BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

Carlend Neconder 31, 1959 Q.L.P.

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE No. 1813 Order No. R-1542

APPLICATION OF GULF OIL CORPO-RATION FOR A GAS-OIL DUAL COM-PLETION IN AN UNDESIGNATED ABO GAS POOL AND IN THE TEAGUE (SIMPSON) POOL, LEA COUNTY, NEW MEXICO, AND TO COMMINGLE THE LIQUID HYDROCARBON PRO-DUCTION FROM SAID POOLS

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 24, 1959, 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 10th day of December, 1959, 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 is the owner and operator of the G. G. Travis Well No. 1, located 1980 feet from the South line and 660 feet from the East line of Section 21, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant proposes to dually complete the above-described G. G. Travis Well No. 1 in such a manner as to permit the production of gas from an undesignated Abo pool through the casing-tubing annulus, the production of oil from the Teague (Simpson) Pool through 2-3/8 inch tubing, and the injection of a portion of said Abo gas through 2-3/8 inch tubing to gas-lift the Teague oil. -2-Case No. 1813 Order No. R-1542

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

(5) That the applicant further proposes to commingle the Abo and Teague liquid hydrocarbon production from said G. G. Travis Well No. 1 without separately metering the production from each pool prior to commingling.

(6) That the applicant should be permitted to commingle the Abo liquid hydrocarbons and the Teague (Simpson) oil without separate metering until such time as either zone becomes a top allowable oil well; provided, however, that the Abo gas should be separately metered prior to reinjection.

IT IS THEREFORE ORDERED:

(1) That the applicant be and the same is hereby authorized to dually complete the G. G. Travis Well No. 1, located 1980 feet from the South line and 660 feet from the East line of Section 21, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico, in such a manner as to permit the production of gas from an undesignated Abo pool through the casing-tubing annulus, the production of oil from the Teague (Simpson) Pool through 2-3/8 inch tubing, and the injection of a portion of said Abo gas through 2-3/8 inch tubing to gas-lift the Teague oil.

<u>PROVIDED HOWEVER</u>, 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 Teague (Simpson) 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 the applicant be and the same is hereby authorized to commingle the Abo and the Teague liquid hydrocarbon production from said G. G. Travis Well No. 1 without separately metering the oil production from each pool prior to commingling, provided that the Abo gas shall be separately metered prior to reinjection. -3-Case No. 1813 Order No. R-1542

PROVIDED HOWEVER, That in the event that either zone in the subject well becomes a top unit allowable oil well, the production from each of said pools shall be separately metered prior to commingling.

PROVIDED FURTHER, That each zone in the subject well shall be tested every six months to determine its gas-oil ratio and its ability to produce.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION -The ngel 0 JOHN BURROUGHS, Chairman

MURRAY E. MORGAN, Member

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

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