

*Entered June 24, 1968*  
*A.L.P.*

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. 3751  
Order No. R-3439

APPLICATION OF PENNZOIL COMPANY  
FOR A DUAL COMPLETION, TUBING  
EXCEPTION, AND A NON-STANDARD  
GAS WELL LOCATION OR NON-STANDARD  
GAS PRORATION UNIT, LEA COUNTY,  
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 8 a.m. on May 22, 1968,  
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 24th day of June, 1968, 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, Pennzoil Company, seeks authority to  
complete its Hudson Federal 29 Well No. 1, located 660 feet from  
the North line and 1980 feet from the East line of Section 29,  
Township 18 South, Range 33 East, NMPM, South Corbin Field, Lea  
County, New Mexico, as a dual completion (conventional) to produce  
oil from the Wolfcamp formation through 1.38-inch ID tubing and  
gas from the Morrow formation through 2-inch tubing.

(3) That the applicant also seeks an exception to the tubing  
requirements of Commission Rule 107 to permit said 1.38-inch tubing  
to be set more than 250 feet above the top of said pay.

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(4) That the applicant further seeks approval of the non-standard location for said well in the South Corbin-Morrow Gas Pool and the dedication of the E/2 of said Section 29, or in the alternative, approval for a non-standard gas proration unit for the subject well comprising the E/2 NW/4 and the NE/4 of said Section 29.

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

(6) That the setting of the 1.38-inch ID tubing more than 250 feet above the pay as proposed by the applicant will not cause waste.

(7) That the subject well was drilled at a standard oil well location to test the Strawn formation but was unproductive in the Strawn formation, and was subsequently completed in the Morrow and Wolfcamp formations.

(8) That the applicant should be authorized to complete the subject well at an unorthodox gas well location in the South Corbin-Morrow Gas Pool and to dedicate the E/2 of said Section 29 to said well as proposed.

(9) That approval of the subject application will prevent the drilling of unnecessary wells, will avoid the augmentation of risk arising from the drilling of an excessive number of wells, will prevent reduced recovery which might result from the drilling of too few wells, will afford the applicant the opportunity to produce its just and equitable share of the oil and gas in the subject pools, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Pennzoil Company, is hereby authorized to complete its Hudson Federal 29 Well No. 1 at an unorthodox location 660 feet from the North line and 1980 feet from the East line of Section 29, Township 18 South, Range 33 East, NMPM, South Corbin Field, Lea County, New Mexico, as a dual completion (conventional) to produce oil from the Wolfcamp formation through 1.38-inch ID tubing set at approximately 10,394 feet and gas from the Morrow formation through 2-inch tubing set at approximately 13,101 feet, with separation of zones by a packer set at approximately 13,096 feet, and to dedicate the E/2 of said Section 29 to said Morrow completion;

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PROVIDED HOWEVER, that the applicant shall complete, operate, and produce 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;

PROVIDED FURTHER, that the applicant shall take packer-leakage tests upon completion and annually thereafter during the Annual Shut-In Pressure Test Period for the Morrow formation.

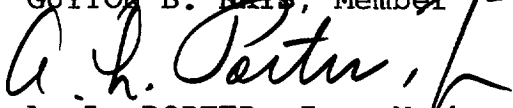
(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

  
GUYTON B. HAYS, Member

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

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