

**STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

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

**CASE NO. 12118
Order No. R-11155**

**APPLICATION OF NEW MEXICO OIL
CONSERVATION DIVISION FOR AN
ORDER AMENDING RULE 112-A OF ITS
RULES PERTAINING TO MULTIPLE
COMPLETIONS**

ORDER OF THE COMMISSION

BY THE COMMISSION:

This case came on for hearing at 9 o'clock a.m. on March 25, 1999, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 25th day of March, 1999, the Commission, a quorum being present, having considered the record,

FINDS THAT:

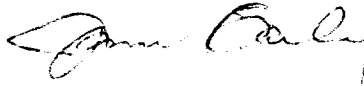
- (1) Due public notice has been given and the Commission has jurisdiction of this case and its subject matter.
- (2) New Mexico Oil Conservation Division Rule 112-A set forth requirements for:
 - (i) Director and district approval for multiple completions;
 - (ii) qualifying multiple completions; and
 - (iii) operation and testing of multiple completions.
- (3) Testimony indicated that Rule 112-A should be amended to eliminate the filing of Form C-107 and all provisions regarding Director approval of multiple completions.
- (4) It is necessary to amend Rule 112-A in the manner as set forth in the attached Exhibit "A".
- (5) There were no objections to the proposed rule changes.

IT IS THEREFORE ORDERED THAT:

- (1) Division Rule 112-A is hereby amended and adopted as shown on the attached Exhibit "A".
- (2) Rule 112-A as amended shall be effective as of the date of its publication in the New Mexico Register.
- (3) Jurisdiction of this case is retained for the entry of such further orders as the Commission may deem necessary.

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

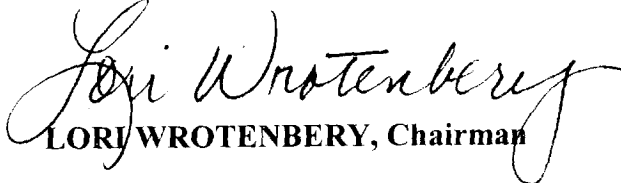
**STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION**



JAMI BAILEY, Member



ROBET L. LEE, Member



LORI WROTENBERY, Chairman



S E A L

CASE NO. 12118
Order No. R-11155
EXHIBIT "A"

112-A MULTIPLE COMPLETIONS

112-A.A. Filing

Operators intending to multiple complete must file Form C-101 and/or C-103 for approval before completing and C-104 after completing along with any information required by the form instructions.

[7-3-58...2-1-96; 4-15-99]

112-A.B. Operation and Testing

(1) Wells shall be completed and produced so that no commingling of hydrocarbons from separate pools occurs.

(2) The operator shall commence a segregation and/or packer leakage test within 20 days after the multiple completion. Segregation tests and/or packer leakage tests shall also be made any time the packer is disturbed. The operator shall also conduct any other tests and determinations required by the Division. The appropriate district office shall be notified 48 hours in advance of tests so the district office may schedule personnel to witness the tests. Offset operators may witness such tests and shall advise the operator in writing if they desire to be notified of the tests. Test results shall be filed with the Division within 20 days of test completion. In the event a segregation and/or packer leakage test indicates communication between separate pools, the operator shall immediately notify the Division and commence corrective action on the well.

(3) Wells shall be equipped so that (i) reservoir pressure may be determined for each of the separate pools, and (ii) meters may be installed so that the gas and/or oil produced from each of the separate pools may be accurately measured.

(4) No multiple completion shall produce in a manner unnecessarily wasting reservoir energy.

(5) The Division may require the proper plugging of any zone of a multiple-completed well if the plugging appears necessary to prevent waste, protect correlative rights or protect groundwater, public health or the environment.

[2-1-82...2-1-96; R 4-1-99; Rn, 19 NMAC 15.C.112-A.F. & Rn, 19 NMAC 15.C. 112-A.F.(1).(a)-(g), 4-15-99; 4-15-99]

112-A.C. (1), (2), (3), (4) Repealed. [2-1-82...2-1-96; R 4-15-99]

112-A.D. (1); (1).(a); (1).(b); (2) Repealed. [2-1-82...2-1-96; R 4-15-99]

112-A.E. (1), (2) Repealed. [2-1-82...2-1-96; R 4-15-99]

112-A.F. (1).(a), (b), (c), (d), (e), (f), (g) Reserved. [2-1-82...2-1-96; 4-15-99]