

Entered October 15, 1956

A.L.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. 1145
Order No. R-894

THE APPLICATION OF WILSHIRE OIL
COMPANY OF TEXAS FOR AN ORDER
AUTHORIZING THE DUAL COMPLETION
OF ITS FEDERAL WELL NO. 12-30 IN
THE DK-ABO AND THE D-K DRINKARD
POOLS IN THE SW/4 NW/4 OF SECTION
30, TOWNSHIP 20 SOUTH, RANGE 39
EAST, NMPM, LEA COUNTY, NEW MEXICO,
SAID WELL TO PRODUCE OIL FROM BOTH
THE D-K ABO AND THE D-K DRINKARD
POOLS.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m.
on September 13, 1956, at Santa Fe, New Mexico, before the Oil
Conservation Commission of New Mexico, hereinafter referred to
as the "Commission."

NOW, on this 15th day of October, 1956, the Commission,
a quorum being present, having considered the testimony presented
and the exhibits received at said hearing and being fully advised
in the premises,

FINDS:

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

(2) That the applicant, Wilshire Oil Company of Texas
is the owner and operator of its Federal No. 12-30 Well, located
in the SW/4 NW/4 of Section 30, Township 20 South, Range 39 East,
NMPM, Lea County, New Mexico, and presently producing from the
Drinkard formation.

(3) That applicant proposes to produce oil from the
DK-Abo Pool and oil from the DK-Drinkard Pool through separate
and parallel strings of tubing and by perforating the casing
from 7248 feet to 7418 feet in the Abo formation and from 6945
feet to 7124 feet in the Drinkard formation, separating the aforesaid
zones by the installation of a permanent retainer-type production
packer at 7200 feet.

(4) That the mechanics of the proposed dual completion as outlined by applicant are feasible and in good practice.

(5) That the approval of the application is in the best interests of conservation in that it would be economically impractical to develop each pool through separate wells.

IT IS THEREFORE ORDERED:

That the applicant herein, Wilshire Oil Company of Texas, be and is hereby authorized to dually complete its Federal No. 12-30 Well located in the SW/4 NW/4 Section 30, Township 20 South, Range 39 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Abo formation of the D-K Abo Pool and oil from the Drinkard formation of the D-K Drinkard Pool by properly perforating the casing and by producing each of the aforesaid zones through separate and parallel strings of tubing, and by the installation of a suitable packer, and with the installation of adequate surface equipment to maintain complete separation of the two zones of production.

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-104 and Form C-110, 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 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 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 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 15 days after the completion of such tests

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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 producing gas-oil ratios 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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