

CASE NO.

6341

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
8 November 1978

EXAMINER HEARING

IN THE MATTER OF:

Application of Supron Energy Corpor-
ation for dual completions and down-
hole commingling, Rio Arriba County,
New Mexico,

and

Application of Supron Energy Corpor-
ation for downhole commingling, Rio
Arriba County, New Mexico,

and

Application of Supron Energy Corpor-
ation for downhole commingling, San
Juan County, New Mexico.

) CASES 6341,
) 6342, 6343,
) 6344

) CASES 6345,
) 6346, 6347

) CASE 6348

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

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For Supron Energy
Corporation:

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I N D E X

JERRY LEE

Direct Examination by Mr. Jameson

E X H I B I T S

- Applicant Exhibit One, Table
- Applicant Exhibit Two, diagrammatic sketch
- Applicant Exhibit Three, tabulation of production
- Applicant Exhibit Four, diagrammatic sketch
- Applicant Exhibit Five, production history
- Applicant Exhibit Six, diagrammatic sketch
- Applicant Exhibit Seven, production history
- Applicant Exhibit Eight, diagrammatic sketch
- Applicant Exhibit Nine, tabulation of production
- Applicant Exhibit Ten, diagrammatic sketch
- Applicant Exhibit Eleven, tabulation of production
- Applicant Exhibit Twelve, diagrammatic sketch
- Applicant Exhibit Thirteen, tabulation of production
- Applicant Exhibit Fourteen, diagrammatic sketch
- Applicant Exhibit Fifteen, summary of production
- Applicant Exhibit Sixteen, diagrammatic sketch
- Applicant Exhibit Seventeen, production history
- Applicant Exhibit Eighteen, diagrammatic sketch

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1 MR. STAMETS: We will call the next
2 case, 6346.

3 MS. TESCHENDORF: Case 6346, Application
4 of Supron Energy Corporation for downhole commingling,
5 Rio Arriba County, New Mexico.

6 MR. STAMETS: Call for appearances.

7 MR. JAMESON: I am William Jameson.
8 I appeared when it was originally called last month.
9 Also, when it was called last month, I believe that
10 Case 6341 through 6348 -- or 6347, it was -- were
11 consolidated for Hearing purposes. We would like to
12 continue that arrangement, if that's agreeable.

13 MR. STAMETS: Yes. That is the situa-
14 tion, and I don't believe there's any need in
15 recalling all of those other cases at this time, since
16 they were called and consolidated at the previous
17 Hearing.

18 MR. JAMESON: One thing, too, Mr.
19 Examiner. I noticed that we had an incorrect descrip-
20 tion in the well that was made the subject of the
21 Case 6343, so I believe it would be appropriate to
22 dismiss that one.

23 Our notice on it shows it and our
24 Application. The error was made in our Application,
25 showed it as Section 19. I mean, showed it as

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1 Section 11, rather, and it was Section 19. So that's
2 probably not an adequate notice for that one case.
3 That's the Jicarilla H No. 8 Well.

4 (Whereupon, a discussion was held
5 off the record.)

6 MR. STAMETS: The record today will
7 show that we are considering Cases 6346 through
8 6347, together, and that Case 6343 will be dismissed.

9 MR. JAMESON: Well, that's showing also
10 6346, 6348, 6341, 6342, 6344, 45 and 47.

11 MR. STAMETS: That's correct.

12 MR. JAMESON: We broke them down. Mr.
13 Jerry Lee is appearing as a witness. He was sworn
14 when we called the case last month. Do you want to
15 reswear him?

16 MR. STAMETS: We might as well swear
17 him again and qualify him again today and start over
18 fresh.

19 JERRY LEE
20 being called as a witness and having been duly sworn
21 upon his oath, testified as follows, to-wit:

22 DIRECT EXAMINATION

23 BY MR. JAMESON:

24 Q State your name, please?

25 A Jerry Lee.

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1 Q By whom are you employed?

2 A Supron Energy Corporation.

3 Q In what capacity?

4 A Drilling and Production Engineer.

5 Q Mr. Lee, have you previously testified
6 before the New Mexico Oil Conservation Commission
7 with your qualifications as an expert witness of
8 record?

9 A I have.

10 MR. STAMETS: The witness is considered
11 qualified.

12 BY MR. JAMESON:

13 Q Mr. Lee, I direct your attention to
14 the tabulation identified as Supron Exhibit Number One
15 and ask that you explain that tabulation.

16 A Exhibit Number One is a table summarizing
17 data pertinent to each of the several cases, 6341
18 through 48, for several wells operated by Supron
19 Energy Corporation.

20 The tabulation shows in particular the
21 well name and location of the said well; test data to
22 include formation shut-in pressure and deliverabilities;
23 proposed production allocation; should commingling be
24 granted for each of the wells; and remarks showing
25 what is suggested to be done to each well.

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1 We will be referring back to Exhibit
2 One as we go through each of the cases.

3 Q Mr. Lee, I direct your attention to
4 Supron Exhibit Number Two and ask that you explain
5 that Exhibit.

6 A Supron Exhibit Number Two is a dia-
7 gramatic sketch of our Jicarilla A No. 8 Well,
8 located in the northwest quarter of Section 23,
9 Township 26 North, Range 4 West.

10 This sketch shows the Well to be a
11 conventional dual completion between the Dakota and
12 Gallup formations, with a packer between the two
13 formations, producing each of the zone tubes, two
14 separate strings of tubing.

15 Q What does Supron propose to do with
16 this well?

17 A Supron proposes to commingle production
18 with the Gallup and Dakota formations so that we
19 may dual the well with the Mesa Verde formation and
20 attempt to test the Mesa Verde formation in this area.

21 Q The Mesa Verde formation has not been
22 perforated and is not open for production at the
23 present time?

24 A That is correct.

25 Q Now, you mentioned, on dualing it with

1 the Mesa Verde, would it be a conventional dual
2 completion with the Mesa Verde and the commingled
3 Dakota-Gallup?

4 A That is correct. We would commingle
5 the Gallup-Dakota formation, removing one string --
6 in fact, removing both strings of tubing and setting
7 a packer above the top set of perforations in the
8 Gallup, permitting commingling of the Gallup and
9 Dakota; and in perforating, fraking or stimulating
10 the Mesa Verde formation and going to a conventional
11 dual completion with the Gallup and Dakota commingle
12 and the Mesa Verde producing from above a packer as
13 a conventional dual completion through a separate
14 string of tubing.

15 MR. STAMETS: The packer will be set,
16 what, within 100 feet of the top of the Gallup?

17 MR. LEE: That is correct.

18 BY MR. JAMESON:

19 Q Mr. Lee, I direct your attention to
20 the Supron Exhibit Number Three and ask that you
21 explain that Exhibit.

22 A Supron Exhibit Three is a tabulation
23 of production of the Jicarilla A 8 well, showing
24 production for the last two-and-a-half years --
25 approximately two-and-a-half years from January of

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1 '76 through August of 1978, for each of the zones
2 in the current producing zones of the well, that
3 being the Dakota and Gallup formations.

4 The Exhibit shows at the bottom a
5 cumulative production for each of the zones, being
6 one billion-ninety-four-thousand-five-hundred-and-
7 twenty-six MCF of gas from the Dakota formation;
8 17,695 barrels of oil; 3,472,574 MCF of gas from
9 the Gallup and 30,597 barrels of oil.

10 This production, I might note, that
11 the recent production from the well is down on
12 both zones and this is due to high line pressures
13 in that particular area at the present time.

14 Q I direct your attention to Supron
15 Exhibit Number Four and ask that you explain that
16 Exhibit.

17 A Supron Exhibit Four is a diagrammatic
18 sketch of our Jicarilla A No. 7 Well, located in
19 the southeast quarter of Section 15, 26 North, 4 West,
20 Rio Arriba County.

21 This sketch also shows a conventional
22 dual completion in the Gallup and Dakota formations
23 with two strings of tubing, the zones being isolated
24 by a production packer.

25 Q Now, what does Supron propose in

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1 connection with this well?

2 A Supron proposes commingling of produc-
3 tion with the Gallup and Dakota formations and
4 recompleting the well as a conventional dual with
5 the Mesa Verde formation. Once again, the packer
6 would be set above the Gallup perforations and the
7 well would be completed with two strings of tubing,
8 producing with commingled Dakota-Gallup and Mesa Verde.

9 Q Has the Mesa Verde formation been
10 previously perforated and open for production?

11 A It has not.

12 Q Then this well would be completed as
13 as a conventional dual as between the Mesa Verde
14 formation and the commingled Dakota-Gallup?

15 A That is correct. If I may regress for
16 a moment, I forgot to -- referring back to Exhibit
17 One, the Jicarilla A 8 well, we had proposed allocating
18 production on the commingled Dakota-Gallup on the A 8
19 on the basis of the deliverability test of April,
20 1977.

21 The Dakota producing would be producing
22 22 percent and the Gallup 78 percent. That would be
23 allocation of production on that basis, of the
24 deliverability. We propose deliverability as the
25 basis for allocation rather than production history

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1 due to the random production capacity of each of the
2 zones due to line pressure. They vary so much with
3 line pressure, it would be extremely difficult to
4 allocate production on a previous production history
5 basis.

6 It would therefore, we feel, be more
7 applicable to do it on a deliverability basis rather
8 than a production history basis.

9 The Jicarilla E 7 Well, the proposed
10 production allocation would be on the basis of
11 23 percent to the Dakota, 77 percent to the Gallup.
12 This is also being on a deliverability test basis.

13 Q I direct your attention to Supron
14 Exhibit Number Five and ask that you explain that
15 Exhibit.

16 A Exhibit Five is a production history --
17 a tabulation of production history on the Jicarilla
18 E 7 Well, also from January, 1976 through August,
19 1978, showing a cumulative production since first
20 sale for the Dakota of 463,179 MCF, 23,673 barrels
21 of oil; and for the Gallup formation, 2,769,811 MCF
22 and 23,998 barrels.

23 Here again, the production on the Gallup
24 formation has been drastically reduced within the
25 last four or five months and also is due to line

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1 pressures within the area.

2 Q I direct your attention to Supron
3 Exhibit Number Six, with respect to the Jicarilla
4 E No. 8 Well, and ask that you explain that Exhibit.

5 A Exhibit Six is a diagrammatic sketch
6 of the Jicarilla E 8 Well, showing it to be a con-
7 ventional dual completion between the Gallup and
8 Dakota formations, separated by a packer and producing
9 through two strings of tubing.

10 Q What does Supron propose to do with
11 that well?

12 A Supron proposes to commingle production
13 from the Gallup and Dakota formations and recomplete
14 the well as a conventional dual in the Mesa Verde
15 formation.

16 Production allocation would be on the
17 basis of deliverability tests; 42 percent to the
18 Dakota and 58 percent to the Gallup.

19 Q Has the Mesa Verde formation been
20 perforated in that well prior to this time?

21 A It has not.

22 Q Are you proposing a conventional dual
23 completion as between the Mesa Verde formation and
24 commingled Dakota and Gallup formations?

25 A That is correct. It would be a

conventional dual with two strings of tubing.

Q I direct your attention to Supron Exhibit Number Seven and ask that you explain that Exhibit.

A Supron Exhibit Seven is a summary of production history from the Jicarilla E 8 Well, showing production from January, 1976 through August, 1978.

It shows also a cumulative since first sales production for the Dakota formation of 762,999 MCF and 23,454 barrels of condensate; for the Gallup formation, 2,696,250 MCF, and 16,825 barrels of condensate.

Production from the Gallup formation has also been nonexistent for the last three months and that is due to high line pressures in the area.

O I direct your attention to Supron Exhibit Number Eight, with respect to the Jicarilla F No. 1 Well, and ask that you explain that Exhibit.

A Exhibit Eight is a diagrammatic sketch of the Jicarilla F No. 1 Well, showing it to be a conventional dual completion between the Mesa Verde and Dakota formations. They're isolated by a packer between the two zones and producing through two strings of tubing.

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1 Q What does Supron propose in connection
2 with Jicarilla F No. 1 Well?

3 A Supron proposes to commingle production
4 between the Dakota and Mesa Verde formations in an
5 attempt to return the Dakota formation to production.
6 The Dakota produces predominantly oil and it currently
7 is not producing.

8 By commingling the two zones, we hope
9 to use the Mesa Verde gas to lift the Dakota oil.
10 In addition to that, we would also complete in the
11 Pictured Cliffs formation as a dual complete with
12 commingled Mesa Verde-Dakota being one zone and the
13 Pictured Cliffs being a second zone.

14 Q As between the Mesa Verde and Dakota
15 and the Pictured Cliffs, would the completion be a
16 conventional dual completion?

17 A It would be a conventional dual com-
18 pletion with the Pictured Cliffs being one zone and
19 the commingled Mesa Verde-Dakota being the other,
20 and two strings of tubing used to produce the well.

21 Q I direct your attention to Supron
22 Exhibit Number Nine and ask that you explain that
23 Exhibit.

24 A Supron Exhibit Nine is a tabulation of
25 production for the Jicarilla F 1 Well from January,

1 1976 through August, 1978. This tabulation shows
2 what the last production, or actually last sales
3 for the Dakota zone was in March of '77. We have
4 been unable to produce the well. It's been logged
5 over.

6 The Mesa Verde formation is currently
7 producing between a million-and-a-half and two-million
8 cubic feet a month. It has produced a cumulative of
9 398,618 MCF and 3,821 barrels of condensate. The
10 Dakota formation has produced a cumulative of
11 34,065 barrels of condensate.

12 We would propose that, should we be
13 granted commingle here, all increase in production
14 over the current average of Mesa Verde production
15 would be allocated to the Dakota.

16 Q I direct your attention to Supron
17 Exhibit Number Ten, with respect to the Jicarilla
18 H No. 7 Well, and ask that you explain that Exhibit.

19 A Supron Exhibit Ten is a diagrammatic
20 sketch of the Jicarilla H No. 7 Well, showing this
21 well to be a conventional dual completion between
22 the Dakota and the Gallup formations, producing, of
23 course, with a packer between the two zones and two
24 strings of tubing.

25 Q What does Supron propose in connection

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1 with this well?

2 A Supron proposes to commingle production
3 between the Dakota and Gallup formations in an attempt
4 to produce the Gallup formation. The Gallup formation
5 currently does not produce. It is hoped that by
6 commingling and using the Dakota gas, that we can
7 produce the Gallup formation and obtain some produc-
8 tion from the Gallup also.

9 Production would be allocated on the
10 basis of all increase over current production to
11 the Gallup formation.

12 Q Now, Supron is not proposing a dual
13 completion in any other zone in this well?

14 A No, we are not.

15 Q Your attention is directed to Supron
16 Exhibit Number Eleven, and I ask that you explain
17 that Exhibit.

18 A Supron Exhibit Eleven is a tabulation
19 of production for the Jicarilla H 7 Well, showing
20 production from January, 1976 through August, 1978.
21 The total accumulated production since first sales
22 for the Dakota formation is 737,941 MCF and 5,312
23 barrels of condensate; for the Gallup formation,
24 it produced a total cumulative since first sales of
25 86,355 MCF and 4,894 barrels of condensate. The

Gallup has not produced in the last two-and-a-half years.

Q Your attention is directed to Supron Exhibit Number Twelve, with respect to the Jicarilla J No. 10 Well, and I ask that you explain that Exhibit.

A Exhibit Twelve is a diagrammatic sketch of the Jicarilla J 10 Well, showing it to be a conventional dual completion between the Dakota and Gallup formations.

The Gallup, in this particular well, has never been connected. No, that's not correct. The Gallup formation is currently logged off and not producing in this well.

We would hope that by commingling, we could obtain production, using the Dakota gas to lift the Gallup fluid and obtain some additional production from the Gallup formation.

