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. 340 ORDER NO. R-130

IN THE MATTER OF THE APPLICATION OF STANOLIND OIL AND GAS COMPANY FOR AN ORDER PERMITTING DUAL COMPLETION OF GAS FROM THE YATES FORMATION AND OIL FROM THE QUEEN IN ITS C. MEYERS 'B' NO. 11 WELL, LOCATED 660 FEET FROM THE NORTH LINE AND 1980 FEET FROM THE EAST LINE OF SECTION 6, TOWNSHIP 24 SOUTH, RANGE 37 EAST, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10 o'clock a. m. on January 22, 1952, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 6 th, day of March 1952, the Commission, a quorum being present, having considered the testimony adduced and the records in the matter as presented at the hearing,

FINDS:

- (1) That due notice having been given as required by law, the Commission has jurisdiction of the case and the persons and subject matter thereof.
- (2) That although recent experiments tend to show that mechanical packers and other devices are ordinarily available for successful dual or multiple completions of oil and gas wells, the Commission is unconvinced of the soundness of such dual multiple completions as a general practice in New Mexico without specific controls over each such project.

IT IS THEREFORE ORDERED, That effective as of January 22, 1952, the applicant herein, Stanolind Oil and Gas Company, be and it hereby is authorized to dually complete and produce its well located 660 feet from the north line and 1980 feet from the east line of section 6, township 24, South, Range 37 East, NMPM, Lea County, New Mexico (in the Langlie-Mattix pool) in such a manner that gas from the Yates-Seven Rivers formation may be produced through the annular space between the casing and tubing, and oil from the Queen formation through the tubing by proper perforations and installations of proper packer or packers;

PROVIDED, HOWEVER, that subject well shall be completed, and thereafter produced, in such a manner that there will be no commingling within the well bore, either within or outside the casing, of gas, oil and gas, or oil produced from either or both of the separate strata, and,

PROVIDED FURTHER, That said subject well for dual completion and production shall be equipped in such a way that reservoir pressures may be determined separately for each of the two specified strata, and further, be equipped with all necessary connections required to permit recording meters to be installed and used, at any time, as may be required by the Commission, or its representatives, in order that natural gas, oil, or oil and gas from each separate stratum may be accurately measured and the gas-oil ratio thereof determined, and,

PROVIDED FURTHER, that the operator-applicant shall make any and all tests, including segregation tests, but not excluding other tests and/or determinations at any convenient time, and in such manner as deemed necessary by the Commission; the original and all subsequent tests shall be witnessed by representatives of the Commission and by representatives of offset operators, if any there be, at their election, and the results of each test properly attested to by the applicant herein and all witnesses, and shall be filed with the Commission within ten (10) days after the completion of such test, and,

PROVIDED FURTHER, That prior to the time said well is dually / multiply completed the applicant shall furnish the Commission, for its approval, a drawing showing the proposed method and manner of completion, together with an electrical log showing the location and extent of each separate stratum yielding production, and the vertical footage location of the proposed perforations, and,

PROVIDED FURTHER, That upon the actual dual completion of such subject well, applicant shall submit to the Commission a diagrammatic sketch of the mechanical installation which was actually used to complete and produce the seal between the strata, and a special report of production, gas/oil ratio and reservoir pressure determination of each producing zone or stratum immediately following completion.

IT IS FURTHER ORDERED, That jurisdiction of this cause is hereby retained by the Commission for such further order or orders as may seem necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of applicant to comply with any requirement of this order after proper notice and hearing, the Commission may terminate the authority hereby granted and require applicant or its successors and assigness to limit its activities to regular single-zone production in the interests of conservation.

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

STATE OF NEW MEXICO

OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

R. R. SPURRIER, Secretary

SEAL