THE APPLICATION OF EL PASO NATURAL GAS COMPANY FOR PERMISSION TO EFFECT DUAL COMPLETION OF ITS STOREY WELL NO. 4 (PM), LOCATED 900 FEET FROM THE NORTH LINE AND 1650 FEET FROM THE EAST LINE OF SECTION 34, TOWNSHIP 28 NORTH, RANGE 8 WEST, NMPM, SAN JUAN COUNTY, NEW MEXICO, TO PRODUCE GAS FROM THE PICTURED CLIFFS FORMATION NEAR THE SOUTH BLANCO PICTURED CLIFFS POOL AND GAS FROM THE BLANCO MESAVERDE POOL.

ORDER NO. DC-504

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION COMMISSION

Under the provisions of Rule 112-A (c) El Paso Natural Gas Company, made application to the New Mexico Oil Conservation Commission on October 10, 1957, for permission to dually complete its Storey Well No. 4 (PM), located 900 feet from the North line and 1650 feet from the East line of Section 34, Township 28 North, Range 8 West, NMPM, San Juan County, New Mexico, to produce gas from the Pictured Cliffs Pool and gas from the Blanco Mesaverde Pool.

Now, on this 10th day of October, 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 the applicant is the owner of all of the offset acreage and that no waiting period is therefore necessary.

(3) That the proposed dual completion will not cause waste nor impair correlative rights.

(4) That the mechanics of the proposed dual completion are feasible and consonant with good conservation practices.

IT IS THEREFORE ORDERED:

That the applicant herein, El Paso Natural Gas Company, be and the same is hereby authorized to dually complete its Storey Well No. 4 (PM), located 900 feet from the North line and 1650 feet from the East line of Section 34, Township 28 North, Range 8 West, NMPM, San Juan County, New Mexico, in such a manner as to produce gas from the Pictured Cliffs formation near the South Blanco Pictured Cliffs Pool and gas from the Blanco Mesaverde Pool, through the casing-tubing annulus and the tubing respectively.

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 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-oil or gas-liquid ratio thereof determined, and

PROVIDED FURTHER, That the operator shall make any and all tests, including segregation and packer-leakage tests upon completion and annually thereafter during the Deliverability Test Period for the Blanco Mesaverde Pool, commencing in the year 1958, and whenever the packer is disturbed, but not excluding any other tests and/or determinations as deemed necessary by the Commission; the original and all subsequent tests shall be witnessed 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 the completion of such tests, 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, and

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-oil ratio or gas-liquid ratio, and reservoir pressure determination for 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 year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

A. L. PORTER, Jr.
Secretary-Director

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