

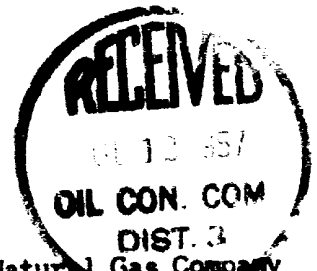
SUBJECT: DUAL COMPLETION (GAS-GAS)

July 5, 1957

THE APPLICATION OF EL PASO NATURAL GAS COMPANY FOR PERMISSION TO EFFECT DUAL COMPLETION OF ITS CALLOWAY POOL UNIT WELL NO. 2 (PM), LOCATED IN THE SE/4 NE/4 OF SECTION 34, TOWNSHIP 31 NORTH, RANGE 11 WEST, NMPM, SAN JUAN COUNTY, NEW MEXICO, IN THE AZTEC-PICTURED CLIFFS GAS POOL AND THE BLANCO MESAVARDE GAS POOL.

ORDER NO. DC-408

ADMINISTRATIVE ORDER  
OF THE OIL CONSERVATION COMMISSION



Under the provisions of Rule 112-A (c) El Paso Natural Gas Company made application to the New Mexico Oil Conservation Commission on January 30, 1957, for permission to dually complete its Calloway Pool Unit Well No. 2 (PM), located 1840 feet from the North line and 800 feet from the East line and in the SE/4 NE/4 of Section 34, Township 31 North, Range 11 West, NMPM, San Juan County, New Mexico, in the Aztec-Pictured Cliffs Gas Pool and in the Blanco Mesaverde Gas Pool.

The Secretary-Director Finds:

- (1) That application has been duly filed under the provisions of Sub-section 'c' of Rule 112-A of the Commission's Rules and Regulations;
- (2) That satisfactory information has been provided that all operators of offset acreage have been duly notified; and
- (3) That no objections have been received within the waiting period as prescribed by said rule.

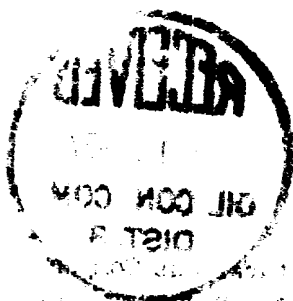
IT IS THEREFORE ORDERED:

That the applicant, herein, El Paso Natural Gas Company, be and it hereby is authorized to dually complete its Calloway Pool Unit Well No. 2 (PM) located in the SE/4 NE/4 of Section 34, Township 31 North, Range 11 West, NMPM, San Juan County, New Mexico, in such manner as to permit production of gas from the Pictured Cliffs formation by proper perforation of the casing with gas production through the casing-tubing annulus from the Aztec-Pictured Cliffs Gas Pool and to permit the production of gas from the Mesaverde formation by proper perforation of a liner with gas production through the tubing from the Blanco Mesaverde Gas Pool and with the installation of a suitable packer and with the installation of adequate surface and well equipment to maintain complete separation of the two separate common sources of supply.

PROVIDED HOWEVER, That subject well shall be completed and thereafter produced in such a manner that there will be no commingling within the well-bore, either within or outside the casing of gas, oil and gas, or oil produced from either or both of the separate strata,

PROVIDED HOWEVER, That prior to the actual dual completion the operator shall make pressure tests of the casing to prove that no casing leaks have developed since the well was originally completed. In the event a casing leak is apparent the operator shall take appropriate steps to adequately repair the leak. The results of these tests shall be reported to the Commission on Form C-103.

PROVIDED FURTHER, That upon the actual dual completion of such subject well applicant shall submit to the appropriate District Office of the Commission, copies of Oil Conservation Commission Form C-103, Form C-104, Form C-110 and Form C-122 outlining the information required on these forms by existing Rules and Regulations and two copies of the electric log of the well.



