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STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



GARREY CARRUTHERS
GOVERNOR

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THE APPLICATION OF UNION TEXAS PETROLEUM CORPORATION

RECEIVED
MC-3001

ADMINISTRATIVE ORDER
OF THE OIL CONSERVATION DIVISION

MAY 26 1989

OIL CON. DIV

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.

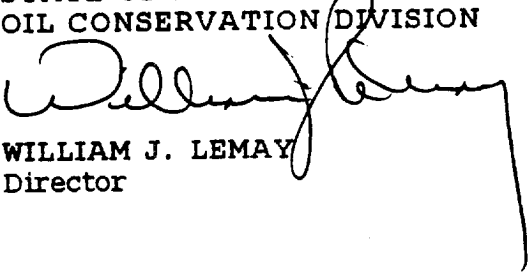
PROVIDED HOWEVER THAT, applicant shall complete, operate and produce said well in accordance with the provisions of Rule 112-A.

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

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