STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

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IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

CASE NO. 7336 Order No. R-6778

APPLICATION OF C & E OPERATORS, INC. FOR A TRIPLE COMPLETION, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on August 26, 1981, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 30th day of September, 1981, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, C & E Operators, Inc., seeks authority to complete the following wells in Township 30 North, Range Il West, NMPM, San Juan County, New Mexico, as a triple completion (conventional) to produce gas from the Farmer-Fruitland Pool, the Aztec-Pictured Cliffs Pool, and the Blanco Mesaverde Pool: Aztec Wells Nos. 8 in Unit N of Section 8 and 9 in Unit M of Section 9; and Fee Well No. 8 in Unit C of Section 8.
- (3) That although the original application was for the use of separate strings of tubing to each zone, at the time of the hearing the applicant requested and the Examiner approved an amendment of the application to provide for production of the Fruitland zone through the casing-tubing annulus in each of the subject wells.
- (4) That the mechanics of the proposed triple completions are feasible and in accord with good conservation practices.

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(5) That approval of the subject application will prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, C & E Operators, Inc., is_hereby authorized to complete the following wells in Township 30 North, Range Il West, NMPM, San Juan County, New Mexico, as a triple completion (conventional) to produce gas from the Farmer-Fruitland Pool, the Aztec-Pictured Cliffs Pool, and the Blanco Mesaverde Pool through the casing-tubing annulus and through separate strings of tubing, respectively, with packers set to separate each of the zones: Aztec Wells Nos. 8 in Unit N of Section 8 and 9 in Unit M of Section 9; and Fee Well No. 8 in Unit C of Section 8.

PROVIDED HOWEVER, that the applicant shall complete, operate, and produce said wells in accordance with the provisions of Rule 112-A of the Division Rules and Regulations insofar as said rule is not inconsistent with this order;

PROVIDED FURTHER, that the applicant shall take packer leakage tests upon completion and annually thereafter during the Annual Deliverability Test Period for gas wells in the San Juan

(2) That jurisdiction of this cause is 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 OUL CONSERVATION DIVISION

JOE D. RAMEY

Director

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