PROVIDED FURTHER, That said subject well for dual completion and production shall be equipped in such a way that reservoir pressures may be determined separately for each of the two specified strata, and further, be equipped with all necessary connections required to permit recording meters to be installed and used, at any time, as may be required by the Commission or its representatives, in order that natural gas, oil, or oil and gas from each separate stratum may be accurately measured and the gas-liquid ratios thereof determined, and

PROVIDED FURTHER, That the operator-applicant shall make any and all tests, including segregation tests, packer leakage tests on completion and during the annual deliverability test of the Blanco Mesaverde Gas Pool, but not excluding other tests and/or determinations at any convenient time and in such manner as deemed necessary by the Commission; the original and all subsequent tests shall be witnessed by representatives of the Commission and by representatives of offset operators, if any there be, at their election, and the results of each test properly attested to by the applicant herein and all witnesses, and shall be filed with the Commission within 15 days after completion of such test, and submit a packer setting affidavit within 15 days after completion or whenever the packer is disturbed, and

PROVIDED FURTHER, That upon the actual dual completion of such subject well, applicant shall submit to the Commission a diagrammatic sketch of the mechanical installation which was actually used to complete and produce the seal between the strata, and a special report of production, gas-liquid ratios and reservoir pressure determination of each producing zone or stratum immediately following completion.

IT IS FURTHER ORDERED, That jurisdiction of this cause is hereby retained by the Commission for such further order or orders as may seem necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of applicant to comply with any requirement of this order after proper notice and hearing the Commission may terminate the authority hereby granted and require applicant or its successors and assigns to limit its activities to regular single-zone production in the interests of conservation.

APPROVED at Santa Fe, New Mexico, on this 5th day of July, 1957.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

A. L. PORTER, Jr.  
Secretary-Director

SEAL

PROVIDED FURTHER, That said subject well for dual completion and  
 instruction shall be equipped in such a way that reservoir pressure may be  
 determined separately for each of the two specified areas, and further, be  
 equipped with all necessary connections required to permit recording meters  
 to be installed and used, at any time, as may be required by the Commission  
 or its representatives, in order that natural gas, oil, or oil and gas  
 from each separate stratum may be accurately measured and the gas-liquid  
 ratios thereof determined, and

PROVIDED FURTHER, That the operator-applicant shall make any and  
 all tests, including seepage tests, leakage tests, and tests on completion  
 and during the annual deliverability test of the Reservoir Gas Pool,  
 but not excluding other tests and/or determinations at any convenient time  
 and in such manner as deemed necessary by the Commission, the original and  
 all subsequent tests shall be witnessed by representatives of the Commission  
 and by representatives or chief operators, if any there be, at their  
 election, and the results of each test properly executed by the applicant  
 herein and all witnesses, and shall be filed with the Commission within  
 15 days after completion of each test, and submit a leakage testing affidavit  
 within 15 days after completion or whenever the leakage is disturbed, and

PROVIDED FURTHER, That upon the actual dual completion of such  
 subject well, applicant shall submit to the Commission a diagrammatic sketch  
 of the mechanical installation which was actually used to complete and  
 produce the seal between the strata, and a special report of production, gas-  
 liquid ratios and reservoir pressure determination of each producing zone  
 or stratum immediately following completion.

IT IS FURTHER ORDERED, That jurisdiction of this cause is hereby  
 retained by the Commission for such further order or orders as may seem  
 necessary or convenient for the protection or waste and/or protection of  
 correlative rights; upon failure of applicant to comply with any requirement  
 of this order after proper notice and hearing the Commission may terminate  
 the authority hereby granted and require applicant or its successors and  
 assigns to limit its activities to regular single-zone production in the  
 interests of conservation.

Witness my hand and seal of office, at Santa Fe, New Mexico, on this 10th day of July, 1957.

STATE OF NEW MEXICO  
 OIL CONSERVATION COMMISSION

By \_\_\_\_\_  
 Secretary-Commissioner