

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. 1976
Order No. R-1695

APPLICATION OF CAULKINS OIL COMPANY
FOR A GAS-GAS DUAL COMPLETION IN THE
SOUTH BLANCO-PICTURED CLIFFS GAS POOL
AND THE DAKOTA PRODUCING INTERVAL, RIO
ARRIBA COUNTY, NEW MEXICO, AND FOR A
320-ACRE NON-STANDARD GAS UNIT IN THE
DAKOTA PRODUCING INTERVAL:

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on June 1, 1960, 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 30th day of June, 1960, 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, Caulkins Oil Company, is the owner and operator of the Reuter PC-297 well, located 1650 feet from the South line and 990 feet from the West line of Section 15, Township 26 North, Range 6 West, NMPM, Rio Arriba County, New Mexico.
- (3) That the applicant proposes the dual completion of the above-described Reuter PC-297 well in such a manner as to permit the production of gas from the South Blanco-Pictured Cliffs Gas Pool and the production of gas from the Dakota Producing Interval through parallel strings of 1-1/4 inch tubing and 2-3/8 inch tubing respectively.
- (4) That the applicant further seeks the establishment of a 320-acre non-standard gas unit in the Dakota Producing Interval consisting of the SW/4 of said Section 15 and the NW/4 of Section 22, Township 26 North, Range 6 West, NMPM, Rio Arriba County, New Mexico, to be dedicated to said Reuter PC-297 well.

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

(6) That the requested 320-acre non-standard gas unit in the Dakota Producing Interval, which unit would cross section lines, should be denied inasmuch as the applicant has made no effort to communitize the said SW/4 of Section 15 with the SE/4 of said Section 15 or the NW/4 of said Section 15, thereby forming a standard 320-acre gas unit in the Dakota Producing Interval.

(7) That the applicant should be granted a 160-acre non-standard gas unit in the Dakota Producing Interval consisting of the SW/4 of said Section 15 and to be dedicated to the said Reuter PC-297 well.

IT IS THEREFORE ORDERED:

(1) That the applicant, Caulkins Oil Company, be and the same is hereby authorized to dually complete the Reuter PC-297 well located 1650 feet from the South line and 990 feet from the West line of Section 15, Township 26 North, Range 6 West, NMPM, Rio Arriba County, New Mexico, in such a manner as to permit the production of gas from the South Blanco-Pictured Cliffs Gas Pool and production of gas from the Dakota Producing Interval through parallel strings of 1-1/4 inch tubing and 2-3/8 inch tubing respectively.

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

PROVIDED FURTHER, That the applicant shall take packer-leakage tests upon completion and annually thereafter during the Annual Deliverability Test Period for the South Blanco-Pictured Cliffs 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 the applicant to comply with any requirement of this order, the Commission may terminate the authority herein granted and require the applicant or its successors and assigns to limit its activities to regular single-zone production in the interest of conservation.

(2) That the applicant's request for a non-standard gas unit in the Dakota Producing Interval consisting of the SW/4 of Section 15 and the NW/4 of Section 22, both in Township 26 North, Range 6 West, NMPM Rio Arriba County, New Mexico, be and the same is hereby denied.

-3-

CASE No. 1976
Order No. R-1695

(3) That a 160-acre non-standard gas unit in the Dakota Producing Interval consisting of the SW/4 of said Section 15, be and the same is hereby established. Said unit is to be dedicated to the said Reuter PC-297 well.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



JOHN BURROUGHS, Chairman



MURRAY E. MORGAN, Member



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



esr/