

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

RECD/ED

JUN 24 1980

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

O. C. D.
ARIESA, OFFICE

CASE NO. 6918
Order No. R-6383

APPLICATION OF YATES PETROLEUM
COMMISSION FOR DOWNHOLE COMMINGLING,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

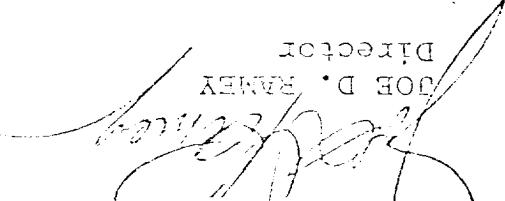
This cause came on for hearing at 9 a.m. on June 4, 1980, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 18th day of June, 1980, 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, Yates Petroleum Corporation, is the owner and operator of the Kennedy "JQ" Com. Well No. 1, located in Unit H of Section 33, Township 17 South, Range 26 East, NMPM, Eddy County, New Mexico.
- (3) That the applicant seeks authority to commingle Upper Penn and Morrow gas production within the wellbore of the above-described well.
- (4) That from the Upper Penn zone, the subject well is capable of low marginal production only.
- (5) That from the Morrow zone, the subject well is capable of low marginal production only.
- (6) 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.

S E A L
fd/


JOE D. RAMSEY
Director
OIL CONSERVATION DIVISION
STATE OF NEW MEXICO

above designated.

DONE at Santa Fe, New Mexico, on the day and year herein-

contary of such further orders as the Division may deem necessary.

(4) That jurisdiction of this cause is retained for the

present, to the Division, a plan for remedial action.
has been shut-in for 7 consecutive days and shall concurredly
notify the Division's Articulate Office any time the well
(3) That the operator of the subject well shall immediately
product, to the Division shall be allocated to the Mexican zone.

(2) That 12 percent of the commingled production shall be
allocated to the Upper Penn zone and 88 percent of the commingled
product, to the Lower Penn zone.

(1) That the applicant, Rtes Petroleum Corporation,
hereby authorized to commence Upper Penn and Morrow gas pro-
duction within the wellbore of the Kennedy "JG" Com., Well No.
1, located in Unit A of Section 33, Township 17 South, Range 26
East, NMP, Kennedy Farms Field, Eddy County, New Mexico.

IT IS THEREFORE ORDERED:

(9) That in order to allocate the commingled production
to each of the commingled zones in the subject well, 12 percent
of the commingled production should be allocated to the Upper
Penn zone, and 88 percent of the commingled production to the
Morrow zone.

(8) That to afford the Division the opportunity to en-
force potential for waste and to expediently order appropriate
remedial action, the operator should notify the Article appropriate
office of the Division any time the subject well is brought for
offices of the Division any time the subject well is brought for
7 consecutive days.

(7) That the processual 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.