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. 6586 Order No. R-6064

APPLICATION OF DUGAN PRODUCTION CORPORATION 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 July 11, 1979, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 30th day of July, 1979, 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, Dugan Production Corporation, is the owner and operator of the following wells, all in Township 30 North, Range 14 West, NMPM, San Juan County, New Mexico:

Big Field Well No. 2 in Unit C of Section 3;
Big Field Well No. 5 in Unit P of Section 10;
Dinero Well No. 1 in Unit H of Section 13; and the
Morly Pitcher Well No. 2 in Unit H of Section 14.

- (3) That the applicant seeks authority to commingle Conner-Fruitland and undesignated Pictured Cliffs production within the wellbores of the above-described wells.
- (4) That from the Conner-Fruitland zone, the subject wells are or are expected to be capable of low marginal production only.

