

Entered July 6, 1956
G. J. 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 THE STATE OF NEW
MEXICO FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 1034
Order No. R-824

APPLICATION OF THE OIL CONSERVATION
COMMISSION UPON ITS OWN MOTION FOR
AN ORDER PROMULGATING RULES AND
REGULATIONS IN CONNECTION WITH RULE
112 OF THE COMMISSION'S STATEWIDE
RULES AND REGULATIONS GOVERNING THE
DUAL COMPLETION OF GAS WELLS IN THE
SAN JUAN BASIN AREA OF SANDOVAL, SAN
JUAN, AND RIO ARriba COUNTIES, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 14, April 18, and May 16, 1956 at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereafter referred to as the "Commission".

NOW, on this 18th day of June 1956, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing 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 due to the complex nature of the gas producing zones in the San Juan Basin area, a need exists for a more flexible rule for administratively approving dual completions in said San Juan Basin Area.

(3) That this need may be met by the Revision of Rule 112 (c) of the Oil Conservation Commission's Statewide Rules and Regulations.

IT IS THEREFORE ORDERED:

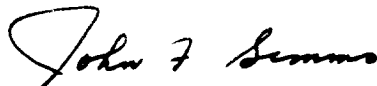
1. That Rule 112 (c) 1st paragraph, be and the same is hereby revised to read as follows:

The Secretary of the Commission shall have authority to grant an exception to the requirements of Paragraph (a) above without notice and hearing where application has been filed in approved

form and when the lowermost producing zone involved in the dual completion is an oil or gas producing zone within the defined limits of an oil or gas pool, and the upper producing zone involved in the dual completion is a gas producing zone within the defined limits of a gas pool. In Rio Arriba, San Juan and Sandoval Counties, in considering gas-gas dual completions the Secretary of the Commission shall have authority to grant an exception to Paragraph (a) above without notice and hearing where application has been filed in approved form and when the lowermost producing zone involved in the dual completion is a gas producing zone, and the upper producing zone involved in the dual completion is a gas producing zone in which both upper and lower zones have been recognized by the Commission as separate productive horizons prior to the application for permission to dually complete a well.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



JOHN F. SIMMS, Chairman

E. S. WALKER, Member



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

S E A L

ir/