OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

January 19, 1960

Mr. Oliver Seth Box 828 Santa Fe, New Mexico

Dear Mr. Seth:

On behalf of your client, El Paso Natural Gas Company, we enclose two copies of Order No. R-1583 in Case No. 1838 issued by the Oil Conservation Commission on January 18, 1960.

Very truly yours,

A. L. PORTER, Jr. Secretary-Director

Enclosures: (2)

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BEFORE THE OIL 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. 1838 Order No. R-1583

APPLICATION OF EL PASO NATURAL GAS COMPANY POR A DUAL COMPLETION IN AN UNDESIGNATED GALLUP POOL AND AN UNDESIGNATED DAKOTA POOL, 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 January 6, 1960, at Santa Fe, New Mexico, before Daniel S. Nutter, 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 Standary day of January, 1960, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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 is the owner and operator of the Huerfano Unit Well No. 111 (G.D.) located in Unit F, Section 20, Township 26 North, Range 9 West, NMPM, San Juan County, New Mexico.
- (3) That the applicant proposes to dually complete the above-described Huerfano Unit Well No. 111 (G.D.) in such a manner as to permit the production of gas from an undesignated Gallup pool and the production of gas from an undesignated Dakota pool through parallel strings of 2-3/8 inch 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 neither cause waste nor impair correlative rights.

-2-Case No. 1838 Order No. R-1583

IT IS THEREFORE ORDERED:

That the applicant be and the same is hereby authorized to dually complete the Euerfano Unit Well No. 111 (G.D.) located in Unit F. Section 20. Township 26 North, Range 9 West, NMPM, San Juan County, New Mexico, in such a manner as to permit the production of gas from an undesignated Gallup pool and the production of gas from an undesignated Dakota pool through parallel strings of 2-3/8 inch tubing.

<u>PROVIDED HOWEVER</u>, 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 Dakota producing Interval.

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 Pe, New Mexico, on the day and year hereinabove designated.

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

JOHN BURROUGHS, Chairman

MURRAY E. MORGAN, Member

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