In addition, we would attempt a dual completion between the commingled Dakota-Gallup formations and the Pictured Cliffs formation in this particular well.

Q Has the Pictured Cliffs formation in this well been previously opened to production?

A No, it has not.

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1 Q Do you propose a conventional dual
2 completion as between the Pictured Cliffs and the
3 commingled Gallup-Dakota?

4 A That is correct. The commingled zones
5 will be isolated by a packer and two strings of
6 tubing to produce the well.

7 Q All right. I direct your attention
8 to Supron Exhibit Number Thirteen and ask that you
9 explain that Exhibit.

10 A Supron Exhibit Thirteen is a tabulation
11 of production for the Jicarilla J 10 Well from
12 January, 1976 through August, 1978. It shows a
13 cumulative production for the Dakota formation of
14 1,097,496 MCF of gas; 11,263 barrels of condensate;
15 and for the Gallup formation, 336,072 MCF of gas
16 and 259 barrels of condensate.

17 Q Let me direct your attention to Supron
18 Exhibit Number Fourteen, with respect to the Jicarilla
19 K No. 14 Well, and ask that you explain that Exhibit.

20 A Exhibit Fourteen is a diagrammatic
21 sketch of the Jicarilla K 14, showing this well to
22 be a triple completion with the Dakota formation,
23 Chacra and Pictured Cliffs formations.

24 The Pictured Cliffs formation in this
25 particular well currently is not producing due to

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1 fluid and Supron -- what we propose to do in this
2 case is to leave the Dakota formation as is, isolated
3 by a packer and commingle production between the
4 Chacra and Pictured Cliffs formations in an attempt
5 to return the Pictured Cliffs formation to production.

6 Production would be allocated on the
7 basis of all increase in production over current
8 Chacra production to the Pictured Cliffs formation.

9 Q Your attention is directed to Supron
10 Exhibit Number Fifteen, and I ask that you explain
11 that Exhibit.

12 A Supron Exhibit Fifteen is a summary of
13 production for the Jicarilla K 14 from January, 1976
14 through August, 1978, for the Chacra and Pictured
15 Cliffs formations only.

16 The cumulative production for the
17 Chacra formation is 141,135 MCF and for the Pictured
18 Cliffs formation, 87,319 MCF. If you will note, the
19 Pictured Cliffs has produced intermittently through
20 the middle of 1977, and we have been unable to return
21 the well to production since that time.

22 Q Your attention is directed to Supron
23 Exhibit Number Sixteen. I ask that you explain that
24 Exhibit.

25 A Suprong Exhibit Sixteen is a diagrammatic

1 sketch of the Jicarilla K 17 Well, showing this well
2 to be a dual completion between the Chacra and
3 Dakota formations.

4 While the well was completed as a dual
5 completion, the Chacra formation has not been
6 connected, due to marginal production. What we
7 hope to accomplish by commingling is to put the
8 Chacra formation on production and, hopefully, to
9 obtain some production from this formation.

10 The production is to be allocated on
11 the basis of all increase over current Dakota
12 production to the Chacra formation.

13 Q I direct your attention to Supron
14 Exhibit Number Seventeen and ask that you explain
15 that Exhibit.

16 A Supron Exhibit Seventeen is a produc-
17 tion history for the Jicarilla K 17 Well. It shows
18 production from January of 1976 to August of 1978
19 for the Dakota formation.

20 The Dakota produced a cumulative of
21 105,045 MCF and 1,457 barrels of condensate. The
22 Chacra formation, as I previously mentioned, has
23 never been connected, due to marginal production.

24 Q I direct your attention to Supron
25 Exhibit Number Eighteen, with respect to the Star

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1 No. 3 Well and ask that you explain that Exhibit.

2 A Exhibit Eighteen is a diagrammatic
3 sketch of the Supron Star No. 3 Well, showing this
4 well to be a conventional dual completion between
5 the Mesa Verde and Dakota formations, producing
6 through two strings of tubing.

7 In this particular well, the Dakota
8 formation is logged off and will not produce.
9 Attempts to return it to production has been unsucces-
10 ful. What we are in hopes of doing is, by commingling,
11 to use the Mesa Verde gas to lift the Dakota fluid
12 and thereby return the Dakota to production to
13 obtain some additional production from the Dakota
14 formation.

15 Production would be allocated on the
16 basis of all increase over current Mesa Verde to
17 the Dakota formation.

18 Q Your attention is directed to Supron
19 Exhibit Number Nineteen. I ask that you explain
20 that Exhibit.

21 A Exhibit Nineteen is a tabulation of
22 production for the Star No. 3 Well from January,
23 1976 to August, 1978, showing the Dakota to have
24 produced a cumulative since first sales of 231,713
25 MCF and 11,399 barrels of condensate; the Mesa Verde

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1 having produced 408,811 MCF and 4,378 barrels of
2 condensate.

3 As I previously mentioned, the
4 Dakota formation currently is not producing and
5 has produced only a marginal amount intermittently
6 for the last two-and-a-half years, due to fluid
7 problems and inability to keep the well clean.

8 Q Now, Mr. Lee, I refer you back to
9 Exhibit One for the moment, that lists all the wells
10 about which you previously testified. Have you
11 considered the probability of cross-flow between
12 the commingled formations if Supron is permitted to
13 undertake its proposed work?

14 A In looking at Exhibit Number One,
15 the third column there, we have listed shut-in
16 pressures either from deliverability tests or from
17 packer leakage tests.

18 In all cases, the shut-in pressures
19 between the proposed commingled zones are close
20 together and, in my opinion, should we be permitted
21 to commingle, if the wells or while the wells were
22 producing, the wellhead pressure would be less than
23 the shut-in pressures of all zones and, therefore,
24 there would be no danger of cross-flow during
25 production periods.

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1 Should the well be shut in for a
2 significant period of time, there might be some
3 small amount of cross-flow take place, but I do
4 feel that the gas would be recovered when the well
5 was returned to production.

6 Q Now, Mr. Lee, in your opinion, would
7 the proposed work program that you have just outlined
8 that is proposed to be undertaken by Supron increase
9 the total quantities of gas that might otherwise
10 be recoverable without that work from these wells?

11 A Yes, I do. The proposed commingles
12 in the A 8, E 7 and E 8 Wells, while it would not
13 necessarily increase production from the current
14 producing zones -- that being the Dakota and Gallup --
15 it would permit us to complete in the very marginal
16 Mesa Verde zone that exists in this area, which is
17 uneconomic to drill a well far, as far as a single
18 Mesa Verde well.

19 There are no other potential producing
20 horizons in the area other than Mesa Verde. Therefore,
21 by commingling with the Dakota-Gallup, we could
22 complete these Mesa Verde wells which otherwise would
23 not be -- we would not be able to complete.

24 The other wells, in all cases, it is
25 an attempt to increase production from one or the other

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1 zones, or to obtain additional production from
2 zones that are currently not producing.

3 Q Would the proposed course of action
4 of Supron, in your opinion, be violative of any
5 correlative rights?

6 A No, it would not.

7 Q MR. JAMESON: I believe that concludes
8 our case, Mr. Examiner. We would like to enter
9 Exhibits One through Nineteen into evidence.

10 MR. STAMETS: These Exhibits will be
11 admitted. Mr. Lee, referring to Exhibit One and
12 the other Exhibits, it appears to me that the
13 Jicarilla H 7, K 17 and Star No. 3 will not be dually
14 completed, but just down hole commingled.

15 MR. LEE: That is correct. There are
16 no other potential zones to complete in those
17 three wells.

18 MR. STAMETS: In those wells on which
19 you have not proposed allocation, would you be
20 willing to consult with the District Supervisor
21 following this work to determine a division of
22 production?

23 MR. LEE: Yes, sir. It would be
24 necessary that we do that because of the production
25 nature of the well. The only way we can determine

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1 how to allocate production is going to be based on
2 what kind of increases we see after we can perform
3 the work.

4 MR. STAMETS: Now, as to those which
5 will be dual, I would presume that you will be
6 putting back into the wells the equipment of essen-
7 the same size, tubing strings, as are in there now?

8 MR. LEE: Yes, sir, that is correct.
9 What we will be doing, where we dual, we will
10 commingle the lower zones and then place a packer
11 above the highest perforation of the upper zone
12 that we commingle, and then perforating and stimu-
13 lating the new zone and running a similar size
14 tubing string to produce that new zone; the two
15 commingled zones being produced through a similar
16 size string as the lower zone is currently being
17 produced through and the new upper zone being pro-
18 duced through a separate tubing string.

19 MR. STAMETS: Some of these wells have
20 a pretty good separation, vertical separation between
21 the upper zone and the lower zone, that are to be
22 commingled. Are you going to have a tail pipe under
23 this packer that will be set within the required
24 tolerance on the lower zone?

25 MR. LEE: Yes, sir, we would.

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CERTIFIED SHORTHAND REPORTER
2020 Plaza Blanca (905) 471-2463
Santa Fe, New Mexico 87501

1 MR. STAMETS: Referring back to
2 Exhibit Number One now and the deliverability test
3 shown on there, the highest deliverability I see is
4 about half-a-million a day and the second highest
5 is about a quarter-of-a-million a day.

6 Would you classify those as low rates
7 of production, medium or high?

8 MR. LEE: The two deliverabilities
9 that you're referring to are the Gallup formation's
10 and while they are low rates of production, they
11 are probably high rates of production for the area.

12 These wells produce -- when the line
13 pressure is sufficiently low, they will produce
14 pretty close to the deliverability rates and ratios
15 of deliverability that are shown there by the
16 deliverability test.

17 MR. STAMETS: Would those be classified
18 as high producers in the San Juan Basin, or average,
19 or less than average?

20 MR. LEE: I would say they were above
21 average, slightly above average. Any well that will
22 produce more than 10-million cubic feet per month
23 is somewhat above average for the basin.

24 MR. STAMETS: On those wells then,
25 what's your basic purpose in downhole commingling?

1 MR. LEE: In those wells, the primary
2 purpose -- that is, as I said, the two Gallup-
3 Dakota wells -- the primary purpose in there is to
4 permit us to complete in the Mesa Verde formation,
5 which otherwise we would not be able to drill to.
6 The Mesa Verde formation itself would be uneconomical
7 to drill by itself.

8 MR. STAMETS: This provides you with
9 a greater current production?

10 MR. LEE: Yes, sir, that's correct.

11 MR. STAMETS: But you also feel like
12 in the long run you will recover more gas from the
13 commingled zones than you would--

14 MR. LEE: Yes, sir. By using the
15 Gallup gas to lift the fluid from the Dakota, we
16 would also recover eventually more production from
17 the Dakota formation, the Gallup being the better
18 zone of the two.

19 MR. STAMETS: On those wells which
20 produce liquid, would you allocate the liquids in
21 accordance with the volumes that you have shown here
22 on your Exhibits that tabulate the production?

23 MR. LEE: The allocation of the
24 liquids, the allocation factors that I have proposed
25 here is for the gas only. The allocation of the

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1 liquids will have to be something that would be
2 resolved again with the District as far as arriving
3 at some figure which we could mutually agree would
4 be an acceptable percentage of the liquid production.

5 It's difficult, due to the nature of
6 the way the wells are produced. It's difficult to
7 determine what the actual capability of the well is.
8 With it riding against line pressure anytime there
9 is a sudden drop in line pressure, you produce a
10 large amount of liquid and then as the line pressure
11 comes back up again, the well tends to log off and
12 there is no way to get a sustained estimate of how
13 to allocate that liquid portion of the production.

14 It could be done on the basis of the
15 ratio of the cumulative production, or gas-oil
16 ratios of the two zones, and thereby arriving at a
17 percentage of liquids for the total commingled zones.

18 MR. STAMETS: So perhaps the thing
19 you need to do then is just consult with the Super-
20 visor on all allocations and simplify it that way.

21 MR. LEE: Yes.

22 MR. STAMETS: Is there any chance that
23 the liquids in some of these zones that have logged
24 off will cause the commingled zones to log off?

25 MR. LEE: There is a possibility that

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Santa Fe, New Mexico 87501

1 that could happen. It will depend somewhat on the
2 amount of liquid that we produce. I would say in
3 the two cases in particular, the two wells that are
4 currently not producing -- that being the Jicarilla
5 K 17, I believe; the Dakota-Chacra where the Chacra
6 has never been connected -- in that case, the Dakota
7 has sufficient pressure to lift the fluid.

8 I feel confident that the Dakota in
9 that case has sufficient pressure to lift the fluid
10 in the Chacra zone, particularly since the Chacra
11 zone is significantly higher than the Dakota.

12 The other well being the Star 3, does
13 not make a large quantity of liquids. It is just
14 purely the low gas production from the Dakota
15 formation is insufficient to lift what fluid the
16 well does make.

17 MR. STAMET: What about the Jicarilla
18 F 1?

19 MR. LEE: The Jicarilla F 1, there is
20 the possibility in that well that we will have
21 insufficient gas from the Mesa Verde formation to
22 lift the Dakota oil. If that should be the case,
23 we would probably install -- since the liquid is oil,
24 we would probably want to install a pumping unit on
25 that particular well to pump the oil, because it

appears that -- in fact, the F 1, I am reasonably confident, is classified as an oil well by the State. We would attempt to pump the Dakota - Mesa Verde commingled zone to lift the oil.

MR. STAMETS: Let's go off the record for a second.

(Whereupon, a discussion was held off the record.)

MR. STAMETS: Any other questions of the witness? He may be excused. Anything further in this case? The cases will be taken under advisement.

(Hearing concluded.)

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3030 Plaza Blanca (SOS) 411-2482
Santa Fe, New Mexico 87501

REPORTER'S CERTIFICATE

I, STEFANIE XANTHULL, a Court Reporter, DO
HEREBY CERTIFY that the foregoing and attached
Transcript of Hearing before the Oil Conservation
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, knowledge
and skill, from my notes taken at the time of the
Hearing.

Stefanie Xanthull
Stefanie Xanthull, CSR

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Exam. hearing of Case No. 6341 thru 6348
heard by me on 11-8 19 78.
Richard H. Stamm, Examiner
Oil Conservation Division

SALLY WALTON BOYD
CERTIFIED SHORTHAND REPORTER
3028 Palm Beach (565) 471-2462
Santa Fe, New Mexico 87501



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

JERRY APODACA
GOVERNOR

NICK FRANKLIN
SECRETARY

November 29, 1978

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

Re: CASE NO. 6341
ORDER NO. R-5857
Mr. William S. Jameson
General Counsel
Supron Energy Corporation
10300 North Central Expressway
Dallas, Texas 75231
Applicant:

Supron Energy Corporation

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 OCC X
Artesia OCC X
Aztec OCC 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. 6341
Order No. R-5857

APPLICATION OF SUPRON ENERGY
CORPORATION FOR DUAL COMPLETIONS
AND DOWNHOLE COMMINGLING, RIO ARriba
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on November 8, 1978, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 29th day of November, 1978, 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, Supron Energy Corporation, seeks the dual completion of its Jicarilla "A" Well No. 8 located in Unit E of Section 23; its Jicarilla "E" Well No. 7 located in Unit F of Section 15; and its Jicarilla "E" Well No. 8 located in Unit C of Section 15, all in Township 26 North, Range 4 West, Rio Arriba County, New Mexico, to produce gas from the Mesaverde formation through tubing and to produce commingled Gallup and Dakota production through a separate string of tubing with separation of the Mesaverde zone from the commingled zones by means of a packer.

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

-2-

Case No. 6341
Order No. R-5857

(4) That the proposed commingling may result in the recovery of additional hydrocarbons from each of the subject pools, thereby preventing waste, and will not violate correlative rights.

(5) That the reservoir characteristics of the Gallup and Dakota formations in each of the subject wells are such that underground waste would not be caused by the proposed commingling provided that the wells are not shut in for an extended period.

