

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. 2074
Order No. R-1779

APPLICATION OF AZTEC OIL & GAS
COMPANY FOR A GAS-GAS DUAL
COMPLETION IN THE FULCHER KUTZ-
PICTURED CLIFFS POOL AND IN THE
DAKOTA PRODUCING 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 21, 1960, at Santa Fe, New Mexico, before Daniel S. Nutter, 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 3rd day of October, 1960, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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, Aztec Oil & Gas Company, is the owner and operator of the Hanks Well No. 16-D, located in Unit K, Section 6, Township 27 North, Range 9 West, NMPM, San Juan County, New Mexico.

(3) That the applicant proposes to dually complete the said Hanks Well No. 16-D in such a manner as to permit the production of gas from the Fulcher Kutz-Pictured Cliffs Pool through a string of 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.

(4) That sufficient cement should be used to provide a 950-foot fill-up from total depth, and that sufficient cement should be used to provide a fill-up from a cement basket set below the

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base of the Pictured Cliffs formation to a point 350 feet above the shoe of the 2 7/8-inch casing.

(5) That the mechanics of the proposed dual completion are feasible and in accord with sound conservation practices, provided adequate centralizing or turbolizing equipment is used.

(6) That approval of the subject application will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

That the applicant, Aztec Oil & Gas Company, be and the same is hereby authorized to dually complete its Hanks Well No. 16-D, located in Unit K, Section 6, Township 27 North, Range 9 West, NMPM, San Juan County, New Mexico, in such a manner as to permit the production of gas from the Fulcher Kutz-Pictured Cliffs Pool through a string of 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 centralizers or turbolizers shall be installed at 30-foot intervals throughout the producing formations and to a point 100 feet above such formations.

PROVIDED FURTHER, That sufficient cement shall be used to provide a 950-foot fill-up from total depth, and that sufficient cement shall be used to provide a fill-up from a cement basket set below the base of the Pictured Cliffs formation to a point 350 feet above the shoe of the 2 7/8-inch casing.

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 communication tests upon completion and annually thereafter during the Deliverability Test Period for the Dakota Zone, or as prescribed by the Secretary-Director of the Commission.

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

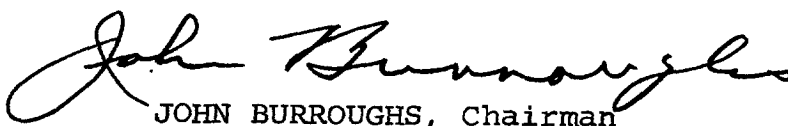
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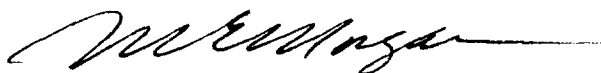
authority herein granted and require the applicant or its successors and assigns to limit its activities to regular single-zone production in the interest of conservation.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

A cursive signature of John Burroughs.

JOHN BURROUGHS, Chairman

A cursive signature of Murray E. Morgan.

MURRAY E. MORGAN, Member

A cursive signature of A. L. Porter, Jr.

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

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