Entered July 20,1959 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. 1694 Order No. R-1436 APPLICATION OF TEXAS CRUDE OIL COMPANY FOR AN OIL-OIL DUAL COMPLETION IN AN UNDESIGNATED

TANSILL POOL AND IN AN UNDESIG-NATED DELAWARE POOL, EDDY COUNTY, NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 8:00 o'clock a.m. on June 24, 1959, 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.

MOW, on this 7th day of July, 1959, 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, Texas Crude Oil Company, is the operator of the Big Eddy Unit 1-30 Well, located 330 feet from the South line and 330 feet from the East line of Section 30, Township 20 South, Range 31 East, NMPM, Eddy County, New Mexico.
- (3) That the applicant proposes to dually complete the above-described Big Eddy Unit 1-30 Well in such a manner as to permit the production of oil from an undesignated Tansill pool and the production of oil from an undesignated Delaware pool through parallel strings of 2-inch EUE 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 neither cause waste nor impair correlative rights.

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IT IS THEREFORE ORDERED:

That the applicant, Texas Crude Oil Company, be and the same is hereby authorized to dually complete its Big Eddy Unit 1-30 Well, located 330 feet from the South line and 330 feet from the East line of Section 30, Township 20 South, Range 31 East, NMPM, Eddy County, New Mexico, in such a manner as to permit the production of oil from an undesignated Tansill pool and the production of oil from an undesignated Delaware pool through parallel strings of 2-inch EUE 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 on the anniversary date of the well's completion.

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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Entered July 20, 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. 1698** Order No. R-1437 APPLICATION OF SHELL OIL COMPANY FOR AN ORDER EXEMPTING ALL WELLS IN THE CARSON UNIT AREA AND ALL OTHER SHELL WELLS IN TOWNSHIP 25 NORTH, RANGES 11 AND 12 WEST, BISTI-LOWER GALLUP OIL POOL, SAN JUAN COUNTY, NEW MEXICO, FROM THE DAILY TOLERANCE PROVISIONS OF RULE 502 I(a) OF THE COMMISSION RULES AND REGULATIONS ORDER OF THE COMMISSION BY THE COMMISSION: This cause came on for hearing at 8:00 o'clock a.m. on June 24, 1959, 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 9th day of July, 1959, 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, Shell Oil Company, seeks an order granting an exception to the daily tolerance provisions of Rule 502 I(a) of the Commission Rules and Regulations for all wells in the Carson Unit Area and for all Shell wells in Town-ship 25 North, Ranges 11 and 12 West, Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico. (3) That the evidence presented indicates that the production of oil in excess of the 125 percent daily tolerance will not injure the Bisti-Lower Gallup Oil Pool.

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- (4) That approval of the subject application will enable the applicant to deliver casinghead gas into the gas gathering facilities at a more constant rate.
- (5) That approval of the subject application will neither cause waste nor impair correlative rights provided that the volume of casinghead gas produced does not at any time exceed the capacity of the gas gathering and processing available to handle this casinghead gas.
- (6) That the exemption from the daily tolerance provisions of Rule 502 I(a) of the Commission Rules and Regulations should be limited to all Shell-operated wells in the Bisti-Lower Gallup Oil Pool and all Shell-operated wells within one mile therefrom producing from the Lower Gallup formation which are connected to gas gathering facilities.

IT IS THEREFORE ORDERED:

That all Shell-operated wells presently drilled or hereafter completed in the Bisti-Lower Gallup Oil Pool and all Shell-operated wells presently drilled or hereafter completed within one mile therefrom which are producing from the Lower Gallup formation and which are connected to gas gathering facilities be and the same are hereby granted an exception to the daily tolerance provisions of Rule 502 I(a) of the Commission Rules and Regulations and may be produced at a daily rate not to exceed 240 barrels per day or 200 percent of the daily top unit allowable for the Bisti-Lower Gallup Oil Pool, whichever is greater.

PROVIDED HOWEVER, That all wells shall be produced in such a manner that the volume of casinghead gas does not at any time exceed the capacity of the gas gathering and processing facilities available to handle this casinghead gas.

PROVIDED FURTHER, That the authority granted herein shall exist only so long as the applicant is scheduling the production of the wells involved in such a manner as to ensure a uniform flow of gas into the gas gathering and processing facilities.

<u>PROVIDED FURTHER</u>, That nothing contained herein shall be construed as authorizing the production of wells in said pool in excess of the monthly tolerance set forth in Rule 502 II of the Commission Rules and Regulations.

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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

SEAL