

CASE 2770: Application of EL PASO
NATURAL GAS CO. for permission to
conduct certain special well tests.

1954 10.

petition, Transcript,
and Exhibits, Etc.

GOVERNOR
JACK M. CAMPBELL
CHAIRMAN

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
E. S. JOHNNY WALKER
MEMBER

P. O. BOX 871
SANTA FE

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

April 1, 1963

Mr. Garrett Whitworth
El Paso Natural Gas Company
Post Office Box 1492
El Paso, Texas

Re: Case No. 2770
Order No. R-2460
Applicant:
EL PASO NATURAL GAS COMPANY

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A handwritten signature in cursive script that reads "A. L. Porter, Jr.".

A. L. PORTER, Jr.
Secretary-Director

ir/

Carbon copy of order also sent to:

Hobbs OCC X

Artesia OCC

Astec OCC X

OTHER

No. 8-63

DOCKET: EXAMINER HEARING - THURSDAY - MARCH 7, 1963

9 A. M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or
Elvis A. Utz, as alternate examiner:

CASE 2763: (Continued)

Application of Sunray DX Oil Company for the creation of a Strawn Gas Pool and for Special Temporary Pool Rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Strawn Gas Pool for its New Mexico State "AH" Well No. 1, located in Unit K of Section 30, Township 18 South, Range 23 East, Eddy County, New Mexico, and the establishment of temporary pool rules therefor, including a provision for 640-acre proration units.

CASE 2766: Application of Tom Brown Drilling Company, Inc., for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Siegreist Draw Unit Area, comprising 7,578 acres, more or less, of State and fee lands in Township 19 South, Range 23 East, Eddy County, New Mexico.

CASE 2767: Application of Tom Brown Drilling Company, Inc., for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Antelope Sink Unit Area, comprising 7,561 acres, more or less, of State and fee lands in Township 19 South, Ranges 23 and 24 East, Eddy County, New Mexico.

CASE 2768: Application of Ernest A. Hanson and Harold Kersey for special nomenclature, Eddy County, New Mexico. Applicants, in the above-styled cause, seek an order extending the vertical limits of that portion of the Red Lake (Grayburg-San Andres) Pool underlying the NW/4 of Section 14, Township 17 South, Range 28 East, Eddy County, New Mexico, to include therein the Queen formation.

CASE 2769: Application of Cities Service Oil Company for three water injection wells, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to convert the Pure State No. 1 and the Gulf State Well No. 1 located in Units D and P, respectively, of Section 16, Township 14 South, Range 31 East, Chaves County, New Mexico, to water injection, offsetting Phillips Petroleum Company's West Cap Waterflood Project. Applicant further seeks authority to drill an additional water injection well at the southwest corner of Unit K of said Section 16.

-2-

Docket No. 8-63

CASE 2770:

Application of El Paso Natural Gas Company for permission to conduct certain special well tests, San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled cause, seeks authority to conduct maximum pressure build-up tests on 27 wells in the Blanco-Mesaverde, Basin-Dakota, Aztec-Pictured Cliffs, Ballard-Pictured Cliffs, and South Blanco-Pictured Cliffs Gas Pools, San Juan and Rio Arriba Counties, New Mexico. Applicant further seeks exception to the annual well-testing requirements of Order R-333-F for said wells during the testing period, as well as exception to the under-age and overage balancing requirements of Order R-1670. Further, applicant seeks authority to transfer said wells' allowables to other wells on the same basic lease for production. Applicant also seeks an administrative procedure for the designation of such substitute wells for testing as may be deemed necessary.

