

Entered February 3, 1956
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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. 989
Order No. R-754

THE APPLICATION OF HUMBLE OIL &
REFINING COMPANY FOR AN ORDER
GRANTING PERMISSION TO DUALY
COMPLETE A WELL UNDER RULE 112 A(a)
AND TO PRODUCE SAME FROM THE
BLINEBRY GAS POOL AND THE TUBB GAS
POOL, AND FURTHER TO ESTABLISH A
320 ACRE NON-STANDARD GAS PRORATION
UNIT IN EXCEPTION TO RULE 5 (a) OF THE
SPECIAL RULES AND REGULATIONS OF THE
BLINEBRY GAS POOL AS SET FORTH IN ORDER
R-610 AND RULE 5 (a) AND IN COMPLIANCE
WITH RULE 5 (c) OF THE SPECIAL RULES
AND REGULATIONS FOR THE TUBB GAS POOL
AS SET FORTH IN ORDER R-586, SAID UNIT
TO CONSIST OF THE FOLLOWING DESCRIBED
ACREAGE IN LEA COUNTY, NEW MEXICO,
SOUTH HALF OF SECTION 10, TOWNSHIP 21
SOUTH, RANGE 37 EAST, NMPM.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10 o'clock a.m. on January 4th, 1956, at Hobbs, New Mexico before Warren W. Mankin, Examiner duly appointed by the Oil Conservation Commission of New Mexico, in accordance with Rule 1214 of Order No. R-681.

NOW, on this 20th day of February 1956, the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission", a quorum being present, having considered said application and the transcript of testimony and record, and the recommendations of the Examiner, Warren W. Mankin, 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 evidence indicates that the dual completion of applicant's Blinebry-Tubb Gas Unit No. 1 Well No. 1 would be in the best interest of conservation and that the mechanics of the dual completion as outlined by the applicant are feasible and practical.

3. That applicant and Tide Water Associated Oil Company are owners of oil and gas leases consisting of other than a legal quarter section and described as follows, to-wit:

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Section 10: S/2

4. That applicant and Tide Water Associated Oil Company have entered into a communitization agreement covering the above-described acreage; however, in the event this application for a 320 non-standard proration unit is denied by the Commission, the communitization agreement will then apply only to the SE/4 of said Section 10 consisting of 160 acres.

5. That applicant failed by the evidence submitted to prove that subject well will drain the above described 320 acres in either the Blinebry or Tubb Gas Pools.

6. That the standard proration unit for both the Blinebry and Tubb Gas Pools is 160 acres.

7. That Continental Oil Company, an offset operator, made an appearance and entered its objection to the granting of the 320 acre gas proration unit.

IT IS THEREFORE ORDERED:

That the application of Humble Oil & Refining Company for an order granting a non-standard proration unit in the Blinebry and Tubb Gas Pools consisting of the following described acreage in Lea County, New Mexico:

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be and the same is hereby denied.

IT IS FURTHER ORDERED:

That the applicant herein, Humble Oil & Refining Company, be, and it hereby is authorized to dually complete and produce its Blinebry-Tubb Gas Unit No. 1 Well No. 1, located in the SW/4 SE/4 of Section 10, Township 21 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 by suitable perforations of the casing may be produced through the tubing and the gas from the Blinebry formation of the Blinebry Gas Pool may be produced through the casing-tubing annulus from proper perforation of the casing, and the installation of a suitable 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.

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

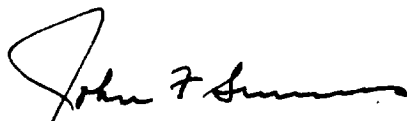
PROVIDED FURTHER, That said subject well for dual completion and production shall be equipped in such a way that reservoir pressures may be determined separately for each of the two specified strata, and further, be equipped with all necessary connections required to permit recording meters to be installed 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,

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 herein-above 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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