Entered yune 4, 1974 ale

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. 5245 Order No. R-4805

APPLICATION OF TEXACO INC. FOR MULTIPLE COMPLETION AND 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 May 22, 1974, at Santa Fe, New Mexico, before Examiner, Richard L. Stamets.

NOW, on this <u>4th</u> day of June, 1974, 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. Weir "A" Well No. 8 located in Unit F of Section 12, Township 20 South, Range 37 East, Lea County, New Mexico.

(3) That said Well No. 8 is completed as a tubingless triple completion in the Skaggs-Glorieta, East Weir-Blinebry, and Skaggs-Drinkard Pools under authority granted by Administrative Order MC-1186.

(4) That the applicant proposes to recomplete said Well as a tubingless quadruple completion by plugging off existing Skaggs-Drinkard perforations and, in the same casing, perforating into a Tubb gas zone; by perforating the Skaggs-Drinkard zone in the existing East Weir-Blinebry casing, and producing, commingled in the well bore, the East Weir-Blinebry and Skaggs-Drinkard oil production through a single string of casing; and by continuing to produce from the Skaggs-Glorieta zone through a separate string of casing.

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

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(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 the Blinebry and Drinkard zones is such that underground waste would not be caused by the proposed commingling.

(9) That in order to allocate the commingled oil production to each of the commingled zones in the subject well, 57 percent of the commingled oil production should be allocated to the Drinkard zone and 43 percent to the Blinebry zone.

(10) That in order to allocate the commingled gas production to each of the commingled zones in the subject well, the operator should conduct adequate production tests on said well before and after the Drinkard zone is perforated.

(11) That the mechanics of the proposed multiple completion are feasible and in accord with good conservation practice.

(12) That the application for multiple completion and down-hole commingling should be approved.

(13) That Administrative Order MC-1186 should be superseded.

## IT IS THEREFORE ORDERED:

(1) That the applicant, Texaco Inc., is hereby authorized to complete its C. H. Weir "A" Well No. 8, located in Unit F of Section 12, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, as a quadruple completion (tubingless) to produce gas from a Tubb gas zone, oil from the Skaggs-Glorieta, and oil commingled in the well bore from the East Weir-Blinebry and Skaggs Drinkard Pools through three parallel strings of 2 7/8inch casing cemented in a common well bore;

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;

PROVIDED FURTHER, that the applicant shall take zone segregation tests upon completion and annually thereafter during the Annual Gas-Oil Ratio Test Period for the Skaggs-Drinkard Pool.

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(2) That the commingled oil production authorized by Order (1) of this order shall be allocated to the commingled zones as follows: 57 percent to the Drinkard zone and 43 percent to the Blinebry zone.

(3) That the applicant shall conduct adequate production tests before and after performing the work necessary to commingle the Drinkard and Blinebry zones to determine the proper allocation of gas production to said commingled zones.

(4) That the applicant shall file the results of tests required by Order (3) of this order with the Commission within 30 days after the date of first commingled production.

(5) That Administrative Order MC-1186 is hereby superseded.

(6) 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

I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member retary PORTER, Member Jr.,

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