

*Entered March 18, 1964
A.H.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. 2971
Order No. R-1191-C

APPLICATION OF CAULKINS OIL COMPANY
FOR UNORTHODOX LOCATIONS, DUAL COM-
PLETIONS, AND EXPANSION OF A WATER-
FLOOD PROJECT, RIO ARriba COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on
January 22, 1964, at Santa Fe, New Mexico, before Examiner
Elvis A. Utz.

NOW, on this 5th day of February, 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, Caulkins Oil Company, seeks expan-
sion of the South Blanco Water Injection Project Area established
by Rule 11(a)-1 of the Special Rules and Regulations for the
South Blanco-Tocito Oil Pool promulgated by Order No. R-1191, as
amended by Order No. R-1191-A, to include the NE/4 of Section 10,
the N/2, E/2 SW/4 and SE/4 of Section 11, all of Section 12, the
N/2 of Section 13, and the N/2 of Section 14, Township 26 North,
Range 6 West, NMPM, Rio Arriba County, New Mexico.

(3) That since the issuance of Order No. R-1191-A, the
Secretary-Director of the Commission has granted administrative
approval of expansion of the project area to include the S/2 S/2
of Section 5, Township 26 North, Range 6 West, NMPM, Rio Arriba
County, New Mexico.

(4) That the applicant also seeks an exception to the
Special Rules and Regulations for the South Blanco-Tocito Oil
Pool to drill its Breech C Well No. D-189 at an unorthodox

-2-

CASE No. 2971

Order No. R-1191-C

location 1850 feet from the South line and 790 feet from the West line of said Section 12, and to drill its Breech C Well No. D-248 at an unorthodox location 1140 feet from the North line and 900 feet from the East line of said Section 13.

(5) That the applicant also seeks authority to complete its Breech C Well No. D-189 as a dual completion (conventional) to produce oil from the Tocito formation through 2 3/8-inch tubing and gas from the Dakota formation through 1 1/4-inch tubing, with separation of zones by a packer at approximately 7250 feet.

(6) That the applicant also seeks authority to complete its Breech C Well No. D-248 as a dual completion (conventional) to produce oil from the Tocito formation through 2 7/8-inch tubing and gas from the Dakota formation through the casing-tubing annulus by a crossover assembly with separation of zones by a packer at approximately 7200 feet.

(7) That the proposed expansion of the South Blanco Water Injection Project Area should result in increased ultimate recovery of oil, thereby preventing waste.

(8) That approval of the proposed unorthodox locations will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights.

(9) That the mechanics of the proposed dual completions are feasible and in accord with good conservation practices; that approval of the proposed dual completions will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That Rule 11(a)-1 of the Special Rules and Regulations for the South Blanco-Tocito Oil Pool promulgated by Order No. R-1191, as amended by Order No. R-1191-A, is hereby amended to read in its entirety as follows:

(a)-1. The project area shall comprise that area described as follows:

| <u>TOWNSHIP 26 NORTH, RANGE 6 WEST, NMPM</u> | |
|--|-------------------------|
| Section 3: | S/2 SW/4 |
| Section 4: | S/2 |
| Section 5: | S/2 S/2 |
| Section 6: | All |
| Section 7: | NE/4 |
| Section 8: | N/2 |
| Section 9: | N/2 and N/2 S/2 |
| Section 10: | N/2, N/2 SW/4, and SE/4 |

-3-

CASE No. 2971

Order No. R-1191-C

Section 11: All
Section 12: All
Section 13: N/2
Section 14: N/2

(2) That the applicant is hereby granted an exception to the Special Rules and Regulations for the South Blanco-Tocito Oil Pool to drill its Breech C Well No. D-189 at an unorthodox location 1850 feet from the South line and 790 feet from the West line of Section 12, and to drill its Breech C Well No. D-248 at an unorthodox location 1140 feet from the North line and 900 feet from the East line of Section 13, Township 26 North, Range 6 West, NMPM, South Blanco-Tocito Oil Pool, Rio Arriba County, New Mexico.

(3) That the applicant is hereby authorized to complete its Breech C Well No. D-189 as a dual completion (conventional) to produce oil from the Tocito formation through 2 3/8-inch tubing and gas from the Dakota formation through 1 1/4-inch tubing, with separation of zones by a packer at approximately 7250 feet; that the applicant is hereby authorized to complete its Breech C Well No. D-248 as a dual completion (conventional) to produce oil from the Tocito formation through 2 7/8-inch tubing and gas from the Dakota formation through the casing-tubing annulus by a crossover assembly with separation of zones by a packer at approximately 7200 feet.

PROVIDED HOWEVER, That the applicant shall complete, operate, and produce said wells 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 Deliverability Test Period for the Basin-Dakota Gas 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

Jack M. Campbell
JACK M. CAMPBELL, Chairman

E. S. Walker
E. S. WALKER, Member

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

S E A L

esr/