

Entered July 22, 1980
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STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6937
Order No. R-6398

APPLICATION OF R. N. HILLIN FOR AN
UNORTHODOX LOCATION AND DUAL COMPLETION,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on June 25, 1980,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 22nd day of July, 1980, the Division
Director, 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 Division has jurisdiction of this cause and the
subject matter thereof.
- (2) That the applicant, R. N. Hillin, seeks authority to
complete his DMV Well No. 4, located in Unit 0 of Section 34,
Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico,
as a dual completion (conventional) to produce gas from the Wolf-
camp and Morrow formations through tubing and the casing-tubing
annulus, respectively, by means of a cross-over assembly.
- (3) That at the hearing the applicant proposed reversal of
the mechanical equipment in said well to permit production of
the Wolfcamp zone through the casing-tubing annulus and the
Morrow zone through tubing, eliminating the cross-over assembly.
- (4) That because of the large volume of liquids produced
from the Wolfcamp zone and the lack of evidence to show that said
zone could be efficiently produced through the annulus this
reversal should be denied and the application be considered as
advertised.

-2-

Case No. 6937
Order No. R-6398

(5) That the mechanics of the proposed dual completion as initially requested are feasible and in accord with good conservation practices and should be approved.

(6) That the applicant further seeks approval of the unorthodox location of said well in the Wolfcamp and Pennsylvanian formations at a point 800 feet from the South line and 2000 feet from the East line of said Section 34.

(7) That the E/2 of said Section 34 is to be dedicated to the well.

(8) That a well at said unorthodox location will better enable applicant to produce the gas underlying the proration unit.

(9) That no offset operator objected to the proposed unorthodox location.

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

IT IS THEREFORE ORDERED:

(1) That the applicant, R. N. Hillin, is hereby authorized to complete his DMV Well No. 4, located in Unit O of Section 34, Township 19 South, Range 28 East, NMPM, Eddy County, New Mexico, as a dual completion (conventional) to produce gas from the Wolfcamp formation through tubing and gas from the Morrow formation through the casing-tubing annulus by means of a cross-over assembly located immediately above a packer set at approximately 10,955 feet.

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Division Rules and Regulations insofar as said rule is not inconsistent with 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 gas wells in Southeastern New Mexico.

IT IS FURTHER ORDERED:

(1) That an unorthodox gas well location for the Wolfcamp and Pennsylvanian formations is hereby approved for said DMV Well No. 4 at a point 800 feet from the South line and 2000 feet from

-3-

Case No. 6937

Order No. R-6398

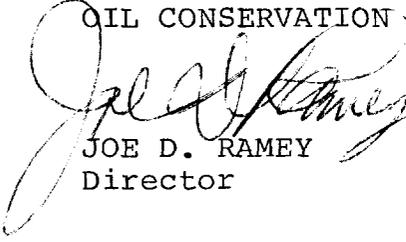
the East line of Section 34, Township 19 South, Range 28 East,
NMPM, Eddy County, New Mexico.

(2) That the E/2 of said Section 34 shall be dedicated to
the above-described well.

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

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



JOE D. RAMEY
Director

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