

CASE 5104: Application of EL
PASO NATURAL FOR A DUAL
COMPLETION, EDDY COUNTY, N.M.

CASE No.

5104

Application,

Transcripts,

Small Exhibits

ETC.

dearnley, meier & associates

209 SIMMS BLDG., P.O. BOX 1092, PHONE 243-5691, ALBUQUERQUE, NEW MEXICO 87103
1216 FIRST NATIONAL BANK BLDG. EAST, ALBUQUERQUE, NEW MEXICO 87106

1 BEFORE THE
2 NEW MEXICO OIL CONSERVATION COMMISSION
3 OIL CONSERVATION COMMISSION CONFERENCE ROOM
4 STATE LAND OFFICE BUILDING
5 SANTA FE, NEW MEXICO
6 Wednesday, November 14, 1973

7 IN THE MATTER OF:

8 Application of El Paso Natural
9 Gas Company for a dual
completion, Eddy County,
New Mexico.

Case No. 5104

10 BEFORE: RICHARD L. STAMETS
11 Examiner

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17 TRANSCRIPT OF EXAMINER HEARING
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1 MR. STAMETS: Call Case 5104.

2 MR. DERRYBERRY: Case 5104, application of El Paso
3 Natural Gas Company for a dual completion, Eddy County,
4 New Mexico.

5 MR. STAMETS: Call for appearances in Case 5104.

6 MR. LOPEZ: Mr. Examiner, my name is Owen Lopez
7 of the firm of Montgomery, Federici, Andrews, Hannahs &
8 Morris and I am appearing here on behalf of the
9 Applicant, El Paso Natural Gas Company.

10 Mr. Examiner, associated with our firm today is
11 Leo Beck who is associated with the General Counsel
12 Office with El Paso Natural Gas in El Paso, Texas; and
13 he will do the Direct Examination of the witness.

14 MR. STAMETS: Are there any other appearances in
15 this case? The witness stand and be sworn, please.

16 EUGENE R. MANNING,
17 a Witness, having been first duly sworn according to law,
18 upon his oath testified as follows:

19 DIRECT EXAMINATION

20 BY MR. BECK:

21 Q Would you please state your name, where you reside, by
22 whom you are employed, and in what capacity, Mr. Manning?

23 A My name is Eugene R. Manning. I reside in El Paso,
24 Texas; and I'm employed by El Paso Natural Gas as an
25 Administrative Assistant in the Gas Proration Department.

1 Q Have you previously testified before this Commission
2 and were your qualifications accepted?

3 A Yes, sir. They were accepted.

4 MR. BECK: Mr. Examiner, are the witness'
5 qualifications acceptable?

6 MR. STAMETS: I'm sure they are. How did you
7 qualify, Mr. Manning?

8 THE WITNESS: As a Petroleum Engineer.

9 MR. STAMETS: Okay. Thank you.

10 THE WITNESS: Yes, sir.

11 MR. BECK: Thank you, Mr. Examiner.

12 MR. STAMETS: They are acceptable.

13 Q Mr. Manning, would you please state what El Paso
14 Natural Gas Company is seeking in its application in this
15 Case Number 5104?

16 A El Paso Natural Gas Company drilled a Rocky Arroyo
17 "C" Number 1 Well in Unit F of Section 8, Township 22
18 South, Range 22 West, Eddy County, New Mexico, and dually
19 completed it in an undesignated Canyon and in the Rocky
20 Arroyo Morrow Pools.

21 El Paso seeks approval for a dual completion,
22 conventional manner, of its Rocky Arroyo "C" Number 1 in
23 such a manner to permit the production of gas from the
24 Rocky Arroyo Morrow Gas Pool through the tubing in the
25 undesignated Canyon Gas through the casing tubing

1 annulus.

2 Q Mr. Manning, I have here what has been marked as Exhibit
3 Number 1. Would you please identify this?

4 A Yes, sir. This is a map of the area surrounding El
5 Paso's Rocky Arroyo "C" Well Number 1. Most of the map
6 consists of Township 22 South, Range 22 East. I'm not
7 sure. I think I said West a while ago. Is that right?

8 I may need to clarify that, Mr. Examiner, back here.
9 Could we have the Court Reporter read that back?

10 (Whereupon, the Court Reporter read back the
11 following answer: "--Range 22 West--.")

12 A I'd like to correct that, Mr. Examiner, and make that
13 Range 22 East. We are in the wrong place.

14 MR. STAMETS: The record will be so-corrected.

15 A All right. Thank you, sir. The well site is shown in
16 Section 8 of the Township and is designated by a large
17 dot with an orange arrow pointing to it.

18 Q Mr. Manning, I have here what has been marked as Exhibit
19 Number 2. Would you please identify this and explain
20 it to the Examiner?

21 A This is a diagrammatic sketch of El Paso's Rocky Arroyo
22 "C" Number 1 Well. It shows that the 13-3/8 inch casing
23 was set at 186 feet and cemented to the surface with
24 250 sacks of cement.

25 It also shows that 9-5/8 inch casing was cemented

1 with 1140 sacks of cement to the surface from 1854
2 feet. In other words, casing was landed at 1854 feet
3 and cemented to the surface.

4 It shows that 5-1/2 inch casing was set at 9256
5 feet and cemented with 360 sacks of cement and a
6 DV Tool was located at 7512 feet and cemented through
7 the DV Tool with 500 sacks of cement. The calculated
8 top of the cement was 5015 feet.

9 It also shows that an Otis WB Packer was set at
10 8969 feet. The Canyon was then perforated from 7292
11 feet to 7347 feet with two shots per foot. The Morrow
12 formation was then perforated from 9038 feet to 9052
13 feet with three shots per foot.

14 Two-and-three-eighths inch OD was then run and set
15 in the Otis WB packer at 8981 feet.

16 MR. STAMETS: 981 or is it --

17 THE WITNESS: 8,981 feet, yes, sir.

18 MR. STAMETS: So that would be a correction to
19 your Exhibit 2?

20 THE WITNESS: No, sir. That is the open end of the
21 tubing.

22 MR. STAMETS: Sorry about that.

23 THE WITNESS: The Packer is set at 8,969 feet.

24 MR. STAMETS: Thank you.

25 THE WITNESS: Yes, sir.

1 Q Mr. Manning, were any tests run on the Canyon formation
2 or the Morrow formation?

3 A Yes, sir. The Canyon flowed at a rate of approximately
4 3 million, 3.1 million cubic feet a day through a
5 quarter-inch choke to approximately 12 million cubic
6 feet a day through a half-inch choke; and this
7 calculated to an AOF of 65.2 million cubic feet a day.

8 The Morrow formation flowed at various rates from
9 approximately .8 million cubic feet per day through an
10 eighth-inch choke to approximately 1.7 million cubic
11 feet a day through a quarter-inch choke; and this will
12 give an AOF calculation of approximately 2.2 million
13 cubic feet a day.

14 Q Mr. Manning, I have here what has been designated as
15 Exhibit Number 3. Would you please explain this?

16 A Yes, sir. These are well completion or recompletion
17 reports and logs submitted to the United States
18 Department of Interior Geological Survey. It shows
19 among other things that El Paso Natural Gas Company
20 drilled the Rocky Arroyo "C" Number 1 Well in Section
21 8 of Township 22 South, Range 22 East, Eddy County,
22 New Mexico.

