

Entered June 28, 1977
JDR

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. 5954
Order No. R-5479

APPLICATION OF CAULKINS OIL COMPANY
FOR DOWNHOLE COMMINGLING, RIO ARRIBA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 22, 1977,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 28th day of June, 1977, 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, Caulkins Oil Company, is the
owner and operator of the Breech Well No. 368, located in
Unit I of Section 23, Township 26 North, Range 7 West, NMPM,
Rio Arriba County, New Mexico.

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

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

(5) That from the Chacra zone, the subject well is
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.

-2-

Case No. 5954
Order No. R-5479

(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 Aztec 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, 74 percent of the commingled production should be allocated to the Pictured Cliffs zone, and 26 percent of the commingled production to the Chacra zone.

IT IS THEREFORE ORDERED:

(1) That the applicant, Caulkins Oil Company, is hereby authorized to commingle Pictured Cliffs and Chacra production within the wellbore of the Breech Well No. 368, located in Unit I of Section 23, Township 26 North, Range 7 West, NMPM, Rio Arriba County, New Mexico.

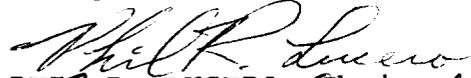
(2) That 74 percent of the commingled production shall be allocated to the Pictured Cliffs zone and 26 percent of the commingled production shall be allocated to the Chacra zone.

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

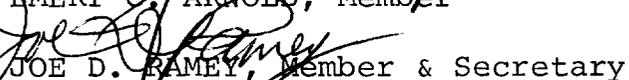
(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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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