

CASE 7336: C & E OPERATORS, INC. FOR
THREE TRIPLE COMPLETIONS, SAN JUAN
COUNTY, NEW MEXICO

Case No.

7336

Application

Transcripts.

Small Exhibits

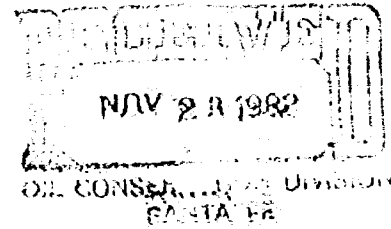
ETC

A. R. "Al" Kendrick

P. O. Box 516 • AZTEC, NEW MEXICO 87410 • (505) 334-2555

November 22, 1982

Mr. R. L. Stamets
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501



RE: Order R-6778 and R-6778-A
Case No. 7336

Case file

Dear Mr. Stamets:

Mr. Thomas Kellahin applied for the hearing in the subject case based upon a telephone conversation with me. The Fee #8-A well became known as the Fee #8 well in the application in error.

I failed to identify the error in the legal ad or the docket for the hearing.

Therefore, the well identity is in error in Order R-6778. It was not corrected in Order R-6778-A.

The exhibit presented at the hearing did properly identify the well number.

Please advise me of the proper action necessary to correct the well identity.

Yours very truly,

Al

A. R. Kendrick

Encls.

*I called Frank 11-29-82
and told him to mark his
order accordingly. The Unit letter
is correct and I could*

*See no reason to issue
another Nunc Pro Tunc.
He will advise Kendrick
R. L. Stamets*

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

IT IS THEREFORE ORDERED:

(1) That the applicant, C & E Operators, Inc., is hereby authorized to complete the following wells in Township 30 North, Range 11 West, NMPM, San Juan County, New Mexico, as a triple completion (conventional) to produce gas from the Farmer-Fruitland Pool, the Aztec-Pictured Cliffs Pool, and the Blanco Mesaverde Pool through the casing-tubing annulus and through separate strings of tubing, respectively, with packers set to separate each of the zones: Aztec Wells Nos. 8 in Unit N of Section 8 and 9 in Unit M of Section 9; and Fee Well No. 8 in Unit C of Section 8.

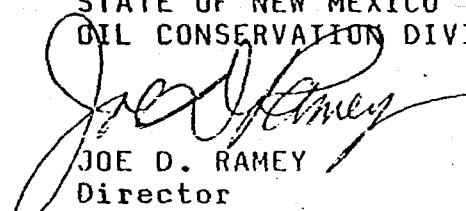
PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said wells in accordance with the provisions of Rule 112-A of the Division Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take packer leakage tests upon completion and annually thereafter during the Annual Deliverability Test Period for gas wells in the San Juan Basin.

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

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director

S E A L

fd/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 7336
Order No. R-6778

APPLICATION OF C & E OPERATORS,
INC. FOR A TRIPLE COMPLETION,
SAN JUAN COUNTY, NEW MEXICO.

RECEIVED OCT 3 1981

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on August 26, 1981, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 30th day of September, 1981, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, C & E Operators, Inc., seeks authority to complete the following wells in Township 30 North, Range 11 West, NMPM, San Juan County, New Mexico, as a triple completion (conventional) to produce gas from the Farmer-Fruitland Pool, the Aztec-Pictured Cliffs Pool, and the Blanco Mesaverde Pool: Aztec Wells Nos. 8 in Unit N of Section 8 and 9 in Unit M of Section 9; and Fee Well No. 8 in Unit C of Section 8.

(3) That although the original application was for the use of separate strings of tubing to each zone, at the time of the hearing the applicant requested and the Examiner approved an amendment of the application to provide for production of the Fruitland zone through the casing-tubing annulus in each of the subject wells.

(4) That the mechanics of the proposed triple completions are feasible and in accord with good conservation practices.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

CASE NO. 7336
Order No. R-6778-A

APPLICATION OF C & E OPERATORS,
INC. FOR A TRIPLE COMPLETION,
SAN JUAN COUNTY, NEW MEXICO.

NUNC PRO TUNC ORDER

BY THE DIVISION:

It appearing to the Division that Order No. R-6778, dated September 30, 1981, does not correctly state the intended order of the Division,

IT IS THEREFORE ORDERED:

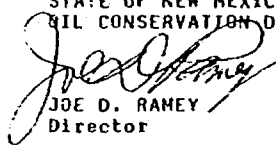
(1) That the reference to Aztec Well No. 8 in Unit N of Section 8 in Finding No. (2) on page 1 of Order No. R-6778 should be amended to read Aztec Well No. 8 in Unit M of Section 8.

(2) That the reference to Aztec Well No. 8 in Unit N of Section 8 in Order No. (1) on page 2 of Order No. R-6778 should be amended to read Aztec Well No. 8 in Unit M of Section 8.

(3) That the corrections set forth in this order be entered nunc pro tunc as of September 30, 1981.

DONE at Santa Fe, New Mexico, on this 9th day of August, 1982.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director

S E A L

rd/



BRUCE KING
GOVERNOR
LARRY KEHOE
SECRETARY

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

August 11, 1982

Mr. Thomas Kellahin
Kellahin & Kellahin
Attorneys at Law
Post Office Box 1769
Santa Fe, New Mexico

Re: CASE NO. 7336
ORDER NO. R-6778-A

Applicant:

C & E Operators, Inc.