23 It also shows that the ground level elevation is
24 4482 feet.

25 Q Mr. Manning, referring now to what has been marked as

1 Exhibit Number 4, would you please explain this to the
2 Examiner?

3 A Exhibit 4 is a Schlumberger Compensated Neutron Formation
4 Density Log of the El Paso Rocky Arroyo "C" Number 1 Well.
5 It has marked on it certain information such as the top
6 of the Cisco is marked and shown as 7,006 feet.

7 The top of the Canyon is at 7,277 feet. The top
8 of the lower Strawn is shown at 7,877 feet. The top of
9 the Atoka is at 8,835 feet. At 9,220 feet the top of
10 the Barnett was pictured.

11 Q Mr. Manning, in your opinion, does the method by which
12 the Rocky Arroyo "C" Number 1 Well was completed comply
13 with the New Mexico Oil Conservation Commission's rules
14 and regulations?

15 A Yes, sir. In my opinion, it does. The manner in which
16 the well was completed will permit hydrocarbons from
17 both zones to be safely and efficiently produced with
18 one zone being produced through the tubing and the other
19 through the tubing annulus.

20 The tubing has an inside diameter of 1.992 inches;
21 and as previously mentioned, the Otis WB Packer is set
22 at 8,969 feet and efficiently and safely separates the
23 producing zones and will prevent communication.

24 Q Mr. Manning, in your opinion, will the granting of this
25 application result in the protection of correlative

1 rights and in the prevention of waste?

2 A Yes, sir. It will.

3 MR. BECK: Mr. Examiner, at this time I would
4 like to offer into evidence El Paso Exhibits Numbers
5 1 through 4.

6 MR. STAMETS: They will be admitted.

7 Q Mr. Manning, were these exhibits prepared by you or
8 under your supervision?

9 A Yes, sir. They were.

10 MR. BECK: Mr. Examiner, this completes our
11 testimony.

12 CROSS-EXAMINATION

13 BY MR. STAMETS:

14 Q Mr. Manning, does the Canyon make any liquids?

15 A Sir, I'm not, I have no information on it at the
16 present time. I'll be glad to get this information
17 and relay it to you.

18 Q Your Exhibit Number 3 does not show any; and if you
19 would just confirm that, we would appreciate it.

20 A All right, sir. I will submit this information to you.

21 Q Is there a blast joint or some other protection around
22 the tubing opposite the Canyon perforation?

23 A Yes, sir. There is.

24 MR. STAMETS: Are there any other questions of
25 this witness? He may be excused. Do you have anything

1 further in this case, Mr. Beck?

2 MR. BECK: No, sir. I don't.

3 MR. LOPEZ: I think we want to introduce the
4 Exhibits.

5 MR. BECK: We already did.

6 MR. STAMETS: Anything further in this case?
7 We will take the case under advisement. The Hearing
8 will be adjourned until 1 o'clock.

9 (Whereupon, the hearing was held in recess.)

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dearnley, meier & associates

209 SIMMS BLDG. • P.O. BOX 1092 • PHONE 243-0091 • ALBUQUERQUE, NEW MEXICO 87103
1216 FIRST NATIONAL BANK BLDG. EAST • ALBUQUERQUE, NEW MEXICO 87108

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C E R T I F I C A T E

I, JANET RUSSELL, a Court Reporter, in and for the
County of Bernalillo, State of New Mexico, do hereby certify
that the foregoing and attached Transcript of Hearing before
the New Mexico Oil Conservation Commission was reported by me;
and that the same is a true and correct record of the said
proceedings to the best of my knowledge, skill and ability.

Janet Russell
COURT REPORTER

Handwritten notes and signatures at the bottom of the page.

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I N D E X

WITNESS:

PAGE

EUGENE R. MANNING

Direct Examination by Mr. Beck

2

Cross-Examination by Mr. Stamets

8

E X H I B I T S

Applicant's Exhibits 1 through 4

8

El Paso Natural Gas Company

El Paso, Texas 79978

February 1, 1974

ADDRESS REPLY TO
POST OFFICE BOX 1384
JAL. NEW MEXICO 88252

State of New Mexico
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: El Paso Natural Gas Company's
Rocky Arroyo C No. 1, located
in Unit F of Section 8, Township
22 South, Range 22 East, in
Eddy County, New Mexico.

File

Gentlemen:

The Upper Pennsylvanian (Canyon) zone has been producing continuously for thirty (30) days and is being produced through the casing - tubing annulus.

Listed below is the data requested by the Oil Conservation Commission on the above captioned well to comply with case No. 5104, order No. R-4677, paragraph two (2).

<u>DATE</u>	<u>VOLUME</u> <u>MCF/DAY</u>	<u>CONDENSATE</u> <u>BBLS/DAY</u>	<u>FLOWING</u> <u>WELL HEAD (PSIA)</u>	<u>API GRAVITY</u> <u>CONDENSATE</u>	<u>G.O.R.</u>
1-31-74	729	0.585	380.2	61.0 @ 600	1,246/Bbl.

Yours very truly,

Joe B. Murray
Joe B. Murray

JBM/jls

cc: E. R. Manning
A. J. Dudenhoeffer
File



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 2068 - SANTA FE
87501

November 21, 1973

L. R. TRUJILLO
CHAIRMAN

**LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER**

**STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR**

**Mr. Neil J. Beck
El Paso Natural Gas Company
Post Office Box 1492
El Paso, Texas 79978**

Re: CASE NO. 5104
ORDER NO. R-4677

Applicant:
El Paso Natural Gas Company

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. Porter, Jr.

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC	<u>x</u>
Artesia OCC	<u>x</u>
Aztec OCC	

Other _____

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 5104
Order No. R-4677

APPLICATION OF EL PASO NATURAL GAS
COMPANY FOR A DUAL COMPLETION,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 14, 1973, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 20th day of November, 1973, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, El Paso Natural Gas Company, seeks authority to complete its Rocky Arroyo "C" Well No. 1 located in Unit F of Section 8, Township 22 South, Range 22 East, NMPM, Eddy County, New Mexico, as a dual completion (conventional) to produce gas from an undesignated Upper Pennsylvanian (Canyon) Gas Pool and gas from the Rocky Arroyo-Morrow Gas Pool through the casing-tubing annulus and 2 3/8-inch tubing, respectively, with separation of the zones to be achieved by means of a packer set at approximately 8969 feet.

(3) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices provided that the Upper Pennsylvanian zone does not experience substantial production of liquids.

(4) That the operator should file production data with the Commission subsequent to the connection of the Upper Pennsylvanian zone to verify the efficiency of production from that zone.

(5) That approval of the subject application will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, El Paso Natural Gas Company, is hereby authorized to complete its Rocky Arroyo "C" Well No. 1, located in Unit F of Section 8, Township 22 South, Range 22 East, NMPM, Eddy County, New Mexico, as a dual completion (conventional) to produce gas from an undesignated Upper Pennsylvanian (Canyon) Gas Pool and gas from the Rocky Arroyo-Morrow Gas Pool through the casing-tubing annulus and 2 3/8-inch tubing, respectively, with separation of the zones to be achieved by means of a packer set at approximately 8969 feet.

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with this order;

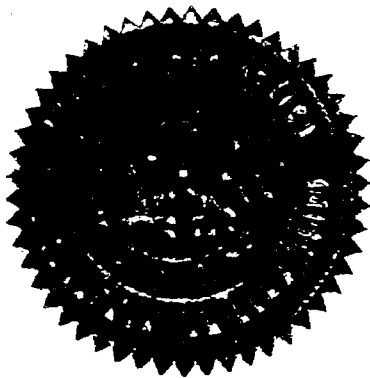
PROVIDED FURTHER, that the applicant shall take packer-leakage tests upon completion and annually thereafter during the Annual Gas Well Shut-In Pressure Test Period for the Rocky Arroyo-Morrow Gas Pool.

