

Entered October 2, 1968

A.S.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. 3865
Order No. R-3510

APPLICATION OF SOUTHERN UNION PRODUCTION
COMPANY FOR AN UNORTHODOX LOCATION AND A
DUAL COMPLETION, RIO ARRIBA COUNTY, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 25, 1968, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 2nd day of October, 1968, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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, Southern Union Production Company, seeks an exception to Rule 2 of the Special Rules and Regulations governing the Blanco-Mesaverde Gas Pool as promulgated by Order No. R-1670, as amended, to complete its Jicarilla "A" Well No. 9 at an unorthodox location 790 feet from the North line and 1670 feet from the West line of Section 14, Township 26 North, Range 4 West, NMPM, Rio Arriba County, New Mexico.

(3) That the applicant also seeks authority to complete the subject well as a dual completion (conventional) to produce gas from the Blanco-Mesaverde Gas Pool and the Basin-Dakota Gas Pool through parallel strings of 1 1/2-inch tubing, with separation of zones by a packer set at approximately 7660 feet.

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(4) That the subject well was originally projected and drilled as a Pictured Cliffs-Dakota gas well at a standard location for said formations and is off-pattern with respect to the Special Rules and Regulations governing the Blanco-Mesaverde Gas Pool.

(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 prevent the drilling of unnecessary wells, will avoid the augmentation of risk arising from the drilling of an excessive number of wells, will prevent reduced recovery which might result from the drilling of too few wells, will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pools, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Southern Union Production Company, is hereby granted an exception to the well location requirements of Rule 2 of the Special Rules and Regulations governing the Blanco-Mesaverde Gas Pool as promulgated by Order No. R-1670, as amended, and is hereby authorized to complete its Jicarilla "A" Well No. 9 at an unorthodox location 790 feet from the North line and 1670 feet from the West line of Section 14, Township 26 North, Range 4 West, NMPM, Rio Arriba County, New Mexico.

(2) That the applicant is hereby authorized to complete the subject well as a dual completion (conventional) to produce gas from the Blanco-Mesaverde Gas Pool and the Basin-Dakota Gas Pool through parallel strings of 1 1/2-inch tubing, with separation of zones by a packer set at approximately 7660 feet;

PROVIDED HOWEVER, 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 insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take packer-leakage tests upon completion and annually thereafter during the Deliverability Test Period for the Basin-Dakota Gas Pool.

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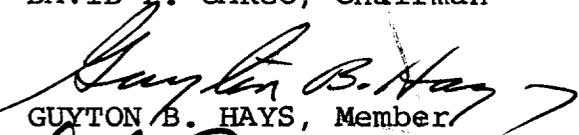
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(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman


GUYTON B. HAYS, Member


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

S E A L

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