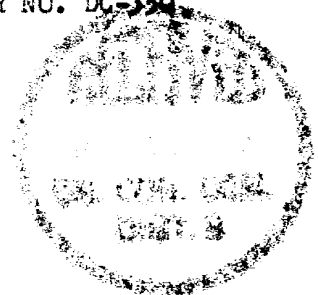


November 26, 1956

THE APPLICATION OF PACIFIC NORTHWEST PIPELINE CORPORATION FOR PERMISSION TO EFFECT DUAL COMPLETION OF ITS SAN JUAN UNIT 27-5 WELL No. 18-36, LOCATED IN THE NE/4 SW/4 OF SECTION 36, TOWNSHIP 27 NORTH, RANGE 5 WEST, NMPM, RIO ARriba COUNTY, NEW MEXICO, IN AN UNDESIGNATED PICTURED CLIFFS GAS POOL AND THE BLANCO MESAVERDE GAS POOL,

ORDER NO. DC-359



ADMINISTRATIVE ORDER  
OF THE OIL CONSERVATION COMMISSION

Under the provisions of Rule 112-A (c) Pacific Northwest Pipeline Corporation made application to the New Mexico Oil Conservation Commission on November 19, 1956 for permission to dually complete its San Juan Unit 27-5 Well No. 18-36, located 2111 feet from the South line and 1624 feet from the West line and in the NE/4 SW/4 of Section 36, Township 27 North, Range 5 West, NMPM, Rio Arriba County, New Mexico in an undesignated Pictured Cliffs Gas Pool and the Blanco Mesaverde Gas Pool.

The Secretary-Director Finds:

- (1) That application has been duly filed under the provisions of subsection 'c' of Rule 112-A of the Commission's Rules and Regulations;
- (2) That satisfactory information has been provided that all operators of offset acreage have been duly notified; and
- (3) That no objections have been received within the waiting period as prescribed by said rule.

IT IS THEREFORE ORDERED:

That the applicant, herein, Pacific Northwest Pipeline Corporation be and it hereby is authorized to dually complete its San Juan Unit 27-5 Well No. 18-36, located in the NE/4 SW/4 of Section 36, Township 27 North, Range 5 West, Rio Arriba County, New Mexico in such manner as to permit production of gas from the Pictured Cliffs formation of an undesignated Pictured Cliffs Gas Pool by proper perforation of the casing and the gas produced through the casing-tubing annulus and the production of gas from the Mesaverde formation of the Blanco Mesaverde Gas Pool by proper perforation of a liner and the gas produced through the tubing and installation of a suitable packer and with the installation of adequate surface equipment to maintain complete separation of the two zones of production.

PROVIDED HOWEVER, That subject well shall be completed and thereafter produced in such a manner that there will be no commingling within the well-bore, either within or outside the casing of gas, oil and gas, or oil produced from either or both of the separate strata,

PROVIDED HOWEVER, THAT prior to the actual dual completion the operator shall make pressure tests of the casing to prove that no casing leaks have developed since the well was originally completed. In the event a casing leak is apparent the operator shall take appropriate steps to adequately repair the leak. The results of these tests shall be reported to the Commission on Form C-103.

PROVIDED FURTHER, That upon the actual dual completion of such subject well applicant shall submit to the appropriate District Office of the Commission, copies of Oil Conservation Commission Form C-103, Form C-104, Form C-110 and Form C-122 outlining the information required on those forms by existing Rules and Regulations and two copies of the electric log of the well.

PROVIDED FURTHER, That said subject well for dual completion and production shall be equipped in such a way that reservoir pressures may be determined separately for each of the two specified strata, and further, be equipped with all necessary connections required to permit recording meters to be installed and used, at any time, as may be required by the Commission or its representatives, in order that natural gas, oil, or oil and gas from each separate stratum may be accurately measured and the gas-liquid ratios thereof determined, and

PROVIDED FURTHER, That the operator-applicant shall make any and all tests, including segregation tests, packer leakage tests on completion and during the annual deliverability test of the Blanco Mesaverde Pool, but not excluding other tests and/or determinations at any convenient time and in such manner as deemed necessary by the Commission; the original and all subsequent tests shall be witnessed by representatives of the Commission and by representatives of offset operators, if any there be, at their election, and the results of each test properly attested to by the applicant herein and all witnesses, and shall be filed with the Commission within fifteen days after completion of such test, and submit a packer setting affidavit within fifteen days of completion, after remedial work or whenever the packer is disturbed, and

PROVIDED FURTHER, That upon the actual dual completion of such subject well, applicant shall submit to the Commission a diagrammatic sketch of the mechanical installation which was actually used to complete and produce the seal between the strata, and a special report of production, gas-liquid ratios and reservoir pressure determination of each producing zone or stratum immediately following completion.

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.

APPROVED at Santa Fe, New Mexico, on this 26th day of November, 1956.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

A. L. PORTER, JR.  
Secretary-Director

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