(2) That the applicant shall report to the Commission the flowing tubing pressure, the daily gas flow rate and the daily liquid production rate from the Upper Pennsylvanian zone at 30 day intervals for the first 90 days following the connection of the well to a gas transportation facility.

(3) That should the data supplied under Order (2) above indicate inefficient annular flow, a hearing will be scheduled to permit the operator to appear and show cause why Order (1) of this order should not be rescinded.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

[Signature]
I. R. TRUJILLO, Chairman

ALAN J. ARMISTEAD, Member

[Signature]
A. L. PORTER, Jr., Member & Secretary

B E A L

dr/

Docket No. 32-73

DOCKET: EXAMINER HEARING - WEDNESDAY - NOVEMBER 14, 1973

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

CASE 5044: (Continued from the October 3, 1973, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Sycor Newton, Peru Milling Company, R. E. Deming and Aetna Life and Casualty Company and all other interested parties to appear and show cause why the State L 6350 Well No. 1 located in Unit M of Section 10, Township 23 South, Range 11 West, Luna County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5098: Application of R. J. Zonne for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a Morrow gas pool for his Federal Well No. 1 located in Unit G of Section 20, Township 22 South, Range 32 East, Lea County, New Mexico, and the promulgation of special rules therefor, including a provision for 640-acre spacing.

CASE 4849: (Reopened)

In the matter of Case No. 4849 being reopened pursuant to the provisions of Order No. R-4436 which order established temporary special rules for the Humble City-Atoka Pool, Lea County, New Mexico, including a provision for 80-acre spacing. All interested parties may appear and show cause why said pool rules should remain in effect.

CASE 5099: Application of Pennzoil Company for a pool creation, special pool rules and an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a Wolfcamp gas pool for its Moore Com Well No. 1 located at an unorthodox Wolfcamp location 2310 feet from the South line and 660 feet from the East line of Section 23, Township 22 South, Range 26 East, Eddy County, New Mexico, and the promulgation of special pool rules therefor, including a provision for 320-acre spacing.

CASE 5100: Application of Estill Production Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying the W/2 of Section 21, Township 18 South, Range 33 East, South Corbin-Morrow Gas Pool, Lea County, New Mexico, to be dedicated to a well to be drilled at a standard location for said unit. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 5101: Application of Southern Union Production Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox gas well location for its McKittrick-Federal Well No. 1 at a point 2390 feet from the North line and 830 feet from the East line of Section 14, Township 22 South, Range 24 East, Eddy County, New Mexico, the E/2 of said Section 14 to be dedicated to the well.

CASE 5102: Application of Anne Burnett Tandy dba Windfohr Oil Company for two waterflood projects, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute two waterflood projects by the injection of water into the Grayburg and San Andres formations through 6 wells on its Jackson "B" Lease and through 3 wells on its Gissler "B" Lease, located in Sections 1 and 11, respectively, Township 17 South, Range 30 East, Square Lake Pool, Eddy County, New Mexico.

CASE 5103: Application of David Fasken for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox gas well location at a point 1000 feet from the North and West lines of Section 32, Township 20 South, Range 25 East, Indian Hills-Morrow Gas Pool, Eddy County, New Mexico.

CASE 5104: Application of El Paso Natural Gas Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Rocky Arroyo "C" Well No. 1 located in Unit F of Section 8, Township 22 South, Range 22 East, Rocky Arroyo Field, Eddy County, New Mexico, in such a manner as to produce gas from the Canyon formation and gas from the Morrow formation through the casing-tubing annulus and through the tubing, respectively.

CASE 5105: Application of Stallworth Oil and Gas for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location at a point 760 feet from the North line and 860 feet from the West line of Section 11, Township 9 South, Range 33 East, Vada-Pennsylvanian Pool, Lea County, New Mexico, as an exception to the provisions of Rule 4 of Order No. R-3179-A.

CASE 5106: Application of Read & Stevens, Inc. for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox gas well location for its Harris Federal Well No. 2 at a point 990 feet from the North line and 2310 feet from the West line of Section 24, Township 15 South, Range 27 East, Buffalo Valley-Pennsylvanian Gas Pool, Chaves County, New Mexico, as an exception to Rule 2 of Order No. R-1670-H, the N/2 of said Section 24 to be dedicated to said well.

CASE 5107: Southeastern nomenclature case calling for the extension of certain pools in Lea County, New Mexico.

(a) Extend the Antelope Ridge-Atoka Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM
Section 2: S/2

(b) Extend the Blinebry Oil Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM
Section 1: SE/4
Section 12: NE/4

(c) Extend the Blinebry Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM
Section 1: SE/4
Section 12: NE/4

(d) Extend the Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 12: SW/4

(e) Extend the South Eunice-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 2: SE/4

(f) Extend the Flying "M"-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM
Section 7: SE/4
Section 8: SW/4
Section 17: N/2 NW/4

(g) Extend the West Garrett-Devonian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 38 EAST, NMPM
Section 31: SE/4

Examiner Hearing - Wednesday - November 14, 1973

Docket No. 32-73

-4-

(h) Extend the High Plains-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM
Section 26: NW/4

CASE 5114: Application of Texaco Inc. and Perry R. Bass for compulsory pooling and an unorthodox location, Lea County, New Mexico. Applicants, in the above-styled cause, seek an order pooling all mineral interests underlying the W/2 of Section 32, Township 20 South, Range 33 East, South Salt Lake-Morrow Gas Pool, Lea County, New Mexico, to be dedicated to the well currently being drilled by Amini Oil Company at an unorthodox location for said 320-acre unit at a point 990 feet from the South line and 1980 feet from the West line of said Section 32.

El Paso Natural Gas Company

El Paso, Texas 79978

ADDRESS REPLY TO
1800 WILCO BUILDING
MIDLAND, TEXAS 79701

November 5, 1973



New Mexico Oil Conservation
Commission

P.O. Box 2088
Santa Fe, New Mexico

Attn: Mr. D. Nutter

Dear Sir:

The only off-set operator on the Rocky Arroyo #C-1 which
we are applying for multiple completion is the Great Western Drilling
Company, P.O. Box 1659, 509 N. Loraine, Midland, Texas. 79701.

Sincerely yours,

C. D. Kysar

C. D. Kysar

CDK/mcm

El Paso Natural Gas Company

El Paso, Texas 74978

ADDRESS REPLY TO:
1800 WILCO BUILDING
MIDLAND, TEXAS 79701

November 5, 1973

New Mexico Oil Conservation
Commission

P.O. Box 2088
Santa Fe, New Mexico

Attn: Mr. D. Nutter

Dear Sir:

The only off-set operator on the Rocky Arroyo #C-1 which we are applying for multiple completion is the Great Western Drilling Company, P.O. Box 1659, 509 N. Loraine, Midland, Texas. 79701.

Sincerely yours,

C. D. Kysar

C. D. Kysar

CDK/mcm

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

APPLICATION OF EL PASO NATURAL
GAS COMPANY FOR DUAL COMPLETION,
EDDY COUNTY, NEW MEXICO.

