STATE OF NEW MEXICO ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

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

CASE NO. 11782 Order No. R-10814

APPLICATION OF ENRON OIL & GAS COMPANY FOR DOWNHOLE COMMINGLING, EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on May 15, 1997, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 4th day of June, 1997, 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, Enron Oil & Gas Company, seeks authority to downhole commingle the Morrow and Chester formations, Sand Tank-Morrow Gas Pool and Sand Tank-Chester Gas Pool, within its Sand Tank "7" Federal Com Well No. 1 located 990 feet from the North and West lines (Unit D) of Section 7, Township 18 South, Range 30 East, NMPM, Eddy County, New Mexico.

(3) According to applicant's evidence and testimony, the subject well was drilled in April, 1996, to a total depth of approximately 11,835 feet. The well was dually completed in the Sand Tank-Morrow and Sand Tank-Chester Gas Pools during May-June, 1996. Initial potential in the Sand Tank-Chester Gas Pool was approximately 2.8 MMCFGD and 98 BOPD. Initial potential in the Sand Tank-Morrow Gas Pool was approximately 3.6 MMCFGD and 100 BOPD.