iqg/

EPNG PRESSURE BUILD-UP TEST

TEST WELL DATA BLANCO MESAVERDE Pool

Date Jan. 7, 1963

TEST WELL: Operator: El Paso Natural Gas Company Well Name & No. Atlantic #5-A

Location 1650 fr. S, 990 fr. W lines, L Sec. 26 T. 31 N., R. 10 W

TD: 5464 Casing: 7" @ 4711 Tubing: 2" @ 5331

Completed: January 30, 1953 First Delivery: March 30, 1953

Pay Zone: Open Hole Interval: 4730-5464 or Perforations: _____

Stimulation: Shot w/1395 qts. SNG 4794-5464

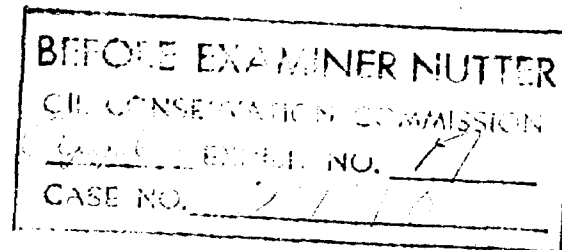
SIPC: 1073 SIPT: 1073 DAYS SI: 33

I. P. Test: 3870 MCF, 3 hrs. _____ Choke: _____ MCF AOF thru tubing or casing

Current Deliverability: 344 MCF, Date Tested: 1962

WELLS ON SAME BASIC LEASE

<u>Name</u>	<u>Location</u>	<u>Deliverability</u>	<u>Date of Test</u>
Atlantic #1-A	H-27-31-10	168	1962
Atlantic #9-A	N-27-31-10	2924	1962
Atlantic #2-A	A-28-31-10	320	1962
Atlantic #3-A	M-28-31-10	711	1962

