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

December 17, 1959

Mr. Jason Kellahin P. G. Box 1713 Santa Pe, New Mexico

Dear Mr. Kellahin:

On behalf of your clients, Amerada Petroleum Corporation, Cities Service Oil Company and Continental Oil Company, we enclose two copies of Order No. R-1526-A in Case 1792, Order No. R-1326-A in Case 1822, Order No. R-1440-A in Case 1825 and Order No. R-1445-A in Case No. 1826. These orders were issued by the Oil Conservation Commission on December 16, 1959.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

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Enclosures

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. 1792 Order No. R-1526

APPLICATION OF AMERADA PETROLEUM CORPORATION FOR AN OIL-OIL DUAL COMPLETION IN THE BRONCO SILURO-DEVONIAN POOL AND IN AN UNDESIGNATED MISSISSIPIAN POOL, AND FOR THREE NON-STANDARD OIL PRORATION UNITS IN SAID POOLS 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 October 28, 1959, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinefter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 12 th day of November, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel 5. 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 and operator of the Federal "B" Well No. 2, located approximately 1983 feet from the North line and approximately 548.46 feet from the East line of Section 11, Township 13 South, Range 38 East, NMPM, Lea County, New Mexico.
- (3) That the applicant proposes to dually complete the above-described Federal "B" Well No. 2 in such a manner as to permit the production of oil from the Bronco Siluro-Devonian Pool and the production of oil from an undesignated Mississippian Pool through parallel strings of 2-3/8 inch EUE tubing and 2-1/16 inch Hydril tubing

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- (4) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.
- (5) That the applicant is the owner and operator of the Federal "B" Well No. 1 located approximately 1983 feet from the North line and approximately 1538.46 feet from the East line of the above-mentioned Section 11.
- (6) That the applicant proposes the establishment of a 40-acre non-standard oil proration unit in the Bronco Siluro-Devonian Pool to be dedicated to said Federal "B" Well No. 1, and consisting of the following-described acreage:

Starting at the Southwest corner of the NE/4 of said Section 11; thence North 1719.59 feet; thence East 1013.26 feet; thence South 1719.59 feet; thence West 1013.26 feet to the point of beginning.

(7) That the applicant proposes the establishment of one 40-acre non-standard proration unit in the Bronco Siluro-Devonian Pool and another in an undesignated Mississippian Pool to be dedicated to the proposed dually completed Federal "B" Well No. 2, and both consisting of the following-described acreage:

Starting at the Southeast corner of the NE/4 of Section 11; thence West approximately 1203.66 feet; thence North approximately 1719.59 feet; thence East approximately 337.16 feet; thence South approximately 416.23 feet; thence East approximately 490.34 feet to the East line of Section 11; thence in a southerly direction along the New Mexico-Texas State line to the point of beginning.

- (8) That the need for said non-standard oil proration units is occasioned by a deviation in the United States Public Land Survey along the State line.
- (9) That creation of the proposed non-standard proration unit for applicant's Federal "B" Well No. 1, as described in Finding No. 6, will require approval of the location of said well as a non-standard location, and that such approval should be granted.
- (10) That approval of the subject application will neither cause waste nor impair correlative rights.
- (11) That Order No. R-533 establishing a 66.61-acre non-standard oil proration unit in the Bronco Siluro-Devonian Pool for the Federal "B" Well No. 1 should be rescinded.

IT IS THEREFORE ORDERED:

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(1) That the applicant be and the same is hereby authorized to dually complete the Federal "B" Well No. 2, located approximately 1963 feet from the North line and approximately 548.46 feet from the East line of Section 11, Township 13 South; Range 38 East, NMPM, Lea County, New Mexico, in such a manner as to permit the production of oil from the Bronco Siluro-Devonian Peel and the production of oil from an undesignated Mississippian peel through parallel strings of 2-3/8 inch EUE tubing and 2-1/16 inch Hydril tubing.

PROVIDED HOWEVER. That applicant shall complete, operate, and produce said well in accordance with the provisions of Section V. Rule 112-A.

PROVIDED FURTHER. That applicant shall take packer-leakage tests upon completion and annually thereafter during the Annual Gas-Oil Ratio Test Period for the Bronco Siluro-Devonian Pool.

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.

(2) That one 40-acre non-standard oil proration unit in the Bronco Siluro-Devonian Pool and another in an undesignated Mississippian pool, be and the same are hereby established consisting of the following described acreage:

Starting at the Southeast corner of the NE/4 of said Section 11; thence West approximately 1203.66 feet; thence North approximately 1719.59 feet; thence East approximately 337.16 feet; thence South approximately 416.23 feet; thence East approximately 890.34 feet to the East line of said Section 11; thence in a southerly direction along the New Mexico-Texas State line to the point of beginning.

Said units are to be dedicated to the Federal "B" Well No. 2, herein authorized to be dually completed.

(3) That a 40-acre non-standard oil proration unit in the Bronco Siluro-Devonian Pool be and the same is hereby established consisting of the following acreage in said Section 11:

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Starting at the Southwest corner of the NE/4 of Section 11, thence North approximately 1719.59 feet; thence East approximately 1013.26 feet; thence South approximately 1719.59 feet; thence West approximately 1013.26 feet to the point of beginning.

Said unit is to be dedicated to the Federal "B" Well No. 1, located at an unorthodox location approximately 1983 feet from the North line and approximately 1538.46 feet from the East line of said Section 11.

(4) That Order No. R-533 establishing a 66.61 acre nonstandard oil proration unit in the Bronco Siluro-Devonian Pool for the said Federal "B" Well No. 1 be and the same is hereby rescinded.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

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JOHN BURROUGHS, Chairman

MURRAY E. MORGAN, Member

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