

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. 8467
Order No. R-7807

APPLICATION OF GULF OIL CORPORATION
FOR DOWNHOLE COMMINGLING, LEA
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on January 30, 1985, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 6th day of February, 1985, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, Gulf Oil Corporation, is the owner and operator of its C. D. Woolworth Well No. 7, located 1980 feet from the South and East lines (Unit J) of Section 30, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) The applicant seeks authority to commingle Jalmat Gas Pool and Langlie Mattix Pool production within the well-bore of the above-described well.

(4) From the Jalmat Gas Pool, the subject well is capable of low marginal production only.

(5) From the Langlie Mattix Pool, the subject well is capable of low marginal production only.

(6) 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.

(7) 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) 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.

(9) In order to allocate the commingled production to each of the commingled zones in the subject well, 33 percent of the commingled oil production and 88 percent of the commingled gas production should be allocated to the Jalmat zone, and 67 percent of the commingled oil production and 12 percent of the commingled gas production should be allocated to the Langlie Mattix zone.

IT IS THEREFORE ORDERED THAT:

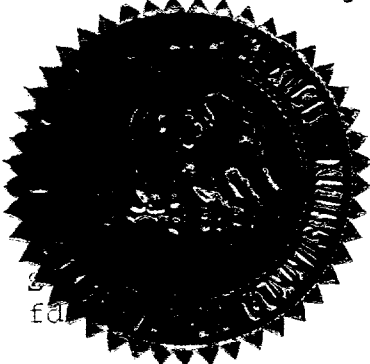
(1) The applicant, Gulf Oil Corporation, is hereby authorized to commingle Jalmat Gas Pool and Langlie Mattix Pool production within the wellbore of its C. D. Woolworth Well No. 7, located 1980 feet from the South and East lines (Unit J) of Section 30, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico.

(2) 33 percent of the commingled oil production and 88 percent of the commingled gas production shall be allocated to the Jalmat zone and 67 percent of the commingled oil production and 12 percent of the commingled gas production shall be allocated to the Langlie Mattix zone.

(3) 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) 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

R. L. Stamets
R. L. STAMETS
Director