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. 4194 Order No. R-3181-A

APPLICATION OF PHILLIPS PETROLEUM COMPANY FOR AN AMENDMENT OF ORDER NO. R-3181 AND DUAL COMPLETIONS, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 27, 1969, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 10th day of September, 1969, 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 Order No. R-3181, dated January 18, 1967, authorized the applicant, Phillips Petroleum Company, to institute a pressure maintenance project in its Vacuum Abo Unit Area, Vacuum-Abo Reef Pool, Lea County, New Mexico, through the following-described wells in Lea County, New Mexico:
 - (a) Shell Oil Company State "T" Well No. 6 (now Vacuum Abo Unit Tract 11 Well No. 6), located in Unit P of Section 33, Township 17 South, Range 35 East, NMPM.
 - (b) Standard of Texas Vac Edge Unit Well No. 11 (now Vacuum Abo Unit Tract 13 Well No. 11), located in Unit F of Section 4, Township 18 South, Range 35 East, NMPM.

- (3) That the applicant seeks amendment of said Order No. R-3181 to permit the injection of gas through two additional wells located in Unit L of Section 34, Township 17 South, Range 35 East, NMPM, Lea County, New Mexico, and Unit B of Section 4, Township 18 South, Range 35 East, NMPM, Lea County, New Mexico, and the expansion of said project area to include the SE/4 NE/4 of Section 33 and the NW/4, N/2 SE/4, and SW/4 SE/4 of Section 34, Township 17 South, Range 35 East, NMPM, Lea County, New Mexico.
- (4) That the applicant further seeks authority to dually complete the four above-described wells in such a manner as to permit the production of oil from the lower section of the Abo Reef through tubing and the injection of gas for pressure maintenance purposes into the upper section of the Abo Reef through the casing-tubing annulus, with separation of sections by packers.
- (5) That the mechanics of the proposed dual completions are feasible and in accord with good conservation practices.
- (6) That the injection of gas through two additional wells and the expansion of the project area as requested are in the interest of conservation and should result in greater ultimate recovery of oil, thereby preventing waste.
- (7) That amendment of Order No. R-3181 to permit approval of the two additional wells for gas injection, the dual completion of all gas injection wells, and expansion of the subject project area will prevent the drilling of unnecessary wells and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

- (1) That Order (1) of Order No. R-3181 is hereby amended to read in its entirety as follows:
- "(1) That the applicant, Phillips Petroleum Company, is hereby authorized to operate a pressure maintenance project in its Vacuum Abo Unit Area, Vacuum-Abo Reef Pool, Lea County, New Mexico, to be designated as the Phillips Petroleum Company Vacuum Abo Pressure Maintenance Project, by the injection of gas into the Abo Reef formation through four wells to be completed in such a manner as to permit the production of oil from the lower section of the Abo Reef through tubing and the injection of gas into the

-3-CASE No. 4194 Order No. R-3181-A

upper section of the Abo Reef through the casing-tubing annulus as follows:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM

Vacuum Abo Unit Tract 11 Well No. 6, located in Unit P of Section 33 - injection of gas in the perforated interval from 8310 feet to 8455 feet, production of oil from the perforated interval from 3746 feet to 8786 feet, with separation of sections by a packer set at 8500 feet;

Vacuum Abo Unit Tract 10 Well No. 6, located in Unit L of Section 34 - injection of gas in the perforated interval from 8430 feet to 8460 feet, production of oil from the perforated interval from 8751 feet to 8833 feet, with separation of sections by a packer set at 8500 feet;

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NYPM

Vacuum Abo Unit Tract 13 Well No. 4, located in Unit B of Section 4 - injection of gas in the perforated interval from 8364 feet to 8400 feet, production of oil from the perforated interval from 8704 feet to 8762 feet, with separation of sections by a packer set at 8450 feet;

Vacuum Abo Unit Tract 13 Well No. 11, located in Unit F of Section 4 - injection of gas in the perforated interval from 8335 feet to 8490 feet, production of oil from the perforated interval from 8799 feet to 8857 feet, with separation of sections by a packer set at 8550 feet."

- (2) That <u>Rule 1</u> of the Special Rules and Regulations for the Phillips Petroleum Company Vacuum Abo Pressure Maintenance Project is hereby amended to read in its entirety as follows:
- "RULE 1. The project area of the Phillips Petroleum Company Abo Pressure Maintenance Project, hereinafter referred to as the

-4-CASE No. 4194 Order No. R-3181-A

Project, shall comprise the area described as follows:

LEA COUNTY, NEW MEXICO

TOWNSHIP 17 SOUTH, RANGE 35 EAST, MYPM

Section 33: SW/4 SW/4, E/2 SW/4, SE/4,

and SE/4 NE/4

Section 34: W/2, N/2 SE/4, and SW/4 SE/4

TOWNSHIP 18 SCUTH, PRINCE 35 ERST. NAPM

Section 3: N/2 NN/4 and SW/4 NW/4

Section 4: N/2, N/2 S/2, and S/2 SW/4

Section 5: NE/4 NE/4, S/2 NE/4, and SE/4"

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

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

ALEX J. ARMIJO, Member

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

SEAL