

Entered Nov. 29, 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. 1152
Order No. R-925

APPLICATION OF CONTINENTAL OIL
COMPANY FOR AN ORDER GRANTING
AUTHORITY TO COMPLETE ITS WARREN
UNIT WELL NO. 8 AS A GAS-GAS DUAL
COMPLETION IN THE TUBB AND BLINEBRY
FORMATIONS OF UNDESIGNATED GAS POOLS
IN THE NW/4 SE/4 OF SECTION 28,
TOWNSHIP 20 SOUTH, RANGE 38 EAST,
NMPM, LEA COUNTY, NEW MEXICO, AND
FURTHER AUTHORIZING THE COMMINGLING
OF THE LIQUIDS PRODUCED FROM THE
TWO ZONES.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 o'clock a.m. on September 26, 1956, at Hobbs, New Mexico before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 27th day of November, 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 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 applicant, Continental Oil Company, is the operator of the Warren Unit Well No. 8, located 1980 feet from the South line and 1980 feet from the East line of Section 28, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico.

(3) That the applicant proposes to dually complete the said Warren Unit Well No. 8 in the Tubb and Blinebry formations utilizing a packer set at approximately 6240 feet to achieve separation between the zones; further, that the applicant proposes to produce the gas from the aforesaid Tubb and Blinebry formations through separate and parallel strings of tubing.

(4) That neither the Tubb nor Blinebry formation underlying the SE/4 of said Section 28 is within the present horizontal limits of a designated gas pool.

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

(6) That the approval of the proposed dual completion will obviate the necessity of an additional well and will not cause waste.

(7) That the applicant further proposes to produce the liquids from the two zones into common tankage.

(8) That it is not economically feasible to provide separate tankage for the liquids to be produced from each zone.

IT IS THEREFORE ORDERED:

(1) That the applicant, Continental Oil Company, be and the same is hereby authorized to complete its Warren Unit Well No. 8, located in the NW/4 SE/4 of Section 28, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico, in the Tubb and Blinebry formations as a gas-gas dual completion utilizing parallel strings of tubing.

(2) That the applicant, Continental Oil Company, be and the same is hereby further authorized to produce the liquids from both the aforesaid gas zones into common tankage.

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, 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 either or both of the separate strata, and

PROVIDED FURTHER, That said subject well 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 or liquids and gas produced from each separate stratum may be accurately measured and the gas-liquid 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, but not excluding other tests and/or determinations at any convenient time

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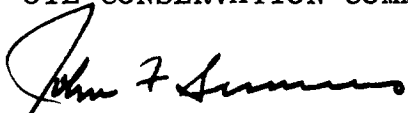
and in such manner as deemed necessary by the Commission; the original and all subsequent tests shall be witnessed by representatives of offset operators, if any there be, at their election and the results of each test properly attested to by the applicant herein and all witnesses, and shall be filed with the Commission within fifteen (15) days after the completion of such tests, and that the operator shall submit a packer-setting affidavit within fifteen (15) days after completion, after remedial work, or whenever the packer is disturbed, and

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-liquid 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, the Commission may after proper notice and hearing 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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