

*Continental Summary 7, 1972*  
*C.A.P.*

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. 4635  
Order No. R-4233

APPLICATION OF CONTINENTAL OIL  
COMPANY FOR MULTIPLE COMPLETION  
AND DOWN-HOLE COMMINGLING, LEA  
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on December 15, 1971, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 4th day of January, 1972, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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, Continental Oil Company, is the owner and operator of the Lockhart A-17 Well No. 4, located in the NE/4 NE/4 of Section 17, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That pursuant to authority granted by Administrative Order DC-774 the subject well was completed as a dual completion (conventional) to produce oil from the Tubb and Drinkard Oil Pools.
- (4) That the Tubb and Drinkard zones in the subject well are now capable of only low marginal production.

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(5) That the applicant now proposes to perforate the subject well in the Penrose Skelly (Grayburg) Oil Pool and to complete said well in such a manner as to commingle in the well-bore the production from the Tubb and Drinkard oil zones and to produce said commingled production from the Tubb and Drinkard Oil Pools through one string of 2-3/8 inch tubing and to produce the anticipated low marginal oil production from the Penrose Skelly (Grayburg) Pool through a parallel string of 2-3/8 inch tubing, with separation of the Penrose Skelly (Grayburg) zone and the commingled Tubb and Drinkard zones by means of a packer set at approximately 6,000 feet.

(6) That the proposed commingling of the Tubb and Drinkard zones may substantially extend the productive lives of said zones.

(7) That the reservoir characteristics of the Tubb and Drinkard zones in the subject well are such that underground waste would not be caused by the proposed commingling in the well-bore.

(8) That the proposed commingling may result in the recovery of additional oil from each of the commingled zones, thereby preventing waste, and will not violate correlative rights.

(9) That the mechanics of the proposed completion are feasible and in accord with good conservation practices.

(10) That in order to allocate the commingled production to each of the commingled zones in the subject well, 30% of the commingled oil production should be allocated to the Tubb zone, 70% of the commingled oil production to the Drinkard zone, 15% of the commingled gas production to the Tubb zone and 85% of the commingled gas production to the Drinkard zone.

(11) That approval of the subject application will prevent waste and protect correlative rights.

(12) That Administrative Order DC-774 should be superseded.

IT IS THEREFORE ORDERED:

(1) That the applicant, Continental Oil Company, is hereby authorized to complete its Lockhart A-17 Well No. 4,

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located in the NE/4 NE/4 of Section 17, Township 21 South, Range 37 East, NMPM, Lea County, New Mexico, in such a manner as to produce oil from the Penrose Skelly (Grayburg) Pool through one string of 2-3/8 inch tubing and to produce oil from the Tubb and Drinkard Pools through a single parallel string of 2-3/8 inch tubing, commingling in the well-bore the production from the Tubb and Drinkard Pools, with separation of the Penrose Skelly (Grayburg) zone and the commingled Tubb and Drinkard zones by means of a packer set at approximately 6,000 feet.

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall notify the Commission of any substantial increase of the gas-oil ratio of the commingled zones.

(2) That 30% of the commingled oil production shall be allocated to the Tubb zone, 70% of the commingled oil production to the Drinkard zone, 15% of the commingled gas production to the Tubb zone and 85% of the commingled gas production to the Drinkard zone.

(3) That the commingling in the well-bore authorized by this order shall continue only so long as the commingled production of the two zones does not exceed 40 barrels of oil per day nor 80 barrels of water per day.

(4) That the maximum amount of gas which may be produced daily from the commingled zones in the subject well shall be determined by multiplying 2,000 by the top unit allowable for the Tubb pool.

(5) That Administrative Order DC-774 is hereby superseded.

(6) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

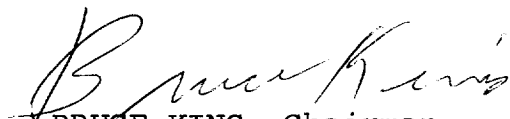
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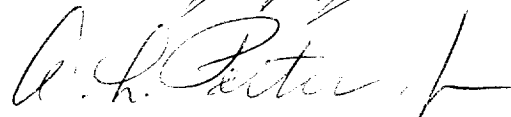
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DONE at Santa Fe, New Mexico, on the day and year herein-  
above designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
BRUCE KING, Chairman

  
ALEX J. ARMIJO, Member

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

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