Entered February 28, 1979

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

CASE NO. 6419 Order No. R-5928

APPLICATION OF YATES PETROLEUM CORPORATION FOR A DUAL COMPLETION, EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on February 14, 1979, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 28th day of February, 1979, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Yates Petroleum Corporation, seeks authority to complete its Lanning JC Well No. 1, located in Unit B of Section 7, Township 18 South, Range 26 East, NMPM, Eagle Creek Field, Eddy County, New Mexico, as a dual completion (conventional) to produce gas from the Strawn formation through the casing-tubing annulus and from the Morrow formation through tubing with separation of the zones to be achieved by means of a packer set at approximately 8486 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.

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IT IS THEREFORE ORDERED:

(1) That the applicant, Yates Petroleum Corporation, is hereby authorized to complete its Lanning JC Well No. 1, located in Unit B of Section 7, Township 18 South, Range 26 East, NMPM, Eagle Creek Field, Eddy County, New Mexico, as a dual completion (conventional) to produce gas from the Strawn formation through the casing-tubing annulus and from the Morrow formation through tubing with a packer set at approximately 8486 feet.

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Division Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take packer leakage tests upon completion and annually thereafter during the Annual Shut-In Pressure Test Period for the Morrow formation.

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

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

JOE D. RAMEY Director

SEAL