

Entered December 17, 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. 7077
Order No. R-6539

APPLICATION OF THRESHOLD DEVELOPMENT
COMPANY 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 December 10, 1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 17th day of December, 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, Threshold Development Company, seeks authority to complete its Conoco "10" State Com Well No. 1, located in Unit I of Section 10, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico, as a dual completion (conventional) to produce oil from the Wolfcamp formation and gas from the Atoka formation through parallel strings of tubing.

(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, Threshold Development Company, is hereby authorized to complete its Conoco "10" State Com Well No. 1, located in Unit I of Section 10, Township 19 South, Range 29

-2-

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East, NMPM, Eddy County, New Mexico, as a dual completion (conventional) to produce oil from the Wolfcamp formation and gas from the Atoka formation through parallel strings of tubing with separation of the zones to be achieved by means of a packer set at a depth of approximately 10,650 feet.

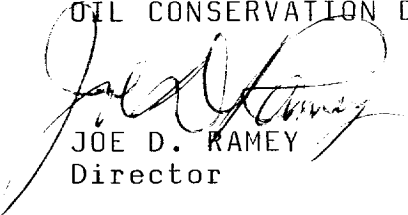
PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Division Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take packer leakage tests upon completion and annually thereafter during the Annual Shut-In Pressure Test Period for gas wells in Southeast New Mexico.

(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 herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



JOE D. RAMEY
Director

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