

*Entered December 3, 1961
O.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. 2434
Order No. R-2134

APPLICATION OF AMERADA PETROLEUM
CORPORATION FOR A DUAL COMPLETION
AND A 160-ACRE NON-STANDARD GAS
PRORATION UNIT, LEA COUNTY, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 29, 1961, 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 13th day of December, 1961, 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, Amerada Petroleum Corporation, is the owner and operator of the N/2 S/2 of Section 16, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That the applicant proposes to complete the State DA Well No. 1 located in Unit L of said Section 16 as a dual completion (conventional) in such a manner as to permit the production of oil from the Drinkard Pool through a string of 2 3/8-inch tubing and the production of gas from the Eumont Gas Pool through the tubing-casing annulus, separation of zones to be with a packer.

-2-

Case No. 2434

Order No. R-2134

(4) That the applicant further proposes to establish a 160-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the N/2 S/2 of said Section 16, said unit to be dedicated to the above-described State DA Well No. 1.

(5) That the mechanics of 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:

(1) That the applicant, Amerada Petroleum Corporation, is hereby authorized to complete its State DA Well No. 1 located in Unit L of Section 16, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, as a dual completion (conventional) in such a manner as to permit the production of oil from the Drinkard Pool through a string of 2 3/8-inch tubing and the production of gas from the Eumont Gas Pool through the tubing-casing annulus, separation of zones to be with a packer.

PROVIDED HOWEVER, That the applicant shall complete, operate, and produce said well in accordance with Rule 112-A of the Commission Rules and Regulations.

PROVIDED FURTHER, That the operator shall take packer-leakage tests upon completion and annually thereafter during the Gas-Oil Ratio Test Period for the Drinkard Pool and at such other times as the Secretary-Director of the Commission may prescribe.

(2) That a 160-acre non-standard gas proration unit in the Eumont Gas Pool is hereby established comprising the N/2 S/2 of said Section 16.

(3) That the allowable to be assigned to the above-described 160-acre non-standard gas proration unit shall bear the same ratio to a standard allowable as the acreage in said unit bears to the acreage in a standard gas proration unit in the Eumont Gas Pool.

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

-3-

Case No. 2434

Order No. R-2134

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

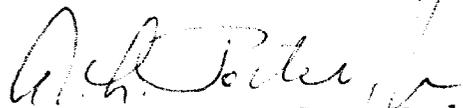
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman



E. S. WALKER, Member



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

S E A L

ir/