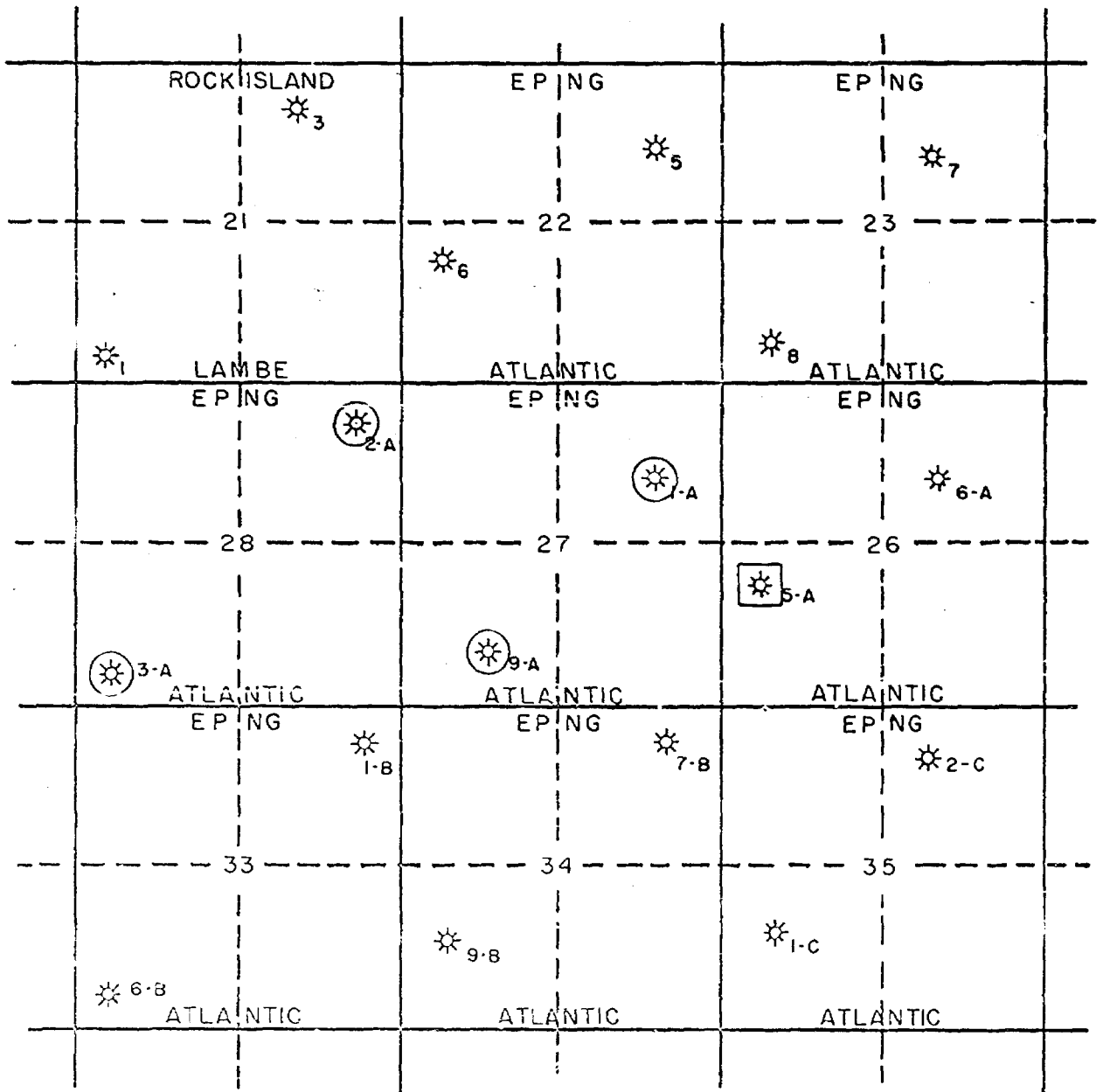


Proration Department

SAN JUAN COUNTY, NEW MEXICO

BLANCO MV

TOWNSHIP 31-N RANGE 10-W



EPNG PRESSURE BUILD-UP TEST

TEST WELL DATA BLANCO MESAVERDE Pool

Date Jan. 7, 1963

TEST WELL: Operator: El Paso Natural Gas Company Well Name & No. Atlantic #8-A

Location 990 fr. N, 987 fr. E lines, A Sec. 29 T. 31 N., R. 11 W

TD: 5145 Casing: 7" @ 4310 Tubing: 2" @ 5042

Completed: June 6, 1955 First Delivery: June 27, 1955

Pay Zone: Open Hole Interval: 4358-5075 or Perforations:

Stimulation: Sand-oil frac.

