

*Entered June 19, 1963
R. L. P.*

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

CASE No. 2808
Order No. R-2489

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION ON ITS OWN MOTION TO
CONSIDER A REVISION OF RULE 112
OF THE COMMISSION RULES AND
REGULATIONS.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 15, 1963, at Roswell, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 28th day of May, 1963, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, 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 there is need for the revision of Rule 112-A of the Commission Rules and Regulations to permit administrative approval by the Secretary-Director of the Commission of the dual completion (conventional) or triple completion (conventional) of a well if a similar multiple completion in the same common sources of supply as proposed has been authorized after notice and hearing, or in the case of Rio Arriba, San Juan, Sandoval, and McKinley Counties, if a similar multiple completion of a well in the same formations as proposed has been authorized after notice and hearing.

(3) That approval of the proposed rule change will enable the Oil Conservation Commission to more efficiently administer the laws of the State of New Mexico as they relate to conservation of oil and gas, and will be in the interest of economy, both to the operators and the Commission, by eliminating hearings for such multiple completions.

IT IS THEREFORE ORDERED:

(1) That Rule 112-A of the Commission Rules and Regulations,

-2-
CASE No. 2808
Order No. R-2489

Sections II and III, be and the same are hereby amended to read in their entirety as follows:

II. MULTIPLE COMPLETIONS (CONVENTIONAL)

The Secretary-Director of the Commission shall have the authority to grant an exception to the requirements of Rule 112-A I and approve the dual or triple completion of a well to produce from more than one common source of supply without notice and hearing when application for such approval has been filed in due form; and

(a) The Commission has previously authorized the similar multiple completion of a well in the same common sources of supply as proposed, after notice and hearing; provided however, that in Rio Arriba, San Juan, Sandoval, and McKinley Counties, a proposed multiple completion may be approved if the Commission has previously authorized the similar multiple completion of a well in the same formations as proposed, after notice and hearing; and

(b) The applicant proposes to utilize one of the mechanical installations described below:

1. The well is to be completed as a gas-gas dual or as a gas-gas-gas triple and the hydrocarbons from each of the zones can be safely and efficiently produced through parallel strings of tubing or a combination of tubing string(s) and the tubing-casing annulus.

2. The well is to be completed as an oil-oil dual or as an oil-oil-oil triple and the hydrocarbons from each of the zones can be safely and efficiently produced through parallel strings of tubing.

3. The well is to be completed as a combination oil and gas multiple completion and the hydrocarbons from each oil zone can be safely and efficiently produced through parallel strings of tubing and the hydrocarbons from each gas zone can be safely and efficiently produced through parallel string(s) of tubing or through a combination of tubing and the tubing-casing annulus; and

(c) All strings of tubing used for the production of oil in the proposed multiple completion will have a nominal inside diameter of not less than 1.670 inches nor greater than 2.50 inches; and

(d) The packer(s) used to segregate the separate zones of the multiple completion will be production-type packer(s) and shall effectively prevent communication between all producing zones.

-3-

CASE No. 2808

Order No. R-2489

III. MULTIPLE COMPLETIONS (TUBINGLESS AND COMBINATION)

The Secretary-Director of the Commission shall have the authority to grant an exception to the requirements of Rule 112-A I and approve the multiple completion of a well without notice and hearing where application has been filed in due form; and

(a) The Commission has previously authorized the similar multiple completion of a well in the same common sources of supply as proposed, after notice and hearing; provided however, that in Rio Arriba, San Juan, Sandoval, and McKinley Counties, a proposed multiple completion may be approved if the Commission has previously authorized the similar multiple completion of a well in the same formations after notice and hearing; and

(b) The applicant proposes to employ one of the following methods of completion:

1. Multiple Completion (Tubingless) utilizing two or more small diameter casing strings (2.875 inches OD or less), one to each common source of supply, all cemented in a common well-bore.
2. Multiple Completion (Combination) utilizing a combination of small diameter (2.875 inches OD or less) and conventional diameter (greater than 2.875 inches) casing strings, all cemented in a common well-bore. Provided however, that if any conventional diameter casing in said multiple completion is used for the production of more than one common source of supply, the rules pertaining to Multiple Completions (Conventional) in Rule 112-A II above shall also apply; and

(c) Sufficient cement will be used in said multiple completion to extend throughout each pay and a minimum of 100 feet above; and

(d) Centralizers and/or turbolizers will be installed on each joint of casing throughout each pay and on a minimum of three joints above; and

(e) Directional perforating equipment will be used in perforating all intervals in any casing string in said multiple completion which intervals are in a zone through which one or more other casing strings pass.

(f) The requirements of paragraphs (c) and (d) may be modified for multiple completions within given common sources of supply and within a given area if, in the opinion of the Secretary-Director, circumstances warrant such modification.

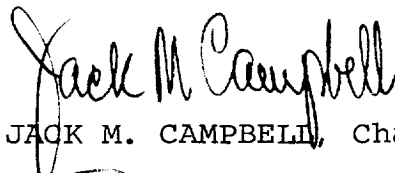
-4-

CASE No. 2808
Order No. R-2489

(2) That jurisdiction of this cause 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 herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



JACK M. CAMPBELL, Chairman



E. S. WALKER, Member



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

S E A L

esr/