

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. 3112
Order No. R-2824

APPLICATION OF CONTINENTAL OIL
COMPANY FOR DOWNHOLE COMMINGLING,
RIO ARriba COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on September 30, 1964, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 7th day of December, 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, Continental Oil Company, seeks authority to install a dual-flow downhole choke assembly in its Jicarilla 28 Well No. 1, located in Unit J of Section 28, Township 25 North, Range 4 West, NMPM, Rio Arriba County, New Mexico, to produce oil from the Gallup formation and to produce oil from the Dakota formation through one string of 2 3/8-inch tubing, with separation of zones by said choke assembly set at approximately 6500 feet and a packer set at approximately 7317 feet.

(3) That the applicant proposes to commingle the Gallup and Dakota production in the 2 3/8-inch tubing above the dual-flow downhole choke assembly and to determine production from each zone by periodic production tests.

(4) That the proposed dual completion should be approved for a six-month period in order to determine the feasibility of authorizing such completions in this area.

(5) That since the Gallup and Dakota formations in the subject well are marginal, the applicant should be authorized to determine production from each zone by periodic production tests witnessed by the Commission.

IT IS THEREFORE ORDERED:

(1) That the applicant, Continental Oil Company, is hereby authorized to install a dual-flow downhole choke assembly in its Jicarilla 28 Well No. 1, located in Unit J of Section 28, Township 25 North, Range 4 West, NMPM, Rio Arriba County, New Mexico, to produce oil from the Gallup formation and to produce oil from the Dakota formation through one string of 2 3/8-inch tubing, with separation of zones by said choke assembly set at approximately 6500 feet and a packer set at approximately 7317 feet;

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.

(2) That the applicant shall take a packer-leakage test prior to installation of the downhole choke assembly and upon termination of the six-month test period authorized by this order.

(3) That upon installation of the dual-flow downhole choke assembly and upon termination of the six-month test period authorized by this order, the applicant shall conduct tests to determine packer leakage or seal leakage in the dual-flow downhole choke assembly in either direction, and shall notify the Supervisor, District 3, Oil Conservation Commission, Aztec, New Mexico, of the exact date and time said tests are to commence in order that the Commission may witness the same.

(4) That the applicant is hereby authorized to determine production from each zone of the subject well by periodic production tests and shall notify the Supervisor, District 3, Oil Conservation Commission, Aztec, New Mexico, of the date and time said tests are to commence in order that the Commission may witness the same.

-3-

CASE No. 3112

Order No. R-2824

(5) That this case shall be reopened at an examiner hearing in June, 1965, at which time the applicant may appear and show cause why the authority granted under this order should not be terminated.

(6) 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

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