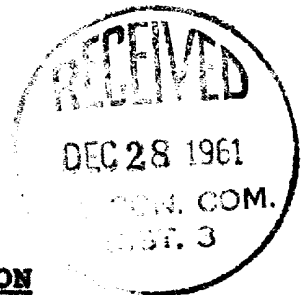


THE APPLICATION OF SOUTHWEST PRODUCTION COMPANY FOR PERMISSION TO EFFECT DUAL COMPLETION OF ITS BOND FEDERAL WELL NO. 2 LOCATED IN THE NW/4 NW/4 OF SECTION 13, TOWNSHIP 26 NORTH, RANGE 8 WEST, NMPM, SAN JUAN COUNTY, NEW MEXICO, IN SUCH A MANNER AS TO PERMIT THE PRODUCTION OF GAS FROM THE PICTURED CLIFFS FORMATION ADJACENT TO THE BALLARD-PICTURED CLIFFS POOL AND THE PRODUCTION OF GAS FROM THE BASIN-DAKOTA POOL.

ORDER NO. MC-1127

ADMINISTRATIVE ORDER  
OF THE OIL CONSERVATION COMMISSION



Under the provisions of Rule 112-A (II) Southwest Production Company made application to the New Mexico Oil Conservation Commission on November 28, 1961, for permission to dually complete its Bond Federal Well No. 2 located in the NW/4 NW/4 of Section 13, Township 26 North, Range 8 West, NMPM, San Juan County, New Mexico, in such a manner as to permit the production of gas from the Pictured Cliffs formation adjacent to the Ballard-Pictured Cliffs Pool and the production of gas from the Basin-Dakota Pool.

Now, on this 18th day of December, 1961, the Secretary-Director finds:

1. That application has been duly filed under the provisions of Subsection (II) 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, Southwest Production Company, be and the same is hereby authorized to dually complete its Bond Federal Well No. 2 located in the NW/4 NW/4 of Section 13, Township 26 North, Range 8 West, NMPM, San Juan County, New Mexico, in such a manner as to permit the production of gas from the Pictured Cliffs formation adjacent to the Ballard-Pictured Cliffs Pool and the production of gas from the Basin-Dakota Pool through parallel strings of tubing.

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

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PROVIDED FURTHER, That applicant shall take packer-leakage tests upon completion and annually thereafter during the Annual Deliverability Test Period for the Basin-Dakota 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, 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 year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

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

S E A L

