

**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. 2065
Order No. R-1768**

**APPLICATION OF TEXACO INC.
FOR A "SLIM-HOLE" OIL-GAS
DUAL COMPLETION IN AN UN-
DESIGNATED GALLUP OIL POOL
AND IN THE DAKOTA PRODUCING
INTERVAL, SAN JUAN COUNTY,
NEW MEXICO.**

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on September 7, 1960, at Santa Fe, New Mexico, before Elvis A. Utz, 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 16th day of September, 1960, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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, Texaco Inc., is the owner and operator of the H. J. Lee Federal "B" Well No. 3, located in Unit M, Section 23, Township 29 North, Range 12 West, NMPN, San Juan County, New Mexico.

(3) That the applicant proposes to dually complete the said H. J. Lee Federal "B" Well No. 3 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 parallel strings of 2-3/8 inch casing and 4-1/2 inch casing, respectively, cemented in a common well bore. Applicant proposes to produce the Dakota gas through 2-3/8 inch tubing installed within the 4-1/2 inch casing.

-2-

CASE No. 2065
Order No. R-1768

(4) That in order to protect the productive horizons, cement should extend from total depth to a point 600 feet above the top of the Gallup formation, and from a depth of 1700 feet to a point 200 feet above the top of the Pictured Cliffs formation.

(5) That centralizers or turbolizers should be installed at 30-foot intervals throughout the Dakota, Gallup, and Pictured Cliffs formations and to a point 100 feet above said formations.

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

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

IT IS THEREFORE ORDERED:

That the applicant, Texaco Inc., be and the same is hereby authorized to dually complete its H. J. Lee Federal "B" Well No. 3, located in Unit N, Section 23, Township 29 North, Range 12 West, NE1/4, San Juan County, New Mexico, in such a manner as to permit the production of oil from an undesignated Gallup oil pool through 2-3/8 inch casing and the production of gas from the Dakota Producing Interval through 2-3/8 inch tubing installed within a parallel string of 4-1/2 inch casing cemented in a common well bore.

PROVIDED HOWEVER, That cement shall extend from total depth to a point 600 feet above the top of the Gallup formation, and from a depth of 1700 feet to a point 200 feet above the top of the Pictured Cliffs formation.

PROVIDED FURTHER, That centralizers or turbolizers shall be installed at 30-foot intervals throughout the Dakota, Gallup, and Pictured Cliffs formations and to a point 100 feet above said formations.

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.

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

ILLEGIBLE

-3-
CASE No. 2065
Order No. R-1768

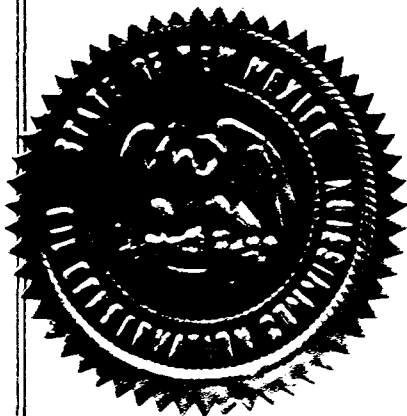
DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

John Burroughs
JOHN BURROUGHS, Chairman

Murray E. Morgan
MURRAY E. MORGAN, Member

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



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