BEFORE INC OIL CONSERVATION CORMISSION OF THE STATE OF NEW MEXICO

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

Breech B # 121

CASE NO. 6121 Order No. R-5648

APPLICATION OF CAULKINS OIL COMPANY FOR DOWNHOLE COMMINGLING, RIO ARRIBA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 18, 1978 at Santa Fe, New Mexico, before Examiner Richard . Stamets.

NOW, on this 21st day of February, 1978, 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, Caulkins Oil Company, seeks authority to commingle, within the wellbore, Pictured Cliffs and Chacra production in its wells located in Sections 3, 4, 5, 7 thru 11, 13 thru 18, 21, 22, 24, and 25 in Township 26 North, Range 6 West and Sections 13, 14, 23, and 24 in Township 26 North, Range 7 West, Rio Arriba County, New Mexico.
- (3) That from the Pictured Cliffs zone, the subject wells are, or may be expected to be, capable of low rates of production only.
- (4) That from the Chacra zone, the subject wells, are or may be expected to be, capable of low rates of production only.
- (5) 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.
- (6) 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 wells are not shutin for an extended period.

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Secretary-Director of the Commission of such fact, and the Secretary-Director shall order such action taken as he may deem advisable, including the requirement for separation of the zones by conventional dual completion equipment.

(5) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member

JOE D. RAMEY, Member & Secretary

SEAL