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. 1677 Order No. R-1409

Enlered Jun 1101

APPLICATION OF TEXACO, INC., FORMERLY THE TEXAS COMPANY, FOR AN OIL-GAS DUAL COMPLETION IN THE PADDOCK POOL AND IN THE BLINEBRY FORMATION ADJACENT TO THE BLINEBRY GAS POOL, 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 20, 1959, at Santa Fe, New Mexico, before E. J. Fischer, 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 <u>28th</u> day of May, 1959, the Commission, a quorum being present, having considered the appli cation, the evidence adduced, and the recommendations of the Examiner, E. J. Fischer, 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, Texaco, Inc., is the owner and operator of the V. M. Henderson Well No. 2, located 660 feet from the North line and 660 feet from the East line of Section 30, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.

(3) That the applicant proposes to dually complete the above-described V. M. Henderson Well No. 2 in such a manner as to permit the production of oil from the Paddock Pool through a crossover assembly and thence through 2-7/8 inch OD tubing and the production of gas from the Blinebry formation adjacent to the Blinebry Gas Pool through 2-inch tubing to a crossover assembly and thence through the casing-tubing annulus.

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

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(5) That approval of the subject application will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

That the applicant, Texaco, Inc., be and the same is hereby authorized to dually complete its V. M. Henderson Well No. 2, located 660 feet from the North line and 660 feet from the East line of Section 30, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, in such a manner as to permit the production of oil from the Paddock Pool through a crossover assembly and thence through 2-7/8 inch OD tubing and the production of gas from the Blinebry formation adjacent to the Blinebry Gas Pool through 2-inch tubing to a crossover assembly and thence through the casing-tubing annulus.

<u>PROVIDED HOWEVER</u>, That applicant shall complete, operate, and produce said well in accordance with the provisions of Section V, Rule 112-A.

<u>PROVIDED FURTHER</u>, That applicant shall take packer-leakage tests upon completion and annually thereafter during the Gas-Oil Ratio Test Period for the Paddock Pool.

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 BURROUGHS, Chairman

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MURRAY E. MORGAN, Member

Member & Secretary

SEAL

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