(6) That to afford the Division the opportunity to assess the potential for waste and to expeditiously order appropriate remedial action, the operator should notify the Aztec district office of the Division any time any of the subject wells is shut in for 7 consecutive days.

(7) That in order to allocate the commingled production to each of the commingled zones in the subject wells, applicant should conduct tests during completion operations, and should consult with the supervisor of the Division's Aztec office to arrive at an allocation formula.

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

(9) That Division Orders Nos. MC-1777, MC-1803, and MC-1802, which authorized the dual completion of the subject wells, should be superseded.

IT IS THEREFORE ORDERED:

(1) That the applicant, Supron Energy Corporation, is hereby authorized to dually complete its Jicarilla "A" Well No. 8 located in Unit E of Section 23; its Jicarilla "E" Well No. 7 located in Unit F of Section 15; and its Jicarilla "E" Well No. 8 located in Unit C of Section 15, all in Township 26 North, Range 4 West, Rio Arriba County, New Mexico, to each produce gas from the Mesaverde formation through tubing and to produce commingled Gallup and Dakota production through a separate string of tubing with separation of the Mesaverde zone from the commingled zones to be achieved by means of a packer.

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;

-3-

Case No. 6341
Order No. R-5857

PROVIDED FURTHER, that the applicant shall take packer leakage tests upon completion and annually thereafter during the Annual Deliverability Test Period for the prorated gas wells in Northwest New Mexico.

(2) That the applicant, during completion operations on the subject wells, shall conduct tests, and shall consult with the supervisor of the Division's Aztec office to determine a formula for allocation of production to each zone in each well.

(3) That the operator of the subject wells shall immediately notify the Division's Aztec district office any time any such well has been shut-in for 7 consecutive days and shall concurrently present, to the Division, a plan for remedial action.

(4) That Division Orders Nos. MC-1777, MC-1803, and MC-1802 are hereby superseded.

(5) 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
JOE D. RAMEY,
Director

dr/

Case No.	Well Name & Location	Date of test	Formation - STP	Formation - Deliverability MCF/DAY	Proposed Production Allocation Cmingled Zones	Remarks
6341	Jicarilla A-8 MC 1777 NW/4, Sec. 23, T-26N, R-4W	4/17/77	Dakota - 421 Gallup - 364	Dakota - 125 MCF/D Gallup - 443 MCF/D	Dakota - 224 Gallup - 784	Comingle Gallup - Dakota & Dual with Mesaverde
6341	Jicarilla E-7 MC 1803 SE/4 Sec 15, T-26N, R-4W	5/2/77	Dakota - 781 Gallup - 369	Dakota - 73 MCF/D Gallup - 245 MCF/D	Dakota - 234 Gallup - 774	Comingle Gallup - Dakota & Dual with Mesaverde
6341	Jicarilla E-8 MC 1802 NW/4 Sec 15, T-26N, R-4W	5/2/77	Dakota - 585 Gallup - 388	Dakota - 169 MCF/D Gallup - 235 MCF/D	Dakota - 424 Gallup - 584	Comingle Gallup - Dakota & Dual with Mesaverde
6341	Jicarilla F-1 R 1626 SW/4 Sec 27, T-26N, R-4W	6/11/78	Dakota - 665" Mesaverde - 582	Dakota - Logged off Mesaverde - 41 MCF/D	All increase in production to Dakota	Comingle Mesaverde - Dakota & Dual w/pictured cliffs
6345	Jicarilla R-7 MC 1881 SW/4 Sec 19, T-26N, R-4W	5/2/77	Dakota - 775 Gallup - 880"	Dakota - 154 MCF/D Gallup - Logged off	All increase in production to Gallup	Comingle Gallup - Dakota in attempt to produce Gallup
6343 17/24	Jicarilla H-8 SE/4 Sec 19, T-26N, R-4W	5/2/77	Dakota - 811 Gallup - 415"	Dakota - 92 MCF/D Gallup - Not connected	All increase in production to Gallup	Comingle Gallup - Dakota & Dual w/pictured cliffs
6342	Jicarilla J-10 MC 1795 SE/4 Sec 26, T-26N, R-5W	5/2/77	Dakota - 594 Gallup - 353	Dakota - 172 MCF/D Gallup - 6 MCF/D	All increase in production to Gallup	Comingle Gallup - Dakota & Dual w/pictured cliffs
6346	Jicarilla K-14 MC 1959 SE/4 Sec 11, T-25N, R-5W	5/2/77	Chacra - 518 Pictured Cliffs - 262	Chacra - 10 MCF/D Pictured Cliffs - 0 MCF/D	All increase in production to Pictured Cliffs	Comingle Chacra - Pictured Cliffs in attempt to keep Pictured Cliffs producing
6347	Jicarilla K-17 MC 2011 SW/4 Sec 12, T-25N, R-5W	5/2/77	Dakota - 1285 Chacra - 880"	Dakota - 42 MCF/D Chacra - Not connected	All increase in production to Chacra	Comingle Dakota - Chacra in attempt to produce Chacra
6348	Sturt 3 MC 1594 NE/4 Sec 5, T-26N, R-6W	5/3/76	Dakota - 0" Mesaverde - 505	Dakota - Logged off Mesaverde - 37 MCF/D	All increase in production to Dakota	Comingle Mesaverde - Dakota in attempt to return Dakota to production

* Pressure taken from 1978 Packer Leakage Tests

Core/Flow
Supervisor

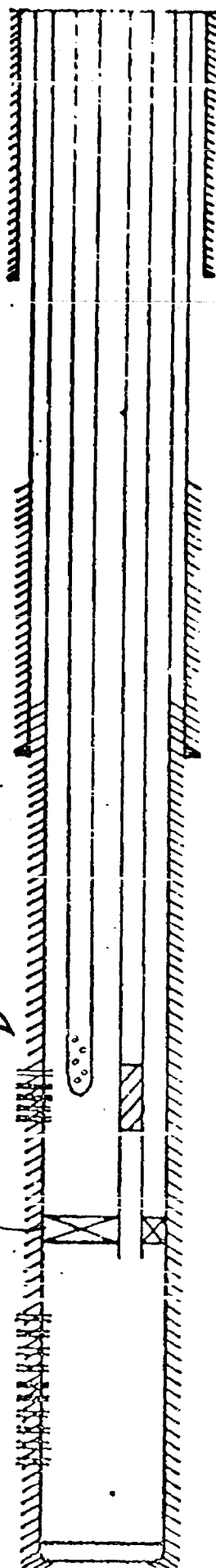
RECEIVED	DATE
6341 ET 16	11/6/78
SUNBELT ENERGY	

Surface Hole Size 15"
Intermediate Hole Size 9-7/8"
Production Hole Size 6-3/4"

Larkin fig. 905, 7-5/8"
Centralizers Run on 30 ft.
Spacing on 7-5/8" casing from 3470 ft.
to 3750 ft. R.K.B.

Gallup Perforations 7214 ft. - 7240 ft.
R.K.B.

Dakota Perforations 7700 ft. - 7872 ft.
R.K.B.



Well: Jicarilla "A" No. 8
Location: 1450 ft. from North line &
885 ft. from West line of Sec.
23, T-26N, R-4W, N.M.P.M.,
Rio Arriba County, New Mexico

Basin Dakota - Undesignated Gallup
Dual Completion

Surface Casing: 10-3/4", 32.75#, H-40,
set at 200 ft. R.K.B. Cemented to
surface w/275 sacks cement.

Top Cement on 7-5/8" casing 2600 ft.
R.K.B.

Top cement on 5-1/2" casing 3500 ft.
R.K.B., Intermediate casing: 7-5/8",
26.40#, J-55 set at 3750 ft. R.K.B.
Cemented w/350 cu. ft. cement.

1-1/2" Integral Joint, 2.75#, JCW
Tubing set to Tocito. Landed at
7219 ft. R.K.B.

2-1/16" O.D. Baker Elast Joints run
across Gallup perms from 7208 ft. to
7249 ft.

1-1/2", R.H.E., 2.90#, JCW Tbg. set
to Dakota. Landed at 7628 ft. R.K.B.

Baker 5-1/2" Model "D" Production
Packer Set at 7620 ft. R.K.B.

Production Casing: 5-1/2", 15.50# &
17.0#, J-55 Set at 7965 ft. R.K.B.
Cemented w/550 cu. ft. cement.

P.B.T.D. 7928 ft.
Total Depth 7965 feet.

Supron Energy Corporation
Well No. 8341 ET AL
Supron Energy
Dating Date 11/8/28

Supron Exhibit No. 2

JICARILLA A-8
PRODUCTION HISTORY
1976 THROUGH AUGUST 1978

MONTH/YEAR	DAKOTA		GALLUP	
	GAS MCF	CONDENSATE BBLs	GAS MCF	CONDENSATE BBLs
JANUARY 1976	4821	--	18658	328
FEBRUARY 1976	5038	146	17867	--
MARCH 1976	4230	--	15612	406
APRIL 1976	4950	--	9767	--
MAY 1976	4387	--	15430	--
JUNE 1976	4250	177	15706	398
JULY 1976	4509	--	12022	--
AUGUST 1976	4666	--	10697	--
SEPTEMBER 1976	3052	99	--	350
OCTOBER 1976	850	--	--	--
NOVEMBER 1976	1802	--	--	--
DECEMBER 1976	3662	--	1929	--
JANUARY 1977	4457	--	11356	--
FEBRUARY 1977	4967	--	14853	--
MARCH 1977	3719	227	13539	--
APRIL 1977	3096	--	10251	--
MAY 1977	4577	--	12077	--
JUNE 1977	4250	--	11866	--
JULY 1977	4982	--	12477	--
AUGUST 1977	5233	233	15085	--
SEPTEMBER 1977	3597	--	5176	--
OCTOBER 1977	4720	--	14197	--
NOVEMBER 1977	4629	--	14379	--
DECEMBER 1977	4203	--	13782	--
JANUARY 1978	3140	227	1109	228
FEBRUARY 1978	2489	--	320	--
MARCH 1978	2323	--	3592	--
APRIL 1978	2136	--	6093	--
MAY 1978	1393	--	168	224
JUNE 1978	936	--	-0-	--
JULY 1978	717	--	164	--
AUGUST 1978	263	--	--	--

*recent
high line press*

TOTAL ACCUMULATED -
PRODUCTION SINCE FIRST SALE: 1094526

3472574

CONDENSATE:

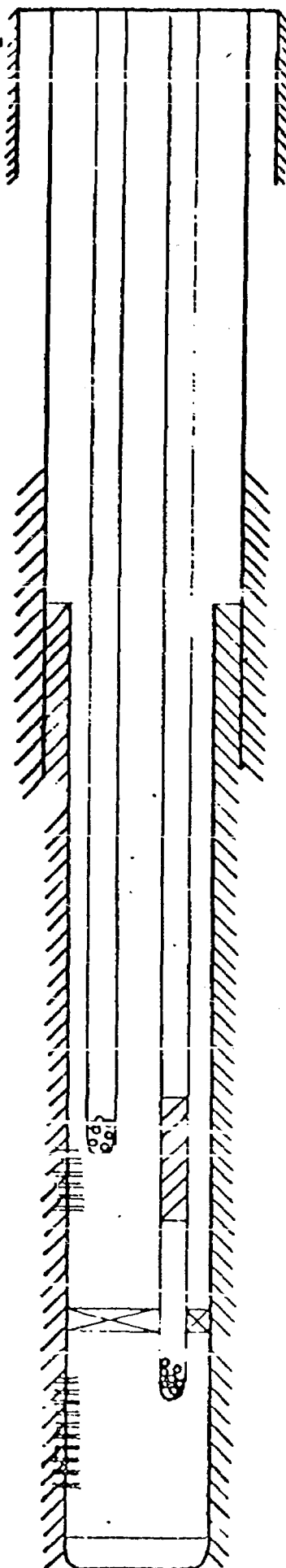
17695

30591

RECORD EXAMINATION
CLERK: VANDERBILT
DATE: 11/8/78
BY: 6341 ET AL
REMARKS: SURVEY ENERGY
Flaring Date: 11/8/78

SUPRON ENERGY CORPORATION
(DIAGRAMMATIC SKETCH OF DUAL COMPLETION)

SURFACE HOLE SIZE - 15"
INTERMEDIATE HOLE SIZE - 9-7/8"
PRODUCTION HOLE SIZE - 6-3/4"



LARKIN FIG 905, 7-5/8"
CENTRALIZERS RUN ON 30 FT.
SPACING ON 7-5/8" CASING
FROM 3574 FT. TO 3844 FT.
R.K.B.

GALLUP PERFORATIONS
7311 FT. - 7330 FT.
R.K.B.

DAKOTA PERFORATIONS
7800 FT - 7980 FT.
R.K.B.

WELL: JICARILLA "E" No. 7
LOCATION: 7901/SOUTH LINE & 7901/EAST
LINE OF SEC. 15, T-26N,
R-4W, N.M.P.M., RIO ARRIBA
COUNTY, NEW MEXICO.
POOL: BASIN DAKOTA-UNDESIGNATED GALLUP
DUAL COMPLETION.

SURFACE CASING: 10-3/4", 32.75#, H-40,
SET AT 337 FT. R.K.B. CEMENTED TO
SURFACE W/250 SACKS CEMENT.

TOP CEMENT ON 7-5/8" CASING AT 3510 FT.
R.K.B.

TOP LINER: 5-1/2", 15.50#, J-55 CSG. AT
3678 FT. R.K.B. TOP CEMENT ON 5-1/2"
LINER AT 3678 FT. R.K.B.

INTERMEDIATE CASING: 7-5/8", 26.40#,
J-55 SET AT 3844 FT. R.K.B. CEMENTED
W/300 CU.FT. CEMENT.

1-1/2" INTEGRAL JOINT, 2.75#, JCW TBG.
SET TO GALLUP. LANDED AT 7317 FT. R.K.B.

2-1/16" O.D. BAKER BLAST JOINTS RUN
ACROSS GALLUP PERFORATIONS. TOP AT
7277 FT., BOTTOM AT 7338 FT. R.K.B.

1-1/2" E.U.E., 2.90#, JCW TBG. SET TO
DAKOTA. LANDED AT 7877 FT. R.K.B.

BAKER 5-1/2" MODEL "D" PRODUCTION
PACKER SET AT 7700 FT. R.K.B.

BOTTOM 5-1/2" LINER AT 8044 FT. R.K.B.
CEMENTED TO TOP LINER W/625 CU.FT.
CEMENT. (5-1/2", 15.50#, J-55 CASING RUN
FOR LINER)
P.B.T.D. 8010 FT. R.K.B.

TOTAL DEPTH 8044 FT. R.K.B.

