

Entered April 12, 1983
JK

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. 7829
Order No. R-7260

APPLICATION OF YATES PETROLEUM
CORPORATION FOR COMPULSORY POOLING,
CHAVES COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on March 16, 1983,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 12th day of April, 1983, the Division
Director, having considered the record and the recommendations
of the Examiner, and being fully advised in the premises,

FINDS:

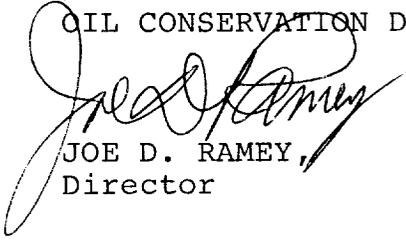
That the applicant's request for dismissal should be
granted.

IT IS THEREFORE ORDERED:

That Case No. 7829 is hereby dismissed.

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

-2-

Case No. 7845
Order No. R-7261

(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 well commingled under provisions of this order is shut-in for 7 consecutive days.

(9) That in order to allocate the commingled production to each of the zones commingled under this order, applicant should consult with the supervisor of the Aztec district office of the Division and determine an allocation formula for each of the production zones for each affected well.

IT IS THEREFORE ORDERED:

(1) That the applicant, Amoco Production Company, is hereby authorized to commingle Chacon-Dakota Associated and undesignated Gallup production within the wellbores of wells to be drilled in Sections 7, 8, 17, and 18 of Township 23 North, Range 3 West, NMPM, Rio Arriba County, New Mexico.

(2) That the applicant shall consult with the Supervisor of the Aztec district office of the Division and determine an allocation formula for the allocation of production to each zone in each of the subject wells.

(3) That the operator of any well commingled under provisions of this order 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.