

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF THE STATE OF NEW
MEXICO FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 1076
Order No. R-820

THE APPLICATION OF EL PASO
NATURAL GAS COMPANY FOR AN
ORDER GRANTING PERMISSION TO
DUALY COMPLETE, IN THE BLANCO-
MESAVERDE GAS POOL AND THE NORTH
LOS PINOS-DAKOTA GAS POOL, IT'S
ALLISON UNIT NO. 10 WELL LOCATED
1750 FEET FROM THE NORTH LINE AND
990 FEET FROM THE WEST LINE OF
SECTION 20, TOWNSHIP 32 NORTH,
RANGE 6 WEST, SAN JUAN COUNTY,
NEW MEXICO, AND FOR AN ORDER
GRANTING AN UNORTHODOX LOCATION
FOR SAID WELL IN EXCEPTION TO
SECTION 1 (c) OF THE SPECIAL RULES
AND REGULATIONS FOR THE BLANCO
MESAVERDE GAS POOL AS SET FORTH
IN ORDER R-110 AS AMENDED BY
PARAGRAPH 4 OF ORDER R-397.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 23, 1956, at Hobbs, New Mexico, before Warren W. Mankin, Examiner duly appointed by the Oil Conservation Commission of New Mexico in accordance with Rule 1214 of the Rules and Regulations of the New Mexico Oil Conservation Commission.

NOW, on this 18th day of June 1956, the Oil Conservation Commission of New Mexico hereinafter referred to as the "Commission", a quorum being present, having considered said application, the evidence adduced, the recommendations of the Examiner, Warren W. Mankin, and being fully advised in the premises,

FINDS:

(1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.

(2) That applicant is the operator of its Allison Unit Well No. 10, located 1750 feet from the Northline and 990 feet from the West line of Section 20, Township 32 North, Range 6 West, NMPM, San Juan County, New Mexico.

(3) That said well was drilled as a Dakota well and is now an unorthodox location under the Special Rules and Regulations for the Blanco Mesaverde Gas Pool.

(4) That no objection has been entered as to the proposed dual completion or unorthodox location.

(5) That the granting of this application will not cause but will prevent waste and will protect correlative rights.

IT IS THEREFORE ORDERED:

1. That the applicant herein, El Paso Natural Gas Company be and is hereby authorized to dually complete its Allison Unit Well No. 10 located 1750 feet from the North line and 990 feet from the West line of Section 20, Township 32 North, Range 6 West, NMPM, San Juan County, New Mexico, in such a manner as to permit production from the Mesaverde formation of the Blanco Mesaverde Gas Pool by proper perforations of the outer tubing and the gas produced through the tubing-tubing annulus to the crossover tube thence to the surface through the tubing, and the production of gas from the Dakota formation of the North Los Pinos Dakota Gas Pool from open hole through the tubing to the Crossover tube and thence to the surface through the tubing-tubing annulus 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 tubing of gas, distillate and gas, or distillate 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 or tubing leaks have developed since the well was originally completed. In the event a casing or tubing 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, distillate, or distillate and gas from each separate stratum may be accurately measured and the gas-distillate ratio thereof determined, and

PROVIDED FURTHER. That the operator-applicant shall make any and all tests, including segregation tests, packer leakage tests on completion and annually during the deliverability test and submit packer setting affidavit on completion, remedial action or whenever the packer is disturbed, 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 ten days after completion of such test, 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 distillate ratio and reservoir pressure determination of each producing zone or stratum immediately following completion.

IT IS FURTHER ORDERED: That application of El Paso Natural Gas Company for an order granting approval of an unorthodox location for its Allison Unit Well No. 10 located 1750 feet from the North line and 990 feet from the West line of Section 20, Township 32 North, Range 6 West, NMPM, Blanco Mesaverde Gas Pool, San Juan County, New Mexico, be and the same is hereby granted.

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

JOHN F. SIMMS, Chairman

E. S. WALKER, Member

A. L. PORTER, Jr., Member and Secretary

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