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**STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

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

**CASE NO. 11990
Order No. R-11030**

**APPLICATION OF YATES PETROLEUM
CORPORATION FOR DOWNHOLE
COMMINGLING, LEA COUNTY, NEW
MEXICO.**

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on July 23, 1998, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 18th day of August, 1998, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner,

FINDS THAT:

- (1) Due public notice having been given, the Division has jurisdiction of this case and its subject matter.
- (2) The applicant, Yates Petroleum Corporation, seeks approval to downhole commingle North Morton-Atoka Gas (96676), Undesignated East Morton-Morrow Gas (96395) and Morton-Mississippian Gas (96593) Pool production in its Morton Unit Well No. 1 (API No. 30-025-33314) located 770 feet from the North line and 2150 feet from the East line (Unit B) of Section 5, Township 15 South, Range 35 East, NMPM, Lea County, New Mexico.
- (3) Division records indicate that the Morton Unit Well No. 1 was drilled in April, 1996 to test the North Morton Permo-Pennsylvanian Pool. The well was completed in the Mississippian formation in July, 1996 at an initial producing rate of 1020 MCF gas per day. In December, 1996, the applicant perforated and completed the Morrow interval, and in January, 1997, the applicant perforated and completed the Atoka interval.
- (4) At the present time, the Morton Unit Well No. 1 is capable of marginal production only from the Atoka, Morrow and Mississippian producing intervals, described as follows: