Entered deplemate dd. 1708 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. 1496 Order No. R-1242 APPLICATION OF TIDEWATER OIL COMPANY FOR AN ORDER AUTHORIZING AN OIL-OIL DUAL COMPLETION IN THE JUSTIS-DRINKARD POOL AND IN AN UNDESIGNATED MONTOYA POOL IN LEA COUNTY, NEW MEXICO. ORDER OF THE COMMISSION BY THE COMMISSION: This cause came on for hearing at 9 o'clock a.m. on August 20, 1958, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations. NOW, on this 17th day of September, 1958, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner Elvis A. Utz, and being fully advised in the premises, FINDS: That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof. That the applicant, Tidewater Oil Company, is the owner and operator of the A. B. Coates "C" Well No. 14, located 1650 feet from the North line and 2310 feet from the East line of Section 24, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico. That the applicant proposes to dually complete the said A. B. Coates "C" Well No. 14 in such a manner as to permit the production of oil from the Justis-Drinkard Pool and the production of oil from an undesignated Montoya pool through parallel strings of 2 3/8-inch EUE tubing.

- (4) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.
- (5) That approval of the subject application will not cause waste nor impair correlative rights.
 - (6) That the subject application should be approved.

IT IS THEREFORE ORDERED:

That the applicant, Tidewater Oil Company, be and the same is hereby authorized to dually complete its A. B. Coates "C" Well No. 14, located 1650 feet from the North line and 2310 feet from the East line of Section 24, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico, in such a manner as to permit the production of oil from the Justis-Drinkard Pool and the production of oil from an undesignated Montoya pool through parallel strings of 2 3/8-inch EUE tubing.

PROVIDED HOWEVER, That applicant shall complete, operate, and produce said well in accordance with the provisions of Section V, Rule 112-A, of the Commission Rules and Regulations.

PROVIDED FURTHER, That applicant shall take packer-leakage tests upon completion and annually thereafter during the Annual Gas-Oil Ratio Test Period for the Justis-Drinkard Pool, commencing in the year 1959, and whenever the packer is disturbed, but not excluding any other tests and/or determinations as deemed necessary by the Commission.

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

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authority hereby granted and require applicant or its successors and assigns 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

MURRAY E. MORGAN, Member

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

SEAL