REVIEWED BY: _____
CHECKED BY: _____
DATE: _____
6341 ET AL
SUBMITTED BY: SUPRON ENERGY
DATE: 11/8/78

Supron Exhibit No. 6

JICARILLA E-7
PRODUCTION HISTORY
1976 THROUGH AUGUST 1978

MONTH/YEAR	DAKOTA		GALLUP	
	GAS MCF	CONDENSATE BBLs	GAS MCF	CONDENSATE BBLs
JANUARY 1976	3205	234	15437	469
FEBRUARY 1976	2828	--	14508	--
MARCH 1976	2831	--	13946	--
APRIL 1976	2960	233	9810	--
MAY 1976	2868	--	13245	--
JUNE 1976	2860	--	12306	222
JULY 1976	3110	225	8485	226
AUGUST 1976	2857	--	9672	224
SEPTEMBER 1976	2637	--	770	--
OCTOBER 1976	1763	--	--	--
NOVEMBER 1976	2853	--	59	--
DECEMBER 1976	3811	232	1614	--
JANUARY 1977	2719	--	9128	--
FEBRUARY 1977	2708	--	10903	--
MARCH 1977	2209	227	9764	228
APRIL 1977	2609	177	8292	228
MAY 1977	2410	--	6634	223
JUNE 1977	2707	--	9196	223
JULY 1977	2584	225	4756	--
AUGUST 1977	2846	--	11364	--
SEPTEMBER 1977	2556	--	3719	--
OCTOBER 1977	2391	125	11190	228
NOVEMBER 1977	2827	--	12196	233
DECEMBER 1977	2083	241	10518	--
JANUARY 1978	2369	--	1472	87
FEBRUARY 1978	2444	--	7977	76
MARCH 1978	2139	--	8843	232
APRIL 1978	2425	230	3032	--
MAY 1978	2099	--	181	--
JUNE 1978	2592	--	73	--
JULY 1978	2431	--	183	--
AUGUST 1978	2511	--	91	219

TOTAL ACCUMULATED -
PRODUCTION SINCE FIRST SALE:

463172

2769811

CONDENSATE:

23673

23998

RECEIVED BY _____

DATE _____

5-

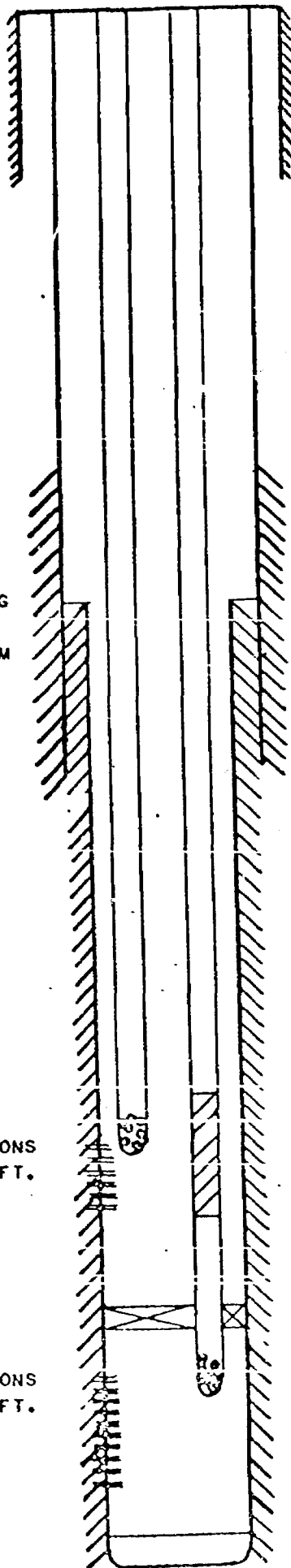
6391 FY AL

SUPPLY ENERGY

Received 11/8/78

SUPRON ENERGY CORPORATION
(DIAGRAMMATIC SKETCH OF DUAL COMPLETION)

SURFACE HOLE SIZE - 15"
INTERMEDIATE HOLE SIZE -
9-7/8"
PRODUCTION HOLE SIZE -
6-3/4"



WELL: JICARILLA "E" No. 8
LOCATION: 1190 FT. FROM NORTH LINE &
1480 FT. FROM WEST LINE OF
SEC. 15, T-26N, R-4W, N.M.P.M.
RIO ARRIBA COUNTY, NEW MEXICO.
POOL: BASIN DAKOTA - UNDESIGNATED DAKOTA
DUAL COMPLETION.

SURFACE CASING: 10-3/4", 32.75#, H-40
SET AT 324 FT. R.K.B. CEMENTED TO
SURFACE W/250 SACKS CEMENT.

TOP CEMENT ON 7-5/8" CASING AT 1330 FT.
R.K.B.

TOP LINER: 5-1/2", 15.50#, J-55 CSG. AT
3578 FT. R.K.B.
TOP CEMENT ON 5-1/2" LINER AT 3578 FT.
R.K.B.

INTERMEDIATE CASING: 7-5/8", 26.40#,
J-55 SET AT 3718 FT. R.K.B. CEMENTED
W/350 CU.FT. CEMENT.

1-1/2" INTEGRAL JOINT, 2.75#, JCW TBG.
SET TO GALLUP. LANDED AT 7177 FT. R.K.B.

2-1/16" O.D. BAKER BLAST JOINTS RUN ACROSS
GALLUP PERFORATIONS. TOP AT 7160 FT.
BOTTOM AT 7190 FT. R.K.B.

1-1/2" E.U.E., 2.90#, JCW TBG. SET TO
DAKOTA. LANDED AT 7715 FT. R.K.B.

BAKER 5-1/2" MODEL "D" PRODUCTION PACKER
SET AT 7545 FT. R.K.B.

BOTTOM 5-1/2" 15.50#, J-55 LINER AT 7902
FT. R.K.B. CEMENTED TO TOP OF LINER
W/ 675 CU.FT. CEMENT.

P.B.T.D. 7885 FT. R.K.B.

TOTAL DEPTH 7905 FT. R.K.B.

LARKIN FIG 905, 7-5/8" CASING
CENTRALIZERS RUN ON 30 FT.
SPACING ON 7-5/8" CASING FROM
3448 FT. TO 3718 FT. R.K.B.

GALLUP PERFORATIONS
7168 FT. - 7182 FT.
R.K.B.

DAKOTA PERFORATIONS
7648 FT. - 7834 FT.
R.K.B.

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION

EXHIBIT NO. 6

Case No. 8341 ET AL

Submitted by SUPRON ENERGY

Hearing Date 11/8/78

Supron Energy Exhibit No. 6

JICARILLA E-8
PRODUCTION HISTORY
1976 THROUGH AUGUST 1978

MONTH/YEAR	DAKOTA		GALLUP	
	GAS MCF	CONDENSATE BBLs	GAS MCF	CONDENSATE BBLs
JANUARY 1976	5623	175	16531	229
FEBRUARY 1976	4650	--	16002	241
MARCH 1976	4586	--	15179	--
APRIL 1976	4544	--	11882	239
MAY 1976	4460	204	14581	--
JUNE 1976	4510	199	12945	18
JULY 1976	4159	--	11995	231
AUGUST 1976	2831	--	10845	--
SEPTEMBER 1976	2995	--	2247	229
OCTOBER 1976	3281	212	125	--
NOVEMBER 1976	4851	--	661	--
DECEMBER 1976	4718	--	6709	--
JANUARY 1977	4347	--	10709	--
FEBRUARY 1977	4696	--	12396	--
MARCH 1977	5676	461	9353	--
APRIL 1977	5383	--	11969	237
MAY 1977	4863	--	9164	--
JUNE 1977	5845	224	11662	232
JULY 1977	5670	232	7449	--
AUGUST 1977	5534	204	3441	164
SEPTEMBER 1977	3500	--	4625	--
OCTOBER 1977	5391	--	11783	--
NOVEMBER 1977	5156	--	12526	--
DECEMBER 1977	3023	233	10556	--
JANUARY 1978	2871	--	1320	--
FEBRUARY 1978	4587	211	3841	--
MARCH 1978	5220	--	8731	--
APRIL 1978	3333	233	2079	236
MAY 1978	4792	--	66	--
JUNE 1978	4123	--	--	--
JULY 1978	3586	--	--	--
AUGUST 1978	4141	235	--	--

TOTAL ACCUMULATED -

PRODUCTION SINCE FIRST SALE: 762999

2696250

CONDENSATE:

23454

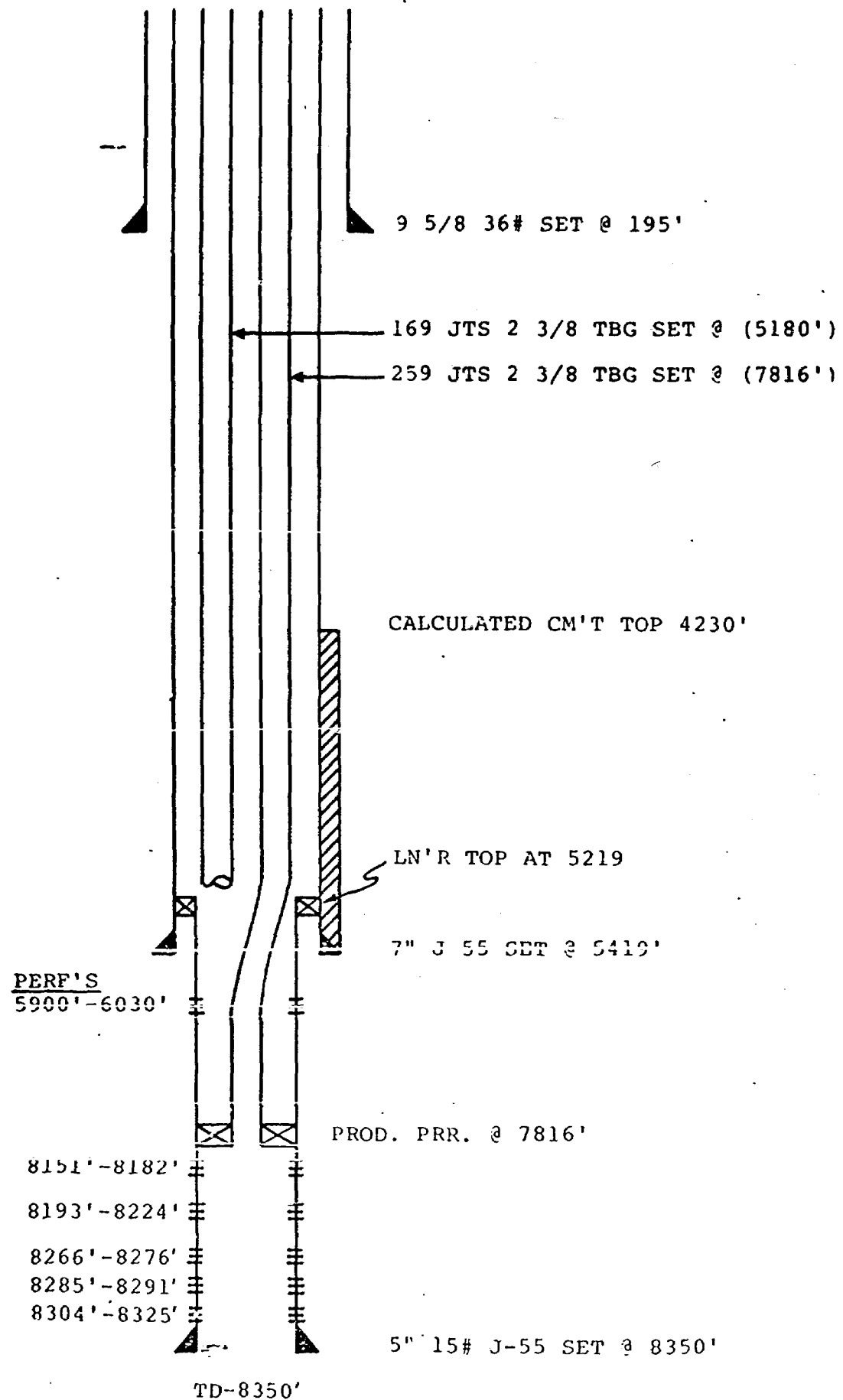
16825

BEFORE EXAMINER STAMETS
OIL CONSERVATION DIVISION
WELL NO. <u>7</u>
OWN. <u>8341 ET AL</u>
SUPPLY <u>SUPRON ENERGY</u>
Flowing <u>11/8/78</u>

Supron Energy Corporation

JICARILLA "F" 1

SEC. 27, T26N, R4W



BEFORE DEPT. OF MINER. RESOURCES
OIL CONSERVATION DIVISION

FILE NO. 8

Case No. 6391 ET AL

Submitted by SUPRON ENERGY

Hearing Date 2/8/28

Supron Exhibit No. 8

JICARILLA F-1
PRODUCTION HISTORY
1976 THROUGH AUGUST 1978

MONTH/YEAR	DAKOTA		MESAVERDE	
	GAS MCF	CONDENSATE BBLs	GAS MCF	CONDENSATE BBLs
JANUARY 1976	--	--	2724	--
FEBRUARY 1976	--	--	2444	--
MARCH 1976	--	--	2171	--
APRIL 1976	--	--	2084	--
MAY 1976	--	--	1861	--
JUNE 1976	--	--	2215	--
JULY 1976	--	--	2286	--
AUGUST 1976	--	--	1943	--
SEPTEMBER 1976	--	--	1124	--
OCTOBER 1976	--	--	440	--
NOVEMBER 1976	--	--	806	--
DECEMBER 1976	--	--	1480	--
JANUARY 1977	--	--	1940	--
FEBRUARY 1977	--	--	2079	--
MARCH 1977	--	213	1653	--
APRIL 1977	--	--	1673	--
MAY 1977	--	--	1951	--
JUNE 1977	--	--	2009	--
JULY 1977	--	--	2011	--
AUGUST 1977	--	--	2045	--
SEPTEMBER 1977	--	--	1514	--
OCTOBER 1977	--	--	1968	--
NOVEMBER 1977	--	--	1870	--
DECEMBER 1977	--	--	2006	--
JANUARY 1978	--	--	1268	--
FEBRUARY 1978	--	--	398	--
MARCH 1978	--	--	2183	--
APRIL 1978	--	--	1886	--
MAY 1978	--	--	1717	--
JUNE 1978	--	--	1675	--
JULY 1978	--	--	1187	--
AUGUST 1978	--	--	1622	--

DK production
0.1

TOTAL ACCUMULATED -
PRODUCTION SINCE FIRST SALE: --

398618

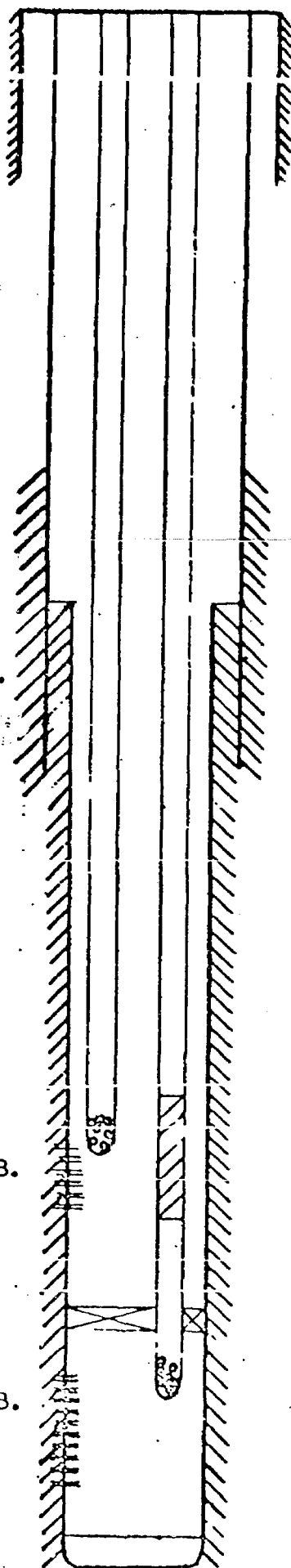
CONDENSATE:

34065

3821

BEFORE EXAMINER STAMPS
ON CORRESPONDENCE
9
6341 ET AL
SUPREN ENERGY
Hennig Date 11/8/78

SURFACE HOLE SIZE-13-3/4"
INTERMEDIATE HOLE SIZE -
7-7/8"
PRODUCTION HOLE SIZE -
6-3/4"



LARKIN FIG 905, 7-5/8" CSG.
CENTRALIZERS RUN ON 32 FT.
SPACING ON 7-5/8" CASING
FROM 3099 FT. TO 3355 FT. R.K.B.

GALLUP PERFORATIONS
6569 FT.-6902 FT. R.K.B.

DAKOTA PERFORATIONS
7400 FT.-7600 FT. R.K.B.

WELL: JICARILLA "H" No. 7

LOCATION: 1450 FT. FROM SOUTH LINE &
1650 FT. FROM WEST LINE OF
SEC. 19, T-26N, R-4W, RIO ARRIBA
COUNTY, NEW MEXICO.

