

*Entered October 29, 1958
O.P.*

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 1517
Order No. R-1263

APPLICATION OF AMERADA PETROLEUM
CORPORATION FOR AN ORDER AUTHORIZING
A GAS-OIL DUAL COMPLETION IN THE
UPPER PENNSYLVANIAN FORMATION ADJACENT
TO THE BAGLEY-UPPER PENNSYLVANIAN GAS
POOL AND IN AN UNDESIGNATED OIL POOL IN
THE LOWER PENNSYLVANIAN FORMATION.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on October 2, 1958, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 25th day of October, 1958, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Amerada Petroleum Corporation, is the owner and operator of the State BT "M" Well No. 2, located 1980 feet from the North line and 660 feet from the East line of Section 33, Township 11 South, Range 33 East, NMPM, Lea County, New Mexico.

(3) That the applicant proposes to dually complete the above-described State BT "M" Well No. 2 in such a manner as to permit the production of gas from the upper Pennsylvanian formation adjacent to the Bagley-Upper Pennsylvanian Gas Pool and the production of oil from an undesignated oil pool in the lower Pennsylvanian formation through the casing-tubing annulus and 2 3/8-inch EUE tubing respectively.

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(4) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.

(5) That approval of the subject application will not cause waste nor impair correlative rights.

(6) That the subject application should be approved.

IT IS THEREFORE ORDERED:

That the applicant, Amerada Petroleum Corporation, be and the same is hereby authorized to dually complete its State BT "M" Well No. 2, located 1980 feet from the North line and 660 feet from the East line of Section 33, Township 11 South, Range 33 East, NMPM, Lea County, New Mexico, in such a manner as to permit the production of gas from the upper Pennsylvanian formation adjacent to the Bagley-Upper Pennsylvanian Gas Pool and the production of oil from an undesignated oil pool in the lower Pennsylvanian formation through the casing-tubing annulus and 2 3/8-inch EUE tubing respectively.

PROVIDED HOWEVER, That applicant shall complete, operate, and produce said well in accordance with the provisions of Section V, Rule 112-A.

PROVIDED FURTHER, That applicant shall take packer-leakage tests upon completion and annually thereafter during the Annual Shut-in Pressure Test Period for the Bagley-Upper Pennsylvanian Gas Pool.

IT IS FURTHER ORDERED: That jurisdiction of this cause is hereby retained by the Commission for such further order or orders as may seem necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of applicant to comply with any requirement of this order, after proper notice and hearing the Commission may terminate the authority hereby granted and require applicant or its successors and assigns to limit its activities to regular single-zone production in the interests of conservation.

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

State of New Mexico
Oil Conservation Commission

E. L. Mechem
Edwin L. Mechem, Chairman

M. E. Morgan
Murray E. Morgan, Member

A. L. Porter, Jr.
A. L. Porter, Jr., Member & Secretary

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