

*Entered August 5, 1964
L.D.*

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. 3091
Order No. R-2755

APPLICATION OF THE BRITISH-AMERICAN
OIL PRODUCING COMPANY FOR A DUAL COM-
PLETION AND POOL 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 July 22, 1964, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 3rd day of August, 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, The British-American Oil Producing Company, seeks authority to complete its North Wilson Deep Unit Well No. 1, located in Unit O of Section 31, Township 20 South, Range 36 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) to produce oil from the Upper Bone Spring formation and the Lower Bone Spring formation through parallel strings of 2 3/8-inch tubing, with separation of zones by a packer set at approximately 10,070 feet.
- (3) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.
- (4) That approval of the proposed dual completion will prevent waste and protect correlative rights.

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(5) That the applicant also seeks authority to commingle the Upper Bone Spring and the Lower Bone Spring production from its North Wilson Deep Unit Well No. 1 after separately metering the production from the Upper Bone Spring formation and determining the Lower Bone Spring production by means of the subtraction method.

(6) 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 the applicant, The British-American Oil Producing Company, is hereby authorized to complete its North Wilson Deep Unit Well No. 1, located in Unit 0 of Section 31, Township 20 South, Range 36 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) to produce oil from the Upper Bone Spring formation and the Lower Bone Spring formation through parallel strings of 2 3/8-inch tubing, with separation of zones by a packer set at approximately 10,070 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 Lower Bone Spring formation.

(2) That the applicant is hereby authorized to commingle the Upper Bone Spring and the Lower Bone Spring production from its North Wilson Deep Unit Well No. 1 after separately metering the production from the Upper Bone Spring formation and determining the Lower Bone Spring production by means of the subtraction method;

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."

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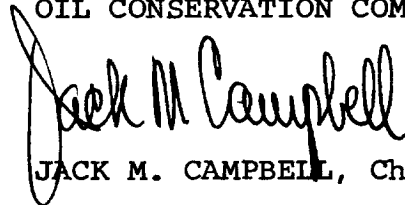
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(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

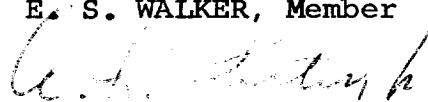
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



JACK M. CAMPBELL, Chairman



E. S. WALKER, Member



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

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