POOL: UNDESIGNATED GALLUP-BASIN DAKOTA
DUAL COMPLETION

SURFACE CASING: RAN 10 JTS. 10-3/4"
32.75#, H-40; SET AT 323 FT. R.K.B.
CEMENTED W/250 SACKS. CEMENT
CIRCULATED TO SURFACE.

TOP CEMENT ON 7-5/8" CASING AT 1540 FT.
R.K.B.

TOP LINER: 5-1/2", 15.50#, J-55 CASING
AT 3206 FT. R.K.B.

TOP CEMENT ON 5-1/2" LINER AT 3206 FT.
R.K.B.

INTERMEDIATE CASING: 7-5/8", 26.40#,
K-55 SET AT 3355 FT. R.K.B.
CEMENTED W/1048 CU. FT. CEMENT.

1-1/2" INTEGRAL JOINT, 2.75#, R-CON-55,
TBG. SET TO GALLUP. LANDED AT
6882 FT. R.K.B.

2-1/16" O.D. BAKER BLAST JTS. RUN ACROSS
GALLUP PERFS. TOP AT 6875 FT.
R.K.B. BOTTOM AT 6915 FT. R.K.B.

BAKER 5-1/2" MODEL "D" PROD. PACKER
SET AT 7296 FT. R.K.B.

1-1/2", 2.90#, R-CON-55 TBG. TO DAKOTA.
LANDED AT 7296 FT. R.K.B.

BOTTOM 5-1/2", 15.50#, J-55 LINER AT 7669 FT.
R.K.B. CEMENTED TO TOP OF LINER
W/700 CU. FT. CEMENT.

P.B.T.D. 7663 FT. R.K.B.

TOTAL DEPTH 7695 FT. R.K.B.

REPRODUCED FROM STAFFERS
CHECKED BY: J. L. HARRISON
DATE: 10/10/78

6391 ET AL

Submitted by SUPRON ENERGY

Revised by 11/8/78

Supron Exhibit No. 4

JICARILLA H-7
PRODUCTION HISTORY
1976 THROUGH AUGUST 1978

MONTH/YEAR	DAKOTA		GALLUP	
	GAS MCF	CONDENSATE BBLs	GAS MCF	CONDENSATE BBLs
JANUARY 1976	7552	--	--	--
FEBRUARY 1976	6276	229	--	--
MARCH 1976	6569	--	--	--
APRIL 1976	6606	228	--	--
MAY 1976	6292	229	--	--
JUNE 1976	7186	--	--	--
JULY 1976	6402	--	--	--
AUGUST 1976	3883	221	--	--
SEPTEMBER 1976	6639	--	--	--
OCTOBER 1976	1282	--	--	--
NOVEMBER 1976	4697	209	--	--
DECEMBER 1976	5829	--	--	--
JANUARY 1977	5851	168	--	--
FEBRUARY 1977	6832	--	--	--
MARCH 1977	1821	233	--	--
APRIL 1977	6168	--	--	--
MAY 1977	5050	--	--	--
JUNE 1977	6501	--	--	--
JULY 1977	5667	216	--	--
AUGUST 1977	6169	231	--	--
SEPTEMBER 1977	5144	--	--	--
OCTOBER 1977	5114	--	--	--
NOVEMBER 1977	6982	232	--	--
DECEMBER 1977	5461	--	--	--
JANUARY 1978	3201	--	--	--
FEBRUARY 1978	4549	--	--	--
MARCH 1978	--	--	--	--
APRIL 1978	--	--	--	--
MAY 1978	--	--	--	--
JUNE 1978	--	--	--	--
JULY 1978	--	--	--	--
AUGUST 1978	4199	--	--	--

TOTAL ACCUMULATED -
PRODUCTION SINCE FIRST SALE: 737941

86355

CONDENSATE:

5312

4894

PERSONNEL	DATE	INITIALS
CH. J. J. J.	11	
6341 ET AL		
SUPREON ENERGY		
Hearing Date	11/8/78	

SURFACE HOLE SIZE 12-1/4"
PRODUCTION HOLE SIZE 7-7/8"

SUPRON ENERGY CORPORATION
WELL: JICARILLA "J" #10
LOCATION: 1850 FEET FROM SOUTH LINE & 790
FEET FROM EAST LINE OF SECTION 26,
TOWNSHIP 26 NORTH, RANGE 5 WEST,
N.M.P.M., RIO ARriba COUNTY,
NEW MEXICO.

BASIN DAKOTA - UNDESIGNATED GALLUP
DUAL COMPLETION.

SURFACE CASING: 8-5/8", 24.0#, J-55 SET AT
309 FT. R.K.B. CEMENTED TO SURFACE W/250
SACKS CEMENT.

STAGE COLLAR SET AT 3253 FT. R.K.B. BELOW
PICTURED CLIFFS. CEMENTED TO SURFACE
W/1350 CU. FT. CEMENT.

TOP CEMENT ON 2ND STAGE CEMENT 4200 FT. R.K.B.

LARKIN FIG. 904, 5-1/2"
CENTRALIZERS RUN ON 30 FT. SPAC-
ING ACROSS GALLUP ZONE FROM 6632
TO 6812 FT. R.K.B. LARKIN FIG.
802, 5-1/2" RECIPROCATING
SCRATCHERS RUN ON 10 FT. SPACING
FROM 6632-6812 FT. R.K.B.

GALLUP PERFORATIONS
6719-6725 FT. RKB.

LARKIN FIG. 904, 5-1/2"
CENTRALIZERS RUN ON 30 FT.
SPACING FROM 7068-7502 FT. RKB.
LARKIN FIG. 802, 5-1/2"
RECIPROCATING SCRATCHERS RUN ON
10 FT. SPACING FROM 7068-7502
FT. R.K.B.

DAKOTA PERFORATIONS
7252-7480 FT. RKB.

STAGE COLLAR SET AT 5472 FT. R.K.B. BELOW
MESASVERDE. CEMENTED W/600 CU. FT. CEMENT.

TOP CEMENT ON 1ST STAGE CEMENT 6100 FT. R.K.B.

1-1/2" INTEGRAL JT., 2.75#, R-CON 55 TBG. SET
TO GALLUP. SET AT 6723 FT. R.K.B.
2-1/16" O.D. BAKER BLAST JT. SET ACROSS GALLUP
PERFS. TOP AT 6712, BOTTOM AT 6732 FT.

BAKER 5-1/2" MODEL "D" PRODUCTION PACKER SET
AT 7090 FT. R.K.B.

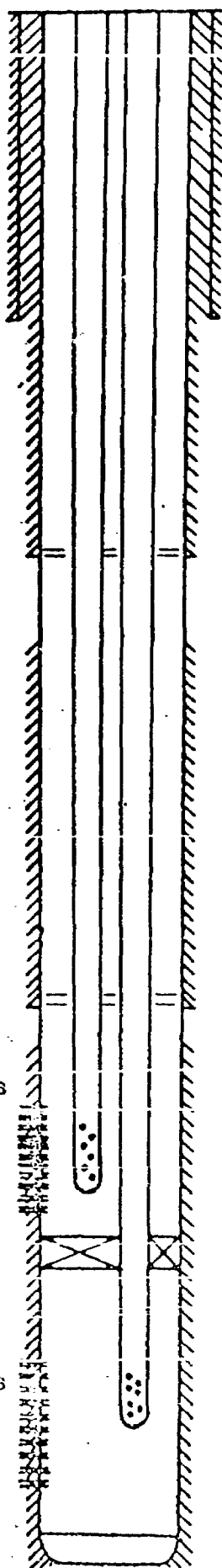
1-1/2" E.U.E., 2.00#, R-CON 55 TBG. SET TO
DAKOTA. SET AT 7258 FT. R.K.B.

DAKOTA TBG. PERFORATED FROM 7250-7258' R.K.B.

PRODUCTION CASING: 5-1/2", 15.50#, J-55 Csg.
SET AT 7514 FT. R.K.B. 1ST STAGE CEMENTED
W/540 CU. FT. CEMENT.

P.B.T.D. 7486 FT. R.K.B.

TOTAL DEPTH 7517 FT. R.K.B.



BEFORE FINAL WELLS
OIL COMPLETION UNIT

DATE: 12

BY: 6341 ET AL

SUPRON ENERGY

11/8/78

Supron Exhibit No. 8

JICARILLA J-10
PRODUCTION HISTORY
1976 THROUGH AUGUST 1978

MONTH/YEAR	DAKOTA		GALLUP	
	GAS MCF	CONDENSATE BBLs	GAS MCF	CONDENSATE BBLs
JANUARY 1976	7203	--	130	--
FEBRUARY 1976	6387	--	246	--
MARCH 1976	4850	226	365	--
APRIL 1976	5330	--	32	--
MAY 1976	5653	--	169	--
JUNE 1976	4641	--	9	--
JULY 1976	4982	--	1	--
AUGUST 1976	4533	--	2	--
SEPTEMBER 1976	5319	--	--	--
OCTOBER 1976	2265	--	--	--
NOVEMBER 1976	3991	--	39	--
DECEMBER 1976	6408	--	55	--
JANUARY 1977	6313	--	--	--
FEBRUARY 1977	5824	--	--	--
MARCH 1977	4733	226	--	--
APRIL 1977	7287	--	8	--
MAY 1977	5534	--	--	--
JUNE 1977	6735	--	--	--
JULY 1977	5667	--	--	--
AUGUST 1977	6877	--	--	--
SEPTEMBER 1977	4672	83	--	150
OCTOBER 1977	6415	109	--	109
NOVEMBER 1977	5827	--	--	--
DECEMBER 1977	4963	--	--	--
JANUARY 1978	4571	--	--	--
FEBRUARY 1978	6232	--	--	--
MARCH 1978	4817	--	10	--
APRIL 1978	5036	--	--	--
MAY 1978	3875	--	--	--
JUNE 1978	3623	193	--	--
JULY 1978	1478	--	--	--
AUGUST 1978	4597	--	29	--

TOTAL ACCUMULATED -

PRODUCTION SINCE FIRST SALE: 1097496

336072

CONDENSATE:

11263

259

BEFORE HONORABLE JUDGE
CH. COURT. CH. COURT. CH. COURT.

FILE NO. 13

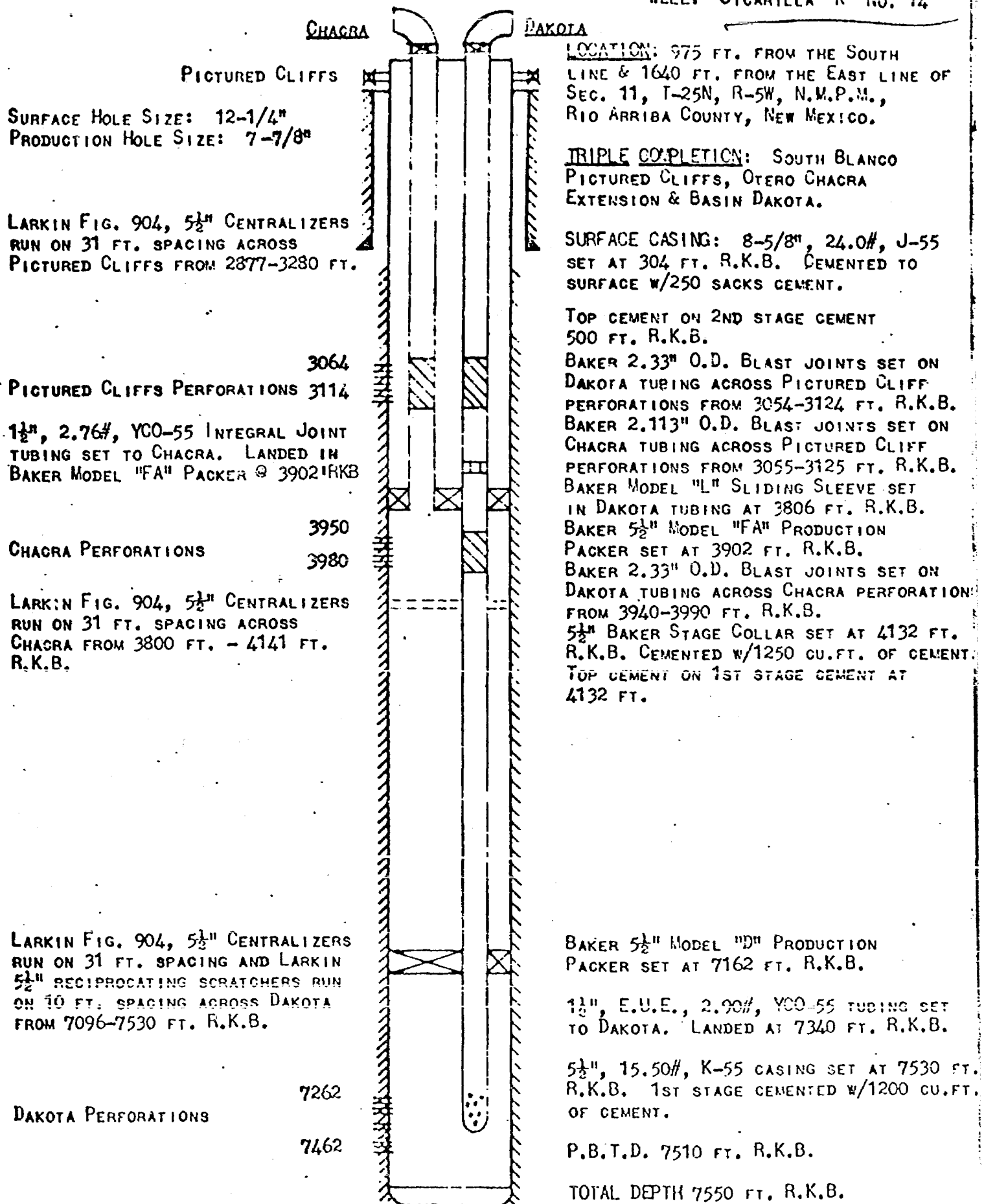
CASE NO. 6341 ET AL.

