

Entered November 6, 1980
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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. 7045
Order No. R-6509

APPLICATION OF TEXAS OIL & GAS CORP.
FOR DOWNHOLE COMMINGLING, EDDY
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on October 29, 1980, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 6th day of November, 1980, 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, Texas Oil & Gas Corp., is the owner and operator of the Superior Federal Com. Well No. 1, located in Unit G of Section 8, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico.

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

(4) That said well was originally completed in the Lower Morrow formation only, but that zone was depleted, and the well was recompleted in the Atoka and Upper Morrow formations as a salvage operation.

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

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(6) That from the Upper Morrow zone, the subject well is capable of low marginal production only.

(7) 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.

(8) That in order to allocate the commingled production to each of the commingled zones in the subject well, 50 percent of the commingled production should be allocated to the Atoka zone, and 50 percent to the Upper Morrow zone.

IT IS THEREFORE ORDERED:

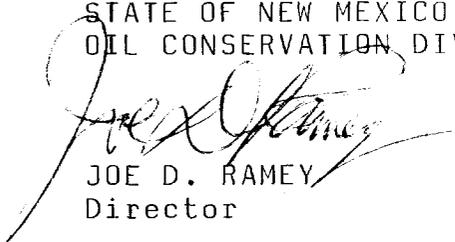
(1) That the applicant, Texas Oil & Gas Corp., is hereby authorized to commingle Atoka and Upper Morrow production within the wellbore of the Superior Federal Com. Well No. 1, located in Unit G of Section 8, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico.

(2) That 50 percent of the commingled production shall be allocated to the Atoka zone and 50 percent to the Upper Morrow zone.

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

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



JOE D. RAMEY
Director

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