

*Entered October 2, 1960*  
*A.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. 2078  
Order No. R-1784

APPLICATION OF CHAMBERS & KENNEDY  
FOR AN OIL-OIL DUAL COMPLETION IN  
AN UNDESIGNATED YATES POOL AND IN  
THE NORTH SHUGART QUEEN-GRAYBURG  
POOL, EDDY COUNTY, NEW MEXICO,  
UTILIZING PARALLEL STRINGS OF  
SMALL DIAMETER TUBING.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on September 21, 1960, at Santa Fe, 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 3rd day of October, 1960, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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 is the owner and operator of the Monterey State Well No. 2, located in Unit D, Section 32, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico.
- (3) That the applicant proposes to dually complete the above-described Monterey State Well No. 2 in such a manner as to permit the production of oil from an undesignated Yates pool and the production of oil from the North Shugart Queen-Grayburg Pool through parallel strings of 1 1/2-inch and 2 3/8-inch tubing, respectively, installed within a string of 5 1/2-inch casing set at total depth.
- (4) That the applicant proposes to install a by-pass packer in order to adequately separate the producing zones.
- (5) That inasmuch as the use of 1 1/2-inch tubing is practicable in this particular installation, the mechanics of

-2-

CASE No. 2078  
Order No. R-1784

the proposed dual completion are feasible and in accord with good conservation practices.

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

IT IS THEREFORE ORDERED:

That the applicant, Chambers & Kennedy, be and the same is hereby authorized to dually complete its Monterey State Well No. 2, located in Unit D, Section 32, Township 18 South, Range 31 East, NMPM, Eddy County, New Mexico, in such a manner as to permit the production of oil from an undesignated Yates pool and the production of oil from the North Shugart Queen-Grayburg Pool through parallel strings of 1 1/2-inch and 2 3/8-inch tubing, respectively, installed within a string of 5 1/2-inch casing set at total depth.

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

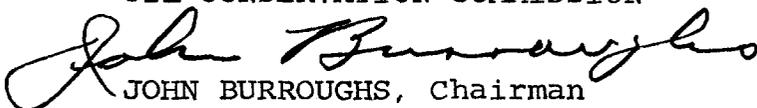
PROVIDED FURTHER, That the applicant shall take packer-leakage tests upon completion and annually thereafter or as directed by the Secretary-Director of the Commission.

IT IS FURTHER ORDERED:

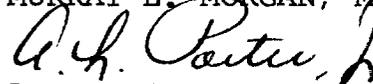
That jurisdiction of this cause is hereby retained by the Commission for such further order or orders as may seem necessary or convenient for the prevention of waste and/or the protection of correlative rights; upon failure of the applicant to comply with any requirement of this order, the Commission may terminate the authority herein granted and require the applicant or its successors and assigns to limit its activities to regular single-zone production in the interest 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

  
MURRAY E. MORGAN, Member

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

S E A L

esr/