SUBJECT: SUPPLY ENERGY

Hearing date 11/8/78

SUPRON ENERGY CORPORATION
(SCHEMATIC DIAGRAM)

WELL: JICARILLA "K" No. 14



RECEIVED BY SUPRON ENERGY
CORPORATION
JICARILLA "K" No. 14
6391 ETAL
SUPRON ENERGY
11/8/78

Supron Exhibit No. 63

JICARILLA K-14
PRODUCTION HISTORY
1976 THROUGH AUGUST 1978

MONTH/YEAR	CHACRA		PICTURED CLIFF	
	GAS MCF	CONDENSATE BBLs	GAS MCF	CONDENSATE BBLs
JANUARY 1976	1825	--	708	--
FEBRUARY 1976	1735	--	935	--
MARCH 1976	1247	--	817	--
APRIL 1976	1622	--	693	--
MAY 1976	1424	--	574	--
JUNE 1976	1267	--	802	--
JULY 1976	1877	--	275	--
AUGUST 1976	1419	--	261	--
SEPTEMBER 1976	1161	--	260	--
OCTOBER 1976	821	--	713	--
NOVEMBER 1976	1061	--	1223	--
DECEMBER 1976	1135	--	762	--
JANUARY 1977	1031	--	160	--
FEBRUARY 1977	1783	--	--	--
MARCH 1977	1498	--	--	--
APRIL 1977	1260	--	--	--
MAY 1977	1341	--	--	--
JUNE 1977	1228	--	--	--
JULY 1977	892	--	453	--
AUGUST 1977	1036	--	810	--
SEPTEMBER 1977	780	--	344	--
OCTOBER 1977	1135	--	--	--
NOVEMBER 1977	1646	--	--	--
DECEMBER 1977	1175	--	--	--
JANUARY 1978	427	--	--	--
FEBRUARY 1978	--	--	--	--
MARCH 1978	--	--	--	--
APRIL 1978	1649	--	--	--
MAY 1978	1168	--	--	--
JUNE 1978	1001	--	--	--
JULY 1978	597	--	--	--
AUGUST 1978	547	--	--	--

TOTAL ACCUMULATED -

PRODUCTION SINCE FIRST SALE: 141135

87319

CONDENSATE:

EFFORTS - AREA STANDARDS
CH. CCF - ATLAS DIVISION

NO. 13

CASE NO. 6391 ET AL

Submitted by SURCON ENERGY

Hearing Date 11/8/78

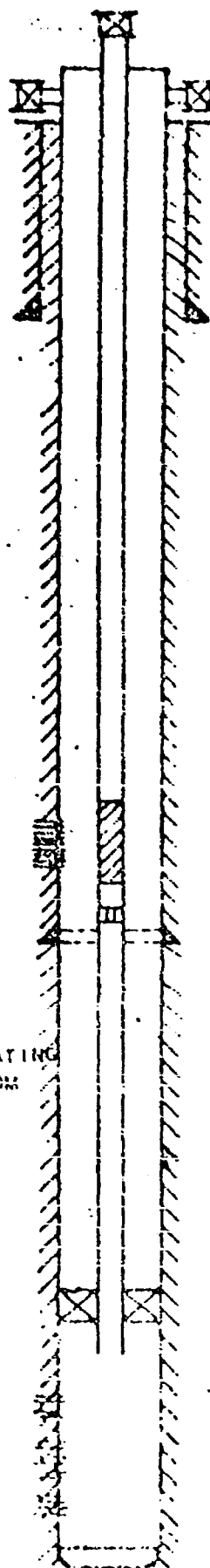
()
SURFACE HOLE SIZE: 12-1/4"

PRODUCTION HOLE SIZE: 7-7/8"

SUPRON ENERGY CORPORATION
JICARILLA "K" NO. 17
1450 FT. FROM THE SOUTH LINE AND
2140 FT. FROM THE WEST LINE OF SECTION 12,
TOWNSHIP 25 NORTH, RANGE 5 WEST, N.M.P.M.,
RIO ARriba COUNTY, NEW MEXICO.

DAKOTA

CHACRA



SURFACE CASING: 8-5/8", 21.0#, K-55
SET AT 294 FT. R.K.B. CEMENTED TO
SURFACE W/250 SACKS CEMENT.

2ND. STAGE PRODUCTION CASING CEMENTED
TO SURFACE W/1500 CU. FT. CEMENT.

PRODUCTION CASING: 4-1/2", 10.50#,
K-55. LANDED AT 7769 FT. R.K.B.

3.06" O.D. BLAST JOINTS SET ACROSS
CHACRA PERFS FROM 4164 - 4214 FT. R.K.B.

BAKER MODEL "B" SLIDING SLEEVE SET
AT 4260 FT. R.K.B.

4-1/2" STAGE COLLAR SET AT 4392 FT. R.K.B.

1ST. STAGE PRODUCTION CASING CEMENTED
TO 4392 FT. R.K.B. W/1300 CU. FT.
CEMENT.

2-3/8", 4.70#, E.U.E., TUBING RUN TO
DAKOTA. LANDED IN PRODUCTION PACKER
AT 7396 FT. R.K.B.

BAKER MODEL "B" 4-1/2" PRODUCTION
PACKER SET AT 7396 FT. R.K.B.

P.B.T.D.: 7733 FT. R.K.B.

TOTAL DEPTH: 7770 FT. R.K.B.

CHACRA PERFORATIONS:
4174 FT. - 4204 FT. R.K.B.

LARKIN FIG: 902 - 4 1/2" CENTRALIZERS
RUN ON 30 FT. SPACING FROM 7350 FT.
TO 7770 FT. R.K.B. LARKIN RECIPROCATING
SCRATCHERS RUN ON 10 FT. SPACING FROM
7360 FT. TO 7760 FT. R.K.B.

DAKOTA PERFORATIONS:
7464 FT. - 7670 FT. R.K.B.

REPORTED BY	DATE
OIL COMPANY	
16	
CHACRA	8341 ET AL
Supron Energy	
Flowing Date	11/8/28

Supron Exhibit No. 40

JICARILLA K-17
PRODUCTION HISTORY
1976 THROUGH AUGUST 1978

MONTH/YEAR	DAKOTA		CHACRA	
	GAS MCF	CONDENSATE BBLs	GAS MCF	CONDENSATE BBLs
JANUARY 1976	1303	207		
FEBRUARY 1976	1286	--		
MARCH 1976	1267	--		
APRIL 1976	1176	--		
MAY 1976	1011	--		
JUNE 1976	1158	--		
JULY 1976	1268	--		
AUGUST 1976	1254	--		
SEPTEMBER 1976	461	--		
OCTOBER 1976	963	--		
NOVEMBER 1976	1422	--		
DECEMBER 1976	1102	--		
JANUARY 1977	1069	--		
FEBRUARY 1977	762	225		
MARCH 1977	1063	--		
APRIL 1977	1177	--		
MAY 1977	903	--		
JUNE 1977	536	--		
JULY 1977	847	--		
AUGUST 1977	1119	--		
SEPTEMBER 1977	1000	--		
OCTOBER 1977	796	--		
NOVEMBER 1977	204	--		
DECEMBER 1977	406	--		
JANUARY 1978	1602	--		
FEBRUARY 1978	1117	--		
MARCH 1978	229	--		
APRIL 1978	--	--		
MAY 1978	630	--		
JUNE 1978	1206	--		
JULY 1978	--	--		
AUGUST 1978	--	--		

NOT CONNECTED

TOTAL ACCUMULATED -
PRODUCTION SINCE FIRST SALE: 105045

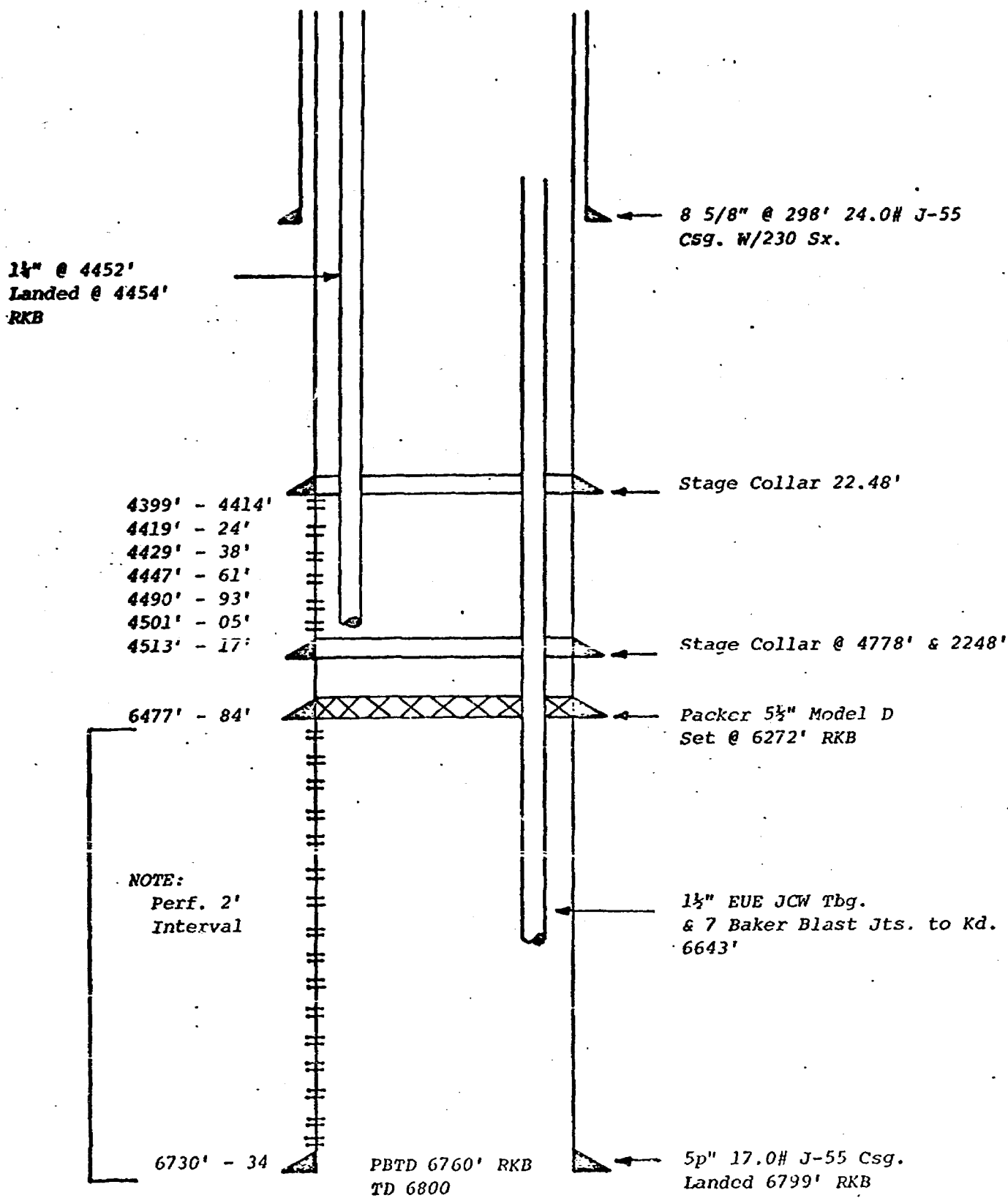
CONDENSATE:

1457

BEFORE: J. W. HANES CH. CO. - T. A. H. DIVISION ... 17 6341 ET AL ... Submitted by: SUPRON ENERGY Hearing Date: 11/8/78
--

SUPRON ENERGY CORPORATION

Starr No. 3
San Juan Co. N.M.
T-26N - R-8W
Sec. 5



BEFORE THE DISTRICT COURT
CIVIL DIVISION

IN RE
CASE NO. 6341 ET AL

Submitted by, SUPRON ENERGY

Hearing Date 11/8/78

Supron Exhibit No. 40

STARR #3
PRODUCTION HISTORY
1976 THROUGH AUGUST 1978

MONTH/YEAR	DAKOTA		MESAVERDE	
	GAS MCF	CONDENSATE BBLs	GAS MCF	CONDENSATE BBLs
JANUARY 1976	--	--	2173	--
FEBRUARY 1976	--	--	1999	--
MARCH 1976	--	--	1617	--
APRIL 1976	--	--	2129	226
MAY 1976	227	--	1843	--
JUNE 1976	756	--	1504	--
JULY 1976	578	--	2142	--
AUGUST 1976	663	--	2770	--
SEPTEMBER 1976	396	--	1998	--
OCTOBER 1976	326	--	2093	--
NOVEMBER 1976	171	--	1861	--
DECEMBER 1976	98	--	1553	--
JANUARY 1977	28	--	1622	--
FEBRUARY 1977	--	--	1525	--
MARCH 1977	37	--	1987	--
APRIL 1977	801	--	1646	188
MAY 1977	362	205	2070	--
JUNE 1977	203	--	1253	--
JULY 1977	139	--	1974	--
AUGUST 1977	170	--	1608	--
SEPTEMBER 1977	205	--	1849	--
OCTOBER 1977	64	--	2014	--
NOVEMBER 1977	89	--	1274	--
DECEMBER 1977	--	--	1768	--
JANUARY 1978	--	--	1783	--
FEBRUARY 1978	--	--	1610	--
MARCH 1978	--	--	1836	--
APRIL 1978	--	--	1627	--
MAY 1978	--	--	1291	51
JUNE 1978	--	--	1416	--
JULY 1978	--	--	1429	--
AUGUST 1978	--	--	1452	--

TOTAL ACCUMULATED -

PRODUCTION SINCE FIRST SALE: 231713

408811

CONDENSATE:

11399

4378

BEFORE E.A. INER STA 1815
OIL CONSERVATION DIVISION

Case No. 19

CASE NO. 6391 ET AL

SUBMITTER, SUPCON ENERGY

Hearing Date 11/8/78

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
State Land Office Building
Santa Fe, New Mexico
11 October 1978

EXAMINER HEARING

IN THE MATTER OF:

Application of Suoron Energy Corpor-) CASES 6341,
ation for dual completions and down-) 6342, 6343,
hole commingling, Rio Arriba County,) 6344
New Mexico,)

and)

Application of Supron Energy Corpor-) CASES 6345,
ation for downhole commingling, Rio) 6346, 6347
Arriba County, New Mexico.)

and)

Application of Supron Energy Corpor-) CASE 6348
ation for downhole commingling, San)
Juan County, New Mexico.)

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation Division: Lynn Teschendorf, Esq.
Legal Counsel for the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

SALLY WALTON BOYD
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A P P E A R A N C E S

For Supron Energy
Corporation:

William S. Jameson, Esq.
General Counsel
Supron Energy Corporation
10300 North Central Expwy.
Dallas, Texas 75231

I N D E X

JERRY LEE

Direct Examination by Mr. Jameson

E X H I B I T S

Applicant Exhibit One, Tabulation

Applicant Exhibit Two.

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1 MR. STAMETS: Call next Case 6341.

2 MS. TESCHENDORF: Case 6341. Application of
3 Supron Energy Corporation for dual completions and downhole
4 commingling, Rio Arriba County, New Mexico.

5 MR. JAMESON: Mr. Examiner, we, as you notice,
6 our proposed Exhibit One relates to all the wells that
7 are covered by the application in Case Number 6341 through
8 6348. You might care to hear those together on one record,
9 to expedite things, if it's agreeable.

10 MR. STAMETS: Okay.

11 MR. JAMESON: We can take them separately, if
12 you prefer it that way.

13 MR. STAMETS: Sounds like a good idea to ex-
14 pedite it.

15 Let's just go ahead and call all of those
16 cases at this time.

17 MS. TESCHENDORF: Cases 6342 through 6348 are
18 all applications of Supron Energy Corporation for either
19 downhole commingling or dual completions and downhole com-
20 mingling Rio Arriba County, New Mexico; also San Juan County,
21 New Mexico.

22 MR. JAMESON: Mr. Examiner, we have -- Surpon
23 has one witness, Mr. Jerry Lee, who has been previously
24 sworn and previously qualified as an expert witness. We
25 request that his qualifications be noted in this case.

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1 MR. STAMETS: The witness is still sworn and
2 qualified. I would point out that there was an error in
3 advertising Case 6346. The section came out wrong in the
4 newspaper and it will have to be readvertised.

5 Also, Case 6348, the newspaper in Farmington
6 received the advertisement late and they -- that will have
7 to be advertised on the 25th. Both of these cases will be
8 called up again on October the 25th for any additional
9 testimony. If there is none the decision will be based
10 on the record in today's hearing.

11 You may proceed.

12
13 JERRY LEE

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

16
17 DIRECT EXAMINATION

18 BY MR. JAMESON:

19 Q Mr. Lee, I hand you a tabulation identified
20 for the record as Supron Exhibit Number One, and ask you
21 to explain that tabulation.

22 A Supron Exhibit Number One is a tabulation of
23 all the wells involved in these several cases, in Rio
24 Arriba and San Juan Counties, New Mexico.

25 MR. STAMETS: Do you have a copy of the exhibit

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1 for the Examiner?

2 MR. JAMESON: I gave to you -- oh. excuse me.

3 MR. STAMETS: We're going to take about a
4 fifteen minute recess while these exhibits are stamped and
5 marked.

6 (Thereupon a recess was taken.)

7 MR. STAMETS: The hearing will come to order.

8 MR. JAMESON: Mr. Examiner. in view of the
9 fact that there are two of these cases that were consoli-
10 dated for hearing going to require additional hearing due
11 to the advertisement of the application, and in view of
12 the fact that there's an indication that additional data
13 will be required over and above what we're prepared to
14 introduce at this time, and in view of the fact that they
15 all are related to similar situations involving similar
16 testimony, we would like to move that Case 6341 through
17 6348, inclusive, be continued and reset for hearing at a
18 later date.