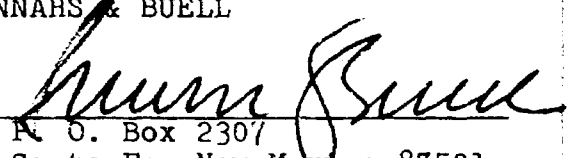
CASE NO. 5104

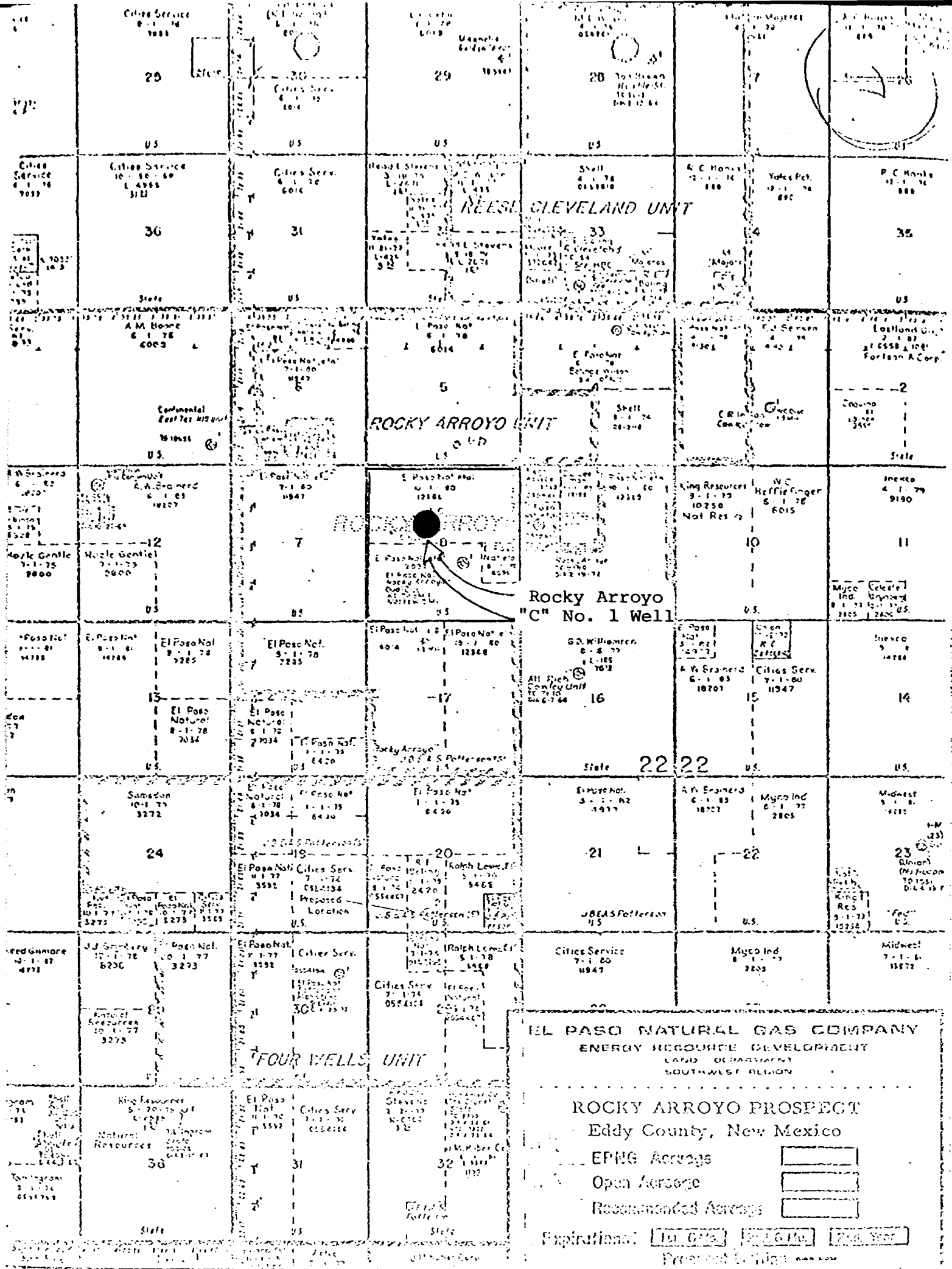
ENTRY OF APPEARANCE

Comes now the firm of Montgomery, Federici, Andrews,
Hanna & Buell and enters its appearance herein on behalf
of the applicant, El Paso Natural Gas Company.

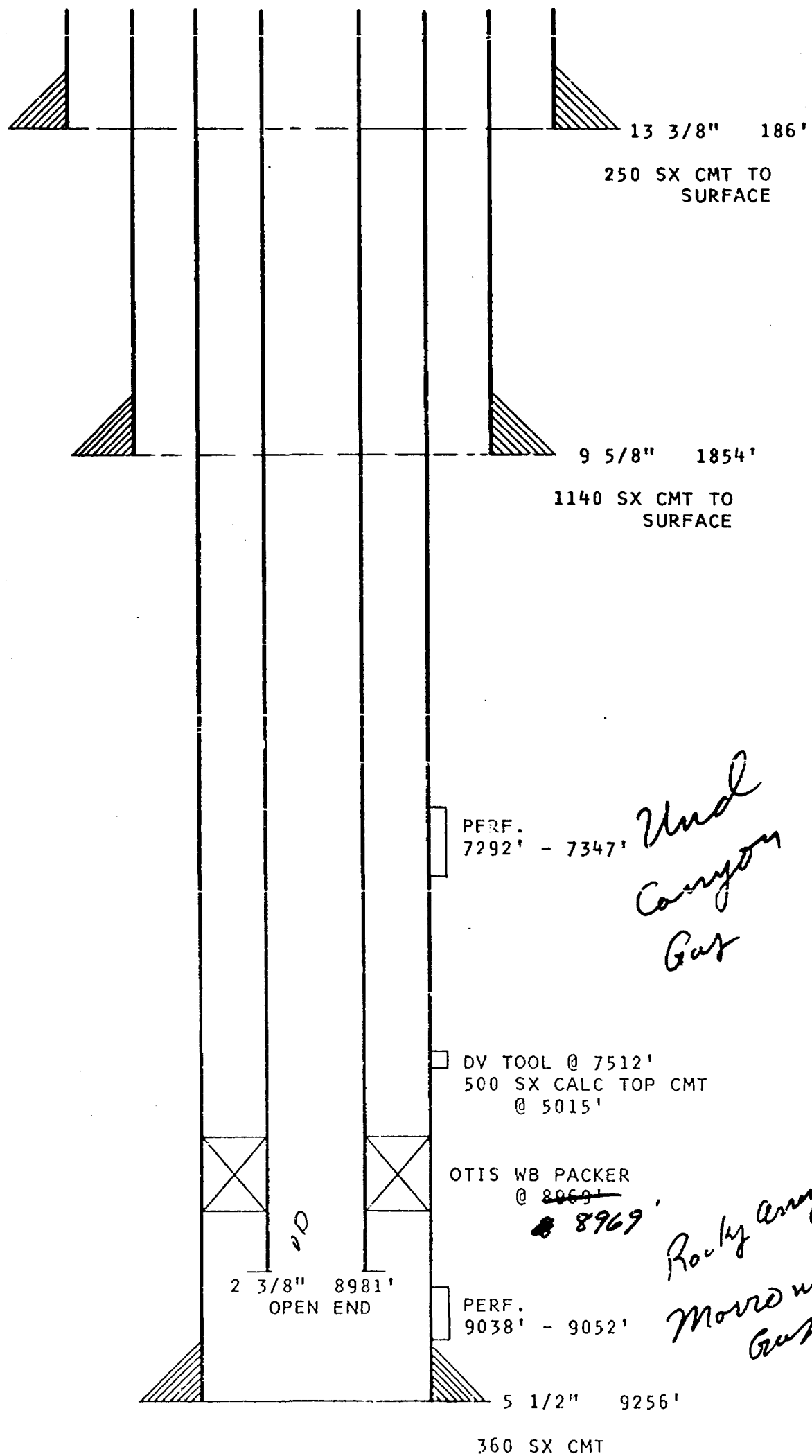
MONTGOMERY, FEDERICI, ANDREWS,
HANNA & BUELL

