

Entered November 15, 1977

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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. 6001
Order No. R-5575

APPLICATION OF MESA PETROLEUM CO.
FOR AN EXCEPTION TO ORDER NO. R-5459,
SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 28, 1977, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 15th day of November, 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 by its Order No. R-5459, entered on June 14, 1977, the Commission redefined the vertical limits of the Blanco-Mesaverde Pool, Rio Arriba and San Juan Counties, New Mexico.

(3) That such redefinition resulted in the inclusion of "Chacra" equivalent fractured shales or siltstone zones within the vertical limits of said pool in approximately one-half of said pool north and east of a certain line traversing the pool.

(4) That in said Order No. R-5459 the Commission found:

"(17) That there are 4 wells north and east of the line defined in Finding No. 15 above and Exhibit A which may be producing from fractured shale or siltstone zones equivalent to said Chacra sands and which may or may not be connected to other producing zones in said Blanco-Mesaverde Pool." and

"(18) That to protect the correlative rights of the owners of said four wells, the effective date of any redefinition of the vertical limits of said Blanco-Mesaverde Pool should be delayed to provide such owners with the opportunity to bring a case for an exception before the Commission."

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(5) That the applicant herein, Mesa Petroleum Company, is the operator of one of the wells referenced in Findings Nos. (17) and (18) of said Order No. R-5459, the well being its Primo Well No. 1-A located in Unit D of Section 6, Township 31 North, Range 10 West, San Juan County, New Mexico.

(6) That the applicant seeks an exclusion from the vertical limits of said Blanco Mesaverde Pool for said Primo Well No. 1-A as an exception to said Order No. R-5459.

(7) That said Primo Well No. 1-A was drilled in late 1975 and was completed as a triple completion in such a manner as to produce gas from the Pictured Cliffs formation through the casing-tubing annulus and gas from the Chacra formation and the Blanco-Mesaverde Gas Pool through parallel strings of tubing, with separation of the zones achieved by means of packers set at 2764 feet and 4050 feet.

(8) That the so-called "Chacra" zone in said well may be considered to include the productive stringers in the overall perforated interval from 3444 feet to 3990 feet.

(9) That said Primo Well No. 1-A first delivered gas into the pipeline on January 31, 1976.

(10) That the evidence presented at the hearing indicates that there is no communication between the Chacra zone in the subject well and the Mesaverde zone in said well and in nearby offsetting Mesaverde wells.

(11) That approval of the application for an exception to the vertical limits of the Blanco-Mesaverde Pool for the subject well will not cause waste nor impair correlative rights and should be granted.

IT IS THEREFORE ORDERED:

(1) That effective August 1, 1977, the Mesa Petroleum Company Primo Well No. 1-A located in Unit D of Section 6, Township 31 North, Range 10 West, NMPM, San Juan County, New Mexico, is hereby excluded from the Blanco-Mesaverde Pool as an exception to Commission Order No. R-5459.

PROVIDED HOWEVER, that such exclusion and exception shall apply only to such zone or zones producing in said well from within the interval from 3444 feet to 3990 feet of depth.

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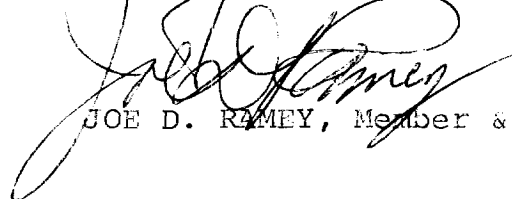
(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



PHIL R. LUCERO, Chairman


EMERY C. ARNOLD, Member
JOE D. RAMEY, Member & Secretary

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