

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. 1966
Order No. R-1674

APPLICATION OF TEXAS NATIONAL PETROLEUM
COMPANY FOR AN OIL-GAS DUAL COMPLETION
IN AN UNDESIGNATED GALLUP OIL POOL AND
IN THE DAKOTA PRODUCING INTERVAL, SAN
JUAN COUNTY, NEW MEXICO, UTILIZING PAR-
ALLEL STRINGS OF CASING CEMENTED IN A
COMMON WELL BORE.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 11, 1960, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 13th day of May, 1960, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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, Texas National Petroleum Company, is the owner and operator of the No. 1 Government 1-25-9 Well, located 790 feet from the North line and 790 feet from the West line of Section 1, Township 25 North, Range 9 West, NMPM, San Juan County, New Mexico.

(3) That the applicant proposes to dually complete the above-described well in such a manner as to permit the production of oil from an undesignated Gallup Oil Pool and the production of gas from the Dakota Producing Interval through 2 7/8-inch casing and 4 1/2-inch casing respectively, using 2 3/8-inch tubing within the string of 4 1/2-inch casing.

(4) That the applicant proposes that the said two strings of casing be cemented in a common well bore with the cement circulated from total depth to approximately 4600 feet.

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(5) That casing centralizers should be used in the interval between the bottom of the 4 1/2-inch casing to a point at least 100 feet above the uppermost perforations in the Dakota Producing Interval.

(6) That the mechanics of the proposed dual completion are feasible and in accord with sound conservation practices.

(7) That approval of the subject application will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

That the applicant, Texas National Petroleum Company, be and the same is hereby authorized to dually complete its No. 1 Government 1-25-9 Well, located 790 feet from the North line and 790 feet from the West line of Section 1, Township 25 North, Range 9 West, NMPM, San Juan County, New Mexico, in such a manner as to permit the production of oil from an undesignated Gallup Oil Pool and the production of gas or oil from the Dakota Producing Interval through 2 7/8-inch casing and 4 1/2-inch casing respectively, using 2 3/8-inch tubing within the string of 4 1/2-inch casing.

PROVIDED HOWEVER, That the 4 1/2-inch string of casing shall be cemented from total depth to 4600 feet.

PROVIDED FURTHER, That casing centralizers shall be used on the 4 1/2-inch string of casing from total depth to a point at least 100 feet above the uppermost perforations in the Dakota Producing Interval.

PROVIDED FURTHER, That the applicant shall complete, operate, and produce said well in accordance with the applicable provisions of Section V, Rule 112-A.

PROVIDED FURTHER, That the applicant shall take communication tests upon completion and annually thereafter during the Annual Deliverability Test Period for the Dakota Producing Interval if gas production is obtained in the Dakota, or during the Annual Gas-Oil Ratio Test Period for the Dakota Producing Interval if oil production is obtained in the Dakota.

IT IS FURTHER ORDERED:

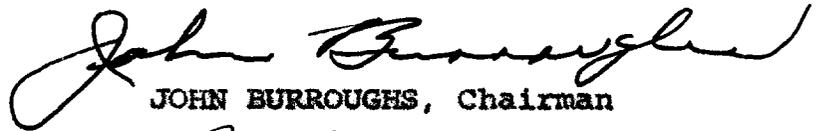
That jurisdiction of this cause is hereby retained by the Commission for such further order or orders as may seem necessary or convenient for the prevention of waste and/or the protection of correlative rights; upon failure of the applicant to comply

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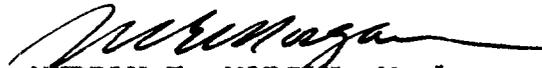
with any requirement of this order, the Commission may terminate the authority hereby granted and require the applicant or its successors and assigns to limit its activities to regular single-zone production in the interest of conservation.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



JOHN BURROUGHS, Chairman



MURRAY E. MORGAN, Member



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



esr/