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. 526 ORDER NO. R-318

THE APPLICATION OF WESTERN NATURAL GAS COMPANY FOR AN ORDER GRANTING PERMISSION TO DUALLY COMPLETE AND PRODUCE ITS COMBEST NO. 1-X WELL, LOCATED IN THE SE/4 NE/4 OF SECTION 35, TOWNSHIP 23 SOUTH, RANGE 36 EAST, NMPM, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 16, 1953, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 11th day of May, 1953, the Commission, a quorum being present, having considered the records and the testimony adduced, and being fully advised in the premises,

FINDS:

(1) That due notice having been given as required by law, the Commission has jurisidction of the case and the persons and subject matter thereof.

(2) That applicant's Combest No. 1-X Well, SE/4 NE/4 Section 35, Township 23 South, Range 36 East, NNPM, Lea County, New Mexico, was completed in January 1942 as an oil well producing from the Seven Rivers-Queen formation of the Cooper - Jal Pool through the open-hole section 3488-3579, having drilled through the Yates gas zone at an approximate depth of 2945-3230 feet.

(3) That although recent experiments tend to show that mechanical packers and other devices are ordinarily available for successful dual/ multiple completions of oil - gas wells, the Commission is unconvinced of the soundness as a waste-prevention practice, of such dual/multiple completions as a general practice in New Mexico withou specific controls over each such project.

IT IS THEREFORE ORDERED:

That applicant herein, Western Natural Gas Company, be, and it hereby is authorized to dually complete and produce its Combest No. 1-X Well, SE/4 NE/4 Section 35, Township 23 South, Range 36 East, NMPM, Lea County, New Mexicolin such a manner that gas from the Yates gas zone of the Langmat Gas Pool may be produced through the annular space between the casing and the tubing, and oil from the Seven Rivers-Queen formation of the Langlie-Mattix Pool through the tubing by proper perforations and the installation of a proper packer;

<u>PROVIDED, HOWEVER</u>. That upon the actual dual completion of such subject well applicant shall submit to the District Office of the Commission in which the subject well is located Form C-103, Form C-104, Form C-110, and Form C-122 outlining the information required on these forms by existing Rules and Regulations.

PROVIDED, HOWEVER. That subject well shall be completed, and thereafter produced, in such a manner that there will be no commingling within i

-2-

the well bore, either within or ouside the casing of gas, oil and gas, or oil produced from either or both of the separage strata, and,

<u>PROVIDED FURTHER</u>. That said subject well for dual completion and production shall be equipped in such a way that reservoir pressurs may be determined separagely for each of the two specified strata, and further, be equipped with all necessary connections required to permit recording meters to be installed and used, at any time, as may be required by the Commission or its representatives, in order that natural gas, oil, or oil and gas from each separage stratum may be accurately measured and the gas-oil ratio thereof determined, and,

PROVIDED FURTHER. That the operator applicant shall make any and all tests, including segregation tests, but not exlcuding other tests and/or determinations at any convenient time and in such manner as deemed necessary by the Commission; the original and all subsequent tests shall be witnessed by representatives of offset operators, if any there be, at their election, and the results of each test properly attested to by the applicant herein and all witnesses, and the results of each test properly attested by the applicant herein and all witnesses, and shall be filed with the Commission within ten (10) days after the completion of such test, and,

<u>PROVIDED FURTHER.</u> That upon the actual dual completion of such subject well, applicant shall submit to the Commission a diagrammatic sketch of the mechancial installation which was actually used to complete and produce the seal between the strata, and a special report of production, gas/oil ratio and reservoir pressure determination of each producing zone or stratum immediately following completion.

IT IS FURTHER ORDER: That jurisidction 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 EXICO OIL CONSERVATION COMMISSION

EDWIN L. MCHEM, Chairman

E. S. Walker, Member

R. R. Spurrier, Secretary

SEAL