

Entered July 9, 1974
R.L.F.

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. 5260
Order No. R-4820

IN THE MATTER OF THE HEARING CALLED BY
THE OIL CONSERVATION COMMISSION TO PERMIT
R & G DRILLING COMPANY AND ALL OTHER INTER-
ESTED PARTIES TO APPEAR AND SHOW CAUSE WHY
ORDER NO. DC-1026, WHICH AUTHORIZED DUAL
COMPLETION IN THE BLANCO-MESAVERDE AND BASIN-
DAKOTA POOLS, SHOULD NOT BE RESCINDED AND THE
HAMMOND WELL NO. 47, LOCATED IN UNIT K, SECTION
35, TOWNSHIP 27 NORTH, RANGE 8 WEST, NMPM, SAN
JUAN COUNTY, NEW MEXICO, BE RECOMPLETED AS A
SINGLE ZONE WELL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 19, 1974,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 9th day of July, 1974, 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 by Administrative Order No. DC-1026, dated
December 5, 1960, the Commission authorized the applicant,
R & G Drilling Company to dually complete its Hammond Well
No. 47, located in the NE/4 SW/4 of Section 35, Township 27
North, Range 8 West, NMPM, San Juan County, New Mexico, to
produce gas from the Mesaverde formation adjacent to the
Blanco-Mesaverde Pool and gas from the Basin-Dakota Pool
through the casing-tubing annulus and the tubing, respectively.

(3) That the applicant has failed to conduct packer-leak-
age tests prescribed by Order No. DC-1026.

(4) That evidence adduced at the hearing of this case
establishes that downhole communication is taking place between
the two producing zones in the wellbore of the subject well.

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(5) That such downhole communication is in violation of Rule 112 of the Commission Rules and Regulations and may result in underground waste as defined in said Rules and Regulations.

(6) That the applicant has failed to take proper remedial action to isolate said producing zones.

(7) That to prevent waste, Order No. DC-1026 should be rescinded and the applicant should be required to recomplete the subject well as a single zone completion within 90 days after the date of this order.

IT IS THEREFORE ORDERED:

(1) That Commission Administrative Order No. DC-1026 dated December 5, 1960, is hereby rescinded.

(2) That the applicant, R & G Drilling Company shall within 90 days recomplete as a single completion its Hammond Well No. 47, located in the NE/4 SW/4 of Section 35, Township 27 North, Range 8 West, NMPM, San Juan County, New Mexico.


(3) 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 hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member


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

S E A L

jr/