Endred March 28, 1959

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. 1612 Order No. R-1353

APPLICATION OF SANTIAGO OIL & GAS COMPANY FOR AN ORDER AUTHORIZING AN OIL-GAS DUAL COMPLETION IN AN UNDESIGNATED UPPER-PENNSYLVANIAN OIL POOL AND IN AN UNDESIGNATED DEVONIAN POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on March 11, 1959, at Santa Fe, New Mexico, before Daniel S. Nutter, 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 18th day of March, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Daniel S. Nutter, 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, Santiago Oil & Gas Company, is the owner and operator of the State No. 1-30 Well, located 660 feet from the North line and 1980 feet from the East line of Section 30, Township 12 South, Range 34 East, NMPM, Lea County, New Mexico.
- (3) That the applicant proposes to dually complete the said State No. 1-30 Well in such a manner as to permit the production of oil from an undesignated Upper-Pennsylvanian oil pool and the production of gas and liquid hydrocarbons from an undesignated Devonian pool through parallel strings of two-inch tubing.
- (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.

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IT IS THEREFORE ORDERED:

That the applicant, Santiago Oil & Gas Company, be and the same is hereby authorized to dually complete its State No. 1-30 Well, located 660 feet from the North line and 1980 feet from the East line of Section 30, Township 12 South, Range 34 East, NMPM, Lea County, New Mexico, in such a manner as to permit the production of oil from an undesignated Upper-Pennsylvanian oil pool and the production of gas and liquid hydrocarbons from an undesignated Devonian pool through parallel strings of two-inch tubing.

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 Gas-Oil Ratio Test Period for the Pennsylvanian zone.

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

JOHN BURROUGHS, Chairman

MURRAY E. MORGAN, Member

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

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