Dear Sir:

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

Yours very truly,


JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCD x
Artesia OCD x
Aztec OCD x

Other _____

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

CASE NO. 7336
Order No. R-6778-A

APPLICATION OF C & E OPERATORS,
INC. FOR A TRIPLE COMPLETION,
SAN JUAN COUNTY, NEW MEXICO.

NUNC PRO TUNC ORDER

BY THE DIVISION:

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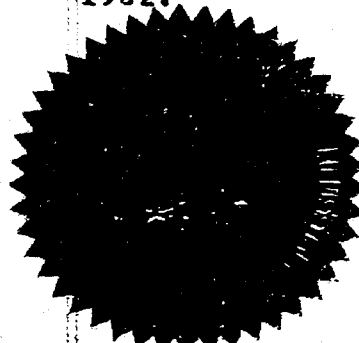
IT IS THEREFORE ORDERED:

(1) That the reference to Aztec Well No. 8 in Unit N of Section 8 in Finding No. (2) on page 1 of Order No. R-6778 should be amended to read Aztec Well No. 8 in Unit M of Section 8.

(2) That the reference to Aztec Well No. 8 in Unit N of Section 8 in Order No. (1) on page 2 of Order No. R-6778 should be amended to read Aztec Well No. 8 in Unit M of Section 8.

(3) That the corrections set forth in this order be entered nunc pro tunc as of September 30, 1981.

DONE at Santa Fe, New Mexico, on this 9th day of August, 1982.



S E A L

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Joe D. Ramey
JOE D. RAMEY
Director

fd/



BRUCE KING
GOVERNOR
LARRY KEHOE
SECRETARY

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

October 1, 1981

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Mr. Thomas Kellahin
Kellahin & Kellahin
Attorneys at Law
Post Office Box 1769
Santa Fe, New Mexico

Re: CASE NO. 7336
ORDER NO. R-6778

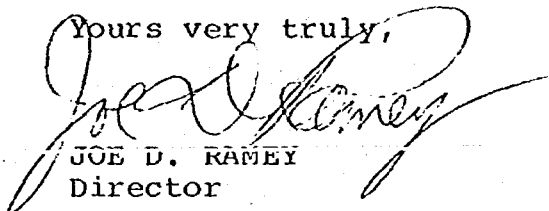
Applicant:

C & E Operators, Inc.

Dear Sir:

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

Yours very truly,


JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCD x
Artesia OCD x
Aztec OCD x

Other _____

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 7336
Order No. R-6778

APPLICATION OF C & E OPERATORS,
INC. FOR A TRIPLE COMPLETION,
SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

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NOW, on this 30th day of September, 1981, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, C & E Operators, Inc., seeks authority to complete the following wells in Township 30 North, Range 11 West, NMPM, San Juan County, New Mexico, as a triple completion (conventional) to produce gas from the Farmer-Fruitland Pool, the Aztec-Pictured Cliffs Pool, and the Blanco Mesaverde Pool: Aztec Wells Nos. 8 in Unit N of Section 8 and 9 in Unit M of Section 9; and Fee Well No. 8 in Unit C of Section 8.

(3) That although the original application was for the use of separate strings of tubing to each zone, at the time of the hearing the applicant requested and the Examiner approved an amendment of the application to provide for production of the Fruitland zone through the casing-tubing annulus in each of the subject wells.

(4) That the mechanics of the proposed triple completions are feasible and in accord with good conservation practices.

-2-

Case No. 7336

Order No. R-6778

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

IT IS THEREFORE ORDERED:

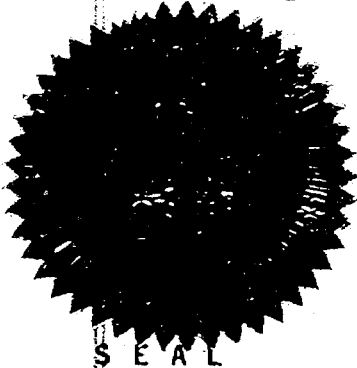
(1) That the applicant, C & E Operators, Inc., is hereby authorized to complete the following wells in Township 30 North, Range 11 West, NMPM, San Juan County, New Mexico, as a triple completion (conventional) to produce gas from the Farmer-Fruitland Pool, the Aztec-Pictured Cliffs Pool, and the Blanco Mesaverde Pool through the casing-tubing annulus and through separate strings of tubing, respectively, with packers set to separate each of the zones: Aztec Wells Nos. 8 in Unit N of Section 8 and 9 in Unit M of Section 9; and Fee Well No. 8 in Unit C of Section 8.

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said wells in accordance with the provisions of Rule 112-A of the Division 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 Deliverability Test Period for gas wells in the San Juan Basin.

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

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



SEAL

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Joe D. Ramey
JOE D. RAMEY
Director

fd/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO

26 August 1981

EXAMINER HEARING

IN THE MATTER OF:

Application of C&E Operators, Inc.,
for three triple completions, San
Juan County, New Mexico.

CASE
7336

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

W. Perry Pearce, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

W. Thomas Kellahin, Esq.
KELLAHIN & KELLAHIN
500 Don Gaspar
Santa Fe, New Mexico 87501

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I N D E X

A. R. KENDRICK

Direct Examination by Mr. Kellahin 3

E X H I B I T S

Applicant Exhibit One, Diagram 4
Applicant Exhibit Two, Diagram 6
Applicant Exhibit Three, Diagram 6

MR. STAMETS: We'll call next Case 7336.

MR. PEARCE: Application of C&E Operators, Inc., for three triple completions, San Juan County, New Mexico.

