

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY AND MINERALS
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION
OF BRADLEY H. AND MARGARET N. KEYES,
TRUSTEES, FOR APPROVAL OF DOWNHOLE
COMMINGLING AND SURFACE COMMINGLING,
SAN JUAN COUNTY, NEW MEXICO.

CASE; 8776

A P P L I C A T I O N

Comes now BRADLEY H. AND MARGARET N. KEYES, TRUSTEES, by and through their attorneys, Kellahin & Kellahin, and apply to the New Mexico Oil Conservation Division for approval of the downhole commingling of Farmington and Fruitland production in its Ransom #1-M Well located in Unit O, Section 13, T29N, R11W, NMPM, and the surface commingling of production from the Ransom #1-M Well with production from the Ransom #1 Well located in Unit I, Section 13, T29N, R11W, NMPM, San Juan County, New Mexico, and in support thereof would show:

1. Applicant is the operator of both the Ransom #1 Well and the Ransom #1-M Well.

2. The Ransom #1 Well is located in Unit I of Section 13, T29N, R11W, NMPM, and is currently an approved downhole commingled well producing Fruitland and Picture Cliff gas at a rate of approximately 8 MCF/day.

3. The Ransom #1-M Well is located in Unit O of Section 13, T29N, R11W, NMPM, and is currently a dual

completion in the Bloomfield Farmington Oil Pool and the Aztec Fruitland Gas Pool with a gas production rate of approximately 57 MCF/day.

4. That the operator is unable to obtain a separate meter for the Ransom #1-M Well because of its marginal production and requests approval to commingle production from the Ransom #1-M Well with the Ransom #1 Well so that both wells can be metered through the same meter.

5. That while ownership is different for the production from the various formations, the applicant believes that the commingled production is in the best interests of all owners and will not violate correlative rights.

6. The approval of the surface and downhole commingling, as requested, will allow the applicant the opportunity to produce recoverable marginal production that otherwise would not be recovered thereby preventing waste.

WHEREFORE, applicant requests that this application be set for hearing and that after notice and hearing the application be granted as requested.

Kellahin & Kellahin

By 
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