THE APPLICATION OF MAGNOLIA PETROLEUM COMPANY FOR PERMISSION TO EFFECT DUAL COMPLETION OF ITS JICARILLA "G" WELL NO. 3, LOCATED IN THE SW/4 SW/4 OF SECTION 35, TOWNSHIP 27 NORTH, RANGE 3 WEST, NMPM, RIO ARRIBA COUNTY, NEW MEXICO, IN AN UNDESIGNATED PICTURED CLIFFS GAS POOL AND MESAVERDE GAS POOL.

ORDER NO. DC-462

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION COMMISSION

Under the provisions of Rule 112-A (c) Magnolia Petroleum Company made application to the New Mexico Oil Conservation Commission on May 29, 1957, for permission to dually complete its Jicarilla "G" Well No. 3 located 990 feet from the south line and 990 feet from the west line of Section 35, Township 27 North, Range 3 West, NMPM, Rio Arriba County, New Mexico, in an undesignated Pictured Cliffs Gas Pool and Mesaverde Gas Pool.

Now, on this 30th day of August, 1957, the Secretary-Director finds:

(1) That application has been duly filed under the provisions of Sub-section 'c' 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, Magnolia Petroleum Company, be and it hereby is authorized to dually complete its Jicarilla "G" Well No. 3 located in the SW/4 SW/4 of Section 35, Township 27 North, Range 3 West, NMPM, Rio Arriba County, New Mexico, in such a manner as to produce gas from an undesignated Pictured Cliffs Gas Pool and gas from the Blanco-Mesaverde Gas Pool through parallel strings of tubing.

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 either or both of the separate strata,

PROVIDED HOWEVER, That prior to the actual dual completion the operator shall make pressure tests of the casing to prove that no casing leaks exist. In the event a casing leak is apparent the operator shall take appropriate steps to adequately repair the leak. The results of these tests shall be reported to the Commission on Form C-103.

PROVIDED FURTHER, That upon the actual dual completion of such subject well applicant shall submit to the appropriate District Office of the Commission, copies of Oil Conservation Commission Form C-103, Form C-104, Form C-110 and Form C-122 outlining the information required on those forms by existing Rules and Regulations and two copies of the electric log of the well.

PROVIDED FURTHER, That said subject well for dual completion and

[illegible]

[illegible]

[illegible] the provisions of Rule 104 (c) [illegible] made application to the New Mexico Oil Conservation Commission [illegible] 1977, for permission to dually complete the [illegible] Well No. 2 located 990 feet from the south line and 990 feet from the west line of Section 25, Township 27 North, Range 3 West, NMPM, Rio Arriba County, New Mexico, in the unassignated Otero-Mesaverde Tiffs Gas Pool and [illegible] Gallup;

[illegible] this 30th day of August, 1977, [illegible] finds:

(1) That jurisdiction has been duly filed under the provisions of Sub-section 'c' of Rule 104 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 completion are feasible and in accordance with good conservation practice;

IT IS THEREFORE ORDERED:

That the applicant, Merrill Petroleum Company, be and it hereby is authorized to dually complete its Otero File Well No. 2 located in the SW/4 SW/4 of Section 25, Township 27 North, Range 3 West, NMPM, Rio Arriba County, New Mexico, in such a manner as to produce gas from an undesignated Otero-Mesaverde Tiffs Gas Pool and gas from the Blanco-Mesaverde Gas Pool through parallel strings of tubing.

PROVIDED HOWEVER, That said dual well be completed and thereafter produced in such a manner that there will be no communication within the wellbore either within or outside the casing or tubing, all gas, or oil produced from either zone to the surface exclusively;

PROVIDED HOVEVER, That prior to the actual dual completion the operator shall make pressure tests of the casing to prove that no casing leaks exist. In the event a casing leak is apparent the operator shall take appropriate steps to adequately isolate the leak. The results of these tests shall be reported to the Commission on Form C-104.

PROVIDED FURTHER, That [illegible] authorization shall be subject to the [illegible] Commission, or its duly [illegible] Conservation Commission, [illegible] Rule 104 and Form C-104 governing the dual completion of wells in these [illegible] by existing rules and regulations and to [illegible] Commission [illegible] wells.

PROVIDED FURTHER, That [illegible]

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 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, oil, or oil and gas from each separate stratum may be accurately measured and the gas-liquid ratios thereof determined, and

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 Deliverability Test Period for the Blanco Mesaverde Gas Pool, commencing in 1958, and whenever the packer is disturbed, but not excluding any 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 the Commission and 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, shall be filed with the Commission within fifteen (15) days after completion of such test, 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-liquid ratios and reservoir pressure determination of 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 the year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

A. L. PORTER, Jr.
Secretary-Director

SEAL

[illegible] separately for each of the [illegible] equipped with all necessary connections [illegible] at such times as may [illegible] its representatives, [illegible] potential [illegible] each separate [illegible] accurately [illegible] thereof determined, and

PROVIDED FURTHER, That [illegible] all tests, including segregation tests and [illegible] completion and annually thereafter during the [illegible] the Clinch [illegible] Pool, commencing in 1961 [illegible] is disturbed, but not including any [illegible] convenient time and in such manner [illegible] the original and all subsequent [illegible] of the Commission and representative of [illegible], and the results of each test, [illegible] witnesses, [illegible] Commission [illegible] fifteen (15) days [illegible] and further, that [illegible] affidavit [illegible] final completion [illegible].

PROVIDED FURTHER, That [illegible] outset of [illegible], applicant shall submit to the Commission a diagrammatic sketch of the mechanical installation which was actually used to complete an [illegible] the size [illegible], and a [illegible] production, [illegible] and [illegible] pressure [illegible] zone [illegible] completion.

IT IS FURTHER ORDERED: That jurisdiction [illegible] is hereby retained by the Commission for such further [illegible] as may [illegible] necessary [illegible] waste and/or [illegible] failure of applicant to comply with any [illegible] of this order after [illegible] notice and hearing [illegible] the Commission [illegible] applicant [illegible] designs to limit its activities [illegible] 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

[illegible]