MR. KELLAHIN: Tom Kellahin of Santa Fe, New Mexico, appearing on behalf of the applicant.

I'd like the record to reflect that Mr. Kendrick has been qualified as an expert petroleum engineer and that he has been sworn and is still under oath.

MR. STAMETS: The record will so show.

A. R. KENDRICK

being called as a witness and being duly sworn upon his oath, testified as follows, to-wit:

DIRECT EXAMINATION

BY MR. KELLAHIN:

Q. Mr. Kendrick, would you tell us what you're seeking to accomplish by this application?

A. The application is to seek approval of three triple completions in normal multiple completion procedure.

Q. Why are we doing this?

A. These wells are currently triple completed

1
2 in the normal triple completion procedure. The requirement
3 for hearing is because one of these wells will be the first
4 well in the San Juan Basin triple completed in these three
5 particular zones.

6 Q Do all three of these wells involve the
7 same three zones?

8 A Yes.

9 Q All right, sir, let's go to Exhibit
10 Number One.

11 A Exhibit Number One is a schematic drawing
12 of the C&E Operators, Incorporated, Aztec No. 8 Well, which
13 shows that there is no conductor casing. It shows the depths
14 of the casing, the depths of the perforations, packers, and
15 tubings.

16 Q In your opinion, Mr. Kendrick, is the
17 proposed method of multiple completion for this well consistent
18 with sound engineering practice?

19 A Yes, sir.

20 MR. STAMETS: It seems like the ad says
21 we're talking about three strings of tubing and I can only
22 count two on here. Is there one I can't see?

23 A No, there will be no tubing to the
24 shallow zone.

25 MR. STAMETS: Is that what we advertised?

1
2 MR. KELLAHIN: It says through separate
3 strings of tubing.

4 MR. STAMETS: It certainly does. That
5 would indicate to me that there are going to be three strings
6 of tubing in this.

7 Let's see, what did you apply for?

8 MR. KELLAHIN: Well, that's what we ap-
9 plied for, too. I had thought they were separate strings of
10 tubing.

11 MR. STAMETS: Okay. I presume then that
12 you would like to amend your application to provide for annu-
13 lar flow for the Fruitland zone.

14 MR. KELLAHIN: That's what you would
15 like?

16 A. Yes.

17 MR. STAMETS: Okay, does the Fruitland
18 formation make any liquids?

19 A. No, sir.

20 MR. STAMETS: In any of these wells?

21 A. No, sir.

22 MR. STAMETS: Okay. You may proceed.

23 Q. All right, sir, let's go to Exhibit
24 Number Two.

25 A. Exhibit Number Two is a schematic drawing

1
2 of the mechanical completion of the Aztec No. 9 Well, located
3 in Unit "M" of Section 9, Township 30 North, Range 11 West,
4 and shows the depths of the tubular goods, packers, and per-
5 forations.

6 Q And is this a similar completion techni-
7 que as the Aztec No. 8 Well?

8 A Yes, the only difference is that this
9 well was drilled in the valley bottom and had boulders, so
10 they drilled with a string of conductor casing which was not
11 utilized in either of the other wells.

12 Q All right, sir, let's go to Exhibit
13 Number Three.

14 A Exhibit Number Three is a schematic of
15 the completion of the Fee No. 8-A Well, which is located in
16 Unit "C" of Section 9. It shows the depths of the tubular
17 goods, packers, and perforations.

18 Q And this completion technique is similar
19 to the Aztec No. 8?

20 A Yes.

21 Q That's identical, is it?

22 A There is no tubing string to the shallow
23 zone in any of the three wells.

24 Q All right, sir, Mr. Kendrick, in your
25 opinion will approval of the application be in the best interest

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2 of conservation, prevention of waste, and the protection of
3 correlative rights?

4 A. Yes, sir.

5 MR. KELLAHIN: We move the introduction
6 of Exhibits One through Three.

7 MR. STAMETS: These exhibits will be
8 admitted.

9 Are there any additional questions of
10 this witness?

11 MR. KELLAHIN: No, sir.

12 MR. STAMETS: He may be excused.

13 Anything further in this case?

14 The case will be taken under advisement.

15
16 (Hearing concluded.)
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C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREPY CERTIFY that
the foregoing Transcript of Hearing before the Oil Conserva-
tion Division was reported by me; that the said transcript
is a full, true, and correct record of the hearing, prepared
by me to the best of my ability.

Sally W. Boyd CSR

SALLY W. BOYD, C.S.R.
Rt. 1 Box 191-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 7336
heard by me on 8-26 1987.
Richard P. Stamm, Examiner
Oil Conservation Division

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO

26 August 1981

EXAMINER HEARING

IN THE MATTER OF:

Application of C&E Operators, Inc.,
for three triple completions, San
Juan County, New Mexico.

CASE
7336

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

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W. Perry Pearce, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

W. Thomas Kellahin, Esq.
KELLAHIN & KELLAHIN
500 Don Gaspar
Santa Fe, New Mexico 87501

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I N D E X

A. R. KENDRICK

Direct Examination by Mr. Kellahin

3

E X H I B I T S

Applicant Exhibit One, Diagram

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Applicant Exhibit Two, Diagram

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Applicant Exhibit Three, Diagram

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11 utilized in either of the other wells.

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13 Number Three.

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15 the completion of the Fee No. 8-A Well, which is located in
16 Unit "C" of Section 8. It shows the depths of the tubular
17 goods, packers, and perforations.

