

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

GARREY CARRUTHERS  
GOVERNOR

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

THE APPLICATION OF UNION TEXAS PETROLEUM CORPORATION

MC-3001

ADMINISTRATIVE ORDER  
OF THE OIL CONSERVATION DIVISION

DNC-703

Under the provisions of Rule 112-A, III, Union Texas Petroleum Corporation made application to the New Mexico Oil Conservation Division on April 17, 1989, for permission to dually complete its Congress Lachman Well No. 4-E located 940 feet from the North line and 1820 feet from the West line (Unit C) of Section 18, Township 28 North, Range 10 West, NMPM, San Juan County, New Mexico, in such a manner as to permit production of gas from the Otero Chacra Pool and commingled gas and oil from the Basin Dakota Pool and the Armenta Gallup Oil Pool.

Now, on this 18th day of May, 1989, the Division Director finds that:

- (1) The application has been filed under the provisions of Rule 112-A, III and IV of the Division's General Rules and Regulations;
- (2) The proposed dual completion will not cause waste nor impair correlative rights; and
- (3) The mechanics of the proposed dual completion are feasible and consonant with good conservation practices.

IT IS THEREFORE ORDERED THAT:

(1) The applicant herein, Union Texas Petroleum Corporation, be and the same is hereby authorized to complete its Congress Lachman Well No. 4-E located 940 feet from the North line and 1820 feet from the West line (Unit C) of Section 1820 feet from the West, NMPM, San Juan County, New Mexico as a dual completion (conventional) in such a manner as to produce the previously authorized downhole commingled (Division Administrative Order DHC-703, dated September 14, 1988) Basin Dakota Pool and Armenta Gallup Oil Pool production through a long string of 2 3/8-inch tubing and the Otero Chacra Pool production through a short parallel sting of 2 3/8-inch tubing with separation of the two producing segments to be achieved by means of a packer set at approximately 5400 feet.

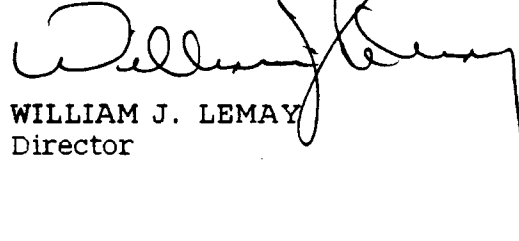
PROVIDED HOWEVER THAT, applicant shall complete, operate and produce said well in accordance with the provisions of Rule 112-A.

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



WILLIAM J. LEMAY  
Director

WJL/MES/ag

cc: Oil Conservation Division - Aztec  
NM Oil and Gas Engineering Committee - Hobbs  
US Bureau of Land Management - Farmington  
Division File: DHC-703