ORDER NO. MC-2321

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION COMMISSION

Under the provisions of Rule 112-A Energy Reserves Group, Inc. made application to the New Mexico Oil Conservation Commission on March 24, 1977, for permission to dually complete its Jicarilla Well No. 5 located in Unit J of Section 36, Township 25 North, Range 5 West, NMPM, Rio Arriba County, New Mexico, in such a manner as to permit production of gas from the Pictured Cliffs formation and from the Chacra formation adjacent to the Otero-Chacra Pool.

Now, on this 13th day of April, 1977, the Secretary-Director finds:

- (1) That application has been duly filed under the provisions of Rule 112-A of the Commission's Rules and Regulations;
- (2) That satisfactory information has been provided that all operators of offset acreage have been duly notified; and
- (3) That no objections have been received within the waiting period as prescribed by said rule.
- (4) That the proposed dual completion will not cause waste nor impair correlative rights.
- (5) That the mechanics of the proposed dual completion are feasible and consonant with good conservation practices.

IT IS THEREFORE ORDERED:

That the applicant herein, Energy Reserves Group, Inc., be and the same is hereby authorized to dually complete its Jicarilla Well No. 5 located in Unit J of Section 36, Township 25 North, Range 5 West, NMPM, Rio Arriba County, New Mexico, in such a manner as to permit production of gas from the Pictured Cliffs formation and from the Chacra formation adjacent to the Otero-Chacra Pool through the casing-tubing annulus and the tubing respectively.

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

PROVIDED FURTHER, That applicant shall take packer-leakage tests upon completion and annually thereafter.

IT IS FURTHER ORDERED: That jurisdiction of this cause is hereby 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
OLL CONSERVATION COMMISSION

JOE D. RAMEY, / Secretary-Director

SEAL