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19 to the Aztec No. 8?

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C E R T I F I C A T E

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the foregoing Transcript of Hearing before the Oil Conserva-
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is a full, true, and correct record of the hearing, prepared
by me to the best of my ability.

Sally W. Boyd CSR

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. _____
heard by me on _____ 19____.

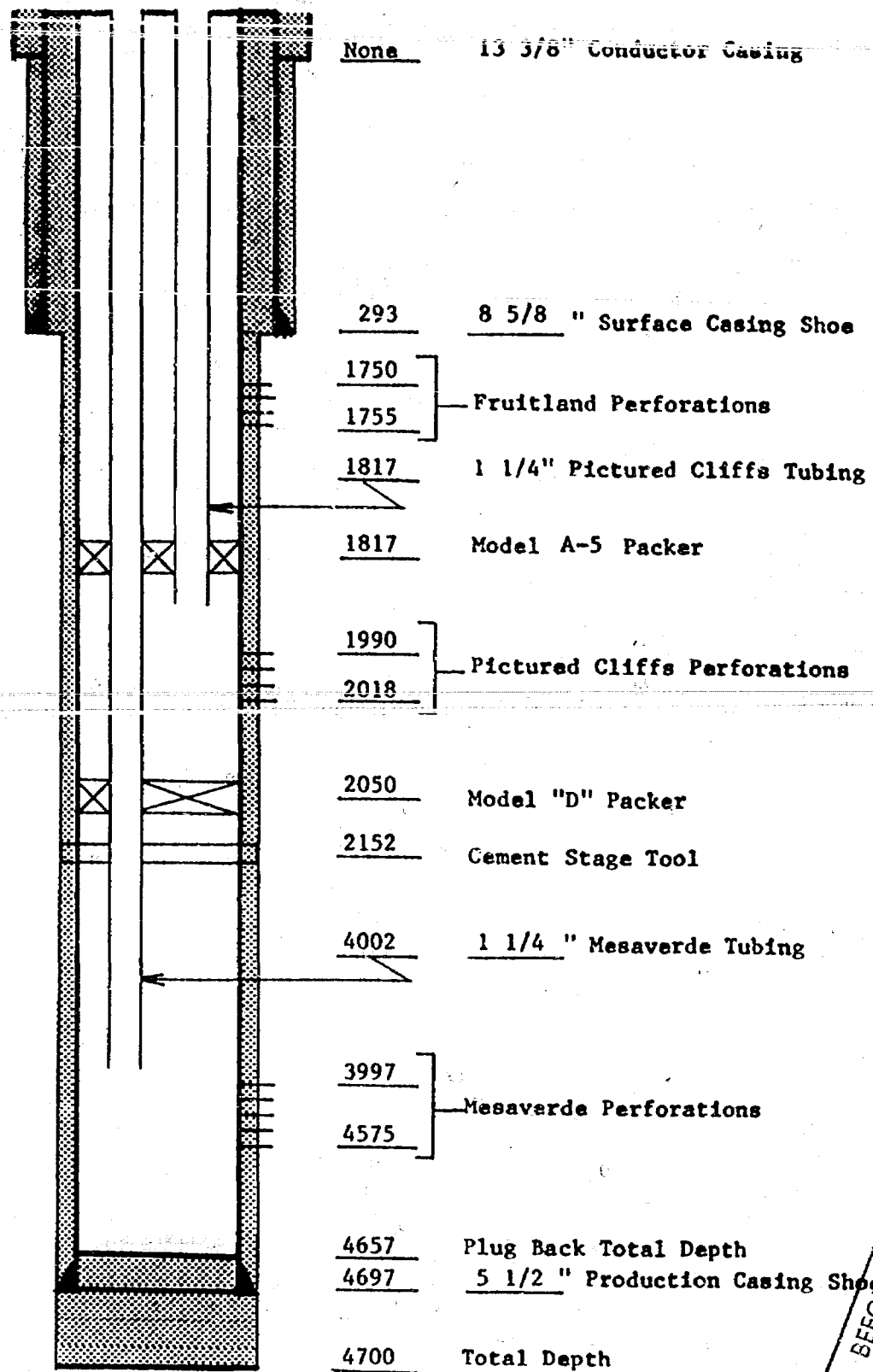
_____, Examiner
Oil Conservation Division

SALLY W. BOYD, C.S.R.