SIPC: 1030 SIPT: 1034 DAYS SI: 11

I. P. Test: 7158 MCF, 3 hrs. Choke: MCF AOF thru tubing or casing

Current Deliverability: 833 MCF, Date Tested: 1962

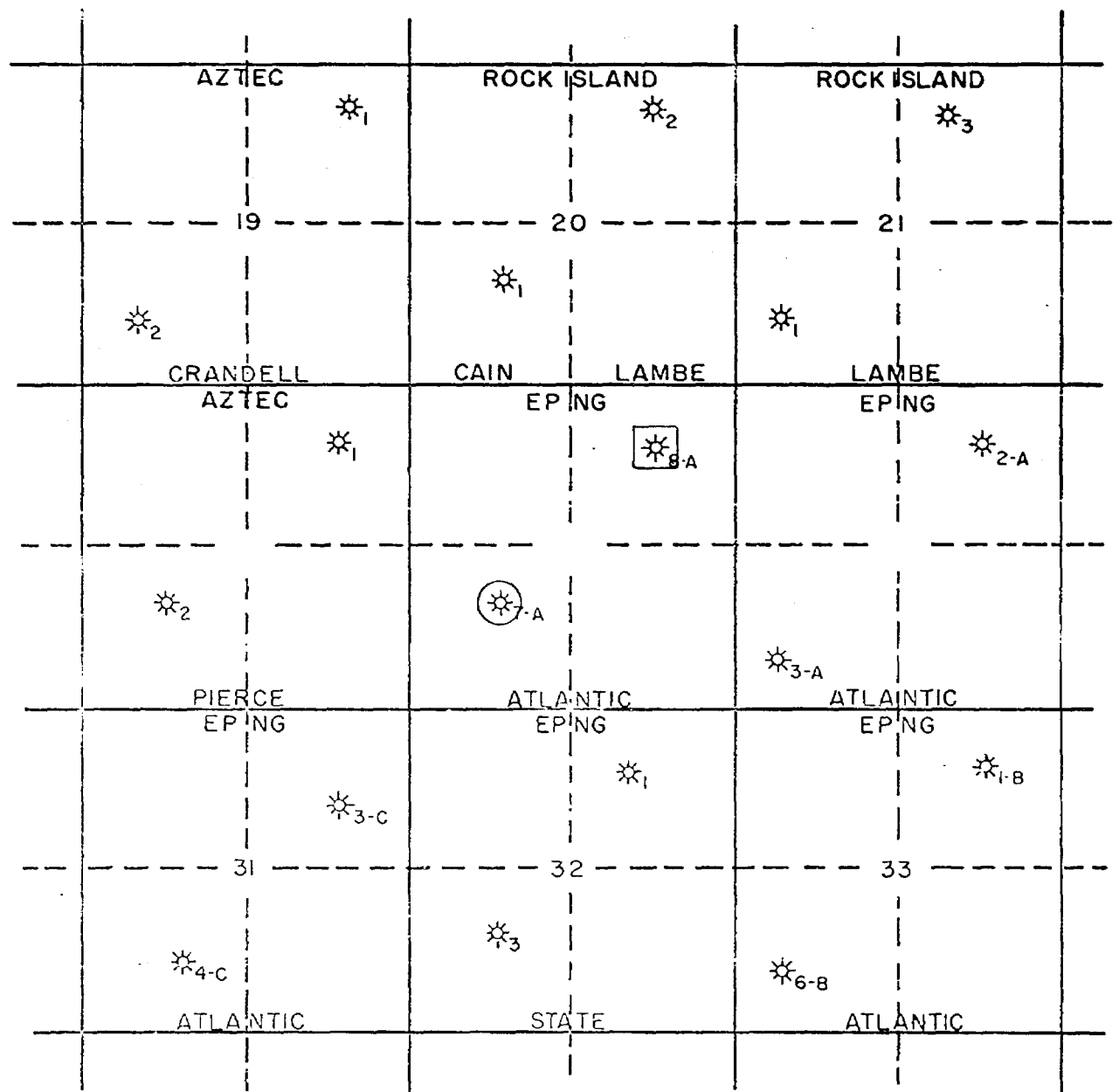
WELLS ON SAME BASIC LEASE

<u>Name</u>	<u>Location</u>	<u>Deliverability</u>	<u>Date of Test</u>
Atlantic #7-A	K-29-31-10	688	1962

SAN JUAN COUNTY, NEW MEXICO

BLANCO MV

TOWNSHIP 31-N RANGE 10-W



EPNG PRESSURE BUILD-UP TEST

TEST WELL DATA Blanco Mesa Verde, Pool

Date Feb. 5, 1963

TEST WELL: Operator: El Paso Natural Gas Company Well Name & No. Barnes #7

Location 1632 fr. S, 1500 fr. W lines, K Sec. 23 T. 32 N., R. 11 W

TD: 5511 Casing: 7" @ 4823 Tubing: 2" @ 5436

Completed: October 21, 1954 First Delivery: October 25, 1954

Pay Zone: Open Hole Interval: 4880-5511 or Perforations:

