Entered Wetaker 6,1970

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. 4431 Order No. R-4037

APPLICATION OF WILLIAM A. AND EDWARD R. HUDSON FOR UNORTHODOX WELL LOCATIONS AND A DUAL COMPLETION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 30, 1970, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 6th day of October, 1970, 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 applicants, William A. and Edward R. Hudson, seek an exception to the Special Rules and Regulations governing the Baish-Wolfcamp and Maljamar-Abo Pools to drill a well at an unorthodox location for said pools 660 feet from the South line and 1980 feet from the West line of Section 15, Township 17 South, Range 32 East, NMPM, Lea County, New Mexico.
- (3) That the applicants also seek authority to complete the subject well as a dual completion (conventional) to produce oil from the Baish-Wolfcamp and Maljamar-Abo Pools through parallel strings of 2 1/16-inch tubing, with separation of the zones by a packer set at approximately 9700 feet.
- (4) That the evidence indicates that a well drilled at the proposed non-standard location should encounter the productive

-2-CASE No. 4431 Order No. R-4037

formations higher than a well drilled at a standard location and should, therefore, result in greater ultimate recovery of oil, thereby preventing waste.

- (5) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.
- (6) That approval of the subject application will afford the applicants the opportunity to produce their just and equitable share of the oil in the pools, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

- (1) That the applicants, William A. and Edward R. Hudson, are hereby granted an exception to the Special Rules and Regulations governing the Baish-Wolfcamp and Maljamar-Abo Pools to drill a well at an unorthodox location for said pools 660 feet from the South line and 1980 feet from the West line of Section 15, Township 17 South, Range 32 East, NMPM, Lea County, New Mexico.
- (2) That the applicants are hereby authorized to complete the subject well as a dual completion (conventional) to produce oil from the Baish-Wolfcamp and Maljamar-Abo Pools through parallel strings of 2 1/16-inch tubing, with separation of the zones by a packer set at approximately 9700 feet;

PROVIDED HOWEVER, that the applicants 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 applicants shall take packer-leakage tests upon completion and annually thereafter during the Annual Gas-Oil Ratio Test Period for the Baish-Wolfcamp Pool.

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

-3-CASE No. 4431 Order No. R-4037

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

STATE OF NEW MEXICO

OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

ALEX J. ARMIJO, Member

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

S E A L