



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

**TONEY ANAYA**  
GOVERNOR

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June 3, 1983

Mr. Ken Bateman  
White, Koch, Kelly & McCarthy  
Attorneys at Law  
Post Office Box 787  
Santa Fe, New Mexico

Re: CASE NO. 7882  
 rthy ORDER NO. R-7299

Applicant:

Texaco Inc.

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Yours very truly,

JOE D. RAMEY  
Director

JDR/fd

Copy of order also sent to:

Hobbs OCD \_\_\_\_\_ **x**  
 Artesia OCD \_\_\_\_\_ **x**  
 Aztec OCD \_\_\_\_\_

Other \_\_\_\_\_

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. 7882  
Order No. R-7299

APPLICATION OF TEXACO INC. FOR  
DOWNHOLE COMMINGLING, LEA COUNTY,  
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on May 25, 1983,  
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 2nd day of June, 1983, 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, Texaco Inc., is the owner and  
operator of the M. B. Weir "B" Well No. 7, located 660 feet  
from the South line and 825 feet from the West line of Section  
12, Township 20 South, Range 37 East, NMPM, Lea County, New  
Mexico.
- (3) That the applicant seeks authority to commingle East  
Weir-Blinebry, Monument-Tubb and Skaggs-Drinkard production  
within the wellbore of the above-described well.
- (4) That from the East Weir-Blinebry zone, the subject  
well is capable of low marginal production only.
- (5) That from the Monument-Tubb zone, the subject well is  
capable of low marginal production only.
- (6) That from the Skaggs-Drinkard zone, the subject well  
is capable of low marginal production only.

(7) 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.

(8) 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 well is not shut-in for an extended period.

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

(10) That in order to allocate the commingled oil and gas production to each of the commingled zones in the well, applicant should consult with the supervisor of the Hobbs district office of the Division and determine an allocation formula for each of the production zones.

IT IS THEREFORE ORDERED:

(1) That the applicant, Texaco Inc, is hereby authorized to commingle East Weir-Blinebry, Monument-Tubb and Skaggs-Drinkard production within the wellbore of the M. B. Weir "B" Well No. 7, located 660 feet from the South line and 825 feet from the West line of Section 12, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico.

(2) That the applicant shall consult with the Supervisor of the Hobbs district office of the Division and determine an allocation formula for the allocation of oil and gas production to each zone in the subject well.

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

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

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Case No. 7882

Order No. R-7299

DONE at Santa Fe, New Mexico, on the day and year  
hereinabove designated.



STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

*Joe D. Ramey*  
JOE D. RAMEY  
Director