

Entered March 21, 1973
R.H.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. 4918
Order No. R-4497

APPLICATION OF TWINLAKES OIL
COMPANY FOR A DUAL COMPLETION
AND SALT WATER INJECTION,
CHAVES COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 14, 1973, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 21st day of March, 1973, 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, Twinlakes Oil Company, seeks authority to complete its O'Brien "C" Well No. 3, located in Unit K of Section 1, Township 9 South, Range 28 East, NMPM, Chaves County, New Mexico, as a dual completion (tubingless) to permit the production of oil from the Twinlakes-San Andres Pool and the injection of produced Devonian salt water into the Devonian formation, Twin Lakes-Devonian Pool, Chaves County, New Mexico, through parallel strings of 2 7/8-inch casing cemented in a common wellbore.

(3) That within the approximate interval from 2718 feet to 5800 feet there is no cement behind the 2 7/8-inch casing string.

(4) That to ensure that the injected salt water does not escape into this interval, the injection should be monitored by means of a pressure gauge and a corrosion measurement device.

(5) That the results of said monitoring should be submitted monthly to the Commission and that an administrative procedure should be provided to extend said reporting period after one year from the date of first injection.

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

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

IT IS THEREFORE ORDERED:

(1) That the applicant, Twinlakes Oil Company, is hereby authorized to complete its O'Brien "C" Well No. 3, located in Unit K of Section 1, Township 9 South, Range 28 East, NMPM, Chaves County, New Mexico, as a dual completion (tubingless) to permit the production of oil from the Twinlakes-San Andres Pool and the injection of produced Devonian salt water into the Devonian formation, Twin Lakes-Devonian Pool, Chaves County, New Mexico, through parallel strings of 2 7/8-inch casing cemented in a common wellbore.

PROVIDED HOWEVER, that the injection shall be monitored by means of a pressure gauge and an acceptable corrosion measurement device; that the results of said monitoring shall be reported monthly to the Artesia district office of the Commission; 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 zone segregation tests upon completion and annually thereafter during the Annual Gas-Oil Ratio Test Period for the Twin Lakes-San Andres Pool.

(2) That after one year from the date of first injection, the Secretary-Director of the Commission may modify the provisions of Order (1) above to permit less frequent reporting of corrosion monitoring provided that a written application for modification is submitted, and that such application presents substantial evidence that corrosion rates in the injection casing are minimal.

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


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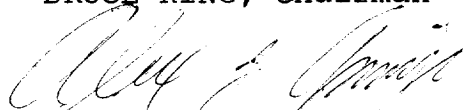
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DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


BRUCE KING, Chairman


ALEX J. ARMIJO, Member


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

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