

Entered February 21, 1983
JAR

259

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. 7789
Order No. R-7209

APPLICATION OF AMOCO PRODUCTION COMPANY
FOR DOWNHOLE COMMINGLING, LEA COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on February 2, 1983, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 21st day of February, 1983, 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, Amoco Production Company, is the owner and operator of the State "C" Tract 13 Well No. 10, located 990 feet from the North line and 1980 feet from the West line of Section 36, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That the applicant seeks authority to commingle Blinebry, Drinkard, Wantz-Abo and Wantz-Granite Wash production within the wellbore of the above-described well.
- (4) That from the Blinebry 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 from the Wantz-Abo zone, the subject well is capable of low marginal production only.

-2-

Case No. 7789
Order No. R-7209

(7) That from the Wantz-Granite Wash zone, the subject well is capable of low marginal production only.

(8) 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.

(9) 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.

(10) 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 Hobbs district office of the Division any time the subject well is shut-in for 7 consecutive days.

(11) That in order to allocate the commingled production to each of the commingled zones in the subject well, 18 percent of the commingled oil production and 25 percent of the commingled gas production should be allocated to the Blinebry zone; 35 percent of the commingled oil production and 48 percent of the commingled gas production to the Drinkard zone; 24 percent of the commingled oil production and 18 percent of the commingled gas production to the Wantz-Abo zone; and 23 percent of the commingled oil production and 9 percent of the commingled gas production to the Wantz-Granite Wash zone.

IT IS THEREFORE ORDERED:

(1) That the applicant, Amoco Production Company, is hereby authorized to commingle Blinebry, Drinkard, Wantz-Abo and Wantz-Granite Wash production within the wellbore of the State "C" Tract 13 Well No. 10, located 990 feet from the North line and 1980 feet from the West line of Section 36, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

(2) That 18 percent of the commingled oil production and 25 percent of the commingled gas production shall be allocated to the Blinebry zone; 35 percent of the commingled oil production and 48 percent of the commingled gas production shall be allocated to the Drinkard zone; 24 percent of the commingled oil production and 18 percent of the commingled gas production shall be allocated to the Wantz-Abo zone; and 23 percent of the commingled oil production and 9 percent of the commingled gas production shall be allocated to the Wantz-Granite Wash zone.

-3-

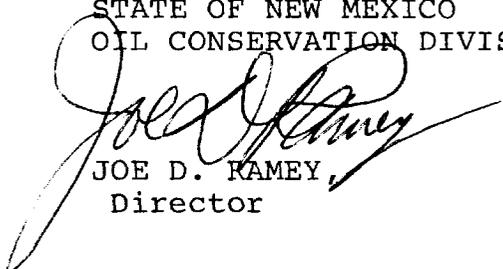
Case No. 7789
Order No. R-7209

(3) That the operator of the subject well shall immediately notify the Division's Hobbs 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 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

S E A L