By


P. O. Box 2307
Santa Fe, New Mexico 87501
Attorneys for Applicant
El Paso Natural Gas Company



ROCKY ARROYO "C" No. 1 WELL
UNIT F, SEC. 8, T-22-S, R-22-E



(Rev. 6-68)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE*

(See other in-
structions on
reverse side)Form approved
Budget Bureau No. 42-11350-6

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> Other _____		5. LEASE DESIGNATION AND SERIAL NO. NM 12388-A	
2. NAME OF OPERATOR El Paso Natural Gas Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
3. ADDRESS OF OPERATOR 1800 Wilco Building, Midland, Texas 79701		7. UNIT AGREEMENT NAME	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)* At surface 1980' FNL, 1980 FWL At top prod. interval reported below At total depth		8. FARM OR LEASE NAME Rocky Arroyo "C"	
14. PERMIT NO.		13. STATE New Mexico	
15. DATE SPUNDED 7-7-73		12. COUNTY OR PARISH Eddy	
16. DATE T.D. REACHED 8-21-73		13. STATE New Mexico	
17. DATE COMPL. (Ready to prod.) 9-25-73		19. ELEV. CASINGHEAD 4482' Gr.	
18. ELEVATIONS (OF, RND, RT, GE, ETC.)*		20. TOTAL DEPTH, MD & TVD 9255'	
21. PLUG, BACK T.D., MD & TVD PBD 9222'		22. IF MULTIPLE COMPLE., HOW MANY* Dual	
23. INTERVALS DRILLED BY →		24. ROTARY TOOLS X	
25. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* 7277'-7877' Canyon		26. WAS DIRECTIONAL SURVEY MADE No	
27. TYPE ELECTRIC AND OTHER LOGS RUN Comp-Neutron, Dual Lat. Log, Micro Lat.-Micro, Coriband		28. WAS WELL CORED No	
29. CASING RECORD (Report all strings set in well)			
CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE
13 3/8"	48#	185.90	17 1/2"
9 5/8"	32.3#	1853.62	12 1/4"
5 1/2"	17	9255.83	8 3/4"
CEMENTING RECORD			
AMOUNT FULLED			
250			
1090			
1050			
30. TUBING RECORD			
SIZE	TOP (MD)	BOTTOM (MD)	PACKER SET (MD)
2 3/8"		8981.22	
31. PERFORATION RECORD (Interval, size and number) 7292-7347'			
32. ACID, SHOT, FRACTURE, CEMENT SQUELZE, ETC.			
DEPTH INTERVAL (MD)		AMOUNT AND KIND OF MATERIAL USED	
7292-7347		Acidize w/15,000 gals BC acid & 111,000 SCF N ₂ .	
33. PRODUCTION			
DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	
8-28-73		72	
CHOKE SIZE		PROD'N. FOR TEST PERIOD	
1 1/2"		→	
OIL—BBL.		GAS—MCF.	
---		12,082	
WATER—BBL.		---	
OIL GRAVITY-AT (CORR.)		---	
FLOW TUBING PRESS.		CASING PRESSURE	
---		1757	
CALCULATED 24-HOUR RATE		OIL—PBL.	
→		---	
GAS—MCF.		WATER—BBL.	
65,264		---	
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) Vented			
35. LIST OF ATTACHMENTS			
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records			
SIGNED C. D. Ryan		TITLE Production Clerk	
DATE October 5, 1973			

* (See Instructions and Spaces for Additional Data on Reverse Side)

INSTRUCTIONS

General: This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 33, below regarding separate reports for separate completions.

If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, all types electric, etc.), formation and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see item 35.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 18: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments.

Items 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in Item 22, and in Item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in Item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

Item 29: "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

Item 33: Submit a separate completion report on this form for each interval to be separately produced. (See instruction for Items 22 and 24 above.)

87. SUMMARY OF POROUS ZONES:

SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF; CORED INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES

38.

GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
Glorieta	1490					
Bones Spring	3183					
Abo Dolomite	3554					
Wolfcamp	4260					
Cisco	7006					
Canyon	7277					
Strawn	7877					
Atoka	8396					
Morrow	8835					

OPERATOR'S COPY

Form 5-332
(Rev. 4-63)

UNITED STATES DEPARTMENT OF THE INTERIOR GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE*

(See other instructions on reverse side)

Form approved
Budget Bureau No. 42-K363 4.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> Other _____		5. LEASE DESIGNATION AND SERIAL NO. NM 12388-A	
2. TYPE OF COMPLETION: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEP-EN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. GRAVE <input type="checkbox"/> Other _____		6. IF INDIAN, ALLOTTEE OR TRIBAL NAME	
3. NAME OF OPERATOR El Paso Natural Gas Company		7. UNIT AGREEMENT NAME	
4. ADDRESS OF OPERATOR 1800 Wilco Building, Midland, Texas 79701		8. FARM OR LEASE NAME Rocky Arroyo "C"	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)* At surface 1980' FNL, 1980' FWL At top prod. interval reported below At total depth		9. WELL NO. 1	
14. PERMIT NO.		10. FIELD AND TOOL, OR WILDCAT Rocky Arroyo Morrow	
DATE ISSUED		11. SEC. T. R. M. OR BLOCK AND SURVEY OR AREA Sec. 8, T-22-S, R-22-E	
15. DATE SPUNDED 7-7-73		12. COUNTY OR PARISH	
16. DATE T.O. REACHED 8-21-73		13. STATE	
17. DATE COMPL. (Ready to prod.) 9-25-73		18. ELEVATIONS (DF, RKB, BT, OR, ETC.)* 4482 Gr.	
19. ELEV. CASING LEAD		20. TOTAL DEPTH, MD & TVD 9255'	
21. PLUG BACK T.D., MD & TVD PBTD 9222'		22. IF MULTIPLE COMPL., HOW MANY? Dual	
23. INTERVALS DRILLED BY		24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* 9038'-9052' Morrow	
25. WAS DIRECTIONAL SURVEY MADE No		26. TYPE ELECTRIC AND OTHER LOGS RUN Comp-Neutron, Dual Lat. Log, Micro Lat-Micro, Dori-band	
27. WAS WELL CORED No		28. CASING RECORD (Reports all strings set in well)	
CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE
13 3/8"	48#	185.90	17 1/2
9 5/8"	32.3#	1853.62	12 1/4
5 1/2"	17	9255.83	8 3/4
CEMENTING RECORD		AMOUNT PULLED	
250			
1090			
1050			
29. Morrow		30. TUBING RECORD	
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*
			SCREEN (MD)
2 3/8		8981.22	
31. PERFORATION RECORD (Interval, size and number) 9038-9052' 3/SPF		32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.	
DEPTH INTERVAL (MD)		AMOUNT AND KIND OF MATERIAL USED	
		Acidized w/3000 gals XF38 acid, 3525 gals CO2.	
33. Morrow		34. PRODUCTION	
DATE FIRST PRODUCTION Not tied in		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	
WELL STATUS (Producing or shut-in)			
DATE OF TEST 9-25-73	HOURS TESTED 94	CHOKER SIZE 1/4	PROD'N. FOR TEST PERIOD Trace
OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
1734	---	---	---
FLOW, TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.
1132	---	---	---
GAS—MCF.		WATER—BBL.	
2218		---	
OIL GRAVITY-API (COIN.)		---	
35. DISTRIBUTION OF GAS (Sold, used for fuel, vented, etc.) Vented		TEST WITNESSED BY	
36. LIST OF ATTACHMENTS			

