

Entered September 9, 1975
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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. 5545
Order No. R-5088

APPLICATION OF CONTINENTAL OIL
COMPANY 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 August 27, 1975, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 9th day of September, 1975, 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, Continental Oil Company, is the owner and operator of the Lockhart A-17 Well No. 3, located in Unit H of Section 17, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

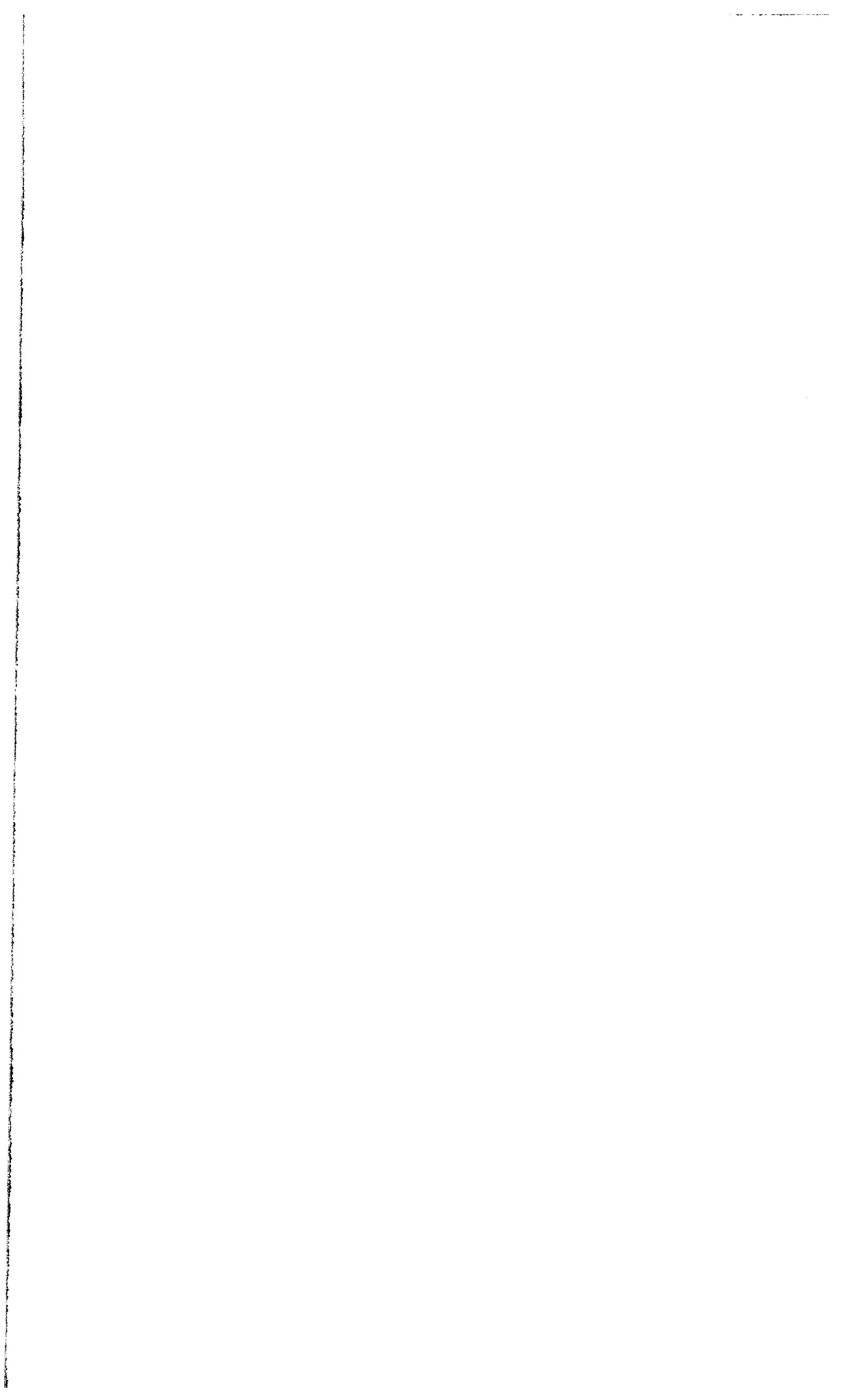
(3) That the applicant seeks authority to commingle Drinkard and Penrose Skelly production within the wellbore of the above-described well.

