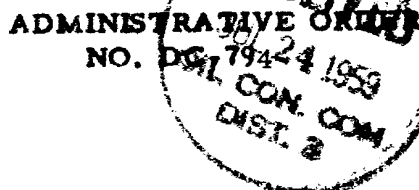


THE APPLICATION OF SOUTHERN UNION GAS COMPANY FOR PERMISSION TO EFFECT DUAL COMPLETION OF ITS NAVAJO INDIAN WELL NO. 3-B LOCATED IN THE SE/4 SW/4 SECTION 19, TOWNSHIP 27 NORTH, RANGE 8 WEST, NMPM, SAN JUAN COUNTY, NEW MEXICO, IN SUCH A MANNER AS TO PERMIT THE PRODUCTION OF GAS FROM THE SOUTH BLANCO-PICTURED CLIFFS POOL AND THE PRODUCTION OF GAS FROM THE BLANCO-MESAVERDE POOL.



ADMINISTRATIVE ORDER  
OF THE OIL CONSERVATION COMMISSION

Under the provisions of Rule 112-A (c) Southern Union Gas Company made application to the New Mexico Oil Conservation Commission on May 14, 1959, for permission to dually complete its Navajo Indian Well No. 3-B located in the SE/4 SW/4 of Section 19, Township 27 North, Range 8 West, NMPM, San Juan County, New Mexico, in such a manner as to permit the production of gas from the South Blanco-Pictured Cliffs Pool and the production of gas from the Blanco-Mesaverde Pool.

Now, on this 20th day of July, 1959, the Secretary-Director finds:

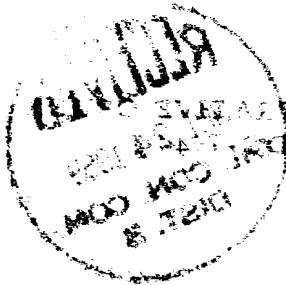
- (1) That application has been duly filed under the provisions of Sub-section 'c' of Rule 112A of the Commission's Rules and Regulations;
- (2) That satisfactory information has been provided that all operators of offset acreage have been duly notified; and
- (3) That no objections have been received within the waiting period as prescribed by said rule.
- (4) That the proposed dual completion will not cause waste nor impair correlative rights.
- (5) That the mechanics of the proposed dual completion are feasible and consonant with good conservation practices.

IT IS THEREFORE ORDERED:

That the applicant herein, Southern Union Gas Company, be and the same is hereby authorized to dually complete its Navajo Indian Well No. 3-B located in the SE/4 SW/4 of Section 19, Township 27 North, Range 8 West, NMPM, San Juan County, New Mexico, in such a manner as to permit the production of gas from the South Blanco-Pictured Cliffs Pool and the production of gas from the Blanco-Mesaverde Pool, through parallel strings of 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 Blanco-Mesaverde Pool.



1. IN THE MATTER OF THE APPLICATION OF THE UNION GAS COMPANY FOR PERMITS TO  
2. DRILL AND OPERATE GAS WELLS IN THE  
3. SOUTH BLANCO OIL FIELD, TOWNSHIP 37 NORTH, RANGE 8 WEST, NEW MEXICO, IN  
4. ACCORDANCE WITH THE PROVISIONS OF THE  
5. NEW MEXICO OIL AND GAS ACT, AS AMENDED.  
6. THE COMMISSIONER OF THE NEW MEXICO OIL AND GAS COMMISSION, HEREBY  
7. GRANTS THE FOLLOWING PERMITS TO THE UNION GAS COMPANY:  
8. TO DRILL AND OPERATE GAS WELLS IN THE SOUTH BLANCO OIL FIELD,  
9. TOWNSHIP 37 NORTH, RANGE 8 WEST, NEW MEXICO, IN ACCORDANCE WITH  
10. THE PROVISIONS OF THE NEW MEXICO OIL AND GAS ACT, AS AMENDED.

STATEMENT OF FACTS  
OF THE NEW MEXICO OIL AND GAS COMMISSION

Under the provisions of Article XX, Section 1, of the Constitution of the State of New Mexico, the New Mexico Oil and Gas Commission was created by Act No. 1, Chapter 1, of the Laws of 1919, for the purpose of regulating the production and distribution of oil and gas in the State of New Mexico. The Commission was organized on January 1, 1920, and has since that time been engaged in the regulation of the oil and gas industry in the State of New Mexico.

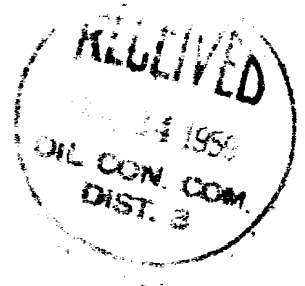
- Now, on this 15th day of May, 1964, the Commission has received an application from the Union Gas Company for permits to drill and operate gas wells in the South Blanco Oil Field, Township 37 North, Range 8 West, New Mexico, in accordance with the provisions of the New Mexico Oil and Gas Act, as amended. The Commission has considered the application and has found that the Union Gas Company is a duly organized and existing corporation under the laws of the State of New Mexico, and that it is qualified to engage in the production and distribution of oil and gas in the State of New Mexico. The Commission has also found that the proposed drilling and operating operations are in accordance with the provisions of the New Mexico Oil and Gas Act, as amended, and that the Union Gas Company has the necessary equipment and personnel to carry out the proposed operations. The Commission has also found that the proposed operations will not cause waste or injury to the land or to the health or safety of the public. The Commission has also found that the proposed operations will be in the public interest.

CONCLUSIONS AND RECOMMENDATIONS

The Commission has concluded that the Union Gas Company is a duly organized and existing corporation under the laws of the State of New Mexico, and that it is qualified to engage in the production and distribution of oil and gas in the State of New Mexico. The Commission has also concluded that the proposed drilling and operating operations are in accordance with the provisions of the New Mexico Oil and Gas Act, as amended, and that the Union Gas Company has the necessary equipment and personnel to carry out the proposed operations. The Commission has also concluded that the proposed operations will not cause waste or injury to the land or to the health or safety of the public. The Commission has also concluded that the proposed operations will be in the public interest.

PROVIDED, HOWEVER, that the applicant shall comply with the provisions of Section 1, Article XX, of the Constitution of the State of New Mexico, and with the provisions of the New Mexico Oil and Gas Act, as amended.

PROVIDED, FURTHER, that the applicant shall file with the Commission a plan of the proposed operations, and shall file with the Commission a report of the results of the operations, and shall file with the Commission a report of the results of the operations, and shall file with the Commission a report of the results of the operations.



Order No. DC-794

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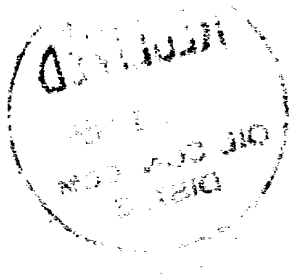
IT IS FURTHER ORDERED: That jurisdiction of this cause is hereby retained by the Commission for such further order or orders as may seem necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of applicant to comply with any requirement of this order, 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

A. L. PORTER, Jr.,  
Secretary-Director

SEAL



## References

1. The Commission is authorized to make such investigations and to make such recommendations as it may deem necessary for the prevention of waste and for the conservation of the natural resources of the State.

[illegible]

## References:

ALL INFORMATION CONTAINED  
HEREIN IS UNCLASSIFIED DATE 08-28-2001 BY 60322 UCBAW

SECRET

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