

**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. 2264
Order No. R-1974**

**APPLICATION OF UNITED STATES SMELTING
REFINING AND MINING COMPANY FOR AN OIL-
GAS DUAL COMPLETION (CONVENTIONAL), AND
FOR PERMISSION TO COMMINGLE THE PRODUC-
TION FROM TWO SEPARATE POOLS, LEA COUNTY,
NEW MEXICO.**

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 4, 1961, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 17th day of May, 1961, 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, United States Smelting Refining and Mining Company, seeks authorization to complete its Federal 11-20-34 Well No. 1, located 1980 feet from the North line and 2130 feet from the West line of Section 11, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico, as a dual completion (conventional), in such a manner as to permit the production of oil from the Bone Springs formation adjacent to the Lea-Bone Springs Pool and the production of gas from an undesignated Pennsylvanian pool through parallel strings of 2-inch tubing.

(3) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.

(4) That the applicant further seeks permission to commingle the Bone Springs oil production and the Pennsylvanian distillate production from the subject well.

-2-

CASE No. 2264
Order No. R-1974

(5) That the liquid production from each of the subject pools should be separately metered prior to commingling, and that the meters to be used for this purpose should be equipped with non-reset totalizers.

(6) That approval of the subject application will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, United States Smelting Refining and Mining Company, is hereby authorized to complete its Federal 11-20-34 Well No. 1, located 1980 feet from the North line and 2130 feet from the West line of Section 11, Township 20 South, Range 34 East, NMPM, Lea County, New Mexico, as a dual completion (conventional), in such a manner as to permit the production of oil from the Bone Springs formation adjacent to the Lea-Bone Springs Pool and the production of gas from an undesignated Pennsylvanian pool through parallel strings of 2-inch tubing.

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

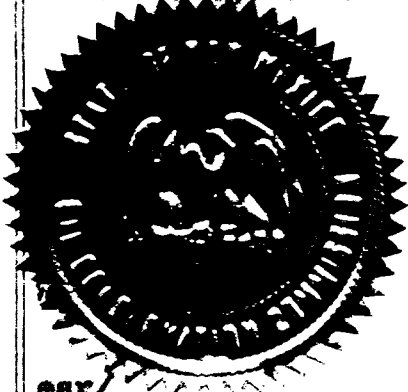
PROVIDED FURTHER, That the applicant shall take packer-leakage tests upon completion and annually thereafter during the Gas-Oil Ratio Test Period for the Lea-Bone Springs Pool, or as required by the Secretary-Director of the Commission.

(2) That the applicant is hereby authorized to commingle the Bone Springs oil production and the Pennsylvanian distillate production from the subject well, after separately metering the liquid production from each pool by means of meters equipped with non-reset totalizers.

PROVIDED HOWEVER, That it may be that this installation, at a later date, will have to be altered to conform to such standards as the Commission may prescribe.



(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


EDWIN L. MECHEM, Chairman


E. S. WALKER, Member

A. L. PORTER, Member & Secretary