

*Final Order 18 1965
O.C.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. 3229
Order No. R-2906

APPLICATION OF PAN AMERICAN PETROLEUM
CORPORATION FOR A DUAL COMPLETION AND
A NON-STANDARD GAS PRORATION UNIT, 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 7, 1965, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 10th day of May, 1965, 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, Pan American Petroleum Corporation, seeks authority to complete its South Mattix Unit Well No. 18 located in Unit G of Section 22, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) to produce gas from the Fowler-Lower Paddock Gas Pool and oil from the Fowler-Blinebry Oil Pool through parallel strings of 2 3/8-inch tubing, with separation of zones by a packer set at approximately 5350 feet.

(3) That the applicant also seeks approval of a 320-acre non-standard gas proration unit in the Fowler-Lower Paddock Gas Pool comprising the NE/4, E/2 NW/4, and N/2 SE/4 of Section 22, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, to be dedicated to its South Mattix Unit Well No. 18.

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

(5) That the proposed non-standard gas proration unit can be efficiently and economically drained and developed by the subject well.

(6) That approval of the proposed 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.

(7) That approval of the proposed non-standard gas proration unit will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Pan American Petroleum Corporation, is hereby authorized to complete its South Mattix Unit Well No. 18 located in Unit G of Section 22, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) to produce gas from the Fowler-Lower Paddock Gas Pool and oil from the Fowler-Blinebry Oil Pool through parallel strings of 2 3/8-inch tubing, with separation of zones by a packer set at approximately 5350 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 Annual Gas-Oil Ratio Test Period for the Fowler-Blinebry Oil Pool.

(2) That a 320-acre non-standard gas proration unit in the Fowler-Lower Paddock Gas Pool comprising the NE/4, E/2 NW/4, and N/2 SE/4 of Section 22, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby established and dedicated to the Pan American Petroleum Corporation South Mattix Unit Well No. 18.

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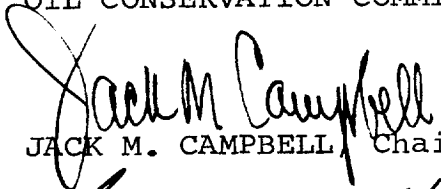
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(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JACK M. CAMPBELL, Chairman


GUYTON B. HAYS, Member


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

S E A L

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