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. 8238 Order No. R-7587

APPLICATION OF ROBERT L. BAYLESS FOR SURFACE COMMINGLING, RIO ARRIBA COUNTY, NEW MEXICO.

## CRDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on June 20, 1934, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this <u>9th</u> day of July, 1984, 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, Robert L. Bayless, is the owner and operator of the Jicarilla 363 "B" Wells Nos. 4 and 5, located 790 feet from the North line and 1850 feet from the West line (Unit C) and located 1000 feet from the North line and 1850 feet from the East line (Unit B), respectively, both in Section 16, Township 24 North, Range 4 West, NMPM, South Blanco-Pictured Cliffs Pool, Rio Arriba County, New Mexico.

(3) That the applicant seeks authority to surface commingle South Elanco-Pictured Cliffs gas production from both of the above-described wells.

(4) That the proposed commingling will enable, at this time, both said wells to be placed on the gas purchaser's, Northwest Pipeline Corporation, pipeline system.

(5) That all mineral interests from the South Blanco-Pictured Cliffs Pool are common in both wells. -2-Case No. 8238 Order No. R-7587

(6) That granting of the application will prevent waste and will not violate correlative rights.

(7) That the production from one of the above wells should be separately metered and the production from the other well determined by subtracting this metered volume from the total commingled metered volume.

(8) That the applicant should notify the Supervisor of the Division's Aztec district office of the date and time that the commingling equipment is installed and functioning so that the same may be inspected.

## IT IS THEREFORE ORDERED:

(1) That the applicant, Robert L. Bayless, is hereby authorized to surface commingle South Blanco-Pictured Cliffs gas production from its Jicarilla 363 "B" Wells Nos. 4 and 5, lo ated 790 feet from the North line and 1850 feet from the West line (Unit C) and located 1000 feet from the North line and 1850 feet from the East line (Unit B), respectively, both in Section 16, Township 24 North, Range 4 West, NMPM, South Blanco-Pictured Cliffs Pool, Rio Arriba County, New Mexico.

(2) That the production from one of the above wells shall be separately metered and the production from the other well determined by subtracting this volume from the total commingled metered volume.

(3) That the applicant shall notify the Supervisor of the Division's Aztec district office of the date and time that the commingling equipment is installed and functioning so that the same may be inspected.

(4) 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 nereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION JOE D. RAMEY Director