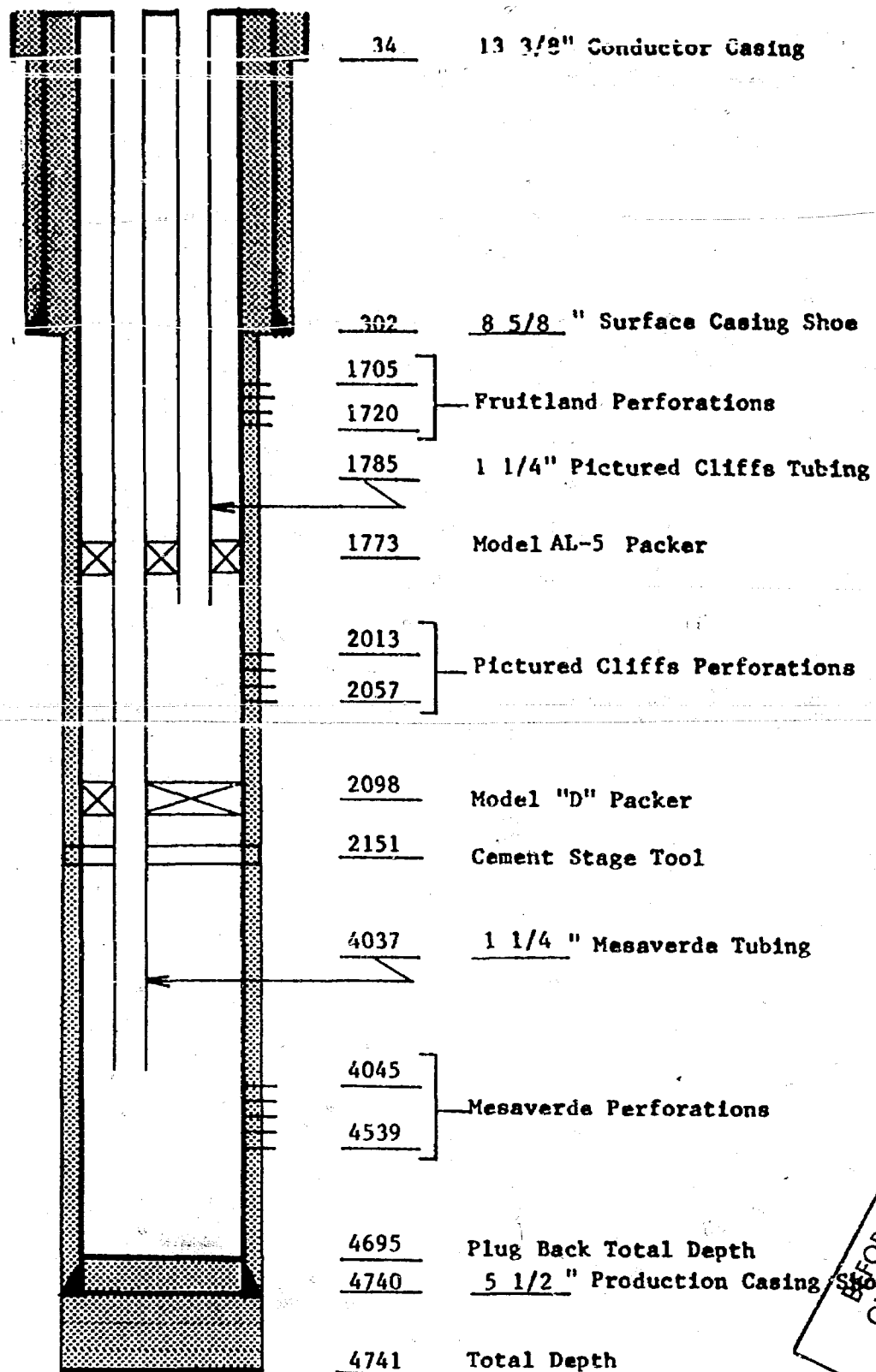
Rt. 1 Box 193-B

Sanita Pk, New Mexico 87501

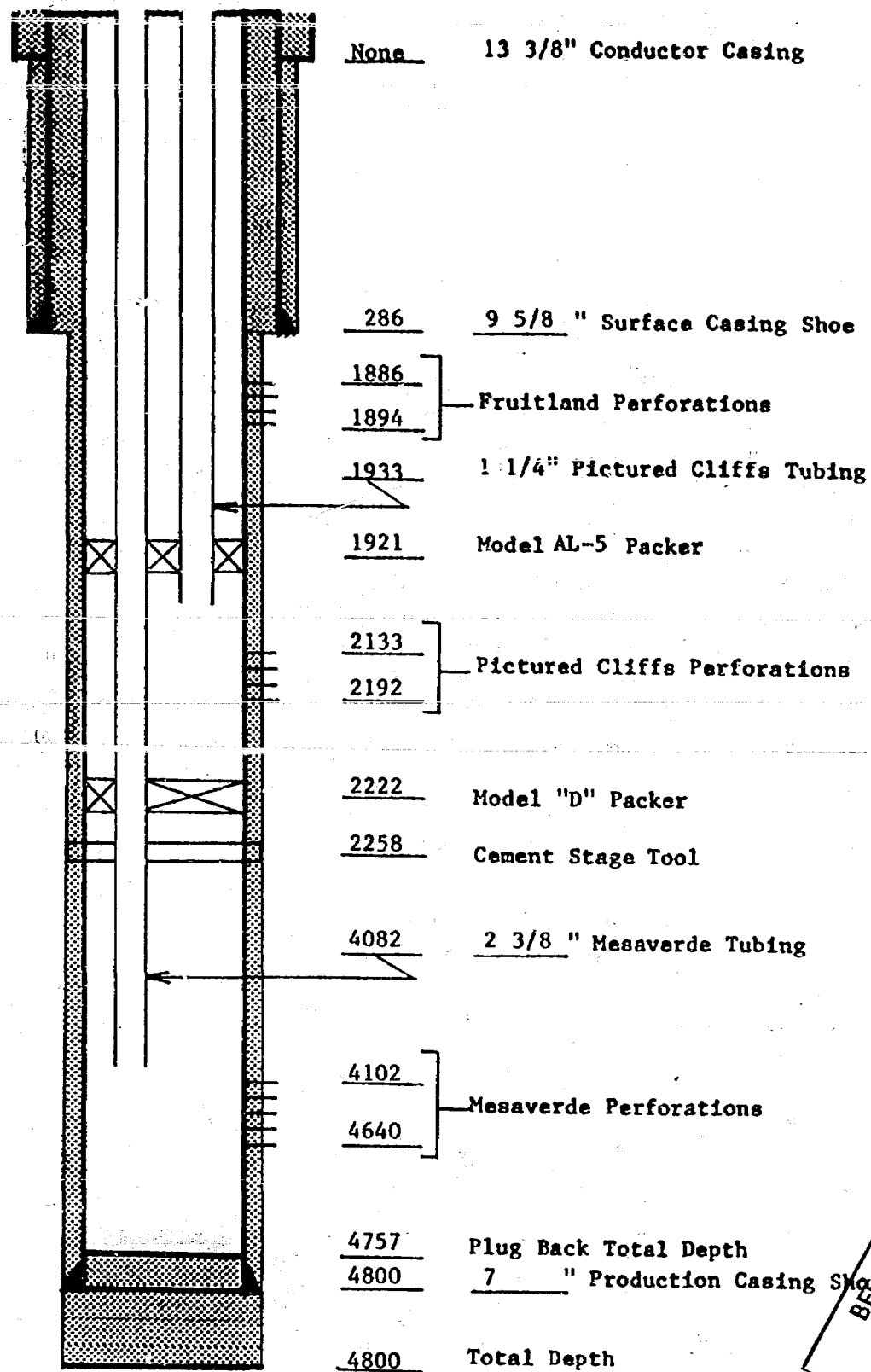
Phone (505) 455-7409



BEFORE EXAMINER STAMETS
 OIL CONSERVATION DIVISION
 CASE NO. 7336
 EXHIBIT NO. 1
 Submitted by C. G. O'Brien
 Hearing Date 8/26/81



BEFORE EXAMINER STAMETS
 OIL CONSERVATION DIVISION
 CASE NO. 7336
 Submitted by C&E Oper
 Hearing Date 8/26/81



BEFORE EXAMINER STAMETS
 OIL CONSERVATION DIVISION
 CASE NO. 7336
 Submitted by C & E Operators
 Hearing Date 8/20/81

CASE 7335: Application of C & E Operators, Inc. for amendment to Division Order No. R-5459, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-5459 by amending the location of the Northwest-Southeast trending line as described in Exhibit A of said Order No. R-5459 pertaining to Township 30 North, Range 11 West, as follows: Section 6: West and South; Section 8: West and South; Sections 9, 10, and 11: South; and Section 13: West and South.

CASE 7336: Application of C & E Operators, Inc. for three triple completions, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to triply complete the following wells in Township 30 North, Range 11 West, to produce gas from the Farmer-Fruitland Pool, the Aztec-Pictured Cliffs Pool, and the Blanco Mesaverde Pool through separate strings of tubing: Aztec Wells Nos. 8 in Unit H of Section 8 and 9 in Unit H of Section 9; and Fee Well No. 8 in Unit C of Section 8.

CASE 7337: Application of Beartooth Oil & Gas Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Ojito Gallup-Dakota and Blanco Mesaverde production in the wellbore of its Nine! Federal Well No. 1 located in Unit E of Section 7, Township 25 North, Range 3 West. Applicant further seeks the establishment of an administrative procedure for approval of downhole commingling of Gallup-Dakota and Mesaverde production in the W/2 of Sections 6 and 7, Township 25 North, Range 3 West.

CASE 7338: Application of Beartooth Oil & Gas Company for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Fruitland and Farmington production in the wellbore of its Elledge Federal 34 Well No. 11 located in Unit D of Section 34, Township 29 North, Range 11 West.