Stimulation: Sand Oil Frac

SIPC: 1047 SIPT: 1048 DAYS SL: 9

I.P. Test: 5190 MCF, 3 hrs. Choke: MCF AOF thru tubing or casing

Current Deliverability: 902 MCF, Date Tested: 1962

WELLS ON SAME BASIC LEASE

Name	Location	Deliverability	Date of Test
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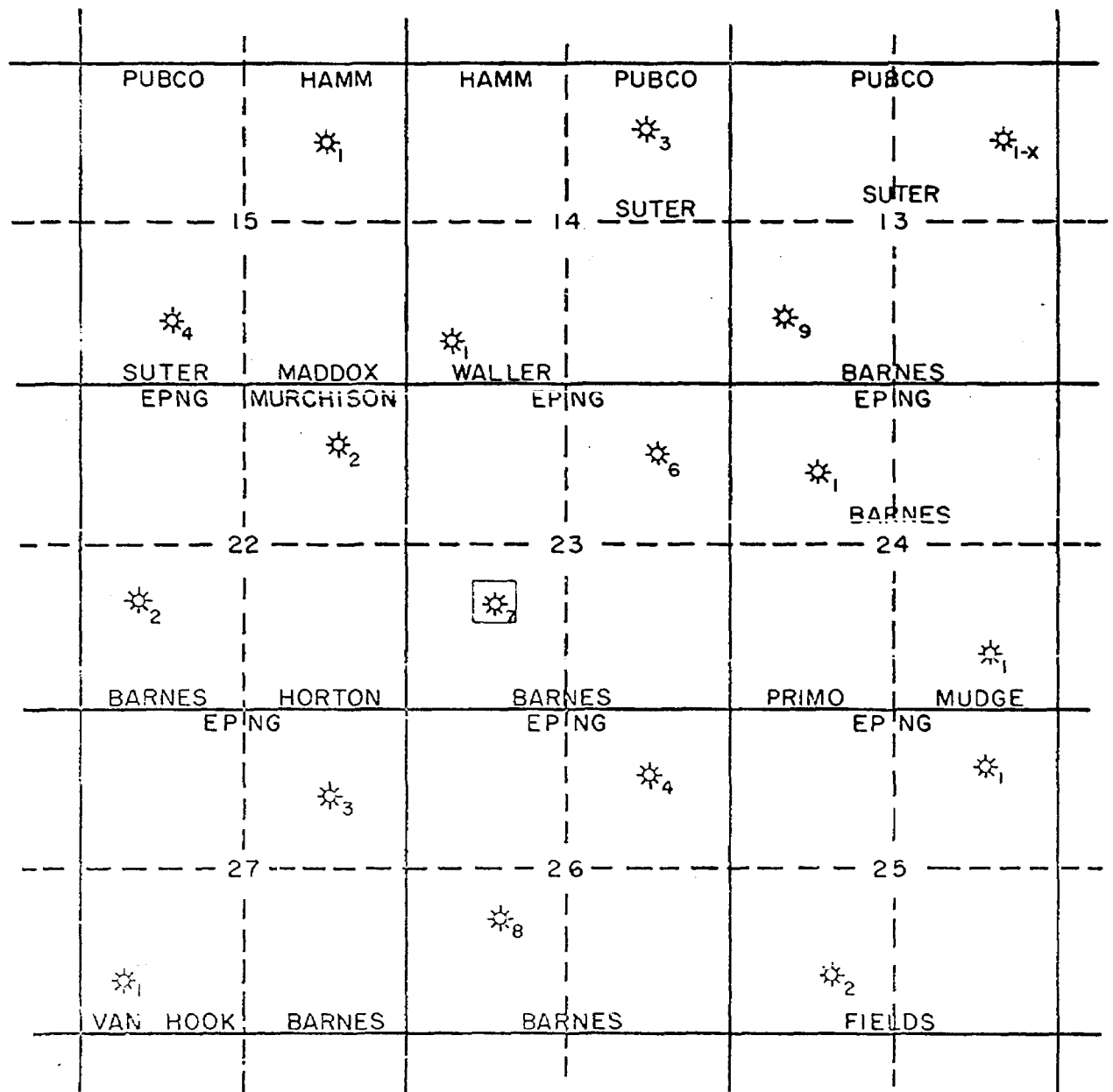
None

Proration Department

SAN JUAN COUNTY, NEW MEXICO

BLANCO M V

TOWNSHIP 32-N RANGE 11-W



EPNG PRESSURE BUILD-UP TEST

TEST WELL DATA BLANCO MESAVERDE Pool

Date Jan. 7, 1963

TEST WELL: Operator: El Paso Natural Gas Company Well Name & No. Barrett #2

Location 790 fr. N, 1750 fr. E lines, B Sec. 19 T. 31 N., R. 9 W

TD: 5740 Casing: 7" @ 5081 Tubing: 2" @ 5652

Completed: April 1, 1954 First Delivery: April 6, 1954

Pay Zone: Open Hole Interval: 5122-5740 or Perforations:

Stimulation: Sand-oil frac.

SPC: 1015 SIPT: 1014 DAYS SL: 7

I. P. Test: 5100 MCF, 3 hrs. Choke: MCF AOF thru tubing or casing

Current Deliverability: 1390 MCF, Date Tested: 1962

WELLS ON SAME BASIC LEASE

<u>Name</u>	<u>Location</u>	<u>Deliverability</u>	<u>Date of Test</u>
Barrett #3	K-20-31-9	862	1962
Barrett #4	A-20-31-9	229	1962

