

Entered September 16, 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. 5702
Order No. R-5277

APPLICATION OF CITIES SERVICE 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 July 7, 1976, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 16th day of September, 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, Cities Service Oil Company, is the owner and operator of the Brunson "B" Well No. 7, located in Unit N of Section 3, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That the applicant seeks authority to commingle Tubb Gas Pool and Drinkard Oil Pool production within the wellbore of the above-described well.
- (4) That from the Tubb zone, the subject well is capable of low marginal production only.
- (5) That from the Drinkard zone, the subject well is capable of low 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.

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(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.

(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 Hobb's 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, 30 percent of the commingled gas production should be allocated to the Tubb zone and 70 percent to the Drinkard, and 50 percent of the commingled oil production should be allocated to the Tubb zone and 50 percent to the Drinkard.

IT IS THEREFORE ORDERED:

(1) That the applicant, Cities Service Oil Company, is hereby authorized to commingle Tubb Gas Pool and Drinkard Oil Pool production within the wellbore of the Brunson "B" Well No. 7, located in Unit N of Section 3, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico.

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

(3) That the operator of the subject well shall immediately notify the Commission's Hobb's 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.

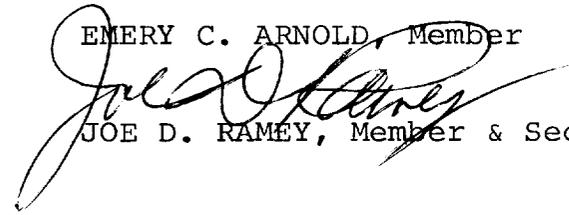
(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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 C. ARNOLD, Member


JOE D. RAMEY, Member & Secretary

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