Entered November 30, 1978

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 6278 Order No. R-5874

APPLICATION OF CONSOLIDATED OIL & GAS, INC. FOR A DUAL COMPLETION AND DOWNHOLE COMMINGLING, RIO ARRIBA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on July 19, 1978, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>30th</u> day of November, 1978, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Consolidated Oil & Gas, Inc., seeks authority to complete its Jenney Well No. 1-A, located in Unit P of Section 13, Township 26 North, Range 4 West, NMPM, Rio Arriba County, New Mexico, as a dual completion (conventional) to produce gas from the Blanco Mesaverde Pool and the Basin-Dakota Pool and to commingle Greenhorn gas production with the aforesaid Dakota production in said well.

(3) That the portion of the subject application dealing with the downhole commingling of Greenhorn and Dakota production should be dismissed.

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

(5) That approval of the subject application will prevent waste and protect correlative rights.

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IT IS THEREFORE ORDERED:

(1) That the applicant, Consolidated Oil & Gas, Inc., is hereby authorized to complete its Jenney Well No. 1-A, located in Unit P of Section 13, Township 26 North, Range 4 West, NMPM, Rio Arriba County, New Mexico, as a dual completion (conventional) to produce gas from the Blanco Mesaverde Pool and the Basin-Dakota Pool through parallel strings of tubing with separation of the zones to be achieved by means of a packer set at approximately 7800 feet.

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Division 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 Annual Deliverability Test Period for prorated gas pools in Northwest New Mexico.

(2) That the application to commingle gas production from the Greenhorn and Dakota formations in the wellbore of said Jenney Well No. 1 is hereby dismissed.

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

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

STATE OF NEW MEXICO OIL CONSERVATION DIVISION 1 Smill JOE D. RAMEY Director

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