

Entered March 13, 1980
JxR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6820
Order No. R-6289

APPLICATION OF BOYD OPERATING CO.
FOR A DUAL COMPLETION AND UNORTHODOX
WELL LOCATION, CHAVES COUNTY, NEW
MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on February 27, 1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 13th day of March, 1980, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Boyd Operating Co., seeks authority to complete its Blakemore Federal Well No. 1 at an unorthodox Wolfcamp location 660 feet from the North line and 660 feet from the West line of Section 20, Township 9 South, Range 26 East, NMPM, Chaves County, New Mexico, as a dual completion (conventional) to produce gas from the Wolfcamp and Abo formations.

(3) That the applicant seeks the dismissal of that portion of this case for an unorthodox location, the actual well location being in Unit D rather than Unit A as advertised.

(4) That the application for unorthodox location should be dismissed without prejudice.

-2-

Case No. 6820
Order No. R-6289

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

(6) That approval of the subject application will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Boyd Operating Co., is hereby authorized to complete its Blakemore Federal Well No. 1, located in Unit D of Section 20, Township 9 South, Range 26 East, NMPM, Chaves County, New Mexico, as a dual completion (conventional) to produce gas from the Wolfcamp formation through a string of 2 3/8-inch tubing and gas from the Abo formation through the casing-tubing annulus with separation of the zones by means of a packer set at approximately 5218 feet.

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Division 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 Shut-In Pressure Test Period for gas wells in Southeast New Mexico.

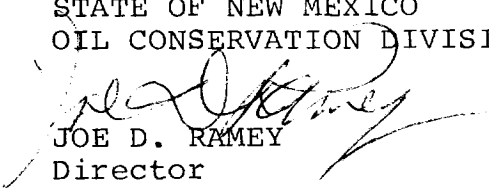
(2) That that portion of this case seeking approval of an unorthodox location for said Blakemore Federal Well No. 1 is hereby dismissed.

(3) That the applicant must obtain separate approval for the unorthodox location of the subject well at a point 660 feet from the North line and 660 feet from the West line of the aforesaid Section 20.

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

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director

S E A L
fd/