

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

RECEIVED

JUN 1 1982

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

O. C. D.
ARTESIA, OFFICE

CASE NO. 7569
Order No. R-6982

APPLICATION OF PETROLEUM CORP. OF
DELAWARE 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 May 12, 1982, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 24th day of May, 1981, 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, Petroleum Corp. of Delaware, is the owner and operator of the Parkway West Unit Well No. 3, located in Unit K of Section 29 and the Parkway West Unit Well No. 10, located in Unit G of Section 27, both in Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico

(3) That the applicant seeks authority to commingle Atoka and Morrow production within the wellbore of the above-described wells.

(4) 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.

(5) That 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.

(6) That to afford the Division the opportunity to assess the potential for waste and to expeditiously order appropriate remedial action, the operator should notify the Artesia district office of the Division any time the subject well is shut-in for 7 consecutive days.

(7) That in order to allocate the commingled production to each of the commingled zones in the subject well, 38 percent and 29 percent of the commingled production should be allocated to the Atoka zone, respectively, in said Well No. 3 and Well No. 10 with the remainder being allocated to the Morrow zone.

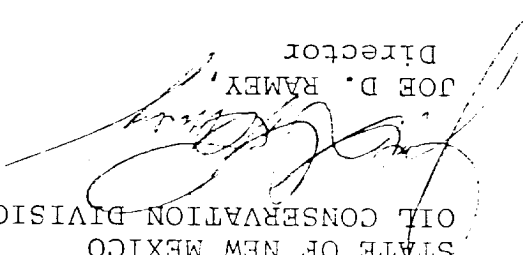
IT IS THEREFORE ORDERED:

(1) That the applicant, Petroleum Corp. of Delaware, is hereby authorized to commingle Atoka and Morrow production within the wellbores of the Parkway West Unit Well No. 3, located in Unit K of Section 29, and the Parkway West Unit Well No. 10, located in G of Section 27, both in Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico.

(2) That 38 percent and 29 percent of the commingled production shall be allocated to the Atoka zone, respectively, in said Well No. 3 and Well No. 10 with the remainder being allocated to the Morrow zone.

(3) That the operator of the subject wells shall immediately notify the Division's Artesia district office any time either of the wells has been shut-in for 7 consecutive days and shall concurrently present, to the Division, a plan for remedial action.

(4) That 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

JOE D. RAMSEY,
Director

S E A L