

Case No.

94

Application, Transcript,
Small Exhibits, Etc.

NEW MEXICO OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY
THE NEW MEXICO OIL CONSERVATION COMMISSION
FOR THE PURPOSE OF CONSIDERING:

CASE NO. 94

ORDER NO. 710

THE MATTER OF THE APPLICATION OF GULF
OIL CORPORATION FOR THE FRONULGATION
OF A GENERAL ORDER PERMITTING AND
CONTROLLING PRODUCTION FOR MORE THEN
ONE HORIZON OR POOL THROUGH A SINGLE
WELL BORE.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10:00 A.M. on January 10th and
April 15, 1947 at Santa Fe, New Mexico, before the Oil Conservation
Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this 6th day of June 1947, the Commission after hearing
some testimony adduced, entertained a motion by the applicant or petitioner
that said application be withdrawn, and the case dismissed.

IT IS THEREFORE ORDERED:

That this case be, and the same hereby is, dismissed.

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

OIL CONSERVATION COMMISSION

Thomas J. Mabry

CHAIRMAN

John E. Miller

MEMBER

L. L. Spurrer

SECRETARY

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF :
GULF OIL CORPORATION for the promul- :
gation of a General Order permitting :
and controlling production from more :
than one horizon through a single well :
bore. :

A P P L I C A T I O N

COMES NOW THE GULF OIL CORPORATION, hereinafter called the applicant,
and shows to the Honorable Oil Conservation Commission of the State of New Mex-
ico that:

1. Gulf Oil Corporation is incorporated in the State of Pennsylvania
and is duly authorized to do business in the State of New Mexico.
2. Gulf Oil Corporation is actively engaged in the exploration, devel-
opment and production of oil and gas in the State of New Mexico, and that Gulf
Oil Corporation is one of the larger producers of crude oil in that state.
3. There is no provision in existing general rules or orders governing
the production from more than one horizon through a single well bore except Order
No. 4, Rule No. 6, which is quoted as follows: "Before any oil or gas well is com-
pleted as a producer, all oil, gas and water strata above the producing horizon
shall be sealed or separated, in order to prevent their contents from passing into
other strata".
4. Developments in drilling and completion practice over the past sev-
eral years have proven the feasibility of producing, without comingling, more than
one horizon through a single well bore. With increased drilling depths and greater
drilling costs, such multiple completion practice provides, in many areas, a means
for more economical drilling and completing, and in some cases will undoubtedly
permit the exploitation of horizons which could not or probably would not other-
wise be produced or explored, thereby increasing economic recovery.

5. It is the opinion of the applicant that production of more than one horizon through a single well bore, where feasible, and subject to proper control would be a conservation measure and in the public interest. It is further considered that such completion practice should be controlled in order to protect correlative rights. The following measures are suggested as being reasonable and adequate:

(a) Production of more than one horizon through a single well bore shall be permitted, in any specified pool or area, only on order of the Commission after hearing. Subsequent to approval by the Commission, and subject to general rules and such specific regulations as may be established at a hearing, applications for completions in more than one horizon, within the specified pool or area, may be approved by the Director.

(b) There shall be no comingling of oil from different horizons, within a single well bore, except as specifically authorized by the Commission. Where such comingling is authorized, the maximum allowable shall be the same as that of non-marginal individual wells producing from the highest horizon. Except where comingling is specifically authorized, wells shall be maintained and operated at all times in such manner as to prevent subsurface comingling of fluids from the separate horizons and that the Director be authorized to require such tests as he may deem necessary to assure segregation.

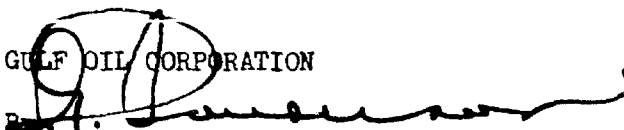
(c) Applications for completion in more than one horizon shall show the name and location of the producing horizons, casing plan, location of packer or packers, location of perforations, proposed method of production and any other pertinent data. Not more than one horizon shall be produced from uncased hole.

(d) Completion record (Form C-105) shall show all details of the completion including name and depth of each producing horizon, casing records, depth of perforations, type of packer or packers and depth set, method of producing each horizon, initial production from each horizon and all other pertinent data.

(e) Each producing horizon of a well producing from more than one horizon shall be subject, in so far as applicable, to all general rules and regulations applying to individual wells producing from only one horizon.

Wherefore your applicant prays that this Honorable Commission promulgate an order that will permit and control production of more than one horizon from a single well bore.

Respectfully submitted,

GULF OIL CORPORATION

E. A. Duvall
Manager of Production

Dec. 16, 1946