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

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

(6) 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.

(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 well is not shut-in for an extended period.



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(8) 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.

(9) That in order to allocate the commingled production to each of the commingled zones in the subject well, 50 percent and 70 percent of the commingled oil and gas production, respectively, should be allocated to the Drinkard zone, and 50 percent and 30 percent of the commingled oil and gas production, respectively, to the Penrose Skelly zone.

IT IS THEREFORE ORDERED:

(1) That the applicant, Continental Oil Company, is hereby authorized to commingle Drinkard and Penrose Skelly production within the wellbore of the Lockhart A-17 Well No. 3, located in Unit H of Section 17, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

(2) That 50 percent and 70 percent of the commingled oil and gas production, respectively, shall be allocated to the Drinkard zone and 50 percent and 30 percent of the commingled oil and gas production, respectively, shall be allocated to the Penrose Skelly 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 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

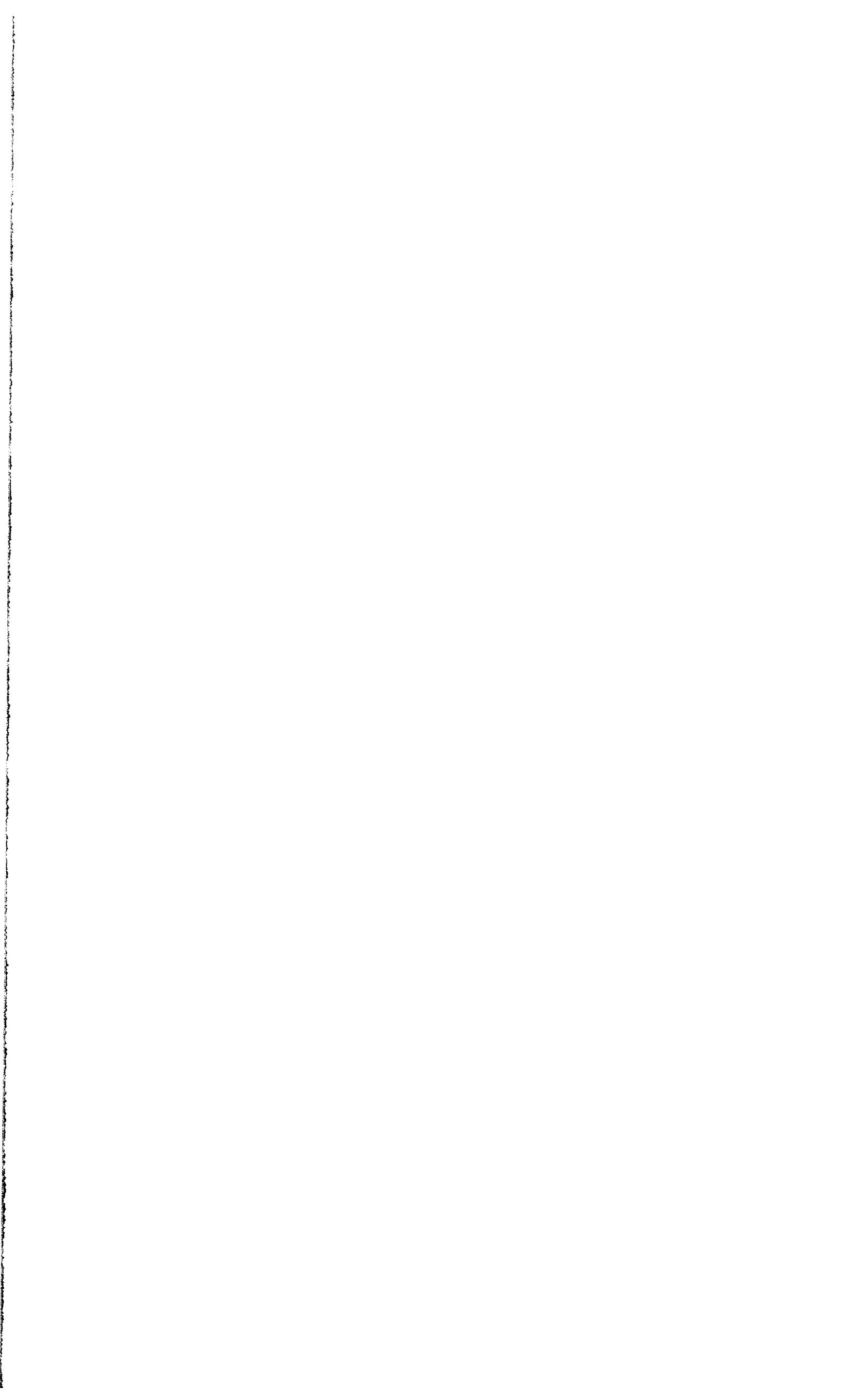

PHIL R. LUCERO, Chairman


EMERY ARNOLD, Member


JOE D. RAMEY, Member & Secretary

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Entered November 27, 1968
A.P.D.

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. 3965
Order No. R-3606

APPLICATION OF TEXAS PACIFIC OIL
COMPANY FOR SALT WATER DISPOSAL,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 8:30 a.m. on November 20, 1968, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 27th day of November, 1968, 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, Texas Pacific Oil Company, is the owner and operator of the Harner Well No. 1, located in Unit O of Section 20, Township 25 South, Range 37 East, NMPM, Jalmat Pool, Lea County, New Mexico.

