BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE No. 1713 Order No. R-1452

APPLICATION OF EL PASO NATURAL GAS COMPANY FOR AN ORDER AUTHOR-IZING A GAS-GAS DUAL COMPLETION IN THE AZTEC-PICTURED CLIFFS POOL AND IN THE BLANCO-MESAVERDE POOL, SAN JUAN COUNTY, NEW MEXICO, UTILIZING A RETRIEVABLE-TYPE PACKER

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 o'clock a.m. on July 8, 1959, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this <u>31st</u> day of July, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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 the applicant, El Paso Natural Gas Company, is the owner and operator of the Hancock Well No. 3, located in the SW/4 SW/4 of Section 22, Township 28 North, Range 9 West, NMPM, San Juan County, New Mexico.

(3) That the applicant proposes to dually complete said Hancock Well No. 3 in such a manner as to produce gas from the Aztec-Pictured Cliffs Pool and to produce gas from the Blanco-Mesaverde Pool through the casing-tubing annulus and through 2-inch OD EUE, 4.7-pound, J-55 tubing, respectively, effecting separation of the zones in the well bore by means of a Baker Model "EGJ" retrievable-type packer to be set at 3488 feet. -2-Case No. 1713 Order No. R-1452

(4) That the temperature which is expected to be encountered at 3488 feet in said Hancock Well No. 3 is approximately 103° Fahrenheit, and the proposed packer should be able to efficiently withstand a temperature of this magnitude.

(5) That the pressure differential between the two producing zones in the subject well is approximately 350 psi, which differential the proposed model "EGJ" packer should be able to efficiently withstand; further, that said differential should be adequate to effectively actuate the hydraulic hold-down buttons on said packer.

(6) That the weight of the proposed tubing string above the proposed packer setting-depth should be adequate to hold said packer in place effectively.

(7) That while said packer is not of a drillable nature, it can be milled out, which operation the applicant has expressed a willingness to undertake should the necessity arise.

(8) That the testimony indicates that the producing characteristics of each zone in the proposed dual completion are such that there will be no significant tubing movement which would tend to unseat said packer.

(9) That packer-leakage tests should be conducted on the subject well semi-annually.

IT IS THEREFORE ORDERED:

That the applicant, El Paso Natural Gas Company, be and the same is hereby authorized to dually complete its Hancock Well No. 3, located in the SW/4 SW/4 of Section 22, Township 28 North, Range 9 West, NMPM, San Juan County, New Mexico, in such a manner as to permit the production of gas from the Aztec-Pictured Cliffs Pool and the production of gas from the Blanco-Mesaverde Pool through the casing-tubing annulus and through 2-inch OD EUE, 4.7pound, J-55 tubing, respectively, effecting separation of the zones in the well bore by means of a Baker Model "EGJ" retrievabletype packer to be set at 3488 feet.

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PROVIDED FURTHER, That applicant shall take packer-leakage tests upon completion and annually thereafter during the Deliverability Test Period for the Blanco-Mesaverde Pool. Applicant shall also take packer-leakage tests semi-annually midway between the aforesaid Deliverability Test Periods. -3-Case No. 1713 Order No. R-1452

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.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

John BURROUGHS, Chairman

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MURRAY E. MORGAN, Member

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

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