

Entered February 20, 1979  
JLR

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 6441  
Order No. R-5925

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

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on January 31, 1979, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 20th day of February, 1979, the Division Director, 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 Division 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 F Well No. 12, located in Unit A of Section 35, Township 27 North, Range 6 West, NMPM, Rio Arriba County, New Mexico.

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

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

(5) That from the Mesaverde 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 Division 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 Division 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, 25 percent of the commingled gas production should be allocated to the Pictured Cliffs zone, and 75 percent of the commingled gas production and all of the condensate production to the Mesaverde zone.

(10) That Division Administrative Order No. DC-697, which authorized the dual completion of the subject well, should be superseded.

IT IS THEREFORE ORDERED:

(1) That the applicant, Caulkins Oil Company, is hereby authorized to commingle Pictured Cliffs and Mesaverde production within the wellbore of the Breech F Well No. 12, located in Unit A of Section 35, Township 27 North, Range 6 West, NMPM, Rio Arriba County, New Mexico.

(2) That 25 percent of the commingled gas production shall be allocated to the Pictured Cliffs zone and 75 percent of the commingled gas production and all of the condensate production shall be allocated to the Mesaverde zone.

(3) That the operator of the subject well shall immediately notify the Division's Aztec district office any time the well has been shut-in for 7 consecutive days and shall concurrently present, to the Division, a plan for remedial action.

(4) That Division Administrative Order No. DC-697 is hereby superseded.

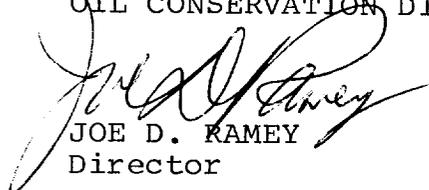
(5) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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DONE at Santa Fe, New Mexico, on the day and year herein-  
above designated.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



JOE D. RAMEY  
Director

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