CASE 7339: Application of Doyle Hartman for compulsory pooling, unorthodox well location, and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Jalmat Pool underlying the S/2 of Section 17, Township 24 South, Range 37 East, to be simultaneously dedicated to his Late Thomas Well No. 1 located in Unit M of said Section 17, and to two proposed wells, one to be drilled at an orthodox location in Unit J and the other at an unorthodox location 2310 feet from the South line and 330 feet from the West line, both in said Section 17. Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a charge for risk involved in drilling said wells.

CASE 7340: Application of Doyle Hartman for directional drilling and unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to directionally drill his City of Jal Well No. 1, the surface location of which is 1625 feet from the South line and 1210 feet from the West line of Section 20, Township 25 South, Range 37 East, Jalmat Pool, to top the Jalmat at a bottom hole location 660 feet from the South and West lines at a vertical depth of 2800 feet and to bottom said well at an unorthodox location 330 feet from the South and West lines at a vertical depth of 3500 feet.

CASE 7317: (Continued from July 29, 1981, Examiner Hearing)

Application of Four Corners Gas Producers Association for designation of a tight formation, San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Dakota formation underlying Townships 30 and 31 North, Ranges 2 thru 7 West, containing 270,260 acres, more or less, as a tight formation pursuant to Section 107 of the Natural Gas Policy Act and 18 CFR Section 271.701-705.

CASE 7129: (Continued from August 12, 1981, Examiner Hearing)

Application of Koch Exploration Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Dakota formation underlying the W/2 of Section 28, Township 28 North, Range 8 West, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7169: (Continued from August 12, 1981, Examiner Hearing)

Application of Koch Exploration Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Dakota formation underlying the S/2 of Section 22, Township 28 North, Range 8 West, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

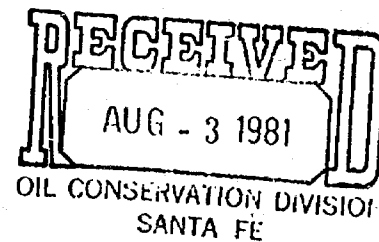
Jason Kellahin
W. Thomas Kellahin
Karen Aubrey

KELLAHIN and KELLAHIN
Attorneys at Law
500 Don Gaspar Avenue
Post Office Box 1769
Santa Fe, New Mexico 87501

Telephone 982-4285
Area Code 505

August 3, 1981

Mr. Joe D. Ramey
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501



RE: C & E Operators, Inc.

