

Entered April 3, 1981  
JMR

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. 7200  
Order No. R-6641

APPLICATION OF ESTORIL PRODUCING  
CORPORATION FOR A DUAL COMPLETION,  
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on March 25, 1981, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 7th day of April, 1981, 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, Estoril Producing Corporation, seeks authority to complete its Belco Federal Well No. 1, located in Unit 0 of Section 15, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) to produce gas and gas liquids from the Strawn and Morrow formations, Antelope Ridge Field, 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 the tubing string for the Strawn zone is set some 648 feet above the uppermost Strawn perforation and the Morrow tubing string is set some 308 feet above the top of the Morrow open hole pay section.

(5) That an exception to the tubing depth requirements of Rule 107(d) should not cause waste nor impair correlative rights and should be approved.



-2-  
Case No. 7200  
Order No. R-6641

(6) That approval of the subject dual completion will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Estoril Producing Corporation, is hereby authorized to complete its Belco Federal Well No. 1, located in Unit 0 of Section 15, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) to produce gas and gas liquids from the Strawn and Morrow formations, Antelope Ridge Field, through parallel strings of tubing, with separation of the zones to be achieved by means of a packer set at approximately 12,870 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;

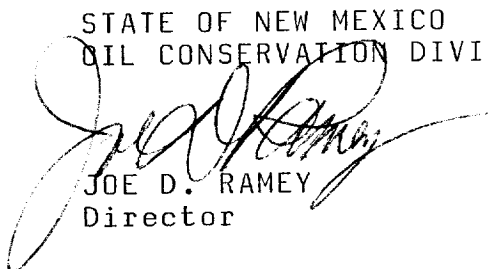
PROVIDED FURTHER, that the applicant shall take packer leakage tests upon completion and annually thereafter during the Annual Gas Well Shut-In Pressure Test Period for Southeast New Mexico.

(2) That an exception to the tubing setting requirements of Rule 107(d) of the Division Rules and Regulations is hereby approved, provided however, such approval is subject to rescission if it appears waste is resulting therefrom.

(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

S E A L  
fd/