MAY 17 '94

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

O. C. D.

CASE NO. 5398 Order No. R-4953

APPLICATION OF PENNZOIL UNITED, INC., FOR DOWNHOLE COMMINGLING, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 8, 1975, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 28th day of January, 1975, the Commission, a quorum being present, 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 Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Pennzoil United, Inc., is the owner and operator of the Mobil 12 Federal Well No. 1, located in Unit B of Section 12, Township 23 South, Range 26 East, NMPM, South Carlsbad Field, Eddy County, New Mexico.
- (3) That said well is a gas well which has been dually completed in the Atoka and Morrow formations for several years.
- (4) That the applicant has recently perforated additional producing zones in the Atoka and Morrow formations in said well.
- (5) That for unknown reasons, the perforation work resulted in communication of the Atoka and Morrow zones within the well-bore of said well.
- (6) That to perform the work necessary to achieve separation of the two zones in the wellbore would result in substantial risk to human life or damage to the reservoir with concurrent underground waste.
- (7) That the applicant proposes to commingle Atoka and Morrow gas production in the wellbore of the subject well.