

*Entered August 13, 1974
A.H.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. 5278
Order No. R-4837

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 July 24, 1974, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 13th day of August, 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 its A. H. Blinebry Federal (NCT-1) Wells Nos. 23 and 26, located in Units C and B, respectively, of Section 29, and its C. H. Lockhart Federal Well No. 5, located in Unit C of Section 18, all in Township 22 South, Range 38 East, NMPM, Lea County, New Mexico.

(3) That the subject wells are currently completed as follows:

A. H. Blinebry Federal (NCT-1) Well No. 23:

dual completion (tubingless) producing oil from the Drinkard and oil from the Blinebry formation through two strings of 2 7/8-inch casing cemented in a common wellbore.

A. H. Blinebry Federal (NCT-1) Well No. 26:

dual completion (tubingless) producing oil from the Drinkard and oil from the Blinebry

formation through two strings of 2 7/8-inch casing cemented in a common wellbore.

C. H. Lockhart Federal Well No. 5:

dual completion, downhole commingled, producing commingled oil from the Tubb and Drinkard formations through a single string of 2 3/8-inch casing.

(4) That the applicant proposes to recomplete each of the subject wells as follows:

A. H. Blinebry Federal (NCT-1) Well No. 23:

triple completion, tubingless, downhole commingled, to produce oil from the Blinebry, Drinkard, and Tubb formations through one string of casing with all or part of the commingled gas production being produced through a second string of casing.

A. H. Blinebry Federal (NCT-1) Well No. 26:

triple completion, tubingless, downhole commingled, to produce oil from the Blinebry, Drinkard, and Tubb formations through one string of casing with all or part of the commingled gas production being produced through a second string of casing.

C. H. Lockhart Federal (NCT-1) Well No. 5:

triple completion, downhole commingled, to produce oil from the Blinebry, Drinkard, and Tubb formations through one string of casing.

(5) That each of the zones to be commingled in the subject wells is capable of low marginal production only.

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

(7) 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 wells are not shut-in for an extended period.

(8) That in order to afford the Commission the opportunity to assess the potential for waste and expeditiously to order appropriate remedial action, the operator should notify the Hobbs District Office of the Commission any time any of the subject wells are shut-in for 7 consecutive days.

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(9) That upon completion of each of the subject wells, the applicant should consult with the Supervisor of the Commission's Hobbs district office in order to determine a formula for the allocation of the commingled production to each of the commingled zones in the subject wells.

(10) That each of the subject wells should continue to be governed by all Commission Rules and Regulations governing multiple completions to the extent that said Rules and Regulations are not inconsistent with this order.

IT IS THEREFORE ORDERED:

(1) That the applicant, Texaco, Inc., is hereby authorized to complete its A. H. Blinebry Federal (NCT-1) Well No. 23, located in Unit C of Section 29, its A. H. Blinebry Federal (NCT-1) Well No. 26, located in Unit B of Section 29, and its C. H. Lockhart Federal (NCT-1) Well No. 5, located in Unit C of Section 18, all in Township 22 South, Range 38 East, NMPPM, Lea County, New Mexico, as multiple completions as follows:

A. H. Blinebry Federal (NCT-1) Well No. 23:

triple completion, tubingless, downhole commingled, to produce oil from the Blinebry, Drinkard, and Tubb formations through one string of 2 7/8-inch casing with all or part of the commingled gas production being produced through a second string of 2 7/8-inch casing.

A. H. Blinebry Federal (NCT-1) Well No. 26:

triple completion, tubingless, downhole commingled, to produce oil from the Drinkard, Blinebry and Tubb formations through one string of 2 7/8-inch casing with all or part of the commingled gas production being produced through a second string of casing.

C. H. Lockhart Federal (NCT-1) Well No. 5:

triple completion, downhole commingled, to produce oil from the Blinebry, Drinkard, and Tubb formations through one string of 2 3/8-inch casing.

(2) That upon completion of each of the subject wells in the manner described above, the operator shall immediately consult with the supervisor of the Commission District Office at Hobbs to determine a formula for allocation of production to each of the commingled zones in such well.

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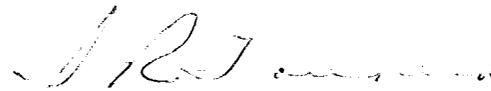
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(3) That the operator of the subject wells shall immediately notify the Commission's Hobbs District Office any time any of such wells have been shut-in for 7 consecutive days.

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

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

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