

Entered August 17, 1960
A.L.P.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE No. 2013
Order No. R-1722

APPLICATION OF LA PLATA GATHERING
SYSTEM, INC. FOR AN ORDER AUTHORIZING
A GAS-GAS DUAL COMPLETION IN THE
BLANCO-MESAVERDE POOL AND IN THE
DAKOTA PRODUCING INTERVAL, RIO
ARRIBA COUNTY, NEW MEXICO, FOR A
345.59-ACRE NON-STANDARD GAS UNIT
IN THE DAKOTA PRODUCING INTERVAL,
AND FOR AN UNORTHODOX GAS WELL
LOCATION.

ORDER OF THE COMMISSION

BY THE COMMISSION:

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

NOW, on this 21st day of July, 1960, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, La Plata Gathering System, Inc., is the owner and operator of partial Sections 30 and 31, Township 32 North, Range 5 West, NMPM, Rio Arriba County, New Mexico.
- (3) That said partial Sections 30 and 31 contain 174.41 acres and 171.18 acres respectively, together containing 345.59 acres.
- (4) That the applicant proposes that the above-described partial Sections 30 and 31 be established as a non-standard gas unit in the Dakota Producing Interval.
- (5) That the applicant further proposes to locate a gas

-2-

CASE No. 2013

Order No. R-1722

well on an unorthodox location 990 feet from the North line and 713 feet from the East line of said Section 31, to which well the proposed 345.59-acre non-standard gas unit would be dedicated.

(6) That the proposed unorthodox location is necessitated by a variation in the U. S. Public Land Survey.

(7) That the above-described 345.59-acre tract can reasonably be presumed to be productive of gas from the Dakota Producing Interval.

(8) That in Order No. R-1714, duly promulgated by the Commission on July 7, 1960, an unorthodox gas well location and a 345.59-acre non-standard gas proration unit in the Blanco-Mesaverde Pool was authorized, which location and unit coincide with the location and unit proposed in the subject application pertaining to the Dakota Producing Interval.

(9) That the applicant further proposes the dual completion of the well to be drilled on the above-described non-standard location in such a manner as to permit the production of gas from the Blanco-Mesaverde Pool and the production of gas from the Dakota Producing Interval through parallel strings of 1-1/2 inch tubing.

(10) That the mechanics of the proposed dual completion are feasible and in accord with sound conservation practices, provided that each string of tubing should not be set higher than 250 feet above its respective producing formation.

(11) That establishment of the above-described non-standard gas unit and approval of the proposed unorthodox gas well location will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That a 345.59-acre non-standard gas unit in the Dakota Producing Interval consisting of partial Sections 30 and 31, Township 32 North, Range 5 West, NMPM, Rio Arriba County, New Mexico, be and the same is hereby established. Said unit is to be dedicated to a gas well located on an unorthodox location in the Dakota Producing Interval at a point 990 feet from the North line and 713 feet from the East line of Section 31, Township 32 North, Range 5 West, NMPM, Rio Arriba County, New Mexico, which location is hereby approved.

(2) That the applicant, La Plata Gathering System, Inc., be and the same is hereby authorized to dually complete the above-described well in such a manner as to permit the production of gas from the Blanco-Mesaverde Pool and the production of gas from the Dakota Producing Interval through parallel strings of 1-1/2 inch tubing.

-3-

CASE No. 2013
Order No. R-1722

PROVIDED HOWEVER, That each string of tubing shall not be set higher than 250 feet above its respective producing formation.

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

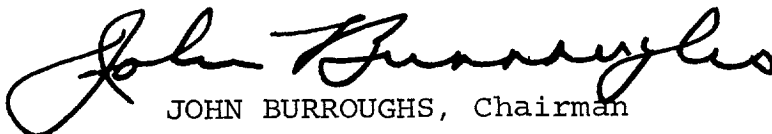
PROVIDED FURTHER, That the applicant shall take packer-leakage tests upon completion and annually thereafter during the Annual Deliverability Test Period for the Blanco-Mesaverde Pool.

IT IS FURTHER ORDERED:


That jurisdiction of this cause is hereby retained by the Commission for such further order or orders as may seem necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of the applicant to comply with any requirement of this order, the Commission may terminate the authority herein granted and require the applicant or its successors and assigns to limit its activities to regular single-zone production in the interest of Conservation.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JOHN BURROUGHS, Chairman


MURRAY E. MORGAN, Member


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

S E A L

esr/