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

SIGNED C. D. K... TITLE Production Clerk DATE October 3, 1973

* (See Instructions and Spaces for Additional Data on Reverse Side)

INSTRUCTIONS

General: This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on Items 22 and 24, and 33, below regarding separate reports for separate completions.

If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, all types electric, etc.), formation and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see item 35.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 18: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments.

Items 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

Item 29: "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

Item 33: Submit a separate completion report on this form for each interval to be separately produced. (See instruction for Items 22 and 24 above.)

47. SUMMARY OF POROUS ZONES:

SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF; CORED INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES

38.

GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
Glorieta	1490					
Bones Spring	3183					
Abo Dolomite	3554					
Wolfcamp	4260					
Cisco	7006					
Canyon	7277					
Strawn	7877					
Atoka	8396					
Morrow	8935					

DOCKET MAILED

El Paso -

Date 11-1-73

Cecil Hooker F.P. Medland

1803 684-5701

appl to dual camp 79701 7

Rocky Arroyo C 1

located in Unit F 1980 N

See 8 22S 22E

Eddy

Canyon tubing animals
Morrow tubing

Rocky Arroyo fld.

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
APPLICATION FOR MULTIPLE COMPLETION

Form C-107
5-1-61

Operator El Paso Natural Gas Company		County Eddy	Date October 23, 1973
Address 1800 Wilco Building, Midland, Texas 79701		Lease Rocky Arroyo "C"	Well No. 1
Location of Well F	Unit 8	Township 22-S	Range 22-E

1. Has the New Mexico Oil Conservation Commission heretofore authorized the multiple completion of a well in these same pools or in the same zones within one mile of the subject well? YES X NO **El Paso Natural Gas Co.**
2. If answer is yes, identify one such instance: Order No. R-4229 ; Operator Lease, and Well No.: Rocky Arroyo #1

3. The following facts are submitted:	Upper Zone	Intermediate Zone	Lower Zone
a. Name of Pool and Formation	Canyon		Morrow
b. Top and Bottom of Pay Section (Perforations)	7297-7347		8835-9052
	7292-7347		9038-9052
c. Type of production (Oil or Gas)			
d. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing

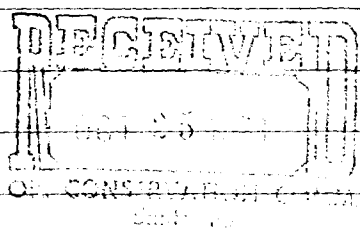
4. The following are attached. (Please check YES or NO)

- | | | |
|-------------------------------------|--------------------------|---|
| Yes | No | |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | a. Diagrammatic Sketch of the Multiple Completion, showing all casing strings, including diameters and setting depths, centralizers and/or turbolizers and location thereof, quantities used and top of cement, perforated intervals, tubing strings, including diameters and setting depth, location and type of packers and side door chokes, and such other information as may be pertinent. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | b. Plat showing the location of all wells on applicant's lease, all offset wells on offset leases, and the names and addresses of operators of all leases offsetting applicant's lease. |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | c. Waivers consenting to such multiple completion from each offset operator, or in lieu thereof, evidence that said offset operators have been furnished copies of the application.* |
| <input type="checkbox"/> | <input type="checkbox"/> | d. Electrical log of the well or other acceptable log with tops and bottoms of producing zones and intervals of perforation indicated thereon. (If such log is not available at the time application is filed it shall be submitted as provided by Rule 112-A.) |

Already submitted

5. List all offset operators to the lease on which this well is located together with their correct mailing address.

N/A



6. Were all operators listed in Item 5 above notified and furnished a copy of this application? YES N/A NO . If answer is yes, give date of such notification .

CERTIFICATE: I, the undersigned, state that I am the Production Clerk of the El Paso Natural Gas Company (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

P. D. Ryan
Signature

*Should waivers from all offset operators not accompany an application for administrative approval, the New Mexico Oil Conservation Commission will hold the application for a period of twenty (20) days from date of receipt by the Commission's Santa Fe office. If, after said twenty-day period, no protest nor request for hearing is received by the Santa Fe office, the application will then be processed.

NOTE: If the proposed multiple completion will result in an unorthodox well location and/or a non-standard perforation unit in one or more of the producing zones, then separate application for approval of the same should be filed simultaneously with this application.

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

6-1-56

PACKER-SETTING AFFIDAVIT
(Dual Completions)

OIL CONSERVATION COMMISSION
Santa Fe

STATE OF Texas)
County of Midland) ss

Clayton R. Smart, being first duly sworn according to law, upon his oath deposes and says:

That he is of lawful age and has full knowledge of the facts herein below set out.

That he is employed by El Paso Natural Gas Company in the capacity of Senior Drilling Engineer and as such is its authorized agent.

That on _____, 19____, he personally supervised the setting of a Otis WB in El Paso Natural Gas Company's
(Make and Type of Packer) (Operator)

Rocky Arroyo Well No. C #1, located in Unit
(lease)
Letter F, Section 8, Township 22-S, Range 22-E, NMPM,
Eddy County, New Mexico.

That said packer was set at a subsurface depth of 8,969 feet,
said depth measurement having been furnished by steel line measurement.

That the purpose of setting this packer was to effect a seal in the annular space between the two strings of pipe where the packer was set so as to prevent the commingling, within the well-bore, of fluids produced from a stratum below the packer with fluids produced from a stratum above the packer. That this packer was properly set and that it did, when set, effectively and absolutely seal off the annular space between the two strings of pipe where it was set in such manner as that it prevented any movement of fluids across the packer.

El Paso Natural Gas Company
(Company)

Clayton R. Smart
(its Agent)

Subscribed and sworn to before me this the 22 day of March, AD,
19 43.

Thos. Earl Westerman
Notary Public in and for the County
of Midland.

My Commission Expires June 1, 1945.

NEW MEXICO OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO

6-1-56

PACKER-SETTING AFFIDAVIT
(Dual Completions)

OIL CONSERVATION COMMISSION
Santa Fe

STATE OF Texas)
County of Midland) ss

Clayton R. Smart, being first duly sworn according to law, upon his oath deposes and says:

That he is of lawful age and has full knowledge of the facts herein below set out.

That he is employed by El Paso Natural Gas Company in the capacity of Senior Drilling Engineer and as such is its authorized agent.

That on _____, 19____, he personally supervised the setting of a Otis WB in El Paso Natural Gas Company's
(Make and Type of Packer) (Operator)

Rocky Arroyo Well No. C #1, located in Unit
(lease)
Letter F, Section 8, Township 22-S, Range 22-E, NMPM,
Eddy County, New Mexico.