(3) That the applicant proposes to utilize said well to dispose of produced salt water into the Yates-Seven Rivers formations, with injection into the perforated interval from approximately 2600 feet to 3158 feet.

(4) That the injection should be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 2500 feet; that the casing-tubing annulus should be filled with a sweet oil; and that a pressure gauge should be attached to the annulus at the surface in order to determine leakage in the casing, tubing, or packer.

(5) That approval of the subject application will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights.

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CASE No. 3965
Order No. R-3606

IT IS THEREFORE ORDERED:

(1) That the applicant, Texas Pacific Oil Company, is hereby authorized to utilize its Harner Well No. 1, located in Unit O of Section 20, Township 25 South, Range 37 East, NMPM, Jalmat Pool, Lea County, New Mexico, to dispose of produced salt water into the Yates-Seven Rivers formations, injection to be accomplished through 2 3/8-inch tubing installed in a packer set at approximately 2500 feet, with injection into the perforated interval from approximately 2600 feet to 3158 feet;

PROVIDED HOWEVER, that the tubing shall be plastic-lined or the produced salt water shall be continuously treated prior to injection to prevent casing and tubing corrosion and coupon corrosion tests conducted continuously on said well and the results thereof filed quarterly with the Commission until further notice from the Secretary-Director of the Commission; that the casing-tubing annulus shall be filled with a sweet oil; and that a pressure gauge shall be attached to the annulus at the surface in order to determine leakage in the casing, tubing, or packer;

PROVIDED FURTHER, that any injection of produced salt water after January 1, 1970, must be accomplished through plastic-lined tubing.

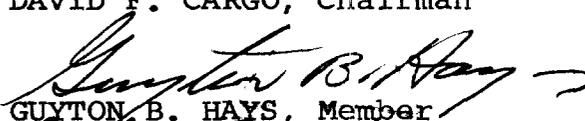
(2) That the applicant shall submit monthly reports of its disposal operations in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(3) 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

DAVID F. CARGO, Chairman


GUYTON B. HAYS, Member


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

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