Contested Darleman Comment of the Contested of the Contes 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. 2063** Order No. R-1771 APPLICATION OF TEXAS NATIONAL PETROLEUM COMPANY FOR A "SLIM-HOLE" OIL-GAS DUAL COMPLETION IN THE GALLEGOS-GALLUP OIL POOL AND IN THE DAKOTA PRODUC-ING INTERVAL, SAN JUAN COUNTY, NEW MEXICO. ORDER OF THE COMMISSION BY THE COMMISSION: This cause came on for hearing at 9 o'clock a.m. on September 7, 1960, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this <u>l6th</u> day of September, 1960, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

## FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Texas National Petroleum Company, is the owner and operator of the Moncrief State 16-26-11 Well No. 1, located 790 feet from the South line and 790 feet from the East line of Section 16, Township 26 North, Range 11 West, NMPM, San Juan County, New Mexico.
- (3) That the applicant proposes to dually complete the said well in such a manner as to permit the production of oil from the Gallegos-Gallup Oil Pool and the production of gas from the Dakota Producing Interval through parallel strings of 2-7/8 inch casing and 4-1/2 inch casing, respectively, cemented in a common well bore. Applicant proposes to produce the Dakota gas through 2-3/8 inch tubing installed within the 4-1/2 inch casing.
- (4) That in order to protect the productive horizons, cement should extend from total depth of 6300 feet to a depth of 4300 feet.

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- (5) That centralizers or turbolizers should be installed at 30-foot intervals throughout the Gallup and Dakota formations and to a point 100 feet above said formations.
- (6) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.
- (7) That approval of the subject application will neither cause waste nor impair correlative rights.

## IT IS THEREFORE ORDERED:

That the applicant, Texas National Petroleum Company, be and the same is hereby authorized to dually complete its Moncrief State 16-26-11 Well No. 1, located 790 feet from the South line and 790 feet from the East line of Section 16, Township 26 North, Range 11 West, NMPM, San Juan County, New Mexico, in such a manner as to permit the production of oil from the Gallegos-Gallup Oil Pool through 2-7/8 inch casing and the production of gas from the Dakota Producing Interval through 2-3/8 inch tubing installed within a parallel string of 4-1/2 inch casing cemented in a common well bore.

PROVIDED HOWEVER, That cement shall extend from total depth of 6300 feet to a depth of 4300 feet.

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

PROVIDED FURTHER, That the applicant shall take communication tests upon completion and annually thereafter during the Annual Deliverability Test Period for the Dakota Producing Interval.

## IT IS FURTHER ORDERED:

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

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 ${\tt DONE}$  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

SEAL