

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF THE STATE OF NEW
MEXICO FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 1248
Order No. R-1005

APPLICATION OF MORAN OIL PRODUCING
AND DRILLING CORPORATION FOR AN
ORDER AUTHORIZING AN UNORTHODOX
LOCATION, AN 80-ACRE NON-STANDARD
GAS PRORATION UNIT IN THE TUBB GAS
POOL AND AUTHORIZING A GAS-OIL DUAL
COMPLETION IN THE TUBB GAS POOL AND
DRINKARD POOL FOR IT'S LINEBERRY NO.
1 WELL IN LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 23, 1957, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the New Mexico Oil Conservation Commission, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 29 day of May, 1957, 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 is the owner of a patented oil and gas lease on the S/2 NE/4 of Section 29, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico.

(3) That the applicant is the owner and operator of the Lineberry No. 1 Well located in the SW/4 of the NE/4 of said Section 29, which well is presently drilling to the Drinkard Pool.

(4) That the applicant proposes to dually complete the aforementioned Lineberry No. 1 Well in the Tubb Gas Pool and Drinkard Pool, in such a manner as to produce the Drinkard oil through the tubing and the Tubb gas through the casing-tubing annulus.

(5) That the applicant seeks approval of the unorthodox gas well location of the aforementioned Lineberry No. 1 Well at a point 2240 feet from the North line and 1980 feet from the East line of said Section 29 for production from the Tubb Gas Pool.

(6) That the applicant proposes to dedicate the above-described S/2 NE/4 of said Section 29 as the Tubb Gas Proration Unit for the Lineberry No. 1 Well.

(7) That approval of the subject application will not cause waste nor impair correlative rights.

(8) That the mechanics of the proposed dual completion are feasible and consonant with good conservation practices.

IT IS THEREFORE ORDERED:

(1) That the unorthodox gas well location of the Moran Oil Producing and Drilling Corporation Lineberry No. 1 Well, located 2240 feet from the North line and 1980 feet from the East line of Section 29, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico, for production from the Tubb Gas Pool, be and the same is hereby authorized.

(2) That a non-standard gas proration unit for the Tubb Gas Pool consisting of S/2 NE/4 of said Section 29, be and the same is hereby established, said unit to be dedicated to the aforementioned Lineberry No. 1 Well.

(3) That the applicant, Moran Oil Producing and Drilling Corporation, be and the same is hereby authorized to dually complete its said Lineberry No. 1 Well in the Tubb Gas Pool and Drinkard Pool in such a manner as to produce the Drinkard oil through the tubing and the Tubb gas through the casing-tubing annulus.

PROVIDED HOWEVER, That upon the actual dual completion of said subject well, applicant shall submit to the district office of the Commission in which the subject well is located, Form C-103, Form C-104, Form C-110 and Form C-122, outlining the information required on these forms by existing Rules and Regulations.

PROVIDED HOWEVER, That subject well shall be completed and thereafter produced in such a manner that there will be no commingling within the well bore either within or outside the casing of gas, oil and gas, or oil produced from the separate strata, and

PROVIDED FURTHER, That said subject well for dual completion and production shall be equipped in such a way that reservoir pressures may be determined separately for each of the two specified strata and further be equipped with all necessary connections required to permit the recording meters to be installed and used at any time as may be required by the Commission or its representatives in order that natural gas, or oil and gas from each separate stratum may be accurately measured and the gas-oil or gas-liquid ratio thereof determined and

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PROVIDED FURTHER, That the operator-applicant shall make any and all tests, including segregation tests and packer leakage tests upon completion and annually thereafter during the GOR test period for the Drinkard Pool commencing in the year 1958, and whenever the packer is disturbed, but not excluding other tests and/or determinations at any convenient time and in such manner as deemed necessary by the Commission. The original and all subsequent tests shall be witnessed by representatives of offset operators if any there be at their election, and the results of each test properly attested to by the applicant herein, and all witnesses, and shall be filed with the Commission within fifteen (15) days after the completion of such tests and further that applicant shall file with the Commission in duplicate a packer-setting affidavit, which affidavit shall be due within fifteen (15) days of the dual completion or whenever the packer is disturbed.

PROVIDED FURTHER, That upon the actual dual completion of such subject well, applicant shall submit to the Commission a diagrammatic sketch of the mechanical installation which was actually used to complete and produce the seal between the strata and a special report of production gas-oil or gas-liquid ratio and reservoir pressure for each producing zone or stratum immediately following completion.

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

E. L. Mechem

EDWIN L. MECHEM, Chairman

M. E. Morgan

MURRAY E. MORGAN, Member

A. L. Porter, Jr.

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

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