

*Entered May 11, 1964*

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. 3024  
ORDER No. R-2699

APPLICATION OF DEANE H. STOLTZ  
FOR APPROVAL OF A NON-STANDARD  
UNIT, A DUAL COMPLETION, AND  
COMMINGLING, LEA COUNTY, NEW  
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 29, 1964, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 8th day of May, 1964, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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, Deane H. Stoltz, seeks approval of an 80-acre non-standard oil proration unit in the North Bagley-Wolfcamp Pool comprising the SW/4 NE/4 and NW/4 SE/4 of Section 22, Township 11 South, Range 33 East, NMPM, Lea County, New Mexico, to be dedicated to his State 262 Well No. 1, located in Unit G of said Section 22.

(3) That the applicant also seeks authority to complete his State 262 Well No. 1 as a dual completion (conventional) to produce oil from the North Bagley-Wolfcamp Pool through 1 1/4-inch tubing and to produce oil from the North Bagley-Upper Pennsylvanian Pool through the casing-tubing annulus by means of a hydraulic pump with separation of the zones by packers set at approximately 8650 feet and 9060 feet.

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(4) That the applicant also seeks authority to commingle the North Bagley-Wolfcamp and North Bagley-Upper Pennsylvanian production from his State 262 Well No. 1 into a common tank battery after separately metering the Wolfcamp production and determining the Upper Pennsylvanian oil production by the subtraction method and separately metering the gas production from each pool.

(5) That Order No. R-2674 established an 80-acre non-standard oil proration unit in the North Bagley-Upper Pennsylvanian Pool comprising the SW/4 NE/4 and NW/4 SE/4 of Section 22, Township 11 South, Range 33 East, NMPM, Lea County, New Mexico, dedicated to the Deane H. Stoltz State 262 Well No. 1.

(6) That the proposed 80-acre non-standard oil proration unit in the North Bagley-Wolfcamp Pool can be efficiently and economically drained and developed by the Deane H. Stoltz State 262 Well No. 1.

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

(8) That approval of the proposed non-standard unit and dual completion will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and otherwise prevent waste and protect correlative rights.

(9) That approval of the proposed commingling installation will result in convenience and economy to the operator, will be in the interest of conservation, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That an 80-acre non-standard oil proration unit in the North Bagley-Wolfcamp Pool comprising the SW/4 NE/4 and NW/4 SE/4 of Section 22, Township 11 South, Range 33 East, NMPM, Lea County, New Mexico, is hereby established and dedicated to the Deane H. Stoltz State 262 Well No. 1, located in Unit G of said Section 22.

(2) That the applicant, Deane H. Stoltz, is hereby authorized to complete his State 262 Well No. 1 as a dual completion (conventional) to produce oil from the North Bagley-Wolfcamp Pool through 1 1/4-inch tubing and to produce oil from

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the North Bagley-Upper Pennsylvanian Pool through the casing-tubing annulus by means of a hydraulic pump with separation of the zones by packers set at approximately 8650 feet and 9060 feet;

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take packer-leakage tests upon completion and annually thereafter during the Gas-Oil Ratio Test Period for the North Bagley-Upper Pennsylvanian Pool.


(3) That the applicant is hereby authorized to commingle the North Bagley-Wolfcamp and North Bagley-Upper Pennsylvanian production from his State 262 Well No. 1 into a common tank battery after separately metering the North Bagley-Wolfcamp production and computing oil production from the North Bagley-Upper Pennsylvanian Pool by the subtraction method and separately metering the gas production from each pool;

PROVIDED HOWEVER, that said installation shall be operated in accordance with the provisions of the Commission's "Manual for the Installation and Operation of Commingling Facilities."


(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
JACK M. CAMPBELL, Chairman

  
E. S. WALKER, Member

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

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