Case 7336

Dear Joe:

Please set the enclosed amended application for
hearing on August 26, 1981.

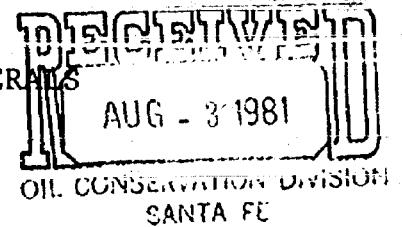
Very truly yours,

W. Thomas Kellahin
W. Thomas Kellahin

WTK:jm
Enclosure

cc: Mr. Al Kendrick

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY AND MINERALS
OIL CONSERVATION DIVISION



IN THE MATTER OF THE APPLICATION
OF C & E OPERATORS, INC., FOR
MULTIPLE COMPLETION, SAN JUAN
COUNTY, NEW MEXICO.

Case 7336

AMENDED APPLICATION

Comes now C & E Operators, Inc., by and through its attorneys, Kellahin & Kellahin, and applies to the New Mexico Oil Conservation Division for approval to triple complete production from the Farmer-Fruitland Pool, Aztec Pictured Cliffs Pool and the Blanco Mesaverde Pool, in its Aztec Well #8, Unit N, Section 8, T30N, R11W, its Aztec Well #9, Unit M, Section 9, T30N, R11W, and its Fee Well #8, Unit C, Section 8, T30N, R11W, NMPM, San Juan County, New Mexico and in support thereof would show:

1. Applicant is the operator of three wells in each of which the applicant proposes to triple complete production from three gas pools, to-wit:

Production from the Farmer-Fruitland Gas Pool, the Aztec Pictured Cliffs Pool and the Blanco Mesaverde Pool, for the following wells:

Aztec Well #8, Unit N, Sec. 8, T30N, R11W
Aztec Well #9, Unit M, Sec. 9, T30N, R11W
Fee Well #8, Unit C, Sec. 8, T30N, R11W

2. The production from each pool shall be up a separate tubing string isolated by a packer.

3. That approval of the application will be in the best interests of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Applicant prays that this application be set for hearing before the duly appointed examiner and that after notice and hearing as provided by law, the Division grant the application as requested.

KELLAHIN & KELLAHIN

By 

W. Thomas Kellahin

P.O. Box 1769

Santa Fe, New Mexico 87501

(505) 982-4285

ATTORNEYS FOR APPLICANT

KELLAHIN and KELLAHIN

Attorneys at Law

500 Don Gaspar Avenue

Post Office Box 1760

Santa Fe, New Mexico 87501

Jason Kellahin

W. Thomas Kellahin

Karen Aubrey

Telephone 982-4285
Area Code 505

July 28, 1981

Mr. Joe D. Ramey
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

RE: C & E Operators, Inc.

Dear Joe:

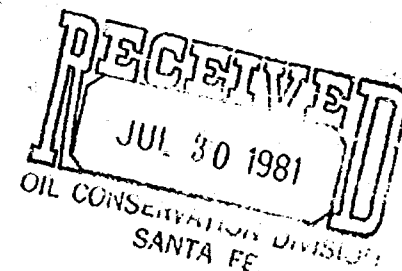
Please set the enclosed application for hearing
on August 26, 1981.

Very truly yours,

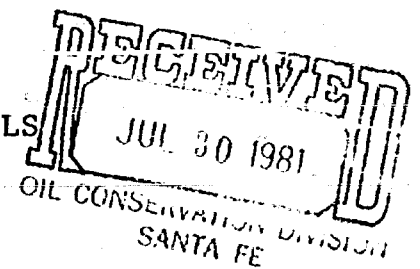

W. Thomas Kellahin

WTK:jm
Enclosure

cc: Mr. Al Kendrick



STATE OF NEW MEXICO
DEPARTMENT OF ENERGY AND MINERALS
OIL CONSERVATION DIVISION



IN THE MATTER OF THE APPLICATION
OF C & E OPERATORS, INC., FOR
DOWNHOLE COMMINGLING, SAN JUAN
COUNTY, NEW MEXICO.

Case _____

see amended application
A P P L I C A T I O N

Comes now C & E Operators, Inc., by and through its attorneys, Kellahin & Kellahin, and applies to the New Mexico Oil Conservation Division for approval to downhole commingle production in the Farmer-Fruitland Pool, Aztec Pictured Cliffs Pool and the Blanco Mesaverde Pool, in its Aztec Well #8, Unit N, Section 8, T30N, R11W, its Aztec Well #9, Unit M, Section 9, T30N, R11W, and its Fee Well #8, Unit C, Section 8, T30N, R11W, NMPM, San Juan County, New Mexico and in support thereof would show:

1. Applicant is the operator of three wells in each of which the applicant proposes to downhole commingle production from three gas pools, to-wit:

Production from the Farmer-Fruitland Gas Pool, the Aztec Pictured Cliffs Pool and the Blanco Mesaverde Pool, for the following wells:


Aztec Well #8, Unit N, Sec 8, T30N, R11W
Aztec Well #9, Unit M, Sec 9, T30N, R11W
Fee Well #8, Unit C, Sec 8, T30N, R11W

2. That approval of the application will be in the best interests of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Applicant prays that this application be set for hearing before the duly appointed examiner and that after

notice and hearing as provided by law, the Division grant
the application as requested.

