oil production to the Tubb zone, and 50% of the commingled oil production to the Drinkard zone, and that 13% of the commingled gas production should be allocated to the Blinebry zone, and 87% of the commingled gas production to the Drinkard zone.

(11) That Administrative Order MC-1658 should be superseded.

IT IS THEREFORE ORDERED:

(1) That the applicant, Texaco Inc., is hereby authorized to complete its A. H. Blinebry Well No. 28, located in Unit A of Section 29, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico, in such a manner as to commingle in the well-bore the production from the Blinebry, Tubb, and Drinkard Oil Pools and to produce said commingled production through a single string of tubing until further order of the Commission.

(2) That 37-1/2% of the commingled oil production shall be allocated to the Blinebry zone, 12-1/2% of the commingled oil production shall be allocated to the Tubb zone, and 50% of the commingled oil production shall be allocated to the Drinkard zone, and that 13% of the commingled gas production shall be allocated to the Blinebry zone, and 87% of the commingled gas production shall be allocated to the Drinkard zone.

(3) That the operator of the subject well shall immediately notify the Commission's Hobbs 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 Administrative Order MC-1658 is hereby superseded.

(5) 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



I. R. TRUJILLO, Chairman



ALEX J. ARMIJO, Member



A. L. PORTER, Jr., Member & Secretary

S E A L

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