

THE APPLICATION OF MARATHON OIL  
COMPANY FOR A DUAL COMPLETION

ORDER NO. MC-2918

ADMINISTRATIVE ORDER  
OF THE OIL CONSERVATION DIVISION

Under the provisions of Rule 112-A Marathon Oil Company made application to the New Mexico Oil Conservation Division on August 24, 1981, for permission to dually complete its Jicarilla Apache Well No. 16-E located in Unit A of Section 34, Township 26 North, Range 5 West, NMPM, Rio Arriba County, New Mexico, in such a manner as to permit production of gas from the Mesaverde Formation and the Basin-Dakota Pool.

Now, on this 21st day of September, 1981, the Division Director finds:

1. That application has been filed under the provisions of Rule 112-A of the Division's Rules and Regulations;
2. That satisfactory information has been provided that all operators of offset acreage have been duly notified;
3. That no objections have been received within the waiting period as prescribed by said rule;
4. That the proposed dual completion will not cause waste nor impair correlative rights; and
5. That the mechanics of the proposed dual completion are feasible and consonant with good conservation practices.

IT IS THEREFORE ORDERED:

That the applicant herein, Marathon Oil Company, be and the same is hereby authorized to dually complete its Jicarilla Apache Well No. 16-E located in Unit A of Section 34, Township 26 North, Range 5 West, NMPM, Rio Arriba County, New Mexico, in such a manner as to permit production of gas from the Mesaverde Formation and the Basin-Dakota Pool through the casing-tubing annulus and the tubing respectively.

PROVIDED HOWEVER, That applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A.

PROVIDED FURTHER, That applicant shall take packer-leakage tests upon completion and annually thereafter.

IT IS FURTHER ORDERED: That jurisdiction of this cause is hereby 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

JOE D. RAMEY  
Division Director

S E A L





STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION  
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD  
AZTEC, NEW MEXICO 87410  
(505) 334-6178

OIL CONSERVATION DIVISION  
BOX 2088  
SANTA FE, NEW MEXICO 87501

DATE 9-1-81

RE: Proposed MC \_\_\_\_\_  
Proposed DHC \_\_\_\_\_  
Proposed NSL \_\_\_\_\_  
Proposed SWD \_\_\_\_\_  
Proposed WFX \_\_\_\_\_  
Proposed PMX \_\_\_\_\_

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Gentlemen:

I have examined the application dated 8-31-81  
for the Marathon Jia Apache #16E 34-26N-SW  
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approve with requirement for annual fluid level  
analysis  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Yours truly,

Frank J. Cherry



**Marathon  
Oil Company**

P.O. Box 2659  
Casper, Wyoming 82602  
Telephone 307/577-1555

August 26, 1981

Mr. Joe D. Ramey, Director  
New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Dear Sir:

We request an exception to rule 107 requiring an extra string of tubing in the following wells:

Jicarilla Apache #13E, Sec. 33, T26N, R5W,  
Rio Arriba County, New Mexico

Jicarilla Apache #16E, Sec. 34, T26N, R5W,  
Rio Arriba County, New Mexico

Marathon oil prefers not to re-enter these wells to install an additional tubing string for the Point Lookout due to economic and operational reasons. Apache #16E was air drilled and completed with a liner in order to prevent any formation damage caused by fluid invasion. Jicarilla Apache #13E was drilled with mud after it was learned at #16E that air drilling was not an economical benefit. During completion all attempts to keep water away from the relative lower pressured Point Lookout were made. In both wells, the Point Lookout was fracture stimulated using a foam transport agent to reduce fluid-caused damage.

To re-enter the wells now after they have been stimulated could cause irreparable damage to the Point Lookout zones. The wells would have to be killed with 2% KCl water. It would also prove very difficult to safely kill both intervals because of the differences in bottom hole pressures.

On August 20, 1981, Walt West of Marathon Oil Company met with Mr. Frank Chavez, District Supervisor of Area 3 and discussed the subject wells in detail. Mr. Chavez was in agreement with the present state of



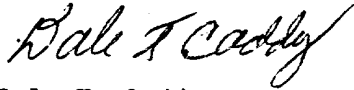
Mr. Joe D. Ramey  
August 25, 1981  
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completion with the provision that an annual liquid level be determined in conjunction with a packer test. If it is determined by testing that the present completion is not affective, the order could be rescinded upon Mr. Chavez's recommendation to the director.

Thank you for your assistance on this matter.

Very truly yours,

MARATHON OIL COMPANY



Dale T. Caddy  
District Operations Manager

DTC:ss

cc: Frank Chavez  
1000 Rio Brazos Road  
Aztec, NM 87410

