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. 1911 Order No. R-1629

APPLICATION OF JOHNSTON AND SHEAR FOR A GAS-OIL-GAS TRIPLE COMPLETION IN THE SOUTH BLANCO-PICTURED CLIFFS POOL (OR OTERO-CHACRA POOL), IN AN UNDESIGNATED GALLUP POOL AND IN THE DAKOTA PRODUCING INTERVAL, RIO ARRIBA COUNTY, NEW MEXICO, UTILIZING PARALLEL STRINGS OF SMALL DIAMETER CASING.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on February 25, 1960, at Santa Fe, New Mexico, before Elvis A. Utz, Emaminer 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 <u>llth</u> day of March, 1960, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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 Jicarilla Well No. 1-4, to be located 985 feet from the North line and 805 feet from the West line of Section 4, Township 24 North, Range 5 West, Rio Arriba County, New Mexico.

(3) That the applicant proposes to triple complete the said Jicarilla Well No. 1-4 in such a manner as to permit the production of gas from the South Blanco-Pictured Cliffs Pool or the Otero-Chacra Pool, at the applicant's option, the production of oil from an undesignated Gallup Pool and the production of gas from the Dakota Producing Interval through parallel strings of 2-7/8 inch OD casing cemented in a common well bore. -2-Case No. 1911 Order No. R-1629

(4) That the applicant proposes to circulate cement to 600 feet above the casing shoe of each string of casing.

(5) That both the South Blanco-Pictured Cliffs and the Otero-Chacra intervals in the subject well should be cemented in order to prevent waste of the gas from either of the two zones.

(6) That centralizers should be used at least in all cemented intervals where two or more strings of casing are adjacent.

(7) That the mechanics of the proposed triple completion are feasible and in accord with good conservation practices.

(8) That approval of the subject application will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

That the applicant be and the same is hereby authorized to triple complete its Jicarilla Well No. 1-4, located 985 feet from the North line and 805 feet from the West line of Section 4, Township 24 North, Range 5 West, Rio Arriba County, New Mexico, in such a manner as to permit the production of gas from the South Blanco-Pictured Cliffs Pool or the Otero-Chacra Pool, at the applicant's option, the production of oil from an undesignated Gallup Pool and the production of gas from the Dakota Producing Interval through parallel strings of 2-7/8 inch OD casing cemented in a common well bore.

<u>PROVIDED HOWEVER</u>, That the applicant shall circulate cement to 600 feet above the casing shoe of each string of casing and shall circulate cement through the South Blanco-Pictured Cliffs and the Otero-Chacra intervals in the subject well.

PROVIDED FURTHER, That centralizers shall be used at least in all cemented intervals where two or more strings of casing are adjacent.

<u>PROVIDED FURTHER</u>, That applicant shall complete, operate, and produce said well in accordance with the applicable provisions of Section V, Rule $112-\lambda$.

<u>PROVIDED FURTHER</u>, That applicant shall take communication tests upon completion and annually thereafter during the Annual Deliverability Test Period for the South Blanco-Pictured Cliffs Pool.

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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 dual zone or regular single-zone production in the interests of conservation.

DOME at Santa Fe, New Mexico on the day and year hereinabove designated.

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

JOHN BURROUGHS, Chairman

MURRAY E. MORGAN, Member

de

L. PORTER, Jr., Member & Secretary

