

*Entered August 23, 1973*  
*A.L.O.*

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. 5038  
Order No. R-4620

APPLICATION OF TWINLAKES OIL COMPANY  
FOR A DUAL COMPLETION, AND EXCEPTION  
TO ORDER NO. R-3221, CHAVES COUNTY,  
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on July 25, 1973, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 23rd day of August, 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 produce oil from the Twin Lakes-San Andres Pool and gas from an undesignated Cisco Gas Pool through parallel strings of 2 7/8-inch casing cemented in a common well-bore.

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

(4) That the applicant further seeks an exception to Order (3) of Commission Order No. R-3221 to permit the disposal of water produced with the Cisco gas production in unlined pits.

(5) That the evidence presented indicates that there are no water wells within five miles of the subject pits.

(6) That numerous unsuccessful attempts to develop water wells have been made in the subject area.

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(7) That there appears to be no water in the vicinity of the subject unlined surface pits for which a present or reasonably foreseeable beneficial use is or will be made that would be impaired by contamination.

(8) That the application for the exception to Order (3) of Commission Order No. R-3221 should be approved for a temporary period of one year in order to permit the applicant to evaluate the production of gas and water from said undesignated Cisco Gas Pool.

(9) That this case should be reopened at an examiner hearing in September, 1974, at which time the applicant should appear and show cause why the water produced from the undesignated Cisco gas pool should not be subject to Order (3) of Commission Order No. R-3221.

(10) That Commission Order No. R-4497, which previously authorized the dual completion of the subject well in the San Andres and Devonian formations, should be superseded.

(11) That approval of the subject application will not cause waste nor violate 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 produce oil from the Twin Lakes-San Andres Pool and gas from an undesignated Cisco Gas Pool through parallel strings of 2 7/8-inch casing cemented in a common well-bore.

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 zone segregation tests upon completion and annually thereafter during the Annual Gas Well Shut-In Test Period for the undesignated Cisco Gas Pool.

(2) That the applicant is hereby granted an exception to Order (3) of Commission Order No. R-3221 for a temporary period of one year to dispose of water produced in conjunction with the production of gas from the subject undesignated Cisco Gas Pool in unlined pits in Section 36, Township 8 South, Range 28 East, and Section 1, Township 9 South, Range 28 East, NMPM, Chaves County, New Mexico.

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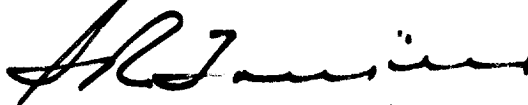
(3) That this case shall be reopened at an examiner hearing in September, 1974, at which time the applicant may appear and show cause why water produced from said undesignated gas pool should not be subject to Order (3) of Commission Order No. R-3221.

(4) That Commission Order No. R-4497 is hereby superseded.


(5) 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

  
I. R. TRUJILLO, Chairman

  
ALEX J. ARMIJO, Member

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

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