

Entered October 18, 1971
ALP

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. 4598
Order No. R-4210

APPLICATION OF CONTINENTAL OIL
COMPANY FOR AN EXCEPTION TO ORDER
NO. R-2408, AND FOR A DUAL COMPLE-
TION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 29, 1971, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 18th day of October, 1971, 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, Continental Oil Company, is the operator of an 80-acre oil proration unit in the Oil Center-Blinebry Pool comprising the W/2 SE/4 of Section 4, Township 21 South, Range 36 East, Lea County, New Mexico, dedicated to its Meyer B-4 Well No. 23, located 660 feet from the South line and 1980 feet from the East line of said Section 4.

(3) That the applicant seeks an exception to Order No. R-2408, which order established special rules and regulations for the Oil Center-Blinebry Pool, to permit the drilling of its Meyer B-4 Well No. 28 as a second well on the above-described proration unit at an unorthodox location 2230 feet from the South line and 1980 feet from the East line of said Section 4.

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(4) That the applicant seeks to simultaneously dedicate the above-described Oil Center-Blinebry Pool proration unit to its Meyer B-4 Wells Nos. 23 and 28 with the assignment of a single 80-acre Oil Center-Blinebry Pool allowable to the unit and authority to produce any or all of the allowable from either well.

(5) That the applicant further seeks authority to complete the above-described Well No. 28 as a dual completion (conventional) to produce oil from the Oil Center-Blinebry Pool and the Eunice Grayburg-San Andres Pool through parallel strings of tubing with separation of zones by a packer set at approximately 5,800 feet.

(6) That approval of the subject application will prevent the drilling of unnecessary wells, will avoid the augmentation of risk arising from the drilling of too few wells, will afford the applicant the opportunity to produce its just and equitable share of the oil and gas in the subject pools, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Continental Oil Company, is hereby granted an exception to the Special Rules and Regulations for the Oil Center-Blinebry Pool, promulgated by Order No. R-2408, to drill its Meyer B-4 Well No. 28 at an unorthodox location 2230 feet from the South line and 1980 feet from the East line of Section 4, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, as a second well on its proration unit comprising the W/2 SE/4 of said Section 4.

(2) That the applicant is hereby authorized to simultaneously dedicate the W/2 SE/4 of Section 4, Township 21 South, Range 36 East to its Meyer B-4 Wells Nos. 23 and 28 located, respectively, 660 feet from the South line and 1980 feet from the East line and 2230 feet from the South line and 1980 feet from the East line of said Section 4; that a single 80-acre Oil Center-Blinebry Pool allowable shall be assigned to said 80-acre unit; and that the applicant is hereby authorized to produce any or all of the Oil Center-Blinebry allowable from either well in any proportion.

(3) That the applicant, Continental Oil Company, is hereby authorized to complete its above-described Meyer B-4 Well No. 28, as a dual completion (conventional) to produce oil from the Oil Center-Blinebry Pool and the Eunice Grayburg-

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San Andres Pool through parallel strings of tubing with separation of zones by a packer set at approximately 5,800 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 Oil Center-Blinebry Pool.

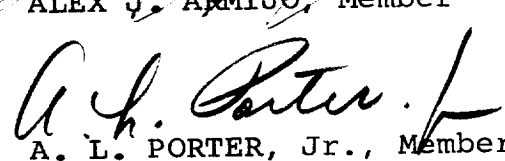
(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


BRUCE KING, Chairman


ALEX J. ARMIJO, Member


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

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