Entered May 17, 171) 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. 4950 Order No. R-4516

APPLICATION OF MONSANTO COMPANY FOR A DUAL COMPLETION, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 25, 1973, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>17th</u> day of May, 1973, 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, Monsanto Company, seeks authority to complete its Burton Flat Deep Unit Well No. 3, located in Unit V of Section 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, as a dual completion (conventional) to produce gas from the Burton Flat-Morrow Gas Pool (extension) and gas and liquid hydrocarbons from an undesignated Strawn pool through parallel strings of 2 7/8-inch and 2 3/8-inch tubing, respectively.

(3) That additional testing is required to determine the exact nature of the Strawn reservoir and that the results of such test should be filed with the Commission.

(4) That the applicant proposes to set 2 7/8-inch Morrow production tubing approximately 438 feet above the Morrow perforations in order to permit the later perforation of additional zones in the Morrow formation without the necessity of killing extant producing zones.

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

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(6) That approval of the subject application will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Monsanto Company, is hereby authorized to complete its Burton Flat Deep Unit Well No. 3, located in Unit V of Section 3, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico, as a dual completion (conventional) to produce gas from the Burton Flat-Morrow Gas Pool Extension and gas and liquid hydrocarbons from an undesignated Strawn pool through parallel strings of 2 7/8inch and 2 3/8-inch tubing, respectively, the 2 7/8-inch Morrow production tubing to be set approximately 438 feet above the casing perforations.

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;

PROVIDED FURTHER, that the applicant shall take packerleakage tests upon completion and annually thereafter during the Annual Gas Well Shut-In Pressure Test Period for the Burton Flat-Morrow Gas Pool.

(2) That the applicant shall conduct such tests as are necessary to determine the nature of the Strawn reservoir within 80 days after connection of the Strawn zone to a gas transportation facility and shall file the results of such tests with both the Artesia and Santa Fe offices of the Commission no later than 90 days following the date of connection.

(3) 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

I. R. TRUJILLO, Chairman

12017 ALEX J. ARMIJO, Member A. L. PORTER, Jr., Member Secretary

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