Entered June 8, 1967

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. 3575 Order No. R-3255

APPLICATION OF HARVEY E. YATES FOR A TRIPLE COMPLETION, EDDY COUNTY, NEW MEXICO.

## ORDER OF THE COMMISSION

## BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 24, 1967, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 8th day of June, 1967, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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, Harvey E. Yates, seeks approval for the triple completion of his Stebbins Deep Federal Well No. 1, located in Unit H of Section 30, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico, to produce oil from the Scanlon-Delaware Oil Pool through one string of tubing and to selectively produce gas from an undesignated Strawn gas pool and from an undesignated Morrow gas pool through another string of tubing.

(3) That the oil production zone will be segregated from the gas zones by packers set at approximately 3304 feet and 10,476 feet and a choke plug installed in the oil production string.

(4) That the Strawn gas zone will be segregated from the Morrow gas zone by a packer set at approximately 11,250 feet,

-2-CASE No. 3575 Order No. R-3255

sliding doors installed in the gas production string between the 10,476-foot and 11,250-foot packers and an Otis "PN" plug installed in the gas production string below the 11,250-foot packer.

(5) That the mechanics of the proposed triple completion are feasible and in accord with good conservation practices provided the operation of the subject well is conducted in a manner to ensure there will be no communication, within the well bore, among the various pools.

(6) That to ensure there is no communication between the two gas zones in the subject well, one gas zone should be depleted before production from the other gas zone is begun.

(7) That the subject well is a marginal producer in the Morrow zone.

(8) That approval of the subject application should result in the recovery of otherwise unrecoverable hydrocarbons, thereby preventing waste.

(9) That an administrative procedure should be established whereby the operator of the subject well can receive authority to change gas production from one gas zone to the other gas zone upon depletion of the gas zone first produced.

## IT IS THEREFORE ORDERED:

(1) That the applicant, Harvey E. Yates, is hereby authorized to complete his Stebbins Deep Federal Well No. 1, located in Unit H of Section 30, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico, as a triple completion to produce oil from the Scanlon-Delaware Oil Pool through one string of tubing and to produce gas from an undesignated Strawn gas pool and an undesignated Morrow gas pool through a second string of tubing with separation of zones by packers set at approximately 3304 feet, 10,476 feet, 11,250 feet, a choke plug installed in the oil production string, and sliding doors and an Otis "PN" plug installed in the gas production string;

PROVIDED HOWEVER, that the operator of the subject well shall produce one gas zone to depletion before commencing production from the other gas zone;

<u>PROVIDED FURTHER</u>, that the operator of the subject well shall, prior to commencement of production, notify the Artesia District

-3-CASE No. 3575 Order No. R-3255

Office of the Commission in writing which gas zone in the subject well is to be produced first and shall not produce the other gas zone without prior approval by the Commission;

PROVIDED FURTHER, that it shall be the responsibility of the operator of the subject well to contact the Artesia District Office of the Commission prior to commencement of production from the subject well in order that the Commission can witness the shutting in of one gas zone.

That the Secretary-Director of the Commission is hereby (2)authorized to approve the changing of gas production from one zone to the other zone in the subject well.

To obtain administrative approval to change gas production from one zone to the other zone, the operator of the subject well shall notify the Commission in writing that one zone has been depleted.

That it shall be the responsibility of the operator of (3) the subject well to contact the Artesia District Office of the Commission prior to the changing of gas production from one zone to the other zone in order that the Commission can witness the changeover.

That the applicant shall complete, operate, and produce (4) said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with this order.

That jurisdiction of this cause is retained for the (5) entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO OHL CONSERVATION COMMISSION DAVID F. CARGO. Cha rman GUYNON B HAY Inber Clla Â.

SEAL

PORTER, Jr., Member & Secretary

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