

CASE 522

Following is a suggested revision of Rule 112-Multiple Zone Completions; and of Definition (A) 34, amending the existing definition in order to change words 'Multiple Completion' to 'Dual Completion', so that final definition will read as follows:

34. DUAL COMPLETION shall mean the completion of any well so as to permit the production from two common sources of supply with the production from each common source of supply completely segregated.

RULE 112-A: Dual Completions.

(a) The dual completion of any well may be permitted only by order of the Commission upon hearing, except as noted by the provisions of Paragraph (c) of this rule.

(b) The application for such hearing shall be submitted in triplicate and shall include an exhibit showing the location of all wells on applicant's lease and all offset wells on offset leases, and shall set forth all material facts on the common sources of supply involved, and the manner and method of completion proposed.

(c) The Secretary of the Commission shall have authority to grant an exception to the requirements of Paragraph (a) above without notice and hearing where application has been filed in due form, and when the lowermost producing zone involved in the dual completion is an oil or gas producing zone within the defined limits of an oil or gas pool, and the upper producing zone involved in the dual completion is a gas producing zone within the defined limits of a gas pool.

Applicants shall furnish all operators who offset the lease upon which the subject well is located a copy of the application to the Commission, and applicant shall include with his application a written stipulation that all offset operators have been properly notified. The Secretary of the Commission shall wait at least 10 days before approving any such dual completion, and shall approve such dual completion only in the absence of objection from any offset operator. In the event an operator objects to the dual completion, the Commission shall consider the matter only after proper notice and hearing.

The Commission may waive the 10-day waiting period requirements if the applicant furnishes the Commission with the written consent to the dual completion by all offset operators involved.

RULE 112-B: Bradenhead Gas Wells.

(a) The production of gas from a Bradenhead gas well may be permitted only by order of the Commission upon hearing, except as noted by the provisions of Paragraph (c) of this rule.

(over)

(b) The application for such hearing shall be submitted in triplicate and shall include an exhibit showing the location of all wells on applicant's lease and all offset wells on offset leases, together with a diagrammatic sketch showing the casing program, formation tops, estimated top of cement on each casing string run and any other pertinent data, including drill stem tests.

(c) The Secretary of the Commission shall have authority to grant an exception to the requirements of Paragraph (a) above without notice and hearing where application has been filed in due form, and when the lowermost producing zone involved in the completion is an oil or gas producing zone within the defined limits of an oil or gas pool and the producing zone to be produced through the Bradenhead connection is a gas producing zone within the defined limits of a gas pool.

Applicants shall furnish all operators who offset the lease upon which the subject well is located a copy of the application to the Commission, and applicant shall include with his application a written stipulation that all offset operators have been properly notified. The Secretary of the Commission shall wait at least ten days before approving the production of gas from the Bradenhead gas well, and shall approve such production only in the absence of objection from any offset operator. In the event an operator objects to the completion the Commission shall consider the matter only after proper notice and hearing.

The Commission may waive the 10-day waiting period requirement if the applicant furnishes the Commission with the written consent to the production of gas from the Bradenhead connection by all offset operators involved.

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

April 16, 1953

CASE 522: (readvertisement) In the matter of the application of the Oil Conservation Commission upon its own motion for an order:

(a) Revising Rule 112 of Order No. 850 in order to provide for the approval of dual completions by the Secretary of the Commission where the dual completion is a completion involving the production of oil and the production of gas;

(b) Revising Definition No. 34 pertaining to Multiple Completions, and

(c) Establishing a separate rule for the completion of Bradenhead gas wells, the proposed rule being a revision of Section C, Rule 112 of the Rules and Regulations promulgated under Order No. 850.

MR. SPURRIER: I believe everybody has a copy of the proposed rule. The proposal specifically outlines the recommendation which was made at the March hearing.

VOICE: Mr. Selinger, do you have a comment to make?

MR. SELINGER: Yes. George W. Selinger, representing Skelly Oil Company. With respect to Rule 112-B, we would like to suggest that that provision and the subsequent sub-sections apply to wells hereinafter Bradenheaded and not apply to wells that have been Bradenhead for forty some odd years. In other words, keep the rule from being made retroactive.

MR. SPURRIER: Anyone else? If there are no further comments in the case, we'll take it under advisement and move on to Case 526.

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

I hereby certify that the foregoing and attached transcript of hearing in Case 522 before the Oil Conservation Commission on April 16, 1953, at Santa Fe, is a true record of the same to the best of my knowledge, skill and ability.

DATED at Santa Fe, this 30th day of April, 1953.



Audrey M. Henricksen

My commission expires September 20, 1955.