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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. 5302 Order No. R-4853

APPLICATION OF SUN OIL COMPANY FOR TWO DUAL COMPLETIONS AND EXCEPTIONS TO RULE 107 D-3, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 27, 1974, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 10th day of September, 1974, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, 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, Sun Oil Company, is the operator of the Walter Lynch Wells Nos. 1 and 3 located in Units K and M of Section 1, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That each of said wells is completed with a 5-inch lower string of casing in the Drinkard and the Wantz-Granite Wash Pools.
- (4) That the upper perforations in the Drinkard Pool in the Walter Lynch Well No. 1 are at a depth of approximately 6840 feet and the upper perforations in the Wantz-Granite Wash Pool in said well are at a depth of approximately 7442 feet.
- (5) That the applicant proposes to dually complete its Walter Lynch Well No. 1 by setting packers at approximately 5004 feet and 7139 feet to produce the Drinkard Pool through tubing set at 5004 feet and the Wantz-Granite Wash Pool through tubing set at 7139 feet.

-2-Case No. 5302 Order No. R-4853

- That in this proposed completion, the Drinkard tubing string is set approximately 1836 feet above the Drinkard perfora-
- That the upper perforations in the Drinkard Pool in the Walter Lynch Well No. 3 will be at a depth of approximately 6242 feet and the upper perforations in the Wantz-Granite Wash Pool in said well are at a depth of approximately 7165 feet.
- That the applicant proposes to dually complete its Walter Lynch Well No. 3 by setting packers at approximately 4900 feet and 7049 feet to produce the Drinkard Pool through tubing set at 4900 feet and the Wantz-Granite Wash Pool through tubing set at 7049 feet.
- (9) That in this proposed completion, the Drinkard tubing string is set approximately 1342 feet above the Drinkard perforations.
- (10) That the applicant further seeks an exception to Commission Rule 107-D-3 which requires inter alia that tubing shall not be set more than 250 feet above the top of the pay.
- That granting the application would authorize production of the Drinkard in the Walter Lynch Wells Nos. 1 and 3 through the casing-tubing annulus for distances in excess of 1800 feet and 1300 feet, respectively.
- That there is a danger that the production of oil through the casing-tubing annulus as proposed in the subject application would be inefficient, result in underground waste, and impair correlative rights and that the subject application should, therefore, be denied.

IT IS THEREFORE ORDERED:

- (1) That the application of Sun Oil Company in Case 5302 be and the same is hereby denied.
- 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

TRUJILLO Chairman

SEAL

dr/

Jr., Member & Secretary