

Order No. 17, 1956
A.R.P.

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. 1116
Order No. R-875

THE APPLICATION OF CONTINENTAL OIL
COMPANY FOR AN ORDER GRANTING
PERMISSION TO DUALY COMPLETE ITS
LOCKHART "B-14" "A" WELL NO. 2-A
IN THE TERRY-BLINEBRY OIL POOL AND
THE TUBB GAS POOL, SAID WELL BEING
LOCATED IN THE SE/4 SE/4 OF SECTION
14, TOWNSHIP 21 SOUTH, RANGE 37 EAST,
NMPM, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 25, 1956, at Hobbs, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the New Mexico Oil Conservation Commission, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this _____ day of September, 1956, the Commission, a quorum being present, having considered the application, the evidence adduced, the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

(1) That due notice having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.

(2) That the applicant, Continental Oil Company, is the co-owner and operator of certain federal oil and gas leases in Lea County, New Mexico, a portion of which consists of the E/2 E/2 of Section 14, Township 21 South, Range 37 East, NMPM, containing 160 acres, more or less.

(3) That applicant's A. M. Lockhart "B-14" "A" No. 2-A Well located 660 feet from the South and East lines of said Section 14 was completed in the Wantz-Abo Pool at a producing depth of 7000-7344 feet on January 10, 1954.

(4) That applicant proposes to plug said well back to approximately 6900 feet and dual complete it in the Terry-Blinebry Oil Pool and the Tubb Gas Pool. Further, that applicant proposes to utilize a cross-over assembly, by means of which oil from the Terry-Blinebry oil zone will be produced through the tubing and gas from the Tubb gas zone will be produced through the casing-tubing annulus. Further, that the zones will be separated by means of two production packers, one set between the two zones and one set above the uppermost zone.

(5) That the mechanics of the proposed dual completion as outlined in the application are feasible and in good practice.

IT IS THEREFORE ORDERED:

(1) That the applicant, Continental Oil Company, be and the same is hereby authorized to dually complete and produce its A. M. Lockhart "B-14" "A" No. 2-A Well, located 660 feet from the South and East lines of Section 14, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, in such a manner that the gas from the Tubb Gas Pool may be produced through the tubing to the cross-over assembly and thence through the casing-tubing annulus to the surface, and the oil from the Terry-Blinebry Oil Pool may be produced through the casing-tubing annulus to the cross-over assembly and thence through the tubing to the surface.

PROVIDED HOWEVER, That upon the actual dual completion of said subject well, applicant shall submit to the district office of the Commission in which the subject well is located, Form C-103, Form C-104, Form C-110 and Form C-122, outlining the information required on these forms by existing Rules and Regulations.

PROVIDED HOWEVER, That subject well shall be completed and thereafter produced in such a manner that there will be no commingling within the well bore either within or outside the casing of gas, oil and gas, or oil produced from 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 the 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, or oil and gas from each separate stratum may be accurately measured and the gas-oil ratio thereof determined and

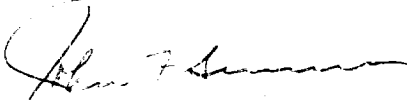
PROVIDED FURTHER, That the operator-applicant shall make any and all tests, including segregation tests and packer leakage tests, on completion and annually thereafter during the annual GOR Test period for the Terry-Blinebry Oil Pool and upon completion of remedial work or whenever the packer is disturbed, 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 tests and further that applicant shall file with the Commission in duplicate a packer-setting affidavit, which affidavit shall be due within 15 days of the dual completion or whenever the packer is disturbed.

PROVIDED FURTHER, That upon the actual dual completion of such subject well, applicant shall submit to the Commission a diagrammatic sketch of the mechanical installation which was actually used to complete and produce the seal between the strata and a special report of production gas-oil ratio and reservoir pressure determination of each producing zone or stratum immediately following completion.


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 hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JOHN F. SIMMS, Chairman


E. S. WALKER, Member


A. L. PORTER, Jr., Member & Secretary

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