

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. 1620  
Order No. R-1360

APPLICATION OF SUNSET INTERNATIONAL  
PETROLEUM CORPORATION FOR AN OIL-GAS  
DUAL COMPLETION IN AN UNDESIGNATED  
GALLUP OIL POOL AND IN THE ANGELS  
PEAK-DAKOTA GAS POOL IN 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 March 25, 1959, 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 2<sup>nd</sup> day of April, 1959, 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, Sunset International Petroleum Corporation, is the owner and operator of the SIPCO Kutz "A" Federal Well No. 1, located 1773 feet from the South line and 1842 feet from the West line of Section 32, Township 28 North, Range 10 West, NMPM, San Juan County, New Mexico.

(3) That the applicant proposes to dually complete the above-described SIPCO Kutz "A" Federal Well No. 1 in such a manner as to permit the production of oil from an undesignated Gallup oil pool and the production of gas from the Angels Peak-Dakota Gas Pool through parallel strings of 2-1/16 inch Hydril tubing.

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

-2-

Case No. 1620

Order No. R-1360

(5) That approval of the subject application will not cause waste nor impair correlative rights.

(6) That the subject application should be approved.

IT IS THEREFORE ORDERED:

That the applicant, Sunset International Petroleum Corporation, be and the same is hereby authorized to dually complete its SIPCO Kutz "A" Federal Well No. 1, located 1773 feet from the South line and 1842 feet from the West line of Section 32, Township 28 North, Range 10 West, NMPM, San Juan County, New Mexico, in such a manner as to permit the production of oil from an undesignated Gallup oil pool and the production of gas from the Angels-Peak Dakota Gas Pool through parallel strings of 2-1/16 inch Hydril tubing.

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

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

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*  
JOHN BURROUGHS, Chairman

*Murray E. Morgan*  
MURRAY E. MORGAN, Member

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

