January 30, 1957

Order No. DC-381

THE APPLICATION OF AZTEC OIL & GAS THE APPLICATION PERISION TO EFFECT COMPANY FOR PEN I ITS KOCH-STATE
DUAL COMPLETION IN THE SW /4 NE /4 DUAL COMIT LOCKNSHIP 29 NORTH, WELL RUIN 36, PM, SAN JUAN COUNTY, OF SECTION 36, PM, SAN JUAN COUNTY, OF SECTION RANGE 7 ICO. S POOL AND THE BLANCO NEW MEXICO. S POOL AND THE BLANCO TURED CLIFFOOL. MESAVERDE

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION COMMISSION

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

The Secretary-Director Finds:

- (1) That application has been duly filed under the provisions of Subc' 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, Astec Oil & Gas Company be and it hereby is authorized to dually complete its Kech-State well No. 1, located in the SW/4 NE/4 of Section 36, Township 29 North, Range 9 West, NMPM, San Juan Count New Mexico, in such manner as to permit production of gas from the Pictured Cliffs Formation by proper perforation of the casing with the production of gas from the casing tubing annulus with a bleeder string from an undesignated 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 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 have developed since the well was originally completed. In the event a casing leak is apparent the operator shall take appropriate steps to adequate repair the leak. The results of these tests shall be reported to the Commiss on Form C-103.

Order No. De-Sel

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ADMINISTRATIVE ORDER OF THE OIL CONSERVATION COMMISSION

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The secretary Ofrector Mads:

- (3) That application has been duly filed under the provintions of Suberion 'e' of Rule like A of the Commission's nules and Regulations.
- (a) Their samutactory information has been provided that all operature of offset acresgo have been duly notified; and
 - (3) That no objections have been received within the wanting period se presentined by said rule.

T IS THERETONE ORDERED:

That the applicant, herein, Astec Oil & One Company be and it neredy is authorized to avally complete its Koch-State well No. 1, located in the SW la WE 14 of Section 35, Township 29 Morth, Gange 9 West, NMPM, San Juan Count New Mexico, in such manner as to permit production of gas from the Pict tured Cliffe Formation by proper perforation of the casing with the production of ges from toe resing tubing annulus with a biceder arring from an undesign nated Pictured Cilifs Use Pool and the production of gas from the Messonalde formation by proper perforation of a liner with gas production through the tubing from the Blanco h reaverde Gas Pool and with the installation of a autable parker and with the installation of acequate surface equipment to maintain complete separation of the two names of production.

PROVIDED HOVEVER, That subject well shall be completed and thereafter produced in such a manner that there will be no commingling with in the wear-hors, stiller within or objects the casing of gas, bit and yas, br oil produced from either or both of the separate strafa.

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PROVIDED FURTHER, That upon the actual dual completion of such BROWNED FOR ITEM, I not upon the actual dual completion of su subject well applicant shall submit to the appropriate District Office of the subject well applicant shall submit to the appropriate District Office of the subject well applicant shall submit to the appropriate District Office of the subject well applicant shall submit to the appropriate District Office of the subject well applicant shall submit to the appropriate District Office of the subject well applicant shall submit to the appropriate District Office of the subject well applicant shall submit to the appropriate District Office of the subject well applicant shall submit to the appropriate District Office of the subject well applicant shall submit to the appropriate District Office of the subject well applicant shall submit to the appropriate District Office of the subject well applicant shall submit to the appropriate District Office of the subject well applicant shall submit to the appropriate District Office of the subject well applicant shall submit to the appropriate District Office of the subject well applicant shall submit to the appropriate District Office of the subject Order No. DC-381 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 104, Form C-110 and Regulations and two copies of the alactic by existing Jules and Regulations and two copies of the alactic by 104. Form C-110 and Form O-122 outlining the information required on those forms by existing dules and Regulations and two copies of the electric log of

YIDED FURTHER, That said subject well for dual completion on shall be equipped in such a way that reservoir pressures may be the well. and prof separately for each of the two specified strata, and further, be determitable all necessary connections required to permit recording meters equivalled and used, at any time, as may be required by the Commission or esentatives, in order that natural gas, oil, or oil and gas from each to te stratum may be accurately measured and the gas-liquid ratios therelermined, and

PROVIDED FURTHER, That the operator-applicant shall make any ad 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 affadavit within fifteen (15) days after completion, after remedial work, or whenever the packer is

PROVIDED FURTHER, That upon the actual dual completion of such disburbed, and, 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 con.pletion.

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 o 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 COMMISS

A. L. PORTER, JR. Secretary-Director

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PROVERS That upon the actual dust completion of such provided to the appropriate District Office of the subject well applican nail submit to the appropriate District Office of the subject well applican and Conservation Conserv 32-0q .m. pc-38 subject well appreamment some to the apprepriate District Office of the subject well appread Oil Conservation Commission College Porm C-122 outlining the information recommended of the commission of the contract of the con Commission costes wou convervation concression from C-103. Forth. Commission costs of the information required on those commission (100 of formal states and Regulations and two contest of the classic costs. Formal states and Regulations and two contests of the classic costs. to in the continue of the information required on the continue of the electric log of the continue of the clectric log of the continue of the

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and part separately for each of the two specified strata, and further, but and parties meters and parties all necessary connections required to part is recording meters the material all necessary connections required to part is recording meters. with all necessary connections required by the form insion or natalled and used, at my time, as may be required by the from each presentatives, in order that natural gas, onl or on and gas from each arate stratum may be accurately measured and the gas liquid remos there determined, and

DELOVIDED FURTHER, That the operator-applicant shall make any and all tests in juding segregation tests, packer leakinge tests on completion and correspond annual deliverability test for the Plance Mesaveree Gas Pools out our excluding other tes a and/or determinations at any convenient time a years such manner as deemed necessary by the Commussion, the original and all suggest tests shall be witnessed by representatives of the Co.r. Der.on cou by mires minives of offeet operators, if any there be, at their election, to seed to each test property affected to by the applicant herein and all of the season of the with the Commission within forcer (15) take after computation of such test, and submit a packer-setting affedavit within lifteen (15) days after completion, after remedial work, or whenever the cacker is .ba: - sarudejh

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Approved at Mania Se, New Mexico, or this 30th day of January,

STATE OF NEW MERICO OIL CONSERVATION COMMISSI

> s. L. Podysk, 18. Secretary Oldector