

Entered September 10, 1980  
JHR

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. 7010  
Order No. R-6462

APPLICATION OF AMOCO PRODUCTION  
COMPANY FOR A DUAL COMPLETION,  
UNORTHODOX WELL LOCATION, AND  
SIMULTANEOUS DEDICATION, LEA  
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on August 20, 1980,  
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 10th day of September, 1980, 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, Amoco Production Company, seeks  
authority to complete its Myers "B" Federal Well No. 28 at an  
unorthodox location 330 feet from the South line and 420 feet  
from the West line of Section 9, Township 24 South, Range 37  
East, NMPM, Lea County, New Mexico, as a dual completion  
(conventional) to produce gas from the Jalmat Gas Pool and oil  
from the Langlie Mattix Pool, through the casing-tubing annulus  
and through tubing, respectively.

(3) That the applicant further seeks to simultaneously  
dedicate a previously approved 160-acre non-standard Jalmat  
gas proration unit consisting of the SW/4 of said Section 9 to  
the above-described well and to its Myers B Federal Well No.  
13 located in Unit L of said Section 9.

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(4) That a well at said unorthodox location will better enable applicant to produce the gas underlying the proration unit.

(5) That no offset operator objected to the proposed unorthodox location and simultaneous dedication.

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

(7) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Amoco Production Company, is hereby authorized to complete its Myers "B" Federal Well No. 28 at an unorthodox location 330 feet from the South line and 420 feet from the West line of Section 9, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) to produce gas from the Jalmat Gas Pool through the casing-tubing annulus and oil from the Langlie Mattix Pool through tubing with separation of the zones to be accomplished by means of a packer set at approximately 3200 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 Gas-Oil Ratio Test Period for the Langlie Mattix Pool.

(2) That the SW/4 of said Section 9 shall be simultaneously dedicated to the above-described well and to applicant's Myers "B" Federal Well No. 13 located in Unit L of said Section 9.

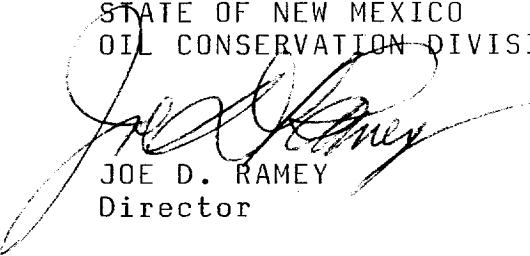
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(3) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



JOE D. RAMEY  
Director

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