Entered November 16, 1962 a.L.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 NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE No. 2644 Order No. R-2341

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APPLICATION OF PAN AMERICAN PETROLEUM CORPORATION FOR A DUAL COMPLETION (OIL PRODUCTION AND SALT WATER DISPOSAL), SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on September 27, 1962, at Santa Fe, New Mexico, before Elvis A. Utz, 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>22nd</u> day of October, 1962, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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, Pan American Petroleum Corporation, is the owner and operator of its U. S. G. Section 19 Well No. 13, located 2050 feet from the North line and 1810 feet from the East line of Section 19, Township 29 North, Range 16 West, NMPM, Hogback-Pennsylvanian Pool, San Juan County, New Mexico.

(3) That the applicant seeks permission to dually complete its U. S. G. Section 19 Well No. 13 in such a manner as to permit the production of oil through the tubing from the Pennsylvanian formation at an approximate depth of 6620 to 6632 feet and to dispose of produced salt water into a non-productive zone at a depth of approximately 6514 to 6524 feet, said salt water to be injected down the annulus between the tubing and casing.

(4) That the evidence indicates that there is no vertical communication between the proposed injection zone and the proposed producing zone in applicant's U. S. G. Section 19 Well No. 13.

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

(6) That approval of the subject application will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Pan American Petroleum Corporation, is hereby authorized to dually complete its U. S. G. Section 19 Well No. 13, located 2050 feet from the North line and 1810 feet from the East line of Section 19, Township 29 North, Range 16 West, NMPM, Hogback-Pennsylvanian Pool, San Juan County, New Mexico, in such a manner as to produce oil through the tubing from the Pennsylvanian formation at an approximate depth of 6620 to 6632 feet and to dispose of produced salt water down the annulus between the tubing and casing into a non-productive formation at an approximate depth of 6514 to 6524 feet.

<u>PROVIDED HOWEVER</u>, That the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission Rules and Regulations.

PROVIDED FURTHER, That the applicant shall take packerleakage tests upon completion and annually thereafter.

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

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

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E. S. WALKER, Member

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

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