Entired December 4, 1958

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. 1537 Order No. R-1289

APPLICATION OF THE PURE OIL COMPANY FOR AN OIL-GAS DUAL COMPLETION IN THE SOUTH VACUUM-DEVONIAN POOL AND IN AN UNDESIGNATED MCKEE GAS 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 November 19, 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 $26^{\frac{2t}{2}}$ day of November, 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:

(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 Pure Oil Company, is the owner and operator of the South Vacuum Unit Well No. 2-35, located 1980 feet from the South line and 660 feet from the East line of Section 35, Township 18 South, Range 35 East, NMPM, Lea County, New Mexico.

(3) That the applicant proposes to dually complete the above-described South Vacuum Unit Well No. 2-35 in such a manner as to permit the production of oil from the South Vacuum-Devonian Pool and the production of gas from an undesignated McKee gas pool through parallel strings of 2-inch EUE tubing.

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

-2-Case No. 1537 Order No. R-1289

(5) That approval of the subject application will not cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

That the applicant, The Pure Oil Company, be and the same is hereby authorized to dually complete its South Vacuum Unit Well No. 2-35, located 1980 feet from the South line and 660 feet from the East line of Section 35, Township 18 South, Range 35 East, NMPM, Lea County, New Mexico, in such a manner as to permit the production of oil from the South Vacuum-Devonian Pool and the production of gas from an undesignated McKee gas pool through parallel strings of 2-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.

PROVIDED FURTHER, That applicant shall take packerleakage tests upon completion and annually thereafter during the Annual Gas-Oil Ratio Test Period for the South Vacuum-Devonian Pool commencing in 1959.

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 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

7 hl

EDWIN L. MECHEM, Chairman

manya

MURRAY E. MORGAN, Member

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

SEAL

ir/