

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF THE STATE OF NEW
MEXICO FOR THE PURPOSE OF CON-
SIDERING:

CASE NO. 383
ORDER NO. R-180

THE APPLICATION OF TIDEWATER ASSOCIATED
OIL COMPANY FOR AN ORDER AUTHORIZING
THE DUAL COMPLETION (GAS-OIL) OF THEIR
NO. 2 STATE "E" WELL, LOCATED IN THE SE/4
SE/4 SECTION 16, TOWNSHIP 21 SOUTH, RANGE
36 EAST, NMPM, LEA COUNTY, NEW MEXICO,
IN THE EUNICE POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a. m. , on July 15, 1952,
at Santa Fe, New Mexico, before the Oil Conservation Commission of
New Mexico, hereinafter referred to as the "Commission."

NOW, on this ²⁶5 day of August, 1952, the Commission, a quorum
being present, having considered the testimony adduced and the exhibits
received at said hearing, 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 there-
of.

(2) That applicant's State "E", No. 2 Well, SESE, Section 16,
Township 21 South, Range 36 East, NMPM, Lea County, New Mexico,
was completed in May, 1936 as an oil well in the Grayburg-San Andres
pay in the Eunice Pool, bottomed at 3906 and produced from the open
hole interval 3827-3906, having drilled through the Yates-Seven Rivers
Gas zone (3180-3250).

(3) That although recent experiments tend to show that
mechanical packers and other devices are ordinarily available for success-
ful dual/multiple completions of oil - gas wells, the Commission is
unconvinced of the soundness, as a waste-prevention practice, of such
dual/multiple completions as a general practice in New Mexico without
specific controls over each such project.

IT IS THEREFORE ORDERED:

That the applicant herein, Tidewater Associated Oil Company,
be, and it hereby is authorized to dually complete and produce its
State "E", Well No. 2 SE SE, Section 16, Township 21 South, Range 36
East, NMPM, Lea County, New Mexico, in such a manner that gas from
the Yates-Seven Rivers formation may be produced through the annular

space between the casing and the tubing, and oil from the Grayburg-San Andres formation through the tubing, by proper perforations and installation of a proper Packer or packers;

PROVIDED, HOWEVER, That subject well shall be completed, and thereafter produced, in such a manner that there will be no commingling within the well bore, either within or outside the casing, of gas, oil and gas, or oil produced from either or both of the separate strata, and,

PROVIDED FURTHER, That said subject well for dual completion and production shall be equipped in such a way that reservoir pressures may be determined separately for each of the two specified strata, and further, be equipped with all necessary connections required to permit recording meters to be installed and used, at any time, as may be required by the Commission or its representatives, in order that natural gas, oil, or oil and gas from each separate stratum may be accurately measured and the gas-oil ratio thereof determined, and,

PROVIDED FURTHER, That the operator applicant shall make any and all tests, including segregation tests, but not excluding other tests and/or determinations at any convenient time and in such manner as deemed necessary by the Commission; the original and all subsequent tests shall be witnessed by representatives of the Commission and by representatives of offset operators, if any there be, at their election, and the results of each test properly attested to by the applicant herein and all witnesses, and shall be filed with the Commission within ten (10) days after the completion of such test, and,

PROVIDED FURTHER, That upon the actual dual completion of such subject well, applicant shall submit to the Commission a diagrammatic sketch of the mechanical installation which was actually used to complete and produce the seal between the strata, and a special report of production, gas/oil ratio and reservoir pressure determination of each producing zone or stratum immediately following completion.

IT IS FURTHER ORDERED, That jurisdiction of this cause is hereby retained by the Commission for such further order or orders as may seem necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of applicant to comply with any requirement of this order after proper notice and hearing, the Commission may terminate the authority hereby granted and require applicant or its successors and assignees to limit its activities to regular single-zone production in the interests of conservation.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Edwin L. Mechem

EDWIN L. MECHEM, Chairman

Guy Shepard

GUY SHEPARD, Member

R. R. Spurrer

R. R. SPURRIER, Secretary

SEAL