

SUBJECT: DUAL COMPLETION (GAS-GAS)

January 30, 1957

Order No. DC-381

THE APPLICATION OF AZTEC OIL & GAS
COMPANY FOR PERMISSION TO EFFECT
DUAL COMPLETION OF ITS KOCH-STATE
WELL NO. 1, LOCATED IN THE SW/4 NE/4
OF SECTION 36, PM, SAN JUAN COUNTY,
RANGE 9 WEST, AN UNDESIGNATED PIC-
TURED CLIFFS POOL AND THE BLANCO
MESAVERT POOL.

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION COMMISSION

the provisions of Rule 112-A (c) Aztec Oil & Gas Company
on to the New Mexico Oil Conservation Commission on November
made permission to dually complete its Koch-State Well No. 1, located
24, 1st the north line and 2440 feet from the east line and in the SW/4
1980 on 36, Township 29 North, Range 9 West, NMPM, San Juan
NE, Mexico, in an undesignated Pictured Cliffs Gas Pool and the
Mesaverde Gas Pool.

The Secretary-Director Finds:

- (1) That application has been duly filed under the provisions of Sub-
c' of Rule 112-A of the Commission's Rules and Regulations;
- (2) That satisfactory information has been provided that all operators
et acreage have been duly notified; and
- (3) That no objections have been received within the waiting period
rescribed by said rule.

IT IS THEREFORE ORDERED:

That the applicant, herein, Aztec Oil & Gas Company be and it hereby
is authorized to dually complete its Koch-State Well No. 1, located in the SW/4
NE/4 of Section 36, Township 29 North, Range 9 West, NMPM, San Juan Coun
New Mexico, in such manner as to permit production of gas from the Pic-
tured Cliffs Formation by proper perforation of the casing with the production
of gas from the casing tubing annulus with a bleeder string from an undesig-
nated Pictured Cliffs Gas Pool and the production of gas from the Mesaverde
Formation by proper perforation of a liner with gas production through the
tubing from the Blanco Mesaverde Gas Pool and with the installation of a
suitable packer and with the installation of adequate surface equipment to
maintain complete separation of the two zones of production.

PROVIDED HOWEVER, That subject well shall be completed and
thereafter produced in such a manner that there will be no commingling with-
in 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 have developed since the well was originally completed. 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 Commis-
on Form C-103.

ADMINISTRATIVE ORDER
OF THE FISH AND WILDLIFE COMMISSION

The Secretary, Director, Bureau of

IT IS THEREFORE ORDERED:

off produced from either or both of the separate strands, in the well known, either within or outside the casing of gas, oil and gas, or thereafter produced in such a manner that there will be no communicating with the gas well shall be completed and

operator shall make pressure tests of the casing to prove that no casing leaks have developed since the well was originally completed. In the event a casing leak is apparent the operator shall take appropriate steps to shut-in the well. The results of these tests shall be reported to the Commission on Form O-203.

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 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 stratum may be accurately measured and the gas-liquid ratios there-terminated, and

PROVIDED FURTHER, That the operator-applicant shall make any and all tests, including segregation tests, packer leakage tests on completion and during the annual deliverability test for the Blanco Mesaverde Gas Pool, but not excluding 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 and shall be filed with the Commission within fifteen (15) days after completion of such test, and submit a packer-setting affidavit within fifteen (15) days after completion, after remedial work, 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-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.

APPROVED at Santa Fe, New Mexico, on this 30th day of January, 1957.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

A. L. PORTER, JR.
Secretary-Director

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PROVIDED FURTHER, That upon the actual dual completion of each subject well applicant shall submit to the appropriate District Office of the Commission copies of Form C-103 containing the information required on these forms by existing rules and Regulations and two copies of the electric log of the well.

PROVIDED FURTHER, That each subject well for dual completion shall be equipped in such a way that reservoir pressure may be determined separately for each of the two specified strata, and further, be equipped with all necessary connections required to permit recording meters installed and used, at any time, as may be required by the Commission or representatives, in order that natural gas, oil, or oil and gas from each stratum may be accurately measured and the gas-liquid ratios therefrom determined, and

PROVIDED FURTHER, That the operator-applicant shall make any and all tests, including segregation tests, packer leakage tests or completion tests, and annual deliverability tests for the Kansas Measure Gas Well, 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 entered to be the applicant herein and all copies of each test and submit a packet-testing affidavit within fifteen (15) days after completion, after remedial work, or whenever the casing is abandoned, and.

PROVIDED FURTHER, That upon the actual dual completion of each subject well applicant shall submit to the Commission a diagrammatic sketch of the mechanical installation which was actually used to complete and produce the well between the strata, and a special report of production, gas-liquid ratios and reservoir pressure determination at 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 redemptive applicant or its successors and assigns authority hereby granted and redemptive applicant or its successors and assigns to limit its activities to regular single-zone production in the interests of conservation.

APPROVED at Santa Fe, New Mexico, on this 30th day of January, 1955.

STATE OF NEW MEXICO
THE COMMISSIONER OF LANDS AND MINES

A. M. BOWEN, JR.
Secretary-Commissioner