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. 1800 Order No. R-1521

APPLICATION OF SUNRAY MID-CONTINENT OIL COMPANY FOR AN OIL-OIL DUAL COMPLETION IN THE PENROSE-SKELLY POOL AND IN THE DRINKARD 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 October 28, 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 12th day of November, 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 is the owner and operator of the D. Hardy Well No. 2, located 1980 feet from the North line and 1980 feet from the West line of Section 29, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That the applicant proposes to dually complete the above-described D. Hardy Well No. 2 in such a manner as to permit the production of oil from the Penrose-Skelly Pool and the production of oil from the Drinkard Pool through parallel strings of 2-3/8 inch O.D. tubing.
- (4) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.

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- That approval of the subject application will neither **(5)** cause waste nor impair correlative rights.
- That Order No. R-1463, authorizing the dual completion of the subject well in the Paddock Pool and in the Drinkard Pool should be rescinded.

IT IS THEREFORE ORDERED:

(1) That the applicant be and the same is hereby authorized to dually complete its D. Hardy Well No. 2, located 1980 feet from the North line and 1980 feet from the West line of Section 29, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, in such a manner as to permit the production of oil from the Penrose-Skelly Pool and the production of oil from the Drinkard Pool through parallel strings of 2-3/8 inch 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 packer-leakage tests upon completion and annually thereafter during the Annual Gas-Oil Ratio Test Period for the Drinkard 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.

(2) That Order No. R-1463, authorizing the dual completion of the subject well in the Paddock Pool and in the Drinkard Pool, be and the same is hereby rescinded.

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

SEAL

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