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. 2034 Order No. R-1739

APPLICATION OF GULF OIL CORPORATION FOR AN OIL-GAS DUAL COMPLETION IN THE PENROSE-SKELLY POOL AND IN THE BLINE-BRY GAS POOL, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 27, 1960, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 4th day of August, 1960, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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, Gulf Oil Corporation, is the owner and operator of the J. N. Carson Well No. 6, located 330 feet from the South line and 965 feet from the East line of Section 28, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That the applicant proposes to dually complete the above-described well in such a manner as to permit the production of oil from the Penrose-Skelly Pool and the production of gas from the Blinebry Gas Pool through parallel strings of 2-3/8 inch OD EUE tubing.
- (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 neither cause waste nor impair correlative rights.

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IT IS THEREFORE ORDERED:

That the applicant, Gulf Oil Corporation, be and the same is hereby authorized to dually complete its J. N. Carson Well No. 6, located 330 feet from the South line and 965 feet from the East line of Section 28, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, in such a manner as to permit the production of oil from the Penrose-Skelly Pool and the production of gas from the Blinebry Gas Pool through parallel strings of 2-3/8 inch OD EUE tubing.

PROVIDED HOWEVER, That the applicant shall complete, operate, and produce said well in accordance with the provisions of Section V, Rule 112-A.

PROVIDED FURTHER, That the applicant shall take packerleakage tests upon completion and annually thereafter during the Annual Gas-Oil Ratio Test Period for the Penrose-Skelly Pool, and at such other times as the Secretary-Director may prescribe.

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 the applicant to comply with any requirement of this order, the Commission may terminate the authority herein granted and require the applicant or its successors and assigns to limit its activities to regular single-zone production in the interest of conservation.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

JOHN BURROUGHS, Chairman

MURRAY E. MORGAN, Member

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