

Continued January 24, 1974
C.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. 5151
Order No. R-4712

APPLICATION OF PENROC OIL
CORPORATION FOR A DUAL
COMPLETION, EDDY COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 16, 1974, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 24th day of January, 1974, 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:

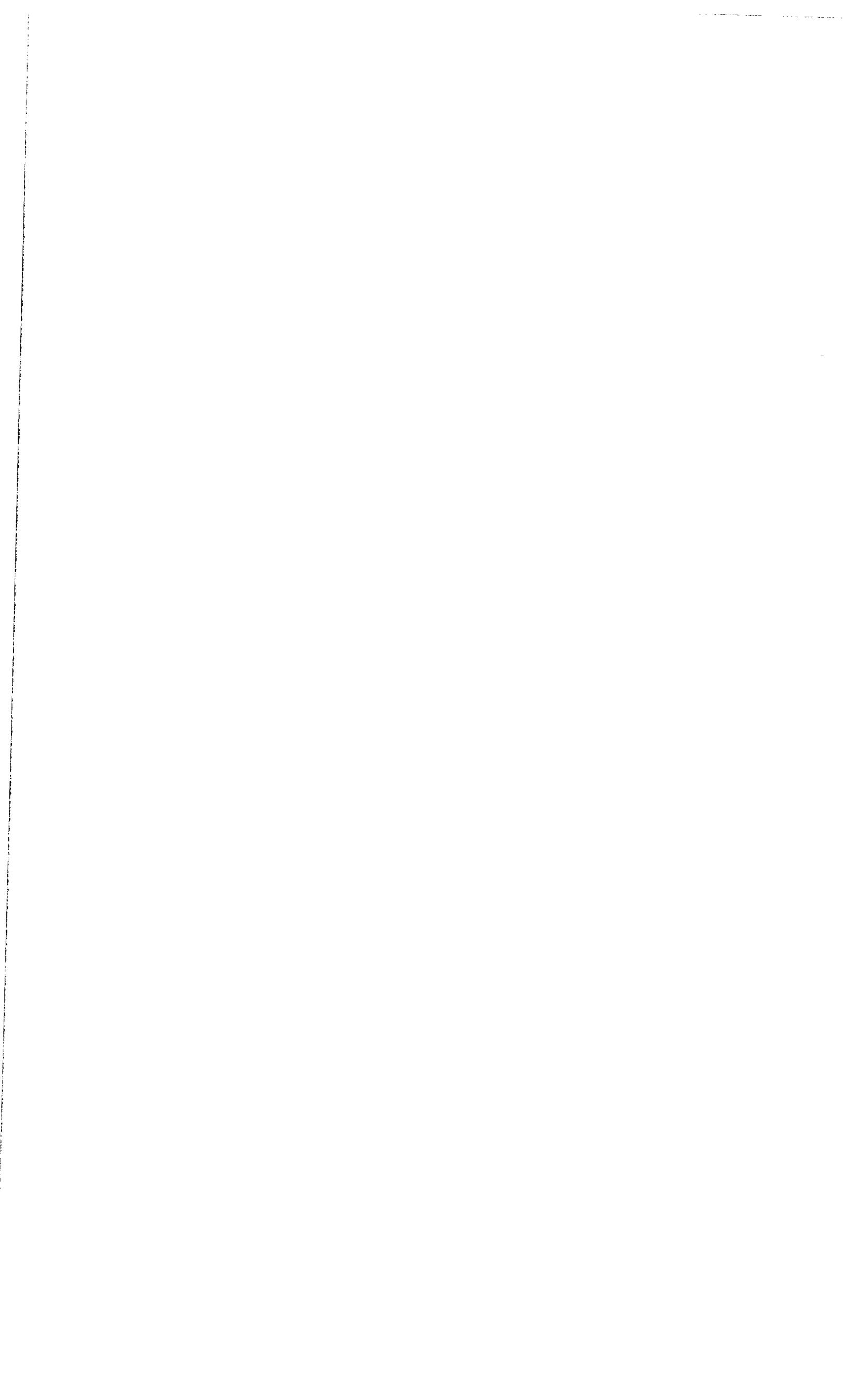
(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Penroc Oil Corporation, seeks authority to complete its Dero-Federal A-Com Well No. 1, located in Unit N of Section 35, Township 19 South, Range 28 East, Eddy County, New Mexico, in such a manner as to produce gas from the Winchester-Wolfcamp gas pool and gas from an undesignated Strawn gas pool through tubing and the casing-tubing annulus, respectively, by means of a crossover assembly.

(3) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices provided that the Strawn zone does not experience substantial production of liquids.

(4) That the operator should file production data with the Commission subsequent to the connection of the Strawn zone to verify the efficiency of production from that zone.

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



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IT IS THEREFORE ORDERED:

(1) That the applicant, Penroc Oil Corporation, is hereby authorized to complete its Dero-Federal A-Com Well No. 1, located in Unit N of Section 35, Township 19 South, Range 28 East, Eddy County, New Mexico, as a dual completion to produce gas from the Winchester-Wolfcamp gas pool and from an undesignated Strawn gas pool.

(2) That production from the Strawn formation shall be through 2 3/8-inch tubing set in a packer located at approximately 9995 feet, above the Strawn perforations, and thence, by means of a crossover assembly, through the casing-tubing annulus to the surface. Production from the Wolfcamp formation shall be through the casing-tubing annulus and thence, by means of a crossover assembly, through the 2 3/8-inch tubing to the surface. The crossover assembly shall be set in a packer located above the Wolfcamp perforations at approximately 8910 feet.

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 the provisions of this order.

PROVIDED FURTHER, that the applicant shall take packer-leakage tests upon completion and annually thereafter during the Annual Shut-In Pressure Test Period for the Winchester-Wolfcamp gas pool.

(3) That the applicant shall report to the Commission the flowing tubing pressure, the daily gas flow rate and the daily liquid production rate from the Strawn zone at 30 day intervals for the first 90 days following the connection of the well to a gas transportation facility.

(4) That should the data supplied under Order (3) above indicate inefficient annular flow, a hearing will be scheduled to permit the operator to appear and show cause why Order (1) of this order should not be rescinded.

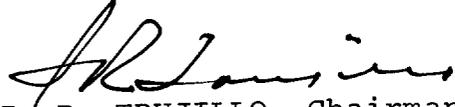
(5) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

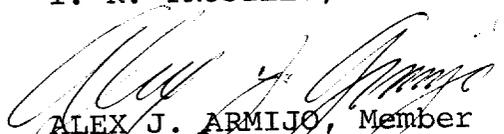
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DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


I. R. TRUJILLO, Chairman


ALEX J. ARMIJO, Member


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

S E A L

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