

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. 1727
Order No. R-1461

APPLICATION OF SKELLY OIL
COMPANY FOR AN OIL-GAS DUAL
COMPLETION IN THE OTERO-
GALLUP OIL POOL AND IN AN
UNDESIGNATED DAKOTA POOL,
RIO ARriba COUNTY, NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 28, 1959, at Santa Fe, New Mexico, before Elvis A. Utz, 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 7th., day of August, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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, Skelly Oil Company, is the owner and operator of the Jicarilla "B" Well No. 20, located in the NW/4 NW/4 of Section 31, Township 25 North, Range 5 West, NMPM, Rio Arriba County, New Mexico.
- (3) That the applicant proposes to dually complete the above-described Jicarilla "B" Well No. 20 in such a manner as to permit the production of oil from the Otero-Gallup Oil Pool and the production of gas from an undesignated Dakota pool through parallel strings of 2-inch EUE tubing.
- (4) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.

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(5) That approval of the subject application will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

That the applicant be and the same is hereby authorized to dually complete the Jicarilla "B" Well No. 20, located in the NW/4 NW/4 of Section 31, Township 25 North, Range 5 West, Rio Arriba County, New Mexico, in such a manner as to permit the production of oil from the Otero-Gallup Oil Pool and the production of gas from an undesignated Dakota pool through parallel strings of 2-inch EUE tubing.

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

PROVIDED FURTHER, That applicant shall take packer-leakage tests upon completion and annually thereafter during the Gas-Oil Ratio Test Period for the Otero-Gallup Oil Pool.

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 assigns 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

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JOHN BURROUGHS, Chairman

MURRAY E. MORGAN, Member

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