That said packer was set at a subsurface depth of 8,969 feet,
said depth measurement having been furnished by steel line measurement.

That the purpose of setting this packer was to effect a seal in the annular space between the two strings of pipe where the packer was set so as to prevent the commingling, within the well-bore, of fluids produced from a stratum below the packer with fluids produced from a stratum above the packer. That this packer was properly set and that it did, when set, effectively and absolutely seal off the annular space between the two strings of pipe where it was set in such manner as that it prevented any movement of fluids across the packer.

El Paso Natural Gas Company
(Company)

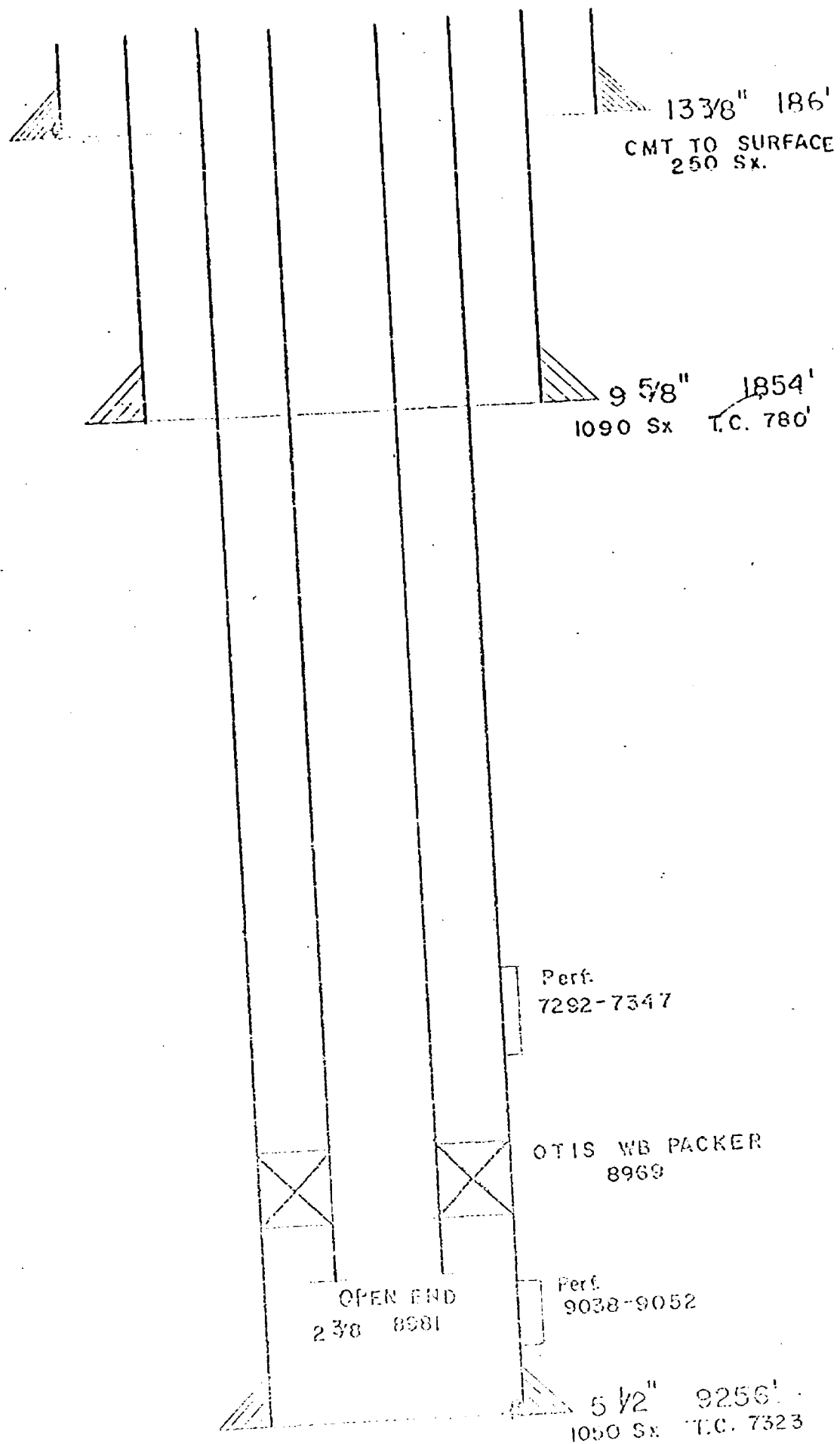
Clayton R. Smart
(its Agent)

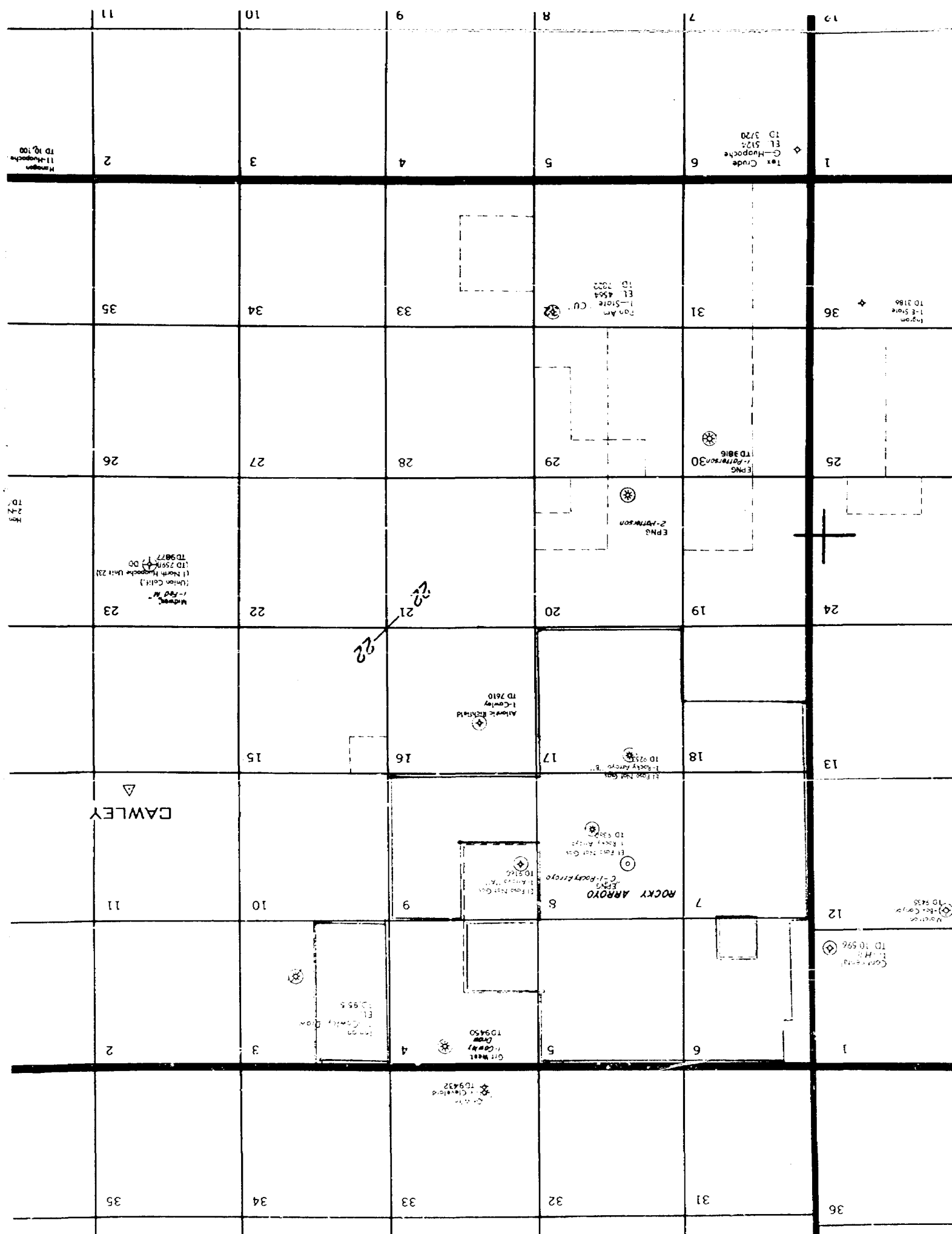
Subscribed and sworn to before me this the _____ day of October, AD, 1945.

