

Entered August 31, 1976  
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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. 5732  
Order No. R-5266

APPLICATION OF YATES PETROLEUM  
CORPORATION FOR DOWNHOLE COMMINGLING,  
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 18, 1976, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 31st day of August, 1976, 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, Yates Petroleum Corporation, is the owner and operator of the Roden Federal GD Well No. 1, located in Unit I of Section 23, Township 19 South, Range 24 East, NMPM, Eddy County, New Mexico.

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

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

(5) That from the Strawn zone, the subject well is projected to be capable of low rates of 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 equipped and operated in such a manner that any liquids produced from the Strawn zone cannot come in contact with the Morrow zone.

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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 Artesia 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, the operator, upon completion of the well, should consult with the supervisor of the Artesia district office of the Commission to determine an allocation formula.

IT IS THEREFORE ORDERED:

(1) That the applicant, Yates Petroleum Corporation, is hereby authorized to commingle Morrow and Strawn production within the wellbore of the Roden Federal GD Well No. 1, located in Unit I of Section 23, Township 19 South, Range 24 East, NMPM, Eddy County, New Mexico.

PROVIDED HOWEVER, that said well shall be equipped and operated in such a manner that any liquids produced from the Strawn zone cannot come in contact with the Morrow zone.

(2) That upon completion of said well to produce from the Strawn and Morrow formations, the operator shall consult with the supervisor of the Artesia district office of the Commission to determine the proper formula for allocation of the production to each zone.

(3) That the operator of the subject well shall immediately notify the Commission's Artesia 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 herein-above designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*Phil R. Lucero*  
PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member

*Joe D. Ramey*  
JOE D. RAMEY, Member & Secretary

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