Entered June 10, 1975

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. 5485 Order No. R-5035

APPLICATION OF YATES PETROLEUM 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 May 28, 1975, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>10th</u> day of June, 1975, 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, Yates Petroleum Corporation, seeks authority to complete its Tidwell ED Well No. 1, located in Unit P of Section 22, Township 17 South, Range 26 East, NMPM, Eddy County, New Mexico, as a dual completion (conventional) to produce gas from the Atoka and Morrow formations through the casing-tubing annulus and tubing, respectively.

(3) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices if production of liquids from the Atoka zone is not excessive.

(4) That the operator should submit reports to demonstrate that the Atoka zone is being efficiently produced through the casing-tubing annulus.

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

IT IS THEREFORE ORDERED:

(1) That the applicant, Yates Petroleum Corporation, is hereby authorized to complete its Tidwell ED Well No. 1, located in Unit P of Section 22, Township 17 South, Range 26 East, NMPM, -2-Case No. 5485 Order No. R-5035

Eddy County, New Mexico, as a dual completion (conventional) to produce gas from the Atoka and Morrow formations through the casing-tubing annulus and tubing, respectively, with separation of the zones by means of a packer set at approximately 8456 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 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 Southeastern New Mexico Pools.

(2) That the applicant shall file a report with the Secretary-Director of the Commission at the end of each month of Atoka production, for the first three months of production, showing shut-in and flowing pressures and rates of gas and condensate production from said Atoka zone.

(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

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HIL R. LUCERO Member

JOE D. RAMEY, Member & Secretary

SEAL

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