

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. 557
Order No. R-351

THE MATTER OF THE APPLICATION OF
PHILLIPS PETROLEUM COMPANY FOR
PERMISSION TO EFFECT DUAL COMPLETION
OF ITS FONZO NO. 1 WELL, LOCATED IN
NW/4 NW/4, SECTION 35, 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, 12,580 TO
12,680 FEET, AND FROM 12,456 TO 12,550 FEET,
AND OIL FROM THE WOLFCAMP FORMATION,
AFTER PERFORATING 9590 TO 9260 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, herein-after 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 Fonzo No. 1 Well, in the NW/4 NW/4 Section 35, Township 14 South, Range 37 East, NMPM, in the Denton Field, Lea County, New Mexico, 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.
- (5) That applicant's testimony as to the economic effectiveness of the Wolfcamp pay section under the subject well appears to be unduly conservative.

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

IT IS THEREFORE ORDERED:

That the application of Phillips Petroleum Company for permission to dually complete its Fonzo No. 1 Well, located in the NW/4 NW/4, Section 35, Township 14 South, Range 37 East, NMPM, for 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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