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October 24, 1995

11424

**HAND-DELIVERED**

William J. LeMay, Director  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
2040 South Pacheco  
Santa Fe, New Mexico 87503

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OCT 24 1995

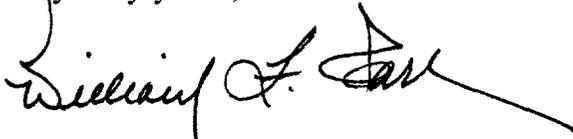
Oil Conservation Division

Re: Application of Enron Oil & Gas Company for Downhole Commingling and  
a Special Allowable, Eddy County, New Mexico

Dear Mr. LeMay:

Enclosed in triplicate is the Application of Enron Oil & Gas Company in the above-referenced case as well as a legal advertisement. Enron Oil & Gas Company respectfully requests that this matter be placed on the docket for the November 16, 1995 Examiner hearings.

Very truly yours,



WILLIAM F. CARR  
ATTORNEY FOR ENRON OIL & GAS COMPANY  
WFC:mlh

Enclosures

cc: Mr. Patrick J. Tower (w/enclosures)  
Enron Oil & Gas Company  
Post Office Box 2267  
Midland, TX 79702

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION  
OF ENRON OIL & GAS COMPANY FOR  
DOWNHOLE COMMINGLING AND A  
SPECIAL ALLOWABLE,  
EDDY COUNTY, NEW MEXICO.

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CASE NO. \_\_\_\_\_

Oil Conservation Division

**APPLICATION**

ENRON OIL & GAS COMPANY ("Enron"), through its undersigned attorneys, hereby seeks exception from Division General Rule 303 (C) to establish on an area-wide basis authorization for downhole commingling of production from the Delaware formation, Southeast Quahada Ridge-Delaware Pool; the Bone Springs formation, Los Medanos-Bone Spring Pool; and the Wolfcamp formation, South Los Medanos-Wolfcamp Pool, in the wellbores of existing or future wells drilled on certain lands located in Eddy County, New Mexico, and in support thereof states:

1. Enron Oil & Gas Company owns interests and operates wells in the following described lands in Eddy County, New Mexico (hereinafter referred to as the "Development Area"):

Township 22 South, Range 30 East, NMPM  
Section 36: All

Township 22 South, Range 31 East, NMPM  
Section 31: S/2

Township 23 South, Range 31 East, NMPM

Section 6: All

Township 23 South, Range 30 East, NMPM

Section 1: All

containing 2,244.59 acres, more or less.

2. Enron seeks approval for downhole commingling of production from the Delaware formation, the Bone Springs formation, and the Wolfcamp formation in the wellbores of existing or future wells drilled in the Development Area described in paragraph 1 of this application.

3. Enron seeks the establishment of a special allowable for the project area following commingling of 187 barrels of oil per day (which is the top allowable of the Delaware formation which is the shallowest anticipated commingled zone).

4. Granting this application will result in the most efficient production of hydrocarbons from the Development Area and will not damage the reservoirs involved.

5. Granting this application will be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

6. Notice of this application will be provided to all offsetting operators in accordance with Oil Conservation Division Rules.

WHEREFORE, Enron Oil & Gas Company requests that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on November 16, 1995 and that, after notice and hearing as required by law, the Division enter its Order granting this application.

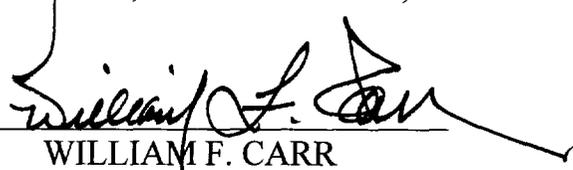
**APPLICATION,**

**Page 2**

Respectfully submitted,

CAMPBELL, CARR & BERGE, P.A.

By:

A handwritten signature in black ink, appearing to read "William F. Carr", written over a horizontal line.

WILLIAM F. CARR

Post Office Box 2208

Santa Fe, New Mexico 87504

Telephone: (505) 988-4421

ATTORNEYS FOR ENRON OIL &  
GAS COMPANY

CASE \_\_\_\_\_: Application of Enron Oil & Gas Company for downhole commingling and a special allowable, Eddy County, New Mexico. Applicant in the above-styled cause seeks exceptions from Division General Rule 303 (C) to establish an area-wide basis authorization for downhole commingling of Delaware, Bone Spring and Wolfcamp formation production in the wellbores of existing or future wells drilled anywhere within Section 36, Township 22 South, Range 30 East; the S/2 of Section 31, Township 22 South, Range 31 East; Section 1, Township 23 South, Range 30 East; and Section 6, Township 23 South, Range 31 East, NMPM, said production being from portions of the Southeast Quahada Ridge-Delaware Pool, Los Medanos-Bone Spring Pool and the South Los Medanos Wolfcamp Pool. Applicant also seeks the establishment of a special allowable for wells commingled within this area of 187 barrels of oil per day. The center of said area is located approximately 7 miles southeast of Lindsey Lake, New Mexico.

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OCT 24 1995

Oil Conservation Division