

*Entered April 3, 1970
A. H. 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. 4330
Order No. R-3943

APPLICATION OF TENNECO OIL COMPANY
FOR AN UNORTHODOX LOCATION AND DUAL
COMPLETION, MCKINLEY COUNTY, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 25, 1970,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 3rd day of April, 1970, 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, Tenneco Oil Company, seeks an
exception to the Special Rules and Regulations governing the
South Hospah-Upper Sand Pool to complete its Hospah Well No.
37X at an unorthodox location for said pool 1280 feet from
the North line and 1280 feet from the West line of Section 12,
Township 17 North, Range 9 West, NMPM, McKinley County, New
Mexico.

(3) That the applicant also seeks authority to complete
the subject well as a dual completion (conventional) to produce
oil from the South Hospah-Upper Sand Pool through 2 3/8-inch
tubing and to produce oil from the South Hospah-Lower Sand Pool

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through a parallel string of 2 7/8-inch tubing, with separation of the zones by a packer set at approximately 1630 feet.

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

(5) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil in the pools, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Tenneco Oil Company, is hereby granted an exception to the Special Rules and Regulations governing the South Hospah-Upper Sand Pool to complete its Hospah Well No. 37X at an unorthodox location for said pool 1280 feet from the North line and 1280 feet from the West line of Section 12, Township 17 North, Range 9 West, NMPM, McKinley, County, New Mexico.

(2) That the applicant is hereby authorized to complete the subject well as a dual completion (conventional) to produce oil from the South Hospah-Upper Sand Pool through 2 3/8-inch tubing and to produce oil from the South Hospah-Lower Sand Pool through a parallel string of 2 7/8-inch tubing, with separation of the zones by a packer set at approximately 1630 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 packer-leakage tests upon completion and annually thereafter.

(3) 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 hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


DAVID F. CARGO, Chairman


ALEX J. ARMIJO, Member


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

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