

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. 2762
Order No. R-2438

APPLICATION OF PAN AMERICAN PETROLEUM
CORPORATION FOR A DUAL COMPLETION (OIL
PRODUCTION AND SALT WATER DISPOSAL),
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 February 21, 1963, at Santa Fe, New Mexico, before Elvis A. Utz, 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 27th day of February, 1963, 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, Pan American Petroleum Corporation, is the owner and operator of the USG Section 19 Well No. 17, located in Unit I of Section 19, Township 29 North, Range 16 West, NMPM, Hogback-Pennsylvanian Pool, San Juan County, New Mexico.

(3) That the applicant seeks permission to dually complete its USG Section 19 Well No. 17 to produce oil through the tubing from the Pennsylvanian formation below a packer set at approximately 6612 feet and to inject produced salt water down the annulus between the 7-inch casing and the 9 5/8-inch casing into a non-productive zone of the Chinle formation at an approximate depth of 2157 to 3100 feet.

(4) That the salt water will be produced from the applicant's USG Section 19 Well No. 13, located in Unit G, and applicant's USG Section 19 Well No. 17, located in Unit I, of Section 19, Township 29 North, Range 16 West, NMPM, Hogback-Pennsylvanian Pool, San Juan County, New Mexico; that said salt water is unfit for domestic, stock, irrigation, or other general use; and that the proposed disposal interval is non-productive of oil, gas, or fresh water.

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(5) That there is no vertical communication between the proposed injection zone and the proposed producing zone in applicant's USG Section 19 Well No. 17.

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

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

IT IS THEREFORE ORDERED:

(1) That the applicant, Pan American Petroleum Corporation, is hereby authorized to dually complete its USG Section 19 Well No. 17, located in Unit I of Section 19, Township 29 North, Range 16 West, NMPM, Hogback-Pennsylvanian Pool, San Juan County, New Mexico, to produce oil through the tubing from the Pennsylvanian formation below a packer set at approximately 6612 feet and to inject produced salt water down the annulus between the 7-inch casing and the 9 5/8-inch casing into a non-productive zone of the Chinle formation at an approximate depth of 2157 to 3100 feet.

PROVIDED HOWEVER, That the applicant shall complete, operate, and produce said well in accordance with the provisions of Rule 112-A of the Commission 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.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Jack M. Campbell
JACK M. CAMPBELL, Chairman

E. S. Walker
E. S. WALKER, Member

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



esr/