

Stogner, Michael

Case 12118

To: Chavez, Frank
Cc: Williams, Chris; Gum, Tim
Subject: RE: Rule 112

Thanks for the input. These proposed changes will be placed in the case file for consideration at the hearing.

From: Chavez, Frank
Sent: Tuesday, December 22, 1998 3:41 PM
To: Stogner, Michael
Cc: Williams, Chris; Gum, Tim
Subject: Rule 112

Thanks for your work on this. In the past we have also tried to ask ourselves what is the genuine conservation reason for doing what we are doing. Given the real lack of need for a permitting process yet the need for us to assure segregation in multiple completed wells we should consider eliminating the permitting process entirely. I propose that we look at the possibility of deleting all of the rule to 112 A.F. and having the rest as follows:

112-A MULTIPLE COMPLETIONS

~~(b) The well shall be completed and thereafter~~ Wells completed in more than one pool shall be produced in such a manner that there will be no commingling of hydrocarbons from the separate pools strata. [2-1-82...2-1-96]

~~(c)~~ The operator shall commence a segregation test and/or packer leakage test not later than fifteen (15) days after actual multiple completion of the well. Segregation tests and/or packer leakage tests shall also be made any time the packer is disturbed and at such other intervals as the Division may prescribe. The Operator shall also make all other tests and determinations deemed necessary by the Division. The Division shall be notified of the time such tests are to be commenced and tests may be witnessed by the Division at its election. Representatives of offset operators may witness such tests at their election and shall advise the producer in writing if they desire to be notified when such tests are to be conducted. Results of such tests shall be filed with the Division within fifteen (15) days after the completion of tests; provided, however, that in the event a segregation test or packer leakage test indicates that there is communication between the separate pools strata, the operator, shall immediately notify the Division and commence remedial action on the well.

[2-1-82...2-1-96]

~~(d)~~ The well shall be so equipped that reservoir pressure may be determined for each of the separate pools strata and further be so equipped that meters may be installed and the gas, oil and gas, and oil produced from each of the separate pools strata may be accurately measured, and the gas oil ratio or the gas liquid ratio thereof determined. [2-1-82...2-1-96]

~~(c) Within 20 days after the completion of the well, the operator shall furnish the Division with a diagrammatic sketch of the mechanical installation which was actually used in completing the well together with a report of the gravity, gas oil ratio or gas liquid ratio, and surface or bottomhole pressure for each of the separate zones, and the log of the well if the same has not been previously submitted. [2-1-82...2-1-96]~~

~~(f) No multiple completion may continue to produce in a manner which is unnecessarily wasteful of reservoir energy. [2-1-82...2-1-96]~~

~~(g) The Division may require the proper plugging of any temporarily abandoned pool zone of a multiply completed well if such plugging appears necessary to prevent waste or protect correlative rights. [2-1-82...2-1-96]~~