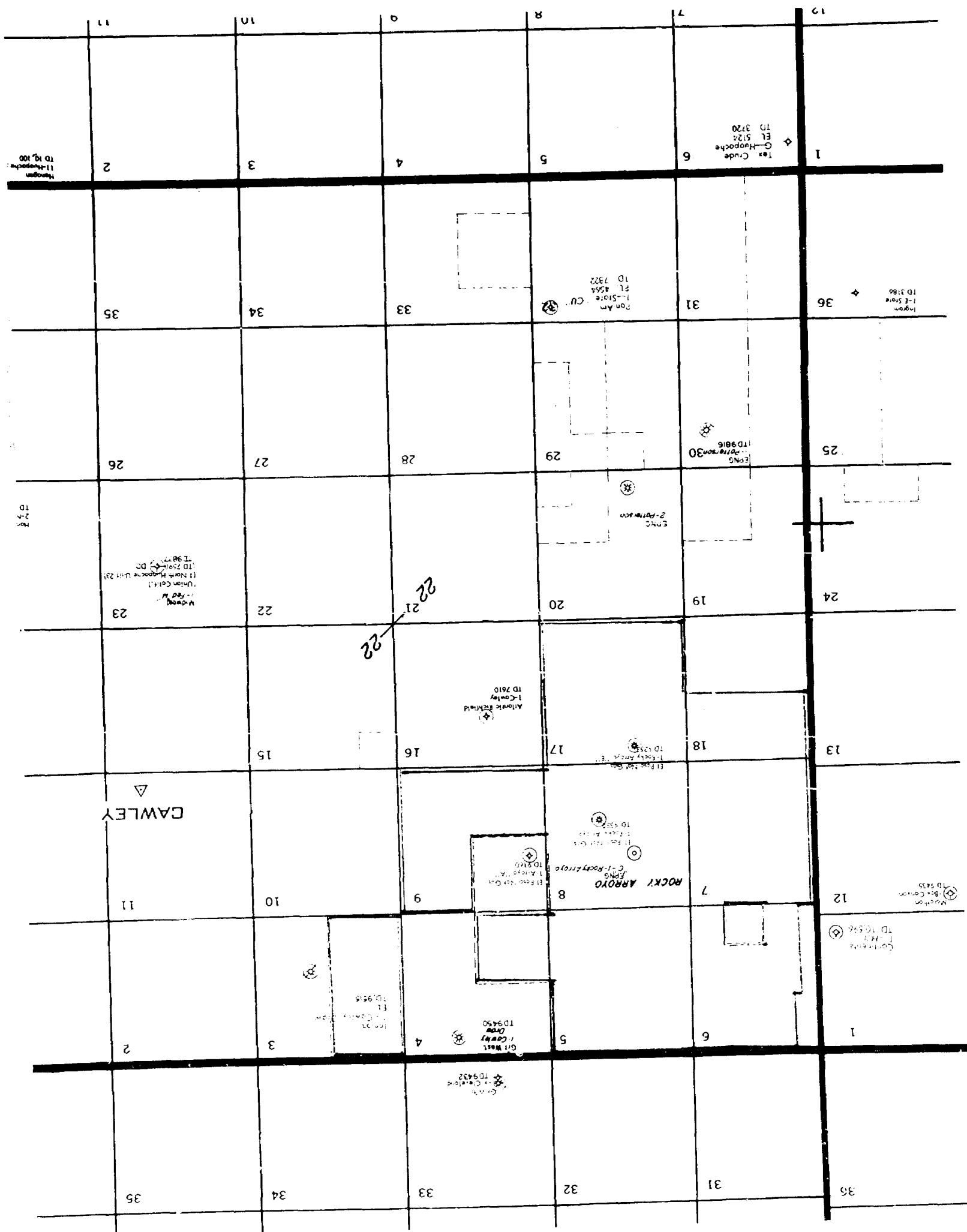
Tom L. Noel
Notary Public in and for the County
of Midland

My Commission Expires April 1, 1945.

PICKY ARROYO C NO.
SEC. 8, T-22-S, R-22-E







DRAFT

jr

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 5104

Order No. R-4677

APPLICATION OF EL PASO NATURAL GAS
COMPANY FOR A DUAL COMPLETION,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 14, 1973,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this day of November, 1973, the Commission,
a quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

(1) That due public notice having been given as required by
law, the Commission has jurisdiction of this cause and the subject
matter thereof.

(2) That the applicant, El Paso Natural Gas Company, seeks
authority to complete its Rocky Arroyo "C" Well No. 1 located in
Unit F of Section 8, Township 22 South, Range 22 East, NMPM, Eddy
County, New Mexico, as a dual completion (conventional) to produce
gas from an undesignated Upper Pennsylvanian (Canyon) Gas Pool and
gas from the Rocky Arroyo-Morrow Gas Pool through the casing-tubing
annulus and 2 3/8-inch tubing, respectively, with separation of the
zones to be achieved by means of a packer set at approximately ~~8962~~ ⁸⁹⁶⁹ feet.

(3) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices provided that the Upper Pennsylvanian zone does not experience substantial production of liquids.

(4) That the operator should file production data with the Commission subsequent to the connection of the Upper Pennsylvanian zone to verify the efficiency of production from that zone.

(5) That approval of the subject application will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, El Paso Natural Gas Company, is hereby authorized to complete its Rocky Arroyo "C" Well No. 1, located in Unit F of Section 8, Township 22 South, Range 22 East, NMPM, Eddy County, New Mexico, as a dual completion (conventional) to produce gas from ~~an~~ ^{an} undesignated Upper Pennsylvanian (Canyon) Gas Pool and gas from the Rocky Arroyo-Morrow Gas Pool through the casing-tubing annulus and 2 3/8-inch tubing, respectively, with separation of the zones to be achieved by means of a packer set at approximately ⁸⁹⁶⁷ ~~8962~~ feet.

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take packer-leakage tests upon completion and annually thereafter during the Annual Gas Well Shut-In Pressure Test Period for the Rocky Arroyo-Morrow Gas Pool.

(2) That the applicant shall report to the Commission the flowing tubing pressure, the daily gas flow rate and the daily liquid production rate from the Upper Pennsylvanian zone at 30 day intervals for the first 90 days following the connection of the well to a gas transportation facility.

-3-

CASE NO. 5104

Order No. R-

(3) That should the data supplied under order (2) above indicate inefficient annular flow, a hearing will be scheduled to permit the operator to appear and show cause why order (1) of this order should not be rescinded.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.