BEFORE THE CIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 1625 Order No. R-1367

APPLICATION OF EL PASC NATURAL GAS COMPANY FOR AN ORDER AUTHORIZING AN OIL-GAS DUAL COMPLETION IN THE GALLUP FORMATION ADJACENT TO THE ANGELS PEAK-GALLUP OIL POOL AND IN AN UNDESIGNATED DAKOTA FORMATION, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 8, 1959, at Santa Fe, New Mexico, before E. J. Fischer, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this day of April, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, E. J. Fischer, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, El Paso Natural Gas Company, is the operator of the Huerfano Unit Well No. 105, located 800 feet from the South line and 680 feet from the East line of Section 29, Township 27 North, Range 10 West, NMPM, San Juan County, New Mexico.
- (3) That the applicant proposes to dually complete the above-described Ruerfano Unit Well No. 105 in such a manner as to permit the production of oil from the Gallup formation adjacent to the Angels Peak-Gallup Oil Pool and the production of gas from an undesignated Dakota formation through parallel strings of 2-inch EUE tubing.
- (4) That the mechanics of the proposed dual completion are feasible and in accord with good conservation practices.
- (5) That approval of the subject application will not cause waste nor impair correlative rights.

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IT IS THEREFORE ORDERED:

That the applicant, El Paso Natural Gas Company, be and the same is hereby authorized to dually complete its Huerfano Unit Well No. 105, located 800 feet from the South line and 680 feet from the East line of Section 29, Township 27 North, Range 10 West, NMPM, San Juan County, New Mexico, in such a manner as to permit the production of oil from the Gallup formation adjacent to the Angels Peak-Gallup Oil Pool and the production of gas from an undesignated Dakota formation through parallel strings of 2-inch EUE 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 Angels Peak-Dakota Gas Pool.

IT IS FURTHER CRDERED: 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 CIL CONSERVATION COMMISSION

JOHN BURROUGHS, Chairman

MURRAY E. MORGAN. Member

A. L. PORTER, Jr., Member & Secretary

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