

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
CONSIDERING:

CASE NO. 556
ORDER No. R-350

THE MATTER OF THE APPLICATION
OF PHILLIPS PETROLEUM COMPANY
FOR PERMISSION TO EFFECT A DUAL
COMPLETION OF ITS FORT NO. 1 WELL,
LOCATED IN THE NE/4 NE/4 SECTION
34, TOWNSHIP 14 SOUTH, RANGE 37 EAST,
NMPM, LEA COUNTY, NEW MEXICO (IN
THE DENTON FIELD), IN SUCH A MANNER
AS TO PERMIT PRODUCTION OF OIL FROM
THE DEVONIAN FORMATION THROUGH
EXISTING CASING PERFORATIONS, 12,564
TO 12,710 FEET, AND OIL FROM THE WOLF-
CAMP FORMATION AFTER PERFORATING
FROM 9680 TO 9360 FEET.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 16, 1953, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 28th day of August, 1953, the Commission, a quorum being present, having considered the application and the testimony adduced 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.
- (2) That dual completion of the Fort No. 1 well in NE/4 NE/4 Section 34, Township 14 S, Range 37 E, NMPM, Lea County, New Mexico (in the Denton Field) for production of oil from the Denton-Wolfcamp formation and oil from the Denton-Devonian formation would be subject to the operational hazards incident to great depths.
- (3) That there exists between the two reservoirs a considerable pressure differential, and, should interzone communication occur from any reason, the deeper Devonian Reservoir with the higher pressure would be injured.
- (4) That testimony shows that packer, and other mechanical failures in oil-oil completions at various depths have caused injurious interzone communication in reservoirs in other areas under conditions similar to those existing in the Denton Field.

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(5) That applicant's testimony as to the economic effectiveness of the Wolfcamp pay section under the subject well appears to be unduly conservative.

(6) That application for oil-oil dual completion of the Fort No. 1 well should be denied.

IT IS THEREFORE ORDERED:

That the application of Phillips Petroleum Company for permission to dually complete its Fort No. 1 Well, located in the NE/4 NE/4, Section 34, Township 14 South, Range 37 East, NMPM, for production of oil from the Denton-Wolfcamp formation, and oil from the Denton-Devonian formation, be, and the same hereby is denied.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman


E. S. WALKER, Member
R. R. SPURRIER, Secretary

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