Entered September 18, 1912 alp

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. 4817 Order No. R-4396

APPLICATION OF PHILLIPS PETROLEUM CORPORATION FOR A DUAL COMPLETION, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on September 13, 1972, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>18th</u> day of September, 1972, 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, Phillips Petroleum Company, seeks authority to complete its Drag "B" Well No. 1, located in Unit K of Section 18, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico, as a dual completion (conventional) to produce gas from an undesignated Canyon gas pool through the casing-tubing annulus and from the South Carlsbad-Morrow Gas Pool through 2 7/8-inch tubing with separation of zones by a packer set at approximately 11,380 feet.

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

(4) That approval of the subject application will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Phillips Petroleum Company, is hereby authorized to complete its Drag "B" Well No. 1, located in Unit K of Section 18, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico, as a dual completion (conventional) to -2-CASE NO. 4817 Order No. R-4396

produce gas from an undesignated Canyon gas pool through the casing-tubing annulus and from the South Carlsbad-Morrow Gas Pool through 2 7/8-inch tubing with separation of zones by a packer set at approximately 11,380 feet;

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 packerleakage tests upon completion and annually thereafter during the Annual Shut-in Test Period for the South Carlsbad-Morrow Gas Pool.

(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 OLL CONSERVATION COMMISSION

NP BRUCE KING, Chairman mag ARMIJO, Member PORTER, Jr., Member & Secretary

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