

*Entered August 1, 1967
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. 3620
Order No. R-3286

APPLICATION OF PUBCO PETROLEUM CORPORATION
FOR AN UNORTHODOX LOCATION AND A DUAL COM-
PLETION, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on July 26, 1967,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 1st day of August, 1967, the Commission, a
quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, 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, Pubco Petroleum Corporation, seeks
an exception to the Special Rules and Regulations governing the
Blanco-Mesaverde and Basin-Dakota Gas Pools to complete its
Federal Well No. 16 at an unorthodox location for said pools 330
feet from the South line and 990 feet from the West line of Sec-
tion 9, Township 27 North, Range 8 West, NMPM, San Juan County,
New Mexico.

(3) That the applicant also seeks authority to complete the
subject well as a dual completion (conventional) to produce gas
from the Blanco-Mesaverde Gas Pool through 1.66-inch tubing and
gas from the Basin-Dakota Gas Pool through a parallel string of
2.375-inch tubing, with separation of zones by a packer set at
approximately 7150 feet.

(4) That the subject well was drilled to the Basin-Dakota
Gas Pool at said unorthodox location to avoid topographic
difficulties by authority granted by Administrative Order NSL-399.

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(5) That a standard gas well location for the Blanco-Mesaverde Gas Pool is not feasible due to the same rough terrain that prevented a standard Basin-Dakota gas well location.

(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 afford the applicant the opportunity to produce its just and equitable share of the gas in the pools, will prevent the economic loss caused by the drilling of unnecessary wells; avoid the augmentation of risk arising from the drilling of an excessive number of wells, and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Pubco Petroleum Corporation, is hereby granted an exception to the Special Rules and Regulations governing the Blanco-Mesaverde and Basin-Dakota Gas Pools to complete its Federal Well No. 16 at an unorthodox location for said pools 330 feet from the South line and 990 feet from the West line of Section 9, Township 27 North, Range 8 West, NMPM, San Juan County, New Mexico.

(2) That the applicant is hereby authorized to complete the subject well as a dual completion (conventional) to produce gas from the Blanco-Mesaverde Gas Pool through 1.66-inch tubing and gas from the Basin-Dakota Gas Pool through a parallel string of 2.375-inch tubing, with separation of zones by a packer set at approximately 7150 feet;

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take packer-leakage tests upon completion and annually thereafter during the Deliverability Test Period for the Basin-Dakota Gas Pool.

(3) That Administrative Order NSL-399 is hereby superseded.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman


GUYTON B. HAYS, Member


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

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