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. 558 Order No. R-352

THE MATTER OF THE APPLICATION OF PHILLIPS PETROLEUM COMPANY FOR PERMISSION TO EFFECT DUAL COMPLETION OF ITS DENTON NO. 12 WELL, LOCATED IN SW/4 NW/4, SECTION 11, TOWNSHIP 15 SOUTH, RANGE 37 EAST, NMPM, LEA COUNTY, NEW MEXICO (IN THE DENTON FIELD) IN SUCH A MANNER AS TO PERMIT PRODUCTION OF OIL FROM THE DEVONIAN FORMATION THROUGH EXISTING PERFORATIONS, 12,600 FEET TO 12,700 FEET, AND OIL FROM THE WOLFCAMP FORMATION AFTER PERFORATING AT 9350 FEET TO 9590 FEET.

ORDER OF THE COMMISSION

BY THE COMMISSION :

This cause came on for hearing at 9 o'clock a.m. on July 16, 1953, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 28th day of August, 1953, the Commission, a quorum being present, having considered the application and the testimony adduced at said hearing, 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.

(2) That dual completion of the Denton No. 12 Well located in the SW/4 NW/4, Section 11, Township 15 South, Range 37 East, NMPM, Lea County, New Mexico, (in the Denton Field) for production of oil from the Denton-Wolfcamp formation, and oil from the Denton-Devonian formation would be subject to the operational hazards incident to great depth.

(3) That there exists between the two reservoirs a considerable pressure differential, and, should interzone communication occur from any cause, the deeper Devonian Reservoir with the higher pressure would be injured.

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(4) That testimony adduced clearly shows that packer and other mechanical failures in oil-oil dual completions at various depths in other areas, under conditions similar to those existing in the Denton Field, have caused interzone communication.

(5) That dual oil-oil completion of the subject well would under the circumstances not only be conducive of waste, but adversely affect correlative rights, and should be denied.

IT IS THEREFORE ORDERED:

That the application of Phillips Petroleum Company for permission to dually complete its Denton No. 12 Well, located in the SW/4 NW/4 of Section 11, Township 15 South, Range 37 East, NMPM, for production of oil from the Denton-Wolfcamp formation, and oil from the Denton-Devonian formation be, and the same hereby is denied.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

E. S. WALKER, Member

R. R. SPURRIER, Secretary

SEAL