

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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Case No. 5698
Order No. R-5233

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

CASE NO. 5698
Order No. R-5233

APPLICATION OF EL PASO NATURAL GAS
COMPANY FOR DOWNHOLE COMINGLING,
RIO ARRIABA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 23, 1976,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 6th day of July, 1976, 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, El Paso Natural Gas Company, is the
owner and operator of the San Juan 28-7 Unit Well No. 82, located
in Unit A of Section 4, Township 27 North, Range 7 West, NMPM,
Rio Arriba County, New Mexico.

(3) That the applicant seeks authority to comingling South
Blanco-Pictured Cliffs and Blanco Mesaverde production within
the wallbore of the above-described well.

(4) That from the South Blanco-Pictured Cliffs zone, the
subject well is capable of low marginal production only.

(5) That from the Blanco Mesaverde zone, the subject well
is capable of low marginal production only.

(6) That the proposed comingling may result in the recovery
of additional hydrocarbons from each of the subject pools, thereby
preventing waste, and will not violate correlative rights.

(7) That the reservoir characteristics of each of the
subject zones are such that underground waste would not be caused
by the proposed comingling provided that the well is not shut-in
for an extended period.

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

(9) That in order to allocate the comingling production to
each of the comingling zones in the subject well, 20 percent of
the comingling gas production should be allocated to the South
Blanco-Pictured Cliffs zone, and 70 percent and 100 percent of
the comingling gas and oil production, respectively, to the
Blanco Mesaverde zone.

IT IS THEREFORE ORDERED:

(1) That the applicant, El Paso Natural Gas Company, is
hereby authorized to comingling South Blanco-Pictured Cliffs and
Blanco Mesaverde production within the wallbore of the San Juan
28-7 Unit Well No. 82, located in Unit A of Section 4, Township
27 North, Range 7 West, NMPM, Rio Arriba County, New Mexico.

(2) That 30 percent of the comingling gas production shall
be allocated to the South Blanco-Pictured Cliffs zone and 70 per-
cent and 100 percent of the comingling gas and oil production,
respectively, shall be allocated to the Blanco Mesaverde zone.

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

(4) 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 A. ARNOLD, Member

JOE D. RILEY, Member & Secretary

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