

Entered 10/17/73
A.S.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. 5083
Order No. R-4659

APPLICATION OF TEXACO INC.
FOR DOWNHOLE COMMINGLING, LEA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 17, 1973, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 16th day of November, 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 C. H. Lockhart Federal Well No. 3, located in Unit 0 of Section 18, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico.

(3) That the applicant seeks authority to commingle Blinebry, Paddock and Tubb production within the wellbore of the above-described well.

(4) That the subject well is currently completed in such a manner as to permit the commingling in the wellbore of the Paddock and Blinebry production and the production of these hydrocarbons and hydrocarbons from the Tubb zone through parallel strings of tubing, with separation of the zones by a packer set at approximately 6,000 feet.

(5) That from the commingled Paddock and Blinebry zones, the subject well is capable of low marginal production only.

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

(7) That the proposed triple commingling may result in the recovery of additional hydrocarbons from each of the subject pools, thereby preventing waste, and will not violate correlative rights.

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(8) 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.

(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, one-third of the commingled oil production should be allocated to the Blinebry zone, one-third of the commingled oil production to the Paddock zone and that one-third of the commingled oil production should be allocated to the Tubb zone.

IT IS THEREFORE ORDERED:

(1) That the applicant, Texaco Inc., is hereby authorized to commingle oil production within the wellbore of the C. H. Lockhart Federal Well No. 3, located in Unit 0 of Section 18, Township 22 South, Range 38 East, NMPM, Blinebry, Paddock and Tubb Pools, Lea County, New Mexico.

(2) That one-third of the commingled oil production shall be allocated to the Blinebry zone, one-third of the commingled oil production shall be allocated to the Paddock zone and one-third of the commingled oil production shall be allocated to the Tubb 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 Commission Orders Nos. R-3526 and R-4345, which relate to the previous multiple completion and downhole commingling of the subject well, are hereby superseded.

(5) 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.

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STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


J. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member


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

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