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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. 5204 Order No. R-4766

> > ſ

APPLICATION OF CITIES SERVICE OIL COMPANY FOR A DUAL COMPLETION, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 10, 1974, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>16th</u> day of April, 1974, 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, Cities Service Oil Company, seeks authority to complete its Government T Well No. 1, located in Unit C of Section 14, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico, as a dual completion (conventional) to produce gas from the Wolfcamp formation through the casingtubing annulus and thence, by means of a crossover assembly, through tubing to the surface, and gas from the Morrow formation through tubing and thence, by means of a crossover assembly, through tubing and thence, by means of a crossover assembly, through the casing-tubing annulus to the surface, with separation of the zones achieved by means of a packer set at approximately 10,987 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, Cities Service Oil Company, is hereby authorized to complete its Government T Well No. 1, located in Unit C of Section 14, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico, as a dual completion -2-CASE NO. 5204 Order No. R-4766

(conventional) to produce gas from the Wolfcamp formation through the casing-tubing annulus and thence, by means of a crossover assembly, through tubing to the surface, and gas from the Morrow formation through tubing and thence, by means of a crossover assembly, through the casing-tubing annulus to the surface, with separation of the zones achieved by means of a packer set at approximately 10,987 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 Pressure Test Period for gas wells in Southeastern New Mexico.

(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 OIL CONSERVATION COMMISSION

I. R. TRUJILLO, Chairman

ARMIJO lember

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

SEAL

jr/