KELLAHIN & KELLAHIN

By 
W. Thomas Kellahin
P.O. Box 1769
Santa Fe, New Mexico 87501
(505) 982-4285

ATTORNEYS FOR APPLICANT

ROUGH

dr/

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 7336

Order No. R- 6778

APPLICATION OF C & E OPERATORS, INC.
FOR A TRIPLE COMPLETION, SAN JUAN
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 o'clock a.m. on
August 26, 19 81, at Santa Fe, New Mexico, before
Examiner RLS

NOW, on this day of September, 19 81, the
Division Director, 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 Division has jurisdiction of this cause and the subject
matter thereof.

(2) That the applicant, C & E Operators, Inc.,
seeks authority to complete the following wells in

Well No. ~~XX~~ located in Unit ~~XXXXXXXXXXXX~~ of Section ~~XXXX~~, Town-
ship 30 North, Range 11 West, NMPM, San Juan

County, New Mexico, as a triple completion (conventional) to
(combination)
(tubingless)

~~XXXXXX~~
produce gas from the Farmer-Fruitland Pool, the Aztec-Pictured
Cliffs Pool, and the Blanco Mesaverde Pool: through separate strings of
tubing Aztec Wells Nos. 8 in Unit N of Section 8 and 9 in Unit M
of Section 9; and Fee Well No. 8 in Unit C of Section 8.

although the original application was for the use of separate strings of tubing to each zone,
(3) That at the time of the hearing the applicant
requested and the Examiner approved an amendment
of the application to provide for production of the Fruitland
zone through the casing tubing annulus in each
of the subject wells.

4
(1) That the mechanics of the proposed triple completions are feasible and in accord with good conservation practices.

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

IT IS THEREFORE ORDERED:

(1) That the applicant, C & E Operators, Inc., is hereby authorized to complete ~~its~~ the following wells in

~~Well No. xxxxxxxxxx, located in Unit xxxxxxxx of Section xxxxxxxx~~,
Township 30 North, Range 11 West, NMPM, San Juan
County, New Mexico, as a triple completion (conventional)
(combination)
(tubingless)

~~to produce gas from the~~ Farmer-Fruitland Pool, the Aztec-
Pictured Cliffs Pool, and the Blanco Mesaverde Pool through ~~separate~~
strings of tubing ^{respectively, with packers to separate each of the zones;} Aztec Wells Nos. 8 in Unit N of Section 8
and 9 in Unit M of Section 9; and Fee Well No. 8 in Unit C of
Section 8.

*annulus and
through separate*

PROVIDED HOWEVER, that the applicant shall complete, operate,
and produce said wells in accordance with the provisions of Rule
112-A of the Division 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 Deliverability
Test Period for ~~the~~ gas wells in the San Juan Basin. ~~Pool~~

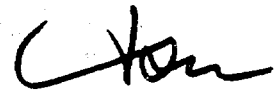
(2) That jurisdiction of this cause is retained for the
entry of such further orders as the Division may deem necessary.

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

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

CASE NO. 7336
Order No. R-6778-A

APPLICATION OF C & E OPERATORS,
INC. FOR A TRIPLE COMPLETION,
SAN JUAN COUNTY, NEW MEXICO.



NUNC PRO TUNC ORDER

BY THE DIVISION:

It appearing to the Division that Order No. R-6778, dated September 30, 1981, does not correctly state the intended order of the Division,

IT IS THEREFORE ORDERED:

(1) That the references to Aztec Well No. 8 in Unit N of Section 8 in Finding No. (2) on page 1 of Order No. R-6778 should be amended to read Aztec Well No. 8 in Unit M.

(2) That the reference to Aztec Well No. 8 in Unit N of Section 8 in Order No. (1) on page 2 of Order No. R-6778 should be amended to read Aztec Well No. 8 in Unit M of Section 8.

(3) That the corrections set forth in this order be entered nunc pro tunc as of September 30, 1981.

DONE at Santa Fe, New Mexico, on this _____ day of August, 1982.

-2-

Case No. 7336
Order No. R-6778

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

IT IS THEREFORE ORDERED:

(1) That the applicant, C & E Operators, Inc., is hereby authorized to complete the following wells in Township 30 North, Range 11 West, NMPM, San Juan County, New Mexico, as a triple completion (conventional) to produce gas from the Farmer-Fruitland Pool, the Aztec Pictured Cliffs Pool, and the Blanco Mesaverde Pool through the casing-tubing annulus and through separate strings of tubing, respectively, with packers set to separate each of the zones: Aztec Wells Nos. 8 in Unit N of Section 8 and 9 in Unit M of Section 9; and Fee Well No. 8 in Unit C of Section 8.

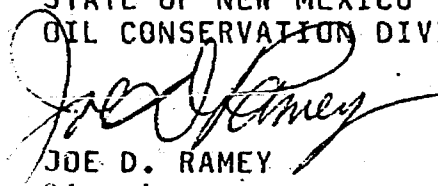
PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said wells in accordance with the provisions of Rule 112-A of the Division Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take packer leakage tests upon completion and annually thereafter during the Annual Deliverability Test Period for gas wells in the San Juan Basin.

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

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director

S E A L

fd/