

OIL CONSERVATION DIVISION

August 31, 1995

Campbell, Carr & Berge, P.A.
P.O. Box 2208
Santa Fe, New Mexico 87504-2208

Attention: Mr. William F. Carr

Re: Division Order No. R-10371
Texaco Exploration & Production Inc.
Downhole Commingling-Justis-Blinbry &
Justis-Tubb/Drinkard Pools

Dear Bill:

Reference is made to your letter dated August 14, 1995 requesting clarification of the allowable for the wells subject to the downhole commingling approval granted by Order No. R-10371. I have researched the case file and transcript of this case and have determined that Texaco testified that each of the zones proposed to be commingled would likely IP for a rate of approximately 50 barrels of oil per day. They further testified that this rate would decline very sharply in the initial stages of production.

It is my opinion that Order No. R-10371 does not limit production from the subject wells to a total of 50 barrels of oil per day. It is further my opinion that it was Texaco's intent to seek an allowable of 100 barrels of oil per day, and that the Division did not specifically address this issue in the order. I see no problem with assigning the subject wells an allowable of 100 barrels of oil per day.

If you have any questions, please contact me at (505) 827-8184.

Sincerely,



David Catanach
Examiner

xc: OCD-Hobbs
Case File-11278