

Entered June 8, 1977
JAP

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. 5936
Order No. R-5449

APPLICATION OF EL PASO NATURAL GAS
COMPANY FOR A DUAL COMPLETION AND
AN UNORTHODOX GAS WELL LOCATION,
RIO ARriba COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 25, 1977,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 8th day of June, 1977, 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, El Paso Natural Gas Company, seeks
approval for the dual completion of its San Juan 27-4 Unit Well
No. 109 to be located in Unit O of Section 23, Township 27 North,
Range 4 West, NMPM, Tapacito-Pictured Cliffs and Blanco Mesaverde
Pools, Rio Arriba County, New Mexico.

(3) That the applicant further seeks the approval of an
unorthodox location for said San Juan 27-4 Unit Well No. 109,
for the Blanco Mesaverde Pool, to be located 990 feet from the
South line and 1840 feet from the East line of said Section 23.

(4) That said San Juan 27-4 Unit Well No. 109 must be
drilled to the Tapacito-Pictured Cliffs Pool at the proposed
location in accordance with requirements of the San Juan 27-4
Unit Agreement.

(5) That said San Juan 27-4 Unit Well No. 109 may be
drilled to the Blanco Mesaverde Pool and dually completed there-
with at a cost much less than drilling a second well to the
Blanco Mesaverde Pool at a standard location.

-2-

Case No. 5936

Order No. R-5449

(6) That the mechanics of the proposed dual completion are reasonable and in accord with good conservation practices.

(7) That no offset operator objected to the proposed unorthodox location.

(8) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject 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 will otherwise prevent waste and protect correlative rights.

(9) That the subject application for dual completion and unorthodox location should be approved.

IT IS THEREFORE ORDERED:

(1) That El Paso Natural Gas Company is hereby authorized to dually complete its San Juan 27-4 Unit Well No. 109 to be located at an unorthodox location, for the Blanco Mesaverde Pool 990 feet from the South line and 1840 feet from the East line of Section 23, Township 27 North, Range 4 West, NMPM, Rio Arriba County, New Mexico, in such a manner as to produce gas from the Tapacito-Pictured Cliffs and Blanco Mesaverde Pools, through parallel strings of tubing with separation of the zones achieved by means of a packer set at approximately 4,000 feet.

(2) That the applicant shall conduct a packer leakage test upon completion of said well and annually thereafter in accordance with the Northwest New Mexico Packer Leakage Test Schedule.

(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 herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Phil R. Lucero
PHIL R. LUCERO, Chairman

Emery C. Arnold
EMERY C. ARNOLD, Member

Joe D. Ramey
JOE D. RAMEY, Member & Secretary

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