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. 1688 Order No. R-1423

Entered Harne 15, 1959 All P

APPLICATION OF ANDERSON-PRICHARD OIL CORPORATION FOR AN ORDER AUTHORIZING A GAS-OIL DUAL COMPLETION IN THE JALMAT GAS POOL AND IN THE RHODES POOL, LEA COUNTY, NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on June 3, 1959, at Santa Fe, New Mexico, before Daniel S. Nutter, 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 <u>9th</u> day of June, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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, Anderson-Prichard Oil Corporation, is the owner and operator of the State "A-28" Well No. 1, located in the SE/4 NE/4 of Section 28, Township 26 South, Range 37 East, NMPM, Lea County, New Mexico, which well is within the horizontal limits of the Jalmat Gas Pool.

(3) That the applicant proposes to dually complete the said State "A-28" Well No. 1 in such a manner as to permit the production of gas from the Upper Yates formation of the Jalmat Gas Pool and the production of oil from the Rhodes Pool through the casing-tubing annulus and the tubing, respectively.

(4) That the perforated interval for gas production in the said State "A-28" Well No. 1 will be within the vertical limits of the Jalmat Gas Pool, and said well, insofar as the completion in the Upper Yates formation is concerned, should be subject to all the provisions governing wells in said Jalmat Gas Pool.

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

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(6) That approval of the subject application will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Anderson-Prichard Oil Corporation, be and the same is hereby authorized to dually complete its State "A-28" Nell No. 1, located in the SE/4 NE/4 of Section 28, Township 26 South, Range 37 East, NMPM, Lea County, New Mexico, in such a manner as to permit the production of gas from the Upper Yates formation of the Jalmat Gas Pool and the production of oil from the Rhodes Pool through the casing-tubing annulus and the tubing, respectively.

(2) That insofar as the completion in the Upper Yates formation is concerned, the said State "A-28" Well No. 1 shall be subject to all the provisions governing wells in the Jalmat Gas Pool.

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

<u>PROVIDED FURTHER</u>, That applicant shall take packer-leakage tests upon completion and annually thereafter during the Annual Gas-Oil Ratio Test Period for the Rhodes Pool.

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

JOHN BURROUGHS, Chairman

MURRAY E. MORGAN, Member

PORTER, Jr., Member & Secretary

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