

BEFORE THE
OIL CONSERVATION COMMISSION OF
THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF CITIES SERVICE OIL COMPANY
FOR PERMISSION TO DUALY COMPLETE
ITS STATE "P" WELL NO. 3 FOR PRO-
DUCTION OF OIL FROM THE BLINEBRY
OIL POOL, AND THE PRODUCTION OF
OIL FROM AN UNDESIGNATED GLORIETA
OIL POOL, LEA COUNTY, NEW MEXICO.

Case No. 1557

APPLICATION FOR DE NOVO HEARING

Comes now Cities Service Oil Company, and pursuant to the provisions of New Mexico Oil Conservation Commission Rule 1120, and as provided by Section 65-3-11.1, New Mexico Statutes Annotated, 1957 Supplement, applies for a hearing de novo before the Commission in the above captioned matter, and in support thereof would show:

1. That by application filed October 28, 1958, Cities Service Oil Company sought approval for the dual completion of its State "P" Well No. 3, located 990 feet from the South line and 990 feet from the West line of Section 32, Township 22 South, Range 38 East, N.M.P.M., Lea County, New Mexico, for the production of oil from the Blinebry formation in the Blinebry Oil Pool, and for the production of oil from the Glorieta formation in an undesignated oil pool.

2. That said application was heard as Case No. 1557 on the Commission's Docket, before Elvis A. Utz, Examiner, on November 19, 1958.

3. That by Order No. R-1298, entered November 28, 1958, the Commission denied said application.

4. That by its application, Cities Service Oil Company proposes to dually complete the said State "P" Well No. 3 in such a manner as to permit the production of oil from the Blinebry Oil Pool and the production of oil from an undesignated Glorieta oil pool through parallel strings of 2-inch tubing utilizing a dual-zone pump operated by a single rod string.

5. That such proposal is in the interests of conservation and the prevention of waste, and should be approved.

Wherefore applicant prays that this matter be set for de novo hearing before the Commission as provided by law and the rules and regulations of the Commission, and after notice and hearing as provided by law, said application be approved.

Respectfully submitted,
CITIES SERVICE OIL COMPANY

Kellahin and Fox
Santa Fe, New Mexico

Attorneys for Applicant

By: Jason W. Kellahin

OIL CONSERVATION COMMISSION
P. O. BOX 871
SANTA FE, NEW MEXICO

March 20, 1959

Cities Service Oil Company
P. O. Box 97
Hobbs, New Mexico

Attention: Mr. E. F. Motter

Gentlemen:

Reference is made to Commission Order No. R-1298-A, entered by the Commission February 2, 1959, which authorized Cities Service Oil Company to dually complete its State "P" Well No. 3, located in the SW/4 SW/4, Section 32, Township 22 South, Range 38 East, Lea County, New Mexico, in the Blinebry Oil Pool and in an undesignated Glerieta oil pool, and to produce said pools by means of dual-zone type pumping equipment.

Order R-1298-A further provides that the operator of the well shall make such tests as the Secretary-Director may prescribe from time to time.

Cities Service Oil Company is hereby directed to conduct pressure tests, immediately upon installation of the dual zone pumping equipment and at least once each month thereafter, to insure that leakage and communication between the separate pools is not occurring in the dual zone equipment. These pressure tests shall be conducted in accordance with the instructions enclosed herewith.

Very truly yours,

A. L. PORTER, Jr.,
Secretary-Director

ALP/DSN/ir

cc: Oil Conservation Commission - Hobbs, New Mexico

INSTRUCTIONS FOR PRESSURE TESTS, DUAL ZONE PUMPING EQUIPMENT

1. Upon installation of the dual-zone pumping equipment, there shall be installed in the flow-line leading from each zone of the dual completion one valve and one pressure gauge located up-stream from said valve.
2. Operator shall close the valve on the lower zone flow-line and leaving the other valve open, run the pumping unit until the pressure on the closed-in flow line reaches a minimum of 350 psig.
3. The pumping unit shall then be shut-down and the valve on the upper zone flow-line closed immediately.
4. Both valves shall remain closed a minimum of 30 minutes. Pressure readings on both gauges shall be taken and recorded every 10 minutes.
5. Following conclusion of the first test, the same procedure shall be repeated, with the exception that the test shall commence with the valve on the upper zone flow-line closed and the lower zone valve open.
6. Operator shall notify the Oil Conservation Commission, Hobbs, New Mexico, at least 24 hours prior to commencement of pressure tests. Pressure tests may be witnessed by Commission representatives at their discretion. Results of pressure tests, including all recorded pressures, shall be filed with the Commission's Hobbs office within five days after completion of the tests.