

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

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

CASE NO. 7240
Order No. R-6688

APPLICATION OF EL PASO NATURAL GAS
COMPANY FOR DOWNHOLE COMMINGLING,
SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:



This cause came on for hearing at 9 a.m. on May 6, 1981, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 20th 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, El Paso Natural Gas Company, is the owner and operator of the Sunray B Well No. 6 located in Unit G of Section 1, Township 30 North, Range 10 West, NMPM, San Juan County, New Mexico.

(3) That the applicant seeks authority to commingle Fruitland and Blanco-Pictured Cliffs production within the wellbore of the above-described well.

(4) That from the Fruitland zone, the subject well is expected to be capable of rapidly declining production only.

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

(6) That the initial bottom-hole pressure in the Fruitland zone is expected to exceed a figure three times that of the Pictured Cliffs zone.

(7) That the Division has previously found that when bottom-hole pressures of zones to be commingled differ by a factor greater than two, potentially damaging crossflow between zones could occur if the well should be shut in.

(8) That there is no evidence available in the immediate area of the subject well to indicate how quickly the Fruitland pressure may be expected to decline.

(9) That there is no mechanism to assure the Division that said Sunray B Well No. 6 would not be shut-in following completion of the proposed downhole commingling.

(10) That to avoid the potential for waste the subject application should be denied.

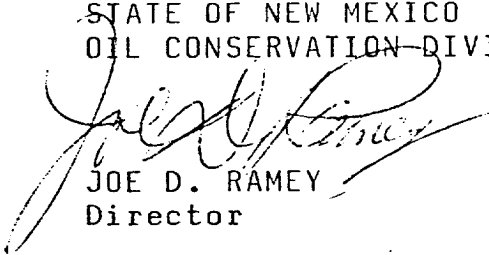
IT IS THEREFORE ORDERED:

(1) That the application of El Paso Natural Gas Company to commingle Fruitland and Blanco-Pictured Cliffs production within the wellbore of the Sunray B Well No. 6, located in Unit G of Section 1, Township 30 North, Range 10 West, NMPM, San Juan County, New Mexico, is hereby denied.

(2) 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 herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



JOE D. RAMEY
Director

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