

Entered June 25, 1964

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 NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 3039
Order No. R-2723

APPLICATION OF HUMBLE OIL & REFINING
COMPANY FOR AN UNORTHODOX LOCATION
AND A DUAL COMPLETION, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 7, 1964, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 18th day of June, 1964, the Commission, a quorum being present, 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 Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Humble Oil & Refining Company, seeks authority to complete its State "AB" Well No. 2 as a dual completion (combination) to produce oil from the Fowler-Blinebry Pool through 2 7/8-inch casing and to produce oil from the Fowler-Ellenburger Pool through tubing installed in a parallel string of 4 1/2-inch casing with the casing strings cemented in a common well bore.

(3) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.

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

Memo

From

IDA RODRIGUEZ

To

ORDER NO. R-2722 is an
Emergency Order and filed in
book marked "Emergency Orders".

CASE No. 3039
Order No. R-2723

(5) That the applicant also seeks authority to drill its State "AB" Well No. 2 at an unorthodox location 1400 feet from the North line and 330 feet from the East line of Section 16, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico.

(6) That approval of the proposed location would impair the correlative rights of offset operators to the east of Section 16; that an unorthodox location 1400 feet from the North line and 660 feet from the East line of Section 16 with a tolerance of 150 feet to the east or west thereof would not impair correlative rights.

(7) That in order to afford to the owner of each property in the two subject pools the opportunity to produce his just and equitable share of the oil and to use his just and equitable share of the energy of the two reservoirs and to otherwise prevent waste and protect correlative rights, the applicant should be authorized to drill the proposed well at an unorthodox location 1400 feet from the North line and 660 feet from the East line of Section 16, with a tolerance of 150 feet east or west thereof.

(8) That the applicant proposes to dedicate the E/2 NE/4 of said Section 16 to the proposed well and to its State "AB" Well No. 1 located in the SE/4 NE/4 of said Section 16 and to produce any proportion of the 80-acre allowable from either well at the applicant's discretion.

(9) That in order to prevent waste and protect correlative rights, the applicant should be authorized to dedicate the E/2 NE/4 of said Section 16 to the proposed well and to the applicant's State "AB" Well No. 1, provided the State "AB" Well No. 1 is produced at its maximum capacity until said well reaches the economic limit of production.

IT IS THEREFORE ORDERED:

(1) That the applicant, Humble Oil & Refining Company, is hereby authorized to complete its State "AB" Well No. 2 as a dual completion (combination) to produce oil from the Fowler-Blinebry Pool through 2 7/8-inch casing and to produce oil from the Fowler-Ellenburger Pool through tubing installed in a parallel string of 4 1/2-inch casing with the casing strings cemented in a common well bore;

-3-

CASE No. 3039
Order No. R-2723

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take zone segregation tests upon completion and annually thereafter during the Gas-Oil Ratio Test Period for the Fowler-Ellenburger Pool.

(2) That the applicant is hereby granted an exception to the well location requirements of the Special Rules and Regulations governing the Fowler-Blinebry and Fowler-Ellenburger Pools to drill its State "AB" Well No. 2 at an unorthodox location 1400 feet from the North line and 660 feet from the East line of Section 16 with a tolerance of 150 feet east or west thereof, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That in the Fowler-Ellenburger Pool, the applicant is hereby authorized to dedicate the E/2 NE/4 of Section 16, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, to its State "AB" Well No. 1 and its State "AB" Well No. 2, and to produce a proportion of the 80-acre allowable from each well; provided, however, that the applicant's State "AB" Well No. 1 shall be produced at its maximum capacity until it reaches the economic limit of production, and that the applicant shall not shut in or abandon said well until a statement establishing that the well has reached the economic limit of production has been submitted to and approved by the Secretary-Director of the Commission.

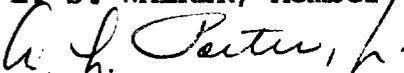
(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JACK M. CAMPBELL, Chairman


E. S. WALKER, Member


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

S E A L

esr/