

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF THE STATE OF NEW
MEXICO FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 801
Order No. R-590

THE APPLICATION OF SKELLY OIL
COMPANY FOR AN ORDER GRANTING
PERMISSION TO DUALY COMPLETE
ITS BAKER "B" WELL NO. 15 IN THE
BLINEBRY GAS POOL AND THE TUBB
GAS POOL, AND TO ESTABLISH A 240-
ACRE NON-STANDARD GAS PRORATION
UNIT CONSISTING OF THE SW/4 AND
THE W/2 SE/4 OF SECTION 10, TOWNSHIP
22 SOUTH, RANGE 37 EAST, NMPM, LEA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on December 16, 1954, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 25th day of February 1955, the Commission, a quorum being present, having considered the evidence and testimony adduced, and being fully advised in the premises,

FINDS:

(1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.

(2) That the applicant, Skelly Oil Company, is owner of an oil and gas lease in Lea County, New Mexico, the land consisting of:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
SW/4, W/2 SE/4 of Section 10

containing 240 acres, more or less, lying within the horizontal limits of the Blinebry and Tubb Gas Pools.

(3) That additional testimony and evidence are necessary with regard to the formation of a proration unit in excess of 160-acres in either the Blinebry or Tubb Gas Pools, to enable the Commission to render a decision on this portion of the application.

(4) That the mechanics of the proposed dual completion as outlined by applicant are feasible and in good practice.

Entered March 2, 1955
Bohannon

IT IS THEREFORE ORDERED:

(1) That the portion of the case concerned with the formation of a non-standard gas proration unit in the Tubb and Blinebry Gas Pools be, and the same hereby is, reopened for hearing before the Commission.

(2) That said hearing shall be held at Santa Fe, New Mexico, on March 16, 1955, at which time and place additional testimony and evidence will be received in this cause.

IT IS FURTHER ORDERED:

That the applicant herein, Skelly Oil Company, be and it hereby is authorized to dually complete and produce its Baker "B" Well No. 15, located in the NW/4 SE/4 of Section 10, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico, in such a manner that the gas from the Tubb formation of the Tubb Gas Pool may be produced through the tubing from below the packer, and the gas from the Blinebry formation of the Blinebry Gas Pool may be produced through a second string of tubing from perforations above the packer; by proper perforation of the casing, and the installation of a suitable down-hole packer and suitable surface wellhead equipment for separating, and maintaining the separation of the gas from the Blinebry zone and the gas from the Tubb zone.

PROVIDED, HOWEVER, That upon the actual dual completion of such subject well applicant shall submit to the District Office of the Commission in which the subject well is located Form C-103, Form C-104, Form C-110 and Form C-122 outlining the information required on these forms by existing Rules and Regulations.

PROVIDED, HOWEVER, That subject well shall be completed, and thereafter produced, in such a manner that there will be no commingling within the well bore, either within or outside the casing of gas, oil and gas, or oil produced from either or both of the separate strata, and

PROVIDED FURTHER, That said subject well for dual completion and production shall be equipped in such a way that reservoir pressures may be determined separately for each of the two specified strata, and further, be equipped with all necessary connections required to permit recording meters to be installed and used, at any time, as may be required by the Commission or its representatives, in order that natural gas, oil, or oil and gas from each separate stratum may be accurately measured and the gas-oil ratio thereof determined, and

PROVIDED FURTHER, That the operator applicant shall make any and all tests, including segregation tests, but not excluding other tests and/or determinations at any convenient time and in such manner as deemed necessary by the Commission; the original and all subsequent tests shall be witnessed by representatives of offset operators, if any there be, at their election, and the results of each test properly attested to by the applicant herein and all witnesses, and shall be filed with the Commission within ten (10) days after the completion of such test, and,

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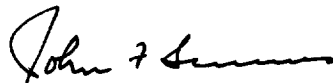
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PROVIDED FURTHER, That upon the actual dual completion of such subject well, applicant shall submit to the Commission a diagrammatic sketch of the mechanical installation which was actually used to complete and produce the seal between the strata, and a special report of production, gas/oil ratio and reservoir pressure determination of each producing zone or stratum immediately following completion.

IT IS FURTHER ORDERED: That jurisdiction of this cause is hereby retained by the Commission for such further order or orders as may seem necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of applicant to comply with any requirement of this order after proper notice and hearing, the Commission may terminate the authority hereby granted and require applicant or its successors and assigns to limit its activities to regular single-zone production in the interests of conservation.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



JOHN F. SIMMS, Chairman



E. S. WALKER, Member



W. B. MACEY, Member and Secretary

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