19 MR. STAMETS: Okay, these cases will be
20 continued and I've checked and the earliest we can get
21 these on would be November the 8th, and we will see that
22 the readvertised cases are readvertised that date, and
23 we will continue the other cases to that date.

24 (Hearing concluded)
25

REPORTER'S CERTIFICATE

I, SALLY WALTON BOYD, a court reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation 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, knowledge, and skill, from my notes taken at the time of the hearing.

Sally W. Boyd C.S.R.
Sally W. Boyd, C.S.R.

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner's case No. 1341 Thru 6348 heard by me on 10-11 1978.
Richard L. Ham, Examiner
Oil Conservation Division

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Dockets Nos. 37-78 and 38-78 are tentatively set for hearing on November 21 and December 6, 1978. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - TUESDAY - NOVEMBER 7, 1978

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 6146: (DE NOVO) (Continued and Readvertised)

Application of Jerome P. McHugh for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Tapacito-Gallup and Basin-Dakota production within the wellbore of his Jicarilla Well No. 5 located in Unit D of Section 29, Township 26 North, Range 4 West, Rio Arriba County, New Mexico.

Upon application of Jerome P. McHugh this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 6266: (DE NOVO)

Application of Harvey E. Yates Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of an Upper Pennsylvanian test well to be located 660 feet from the North and East lines or, in the alternative, 990 feet from the North and East lines of Section 23, Township 22 South, Range 23 East, Indian Basin-Upper Pennsylvanian Gas Pool, Eddy County, New Mexico, all of said Section 23 to be dedicated to the well.

Upon application of Harvey E. Yates Company this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 6377: Application of Durham, Inc., for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying Section 8, Township 21 South, Range 24 East, Indian Basin-Morrow Gas Pool, Eddy County, New Mexico, to be dedicated to a well to be drilled 1650 feet from the North and East lines of said Section 8. 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. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 6378: In the matter of the hearing called by the Oil Conservation Division on the motion of Shell Oil Company to permit Corinne Grace and all other interested parties to appear and show cause why Division Order No. R-3713, which pooled all of Section 8, Township 21 South, Range 24 East, Eddy County, New Mexico, should not be declared null and void, if said pooling order has not already automatically expired due to non-production.

CASE 6379: Application of Shell Oil Company for pool contraction and pool extension, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the contraction of the Indian Basin-Morrow Gas Pool by the deletion therefrom of the N/2 of Section 8, Township 21 South, Range 24 East, Eddy County, New Mexico, or in the alternative, all of said Section 8, and the extension of the Cemetery-Morrow Gas Pool to include the aforesaid N/2 or all of said Section 8.

Docket No. 36-78

DOCKET: EXAMINER HEARING - WEDNESDAY - NOVEMBER 8, 1978

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

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

CASE 6369: Application of Amoco Production Company for an unorthodox gas well location and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its DR Well No. 3 to be drilled 660 feet from the North and East lines of Section 16, Township 19 South, Range 32 East, Lea County, New Mexico, to be simultaneously dedicated with its Well No. 1 located in Unit E to the present 320-acre unit comprising the N/2 of said Section 16.

CASE 6370: Application of Amoco Production Company for an unorthodox gas well location and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Gilluly B Fed. Well No. 22 to be drilled 2310 feet from the North line and 1980 feet from the West line of Section 33, Township 20 South, Range 37 East, Eumont Gas Pool, Lea County, New Mexico, to be simultaneously dedicated with the current unit Wells No. 3 and 15 located in Units N and H, respectively, to the present 360-acre non-standard proration unit in Section 33.

CASE 6371: Application of Doyle Hartman for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of his Phillips-Woolworth Well No. 1 located 2310 feet from the North line and 1980 feet from the East line of Section 26, Township 24 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico.

CASE 6372: Application of Belco Petroleum Corporation for an unorthodox well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 1495 feet from the North line and 330 feet from the West line of Section 6, Township 23 South, Range 31 East, Los Mendanos Atoka Pool, Eddy County, New Mexico, the W/2 of said Section 6 to be dedicated to the well.

CASE 6373: Application of Beard Oil Company for a dual completion, surface commingling, pool creation, and special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the gas-gas dual completion of its Hanlad Well No. 1 located in Unit E of Section 17, Township 17 South, Range 24 East, Eddy County, New Mexico, to produce gas from the Atoka formation through tubing and the Abo formation through the casing-tubing annulus, and to commingle the production at the surface. Applicant further seeks the creation of a new Abo gas pool and the adoption of special pool rules therefor, including a provision for 320-acre spacing and proration units for a temporary period of one year.

CASE 6374: Application of Mesa Petroleum Company for a special oil allowable, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a temporary increase in the oil allowable for its West Knowles Well No. 5 located in Unit H of Section 34, Township 16 South, Range 37 East, West Knowles-Drinkard Pool, Lea County, New Mexico, from 310 barrels to 500 barrels for the 90-day period extending from October 1, 1978 to December 31, 1978.

CASE 6375: Application of Harper Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of the Wantz-Abo, Drinkard, and Blinebry production within the wellbore of its S. J. Sarkeys Well No. 2 located in Unit H of Section 26, Township 21 South, Range 37 East, Lea County, New Mexico.

CASE 6352: (Continued and Readvertised)

Application of Southland Royalty Company for a dual completion, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Grenier "A" Well No. 1A located in Unit C of Section 26, Township 30 North, Range 10 West, to produce gas from the Blanco-ictured Cliffs and Blanco Mesaverde Pools, San Juan County, New Mexico, with separation of the zones to be achieved by means of a polished bore receptacle and mandrel.

CASE 6346: (Continued and Readvertised)

Application of Supron Energy Corporation for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Pictured Cliffs and Chacra production in the wellbore of its Jicarilla K Well No. 14 located in the SE/4 of Section 11, Township 25 North, Range 5 West, Rio Arriba County, New Mexico.

CASE 6340: (Continued and Readvertised)

Application of Supron Energy Corporation for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Mesaverde and Dakota production in the wellbore of its Starr Well No. 3 located in the NE/4 of Section 5, Township 26 North, Range 8 West, San Juan County, New Mexico.

CASE 6341: (Continued from October 11, 1978, Examiner Hearing)

Application of Supron Energy Corporation for dual completions and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the dual completion of its Jicarilla A Well No. 8 located in the NW/4 of Section 23; its Jicarilla E Well No. 7 located in the SE/4 of Section 15; and its Jicarilla E Well No. 8 located in the NW/4 of Section 15, all in Township 26 North, Range 4 West, Rio Arriba County, New Mexico, to produce gas from the Mesaverde formation through a separate string of tubing and to commingle Gallup and Dakota production in the wellbores of said wells.

CASE 6342: (Continued from October 11, 1978, Examiner Hearing)

Application of Supron Energy Corporation for a dual completion and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Jicarilla J Well No. 10 located in the SE/4 of Section 26, Township 26 North, Range 5 West, Rio Arriba County, New Mexico, to produce gas from the Pictured Cliffs formation through a separate string of tubing and to commingle Tocito and Dakota production in the wellbore of said well.

CASE 6343: (Continued from October 11, 1978, Examiner Hearing)

Application of Supron Energy Corporation for a dual completion and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Jicarilla H Well No. 8 located in the SE/4 of Section 11, Township 26 North, Range 4 West, Rio Arriba County, New Mexico, to produce gas from the Pictured Cliffs formation through a separate string of tubing and to commingle Gallup and Dakota production in the wellbore of said well.

CASE 6344: (Continued from October 11, 1978, Examiner Hearing)

Application of Supron Energy Corporation for a dual completion and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Jicarilla F Well No. 1 located in the SW/4 of Section 27, Township 26 North, Range 4 West, Rio Arriba County, New Mexico, to produce gas from the Pictured Cliffs formation through a separate string of tubing and to commingle Mesaverde and Dakota production in the wellbore of said well.

CASE 6345: (Continued from October 11, 1978, Examiner Hearing)

Application of Supron Energy Corporation for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Gallup and Dakota production in the wellbore of its Jicarilla H Well No. 7 located in the SW/4 of Section 19, Township 26 North, Range 4 West, Rio Arriba County, New Mexico.

CASE 6347: (Continued from October 11, 1978, Examiner Hearing)

Application of Supron Energy Corporation for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Chacra and Dakota production in the wellbore of its Jicarilla K Well No. 17 located in the SW/4 of Section 12, Township 25 North, Range 5 West, Rio Arriba County, New Mexico.

CASE 6376: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating and extending vertical and horizontal limits of certain pools in Chaves, Eddy, and Lea Counties, New Mexico:

(a) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Pennsylvanian production and designated as the Mescalero Sands-Pennsylvanian Gas Pool. The discovery well is Petroleum Development Corporation Estelle Federal Well No. 1 located in Unit E of Section 34, Township 12 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 12 SOUTH, RANGE 30 EAST, NMPM
Section 34: W/2

(b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Yates production and designated as the Sioux-Yates Pool. The discovery well is Tishman Federal Well No. 1 located in Unit N of Section 5, Township 26 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 36 EAST, NMPM
Section 31: NE/4
Section 32: W/2

TOWNSHIP 26 SOUTH, RANGE 36 EAST, NMPM
Section 5: W/2

(c) EXTEND the Avalon-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM
Section 31: N/2
Section 32: N/2
Section 33: All

(d) EXTEND the Blinebry Oil and Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 26: SE/4

- (e) EXTEND the vertical limits of the Box-Canyon Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, to include the Canyon and Wolfcamp formations and redesignate said pool as the Box Canyon-Permian Pennsylvanian Gas Pool and extend the horizontal limits of said pool to include therein:

TOWNSHIP 21 SOUTH, RANGE 21 EAST, NMPM

Section 13: All
Section 23: S/2
Section 26: E/2
Section 35: E/2
Section 36: W/2

TOWNSHIP 22 SOUTH, RANGE 21 EAST, NMPM

Section 1: N/2

- (f) EXTEND the North Burton Flats-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM

Section 28: S/2
Section 33: E/2

- (g) EXTEND the East Carlsbad-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM

Section 27: S/2

- (h) EXTEND the South Carlsbad-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM

Section 28: N/2

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM

Section 10: N/2
Section 21: S/2

- (i) EXTEND the Comanche Stateline Tansill-Yates Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 36 EAST, NMPM

Section 33: NW/4

- (j) EXTEND the Eagle Creek-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM

Section 29: W/2

- (k) EXTEND the East Empire Yates-Seven Rivers Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM

Section 22: SW/4 and W/2 SE/4

- (l) EXTEND the Forehand Ranch-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM

Section 15: NW/4 SE/4

- (m) EXTEND the Fowler-Tubb Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM

Section 16: SE/4

- (n) EXTEND the Jenkins-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 35 EAST, NMPM

Section 28: S/2

- (o) EXTEND the Kemnitz-Cisco Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM

Section 16: W/2

- (p) EXTEND the East Lusk-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM

Section 10: N/2 and SW/4
Section 15: NW/4

- (q) EXTEND the West Malaga-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM
Section 9: N/2

- (r) EXTEND the Revelation-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 25 EAST, NMPM
Section 3: W/2

- (s) EXTEND the Rock Tank-Upper Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 24 EAST, NMPM
Section 1: All

- (t) EXTEND the South Salt Lake-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 32 EAST, NMPM
Section 25: N/2

- (u) EXTEND the Southwest Sulphate-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 25 SOUTH, RANGE 26 EAST, NMPM
Section 14: NE/4 NE/4

- (v) EXTEND the Wantz-Granite Wash Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 3: NE/4

- (w) EXTEND the Watkins Yates-Seven Rivers-Queen-Grayburg Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 6: SW/4

- (x) EXTEND the White City-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMPM
Section 8: All

TOWNSHIP 25 SOUTH, RANGE 26 EAST, NMPM
Section 4: All

- (y) EXTEND the Wilson-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM
Section 14: S/2

- (z) EXTEND the Winchester-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
Section 24: S/2

- (aa) EXTEND the Winchester-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
Section 26: E/2 and SW/4

Dockets Nos. 34-78 and 35-78 are tentatively set for hearing on October 25 and November 8, 1978. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 11, 1978

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

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

CASE 6338: Application of Charles C. Loveless for an unorthodox well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 660 feet from the South line and 1980 feet from the East line of Section 23, Township 17 South, Range 26 East, Kennedy Farms Field, Eddy County, New Mexico, the E/2 of said Section 23 to be dedicated to the well.

CASE 6040: (Reopened and Readvertised)

In the matter of Case 6040 being reopened pursuant to the provisions of Order No. R-5552 which order created the North Teague-Devonian Pool, Lea County, New Mexico, with a special gas-oil ratio limitation of 4000 to 1. All interested parties may appear and show cause why the limiting gas-oil ratio for said pool should not revert to 2000 to 1.

CASE 6339: Application of Amoco Production Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the S/2 of Section 22, Township 23 South, Range 28 East, Eddy County, New Mexico, 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. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 6321: (Continued and Readvertised)

Application of Texas Oil & Gas Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Shugart State Com. Well No. 1 to be drilled 714 feet from the South line and 2062 feet from the West line of Section 16, Township 18 South, Range 31 East, Eddy County, New Mexico, the W/2 of said Section 16 to be dedicated to the well.

CASE 6320: (Continued and Readvertised)

Application of Texas Oil & Gas Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Coquina Federal Com Well No. 1 to be drilled 710 feet from the North line and 2330 feet from the West line of Section 32, Township 18 South, Range 27 East, Eddy County, New Mexico, the W/2 of said Section 32 to be dedicated to the well.

CASE 6340: Application of Supron Energy Corporation for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Atoka and Strawn production in the wellbore of its Shelby Federal Well No. 1 located in the NE/4 of Section 13, Township 22 South, Range 24 East, Eddy County, New Mexico.

CASE 6341: Application of Supron Energy Corporation for dual completions and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the dual completion of its Jicarilla A Well No. 8 located in the NW/4 of Section 23; its Jicarilla E Well No. 7 located in the SE/4 of Section 15; and its Jicarilla E Well No. 8 located in the NW/4 of Section 15, all in Township 26 North, Range 4 West, Rio Arriba County, New Mexico, to produce gas from the Mesaverde formation through a separate string of tubing and to commingle Gallup and Dakota production in the wellbores of said wells.

CASE 6342: Application of Supron Energy Corporation for a dual completion and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Jicarilla J Well No. 10 located in the SE/4 of Section 26, Township 26 North, Range 5 West, Rio Arriba County, New Mexico, to produce gas from the Pictured Cliffs formation through a separate string of tubing and to commingle Tootie and Dakota production in the wellbore of said well.

CASE 6343: Application of Supron Energy Corporation for a dual completion and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Jicarilla H Well No. 8 located in the SE/4 of Section 11, Township 26 North, Range 4 West, Rio Arriba County, New Mexico, to produce gas from the Pictured Cliffs formation through a separate string of tubing and to commingle Gallup and Dakota production in the wellbore of said well.

- CASE 6344: Application of Supron Energy Corporation for a dual completion and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Jicarilla F Well No. 1 located in the SW/4 of Section 27, Township 26 North, Range 4 West, Rio Arriba County, New Mexico, to produce gas from the Pictured Cliffs formation through a separate string of tubing and to commingle Mesaverde and Dakota production in the wellbore of said well.
- CASE 6345: Application of Supron Energy Corporation for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Gallup and Dakota production in the wellbore of its Jicarilla H Well No. 7 located in the SW/4 of Section 19, Township 26 North, Range 4 West, Rio Arriba County, New Mexico.
- CASE 6346: Application of Supron Energy Corporation for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Pictured Cliffs and Chacra production in the wellbore of its Jicarilla K Well No. 14 located in the SE/4 of Section 11, Township 25 North, Range 5 West, Rio Arriba County, New Mexico.
- CASE 6347: Application of Supron Energy Corporation for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Chacra and Dakota production in the wellbore of its Jicarilla K Well No. 17 located in the SW/4 of Section 12, Township 25 North, Range 5 West, Rio Arriba County, New Mexico.
- CASE 6348: Application of Supron Energy Corporation for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Mesaverde and Dakota production in the wellbore of its Starr Well No. 3 located in the NE/4 of Section 5, Township 26 North, Range 8 West, San Juan County, New Mexico.
- CASE 6349: Application of Consolidated Oil & Gas, Inc. for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of B.S. Mesa-Gallup and Pisin-Dakota production in the wellbore of its Hoyt Well No. 1-5 located in Unit H of Section 5, Township 26 North, Range 4 West, Rio Arriba County, New Mexico.
- CASE 6350: Application of Petro-Lewis Corporation for an unorthodox well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval of the unorthodox location in the Mesaverde formation for its Florance Well No. 7 located 2028 feet from the North line and 1040 feet from the West line of Section 4, Township 25 North, Range 3 West, Tapacito Field, Rio Arriba County, New Mexico, the NW/4 of said Section 4 to be dedicated to the well.
- CASE 6351: Application of Southland Royalty Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the N/2 of Section 16, Township 19 South, Range 29 East, Eddy County, New Mexico, 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. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 6352: Application of Southland Royalty Company for three dual completions, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Decker Well No. 2A located in Unit I of Section 26, Township 32 North, Range 12 West, and its Grenier "A" Well No. 1A in Unit C of Section 26, Township 30 North, Range 10 West, to produce gas from the Blanco-Pictured Cliffs and the Blanco Mesaverde pools and its Patterson "B" Com Well No. 1R in Unit C of Section 2, Township 31 North, Range 12 West, to produce gas from the Aztec-Pictured Cliffs and Blanco Mesaverde pools, all in San Juan County, New Mexico, with separation of the zones in each of the above wells to be achieved by means of a polished bore receptacle and mandrel.
- CASE 6353: Application of Union Texas Petroleum for two unorthodox well locations, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox locations of its Milnesand Unit Well No. 241 to be drilled 2630 feet from the North line and 100 feet from the East line of Section 24, Township 8 South, Range 34 East, and its Milnesand Unit Well No. 1901 to be drilled 1310 feet from the North and West lines of Section 19, Township 8 South, Range 35 East, Milnesand San Andres Pool, Roosevelt County, New Mexico.
- CASE 6354: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating and extending vertical and horizontal limits of certain pools in Chaves, Eddy, Lea, and Roosevelt Counties, New Mexico:
- (a) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Bone Springs production and designated as the Ross Draw-Bone Springs Gas Pool. The discovery well is D. B. Baxter Ross Draw Unit Well No. 5 located in Unit K of Section 27, Township 26 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 30 EAST, NMPM
Section 27: SW/4

(b) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Atoka production and designated as the South Sand Ranch-Atoka Gas Pool. The discovery well is Depco, Inc. Beall Federal Well No. 1 located in Unit G of Section 17, Township 11 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 11 SOUTH, RANGE 30 EAST, NMPM
Section 17: E/2

(c) EXTEND the Angell Ranch-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM
Section 25: All
Section 36: N/2

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM
Section 1: E/2

(d) EXTEND the Bluitt-San Andres Associated Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 38 EAST, NMPM
Section 16: N/2
Section 17: NE/4

(e) EXTEND the Buckeye-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 3: W/2

(f) EXTEND the East Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 29 EAST, NMPM
Section 5: E/2

(g) EXTEND the East Chisum-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 11 SOUTH, RANGE 28 EAST, NMPM
Section 9: NW/4 SE/4
Section 10: W/2 SW/4
Section 21: NE/4 NW/4

(h) EXTEND the vertical limits of the Comanche Stateline-Yates Pool in Lea County, New Mexico, to include the Tansill formation and redesignate said Comanche Stateline-Yates Pool as the Comanche Stateline Tansill-Yates Pool.

(i) EXTEND the Corbin-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
Section 35: NW/4

(j) EXTEND the Crooked Creek-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 24 EAST, NMPM
Section 16: N/2

(k) EXTEND the South Empire-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 25: S/2

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM
Section 30: N/2

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM
Section 13: N/2

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 7: S/2
Section 18: All

- (l) EXTEND the West Four Mile Draw-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 26 EAST, NMPM
Section 6: S/2

- (m) EXTEND the Gladiola-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 12 SOUTH, RANGE 38 EAST, NMPM
Section 5: NW/4

- (n) EXTEND the Herradura Bend-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM
Section 31: W/2 E/2
Section 32: NE/4 NE/4

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM
Section 5: W/2 NW/4

- (c) EXTEND the Hume-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM
Section 5: S/2
Section 8: E/2

- (p) EXTEND the Indian Flats-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM
Section 35: S/2 SW/4

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM
Section 2: N/2 NW/4

- (q) EXTEND the South Kemnitz-Upper Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM
Section 33: SW/4

- (r) EXTEND the Kennedy Farms-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
Section 33: E/2

- (s) EXTEND the East Lusk-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 16: NE/4

- (t) EXTEND the Many Gates-Morrow Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 30 EAST, NMPM
Section 31: All

- (u) EXTEND the North Mescalero-Cisco Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 32 EAST, NMPM
Section 11: NW/4

- (v) EXTEND the Millman-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
Section 18: All

- (w) EXTEND the Monument-Paddock Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 21: NE/4

- (x) EXTEND the South Peterson-Fusselman Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 5 SOUTH, RANGE 33 EAST, NMPM
Section 31: E/2

- (y) EXTEND the Quail Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM
Section 16: S/2

- (z) EXTEND the Red Lake-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM
Section 19: E/2
Section 20: W/2

- (aa) EXTEND the Sand Dunes-Cherry Canyon Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM
Section 23: E/2 SE/4 and NW/4 SE/4

- (bb) EXTEND the Sand Ranch-Atoka Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 29 EAST, NMPM
Section 23: N/2

- (cc) EXTEND the North Shugart-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM
Section 21: W/2

- (dd) EXTEND the North Shugart-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM
Section 21: W/2

- (ee) EXTEND the Tomahawk-San Andres Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 32 EAST, NMPM
Section 30: NE/4
Section 31: SE/4
Section 32: NW/4

- (ff) EXTEND the Tubb Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 6: NW/4

TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM
Section 31: SW/4

- (gg) EXTEND the North Turkey Track-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM
Section 25: W/2

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 29: N/2
Section 31: S/2

- (hh) EXTEND the Twin Lakes-San Andres Associated Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 28 EAST, NMPM
Section 25: S/2 SW/4

TOWNSHIP 9 SOUTH, RANGE 28 EAST, NMPM
Section 1: SW/4 NE/4, NW/4 SE/4, SW/4 NW/4 and NW/4 SW/4

- (ii) EXTEND the Vacuum Grayburg-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM
Section 19: NW/4

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 18, 1978

9 A.M. - OIL CONSERVATION DIVISION 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:

- ALLOWABLE:
- (1) Consideration of the allowable production of gas for November, 1978, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
 - (2) Consideration of the allowable production of gas for November, 1978, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

BEFORE THE NEW MEXICO
OIL CONSERVATION DIVISION
SANTA FE, NEW MEXICO

RECEIVED
SEP 21 1978
SEP 1978
Oil Conservation Commission
Oil Conservation Commission

In the Matter of an Application by)
Supron Energy Corporation for an)
order authorizing downhole commingling)
of production from the Gallup and)
Dakota formations in its Jicarilla A-8,)
Jicarilla E-7, and Jicarilla E-8 wells)
located in the NW/4, Section 23; SE/4,)
Section 15; and NW/4, Section 15,)
respectively, all in Township 26 N.,)
R.4W., Rio Arriba County, New Mexico;)
and further authorizing dual completion of)
the Mesa Verde formation under such wells)
and production from said zone through)
a separate string of tubing.)

Case No. 6341

APPLICATION

COMES NOW Applicant Supron Energy Corporation, by its
attorneys and states:

1. It is the operator of wells identified as its
Jicarilla A-8, Jicarilla E-7, and Jicarilla E-8, situated, respec-
tively, in the NW/4, Section 23; the SE/4, Section 15; and the
NW/4, Section 15, all in Township 26 N., R.4 W., Rio Arriba County,
New Mexico.

2. Said wells are presently separately completed in the
Gallup and Dakota formations and are not completed in the Mesa
Verde formation.

3. Applicant desires to downhole commingle production
from the Gallup and Dakota formations under such wells and to dually
complete said wells in the Mesa Verde formation and produce the Mesa
Verde through a separate string of tubing.

WHEREFORE, Applicant, requests the Oil Conservation Divi-
sion to issue its order authorizing the procedures set out in
paragraph 3, above.

Respectfully submitted,

DATED: September 21, 1978.

CAMPBELL, BINGAMAN AND BLACK, P.A.

By Jack M. Campbell
Jack M. Campbell
Attorneys for Applicant
Post Office Box 2208
Santa Fe, New Mexico 87501

BEFORE THE NEW MEXICO
OIL CONSERVATION DIVISION
SANTA FE, NEW MEXICO

RECEIVED

SEP 21 1978

In the Matter of an Application by
Supron Energy Corporation for an
order authorizing downhole commingling
of production from the Gallup and
Dakota formations in its Jicarilla A-8,
Jicarilla E-7, and Jicarilla E-8 wells
located in the NW/4, Section 23; SE/4,
Section 15; and NW/4, Section 15,
respectively, all in Township 26 N.,
R.4W., Rio Arriba County, New Mexico;
and further authorizing dual completion of
the Mesa Verde formation under such wells
and production from said zone through
a separate string of tubing.

Oil Conservation Commission

Case No. 6341

APPLICATION

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Jicarilla A-8, Jicarilla E-7, and Jicarilla E-8, situated, respec-
tively, in the NW/4, Section 23; the SE/4, Section 15; and the
NW/4, Section 15, all in Township 26 N., R.4 W., Rio Arriba County,
New Mexico.

2. Said wells are presently separately completed in the
Gallup and Dakota formations and are not completed in the Mesa
Verde formation.

3. Applicant desires to downhole commingle production
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complete said wells in the Mesa Verde formation and produce the Mesa
Verde through a separate string of tubing.

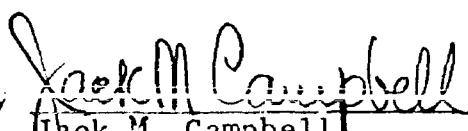
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Respectfully submitted,

DATED: September 21, 1978.

CAMPBELL, BINGAMAN AND BLACK, P.A.

By


Jack M. Campbell
Attorneys for Applicant
Post Office Box 2208
Santa Fe, New Mexico 87501

BEFORE THE NEW MEXICO
OIL CONSERVATION DIVISION
SANTA FE, NEW MEXICO

RECEIVED
SEP 21 1978

Oil Conservation Commission

In the Matter of an Application by)
Supron Energy Corporation for an)
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of production from the Gallup and)
Dakota formations in its Jicarilla A-8,)
Jicarilla E-7, and Jicarilla E-8 wells)
located in the NW/4, Section 23; SE/4,)
Section 15; and NW/4, Section 15,)
respectively, all in Township 26 N.,)
R.4W., Rio Arriba County, New Mexico;)
and further authorizing dual completion of)
the Mesa Verde formation under such wells)
and production from said zone through)
a separate string of tubing.)

Case No. 6341

APPLICATION

COMES NOW Applicant Supron Energy Corporation, by its
attorneys and states:

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Jicarilla A-8, Jicarilla E-7, and Jicarilla E-8, situated, respec-
tively, in the NW/4, Section 23; the SE/4, Section 15; and the
NW/4, Section 15, all in Township 26 N., R.4 W., Rio Arriba County,
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complete said wells in the Mesa Verde formation and produce the Mesa
Verde through a separate string of tubing.

WHEREFORE, Applicant, requests the Oil Conservation Divi-
sion to issue its order authorizing the procedures set out in
paragraph 3, above.

Respectfully submitted,

DATED: September 21, 1978.

CAMPBELL, BINGAMAN AND BLACK, P.A.

By Jack M. Campbell
Jack M. Campbell
Attorneys for Applicant
Post Office Box 2208
Santa Fe, New Mexico 87501

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. 6341

Order No. A-5857

APPLICATION OF SUPRON ENERGY CORPORATION
FOR DUAL COMPLETIONS AND DOWNHOLE COMMINGLING,
RIO ARriba COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on Nov 8
October 11
19 78, at Santa Fe, New Mexico, before Examiner Richard L. Stamets

NOW, on this November day of October, 19 78, 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, Supron Energy Corporation, seeks the
dual completion of its Jicarilla "A" Well No. 8 located in ^{Unit E} the NW/4
of Section 23; its Jicarilla "E" Well No. 7 located in ^{Unit P} the SE/4 of
Section 15; and its Jicarilla "E" Well No. 6 located in ^{Unit C} the NW/4 of

in C-1802, which authorized
the dual completion
of the subject
wells,

(9) Photo Division Order No. M.C.-1727, REC-1784
should be supervised

Section 15, all in Township 26 North, Range 4 West, Rio Arriba
County, New Mexico, to produce gas from the Mesaverde formation
through ~~a separate string of tubing~~ ^{Produce} and to commingled Gallup and
Dakota production ~~in the wellbores of said wells.~~ ^{through a separate string of tubing with separation}
~~of the Mesaverde zone from the commingled zones by means of a packer.~~

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

(4) That the proposed commingling may result in the recovery
of additional hydrocarbons from each of the subject pools, thereby
preventing waste, and will not violate correlative rights.

(5) That the reservoir characteristics of ~~each of the~~ ^{the Gallup and Dakota formations in each}
subject ~~zones~~ ^{wells} are such that underground waste would not be caused
by the proposed commingling provided that the wells ~~do not shut in~~
for an extended period.

(6) That to afford the Division the opportunity to assess
the potential for waste and to expeditiously order appropriate
remedial action, the operator should notify the Aztec district
office of the Division any time ^{any of} the subject wells is shut in for
7 consecutive days.

(7) That in order to allocate the commingled production to
each of the commingled zones in the subject well, applicant should
conduct ~~productivity and pressure~~ tests during completion opera-
tions, and should consult with the supervisor of the Division's
Aztec office to arrive at an allocation formula.

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

IT IS THEREFORE ORDERED:

(1) That the applicant, Supron Energy Corporation, is hereby authorized to dually complete its Jicarilla "A" Well No. 8 located in ^{Unit E} ~~the NW 1/4~~ of Section 23; its Jicarilla "E" Well No. 7 located in ^{Unit P} ~~the SE 1/4~~ of Section 15; and its Jicarilla "E" Well No. 8 located in ^{Unit C} ~~the NW 1/4~~ of Section 15, all in Township 26 North, Range 4 West, Rio Arriba County, New Mexico, to ^{each} produce gas from the Mesaverde formation through ~~a separate string of tubing and to commingled~~ ^{Produce} Gallup and Dakota production ~~in the wellbores of said wells~~ ^{through a separate string of tubing with separation of the Mesaverde zone from the commingled zones to be achieved by means of a packer.}

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 prorated gas wells in Pool. Northwest New Mexico

(2) That the applicant, during completion operations on the subject wells, shall conduct ~~productivity and pressure~~ tests on ~~said well~~, and shall consult with the supervisor of the Division's Aztec office to determine a formula for allocation of production to each zone ~~in each well~~.

(3) That the operator of the subject well shall immediately notify the Division's Aztec district office any time the well has been shut-in for 7 consecutive days and shall concurrently present, to the Division, a plan for remedial action.

(5) 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

SEAL
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(14) That Division Orders No. MC-1779, MC-1803, and MC-1802 are hereby superseded.