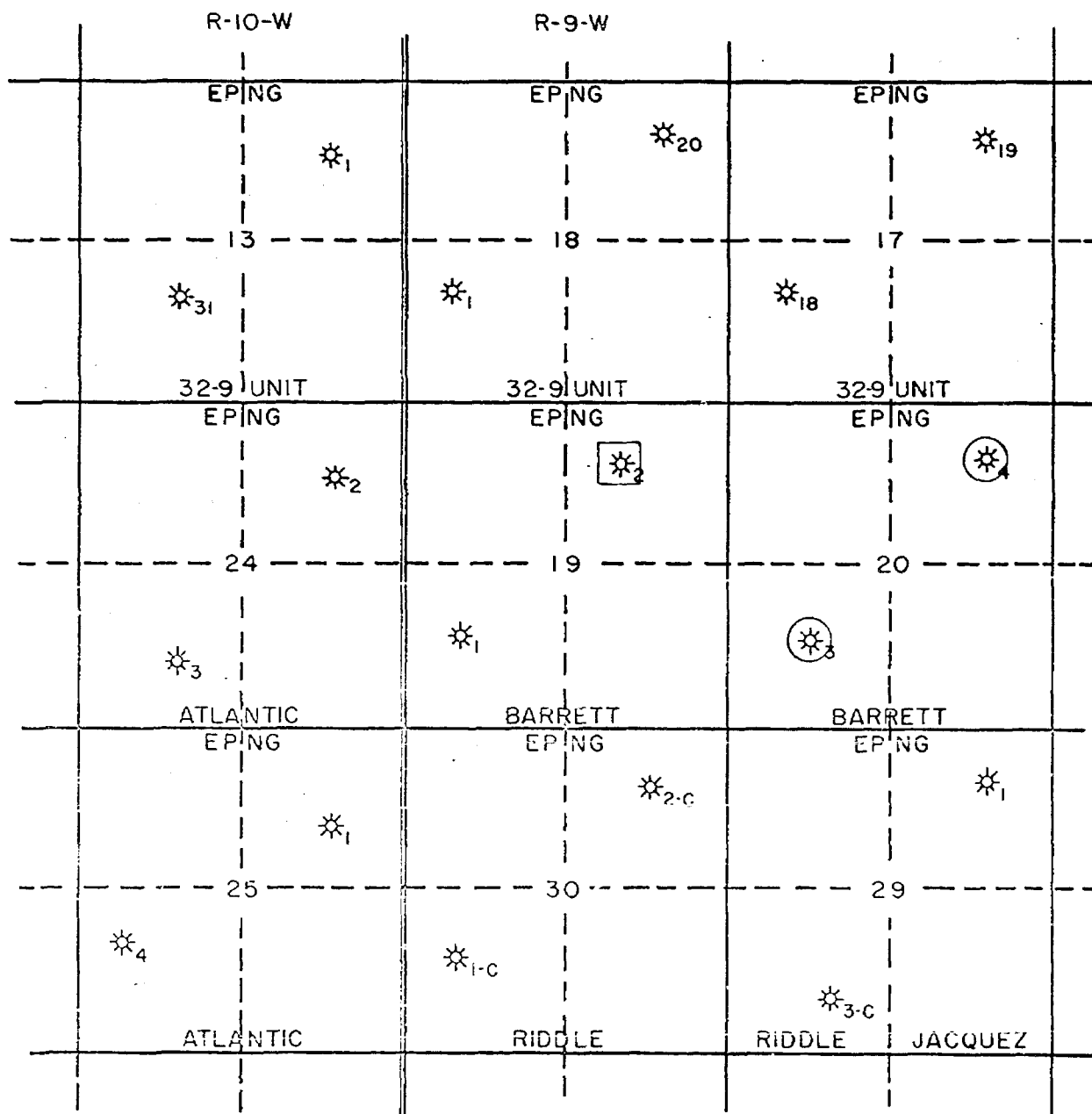
Proration Department

SAN JUAN

COUNTY, NEW MEXICO

BLANCO MV

TOWNSHIP 31-N RANGE 9-W



EPNG PRESSURE BUILD-UP TEST

TEST WELL DATA BLANCO MESAVERDE Pool

Date Jan. 7, 1963

TEST WELL: Operator: El Paso Natural Gas Company Well Name & No. Gartner #2
 Location 1650 fr. N, 1500 fr. E lines, G Sec. 28 T. 30 N., R. 8 W
 TD: 5361 Casing: 7" @ 4528 Tubing: 2" @ 4679
 Completed: October 10, 1951 First Delivery: March 24, 1952
 Pay Zone: Open Hole Interval: 4555-5361 or Perforations: _____
 Stimulation: Shot
 SIPC: 975 SIPT: 1024 DAYS SI: 3
 I. P. Test: 4640 MCF, 3 hrs. _____ Choke: _____ MCF AOF thru tubing or casing
 Current Deliverability: 1917 MCF, Date Tested: 1962

WELLS ON SAME BASIC LEASE

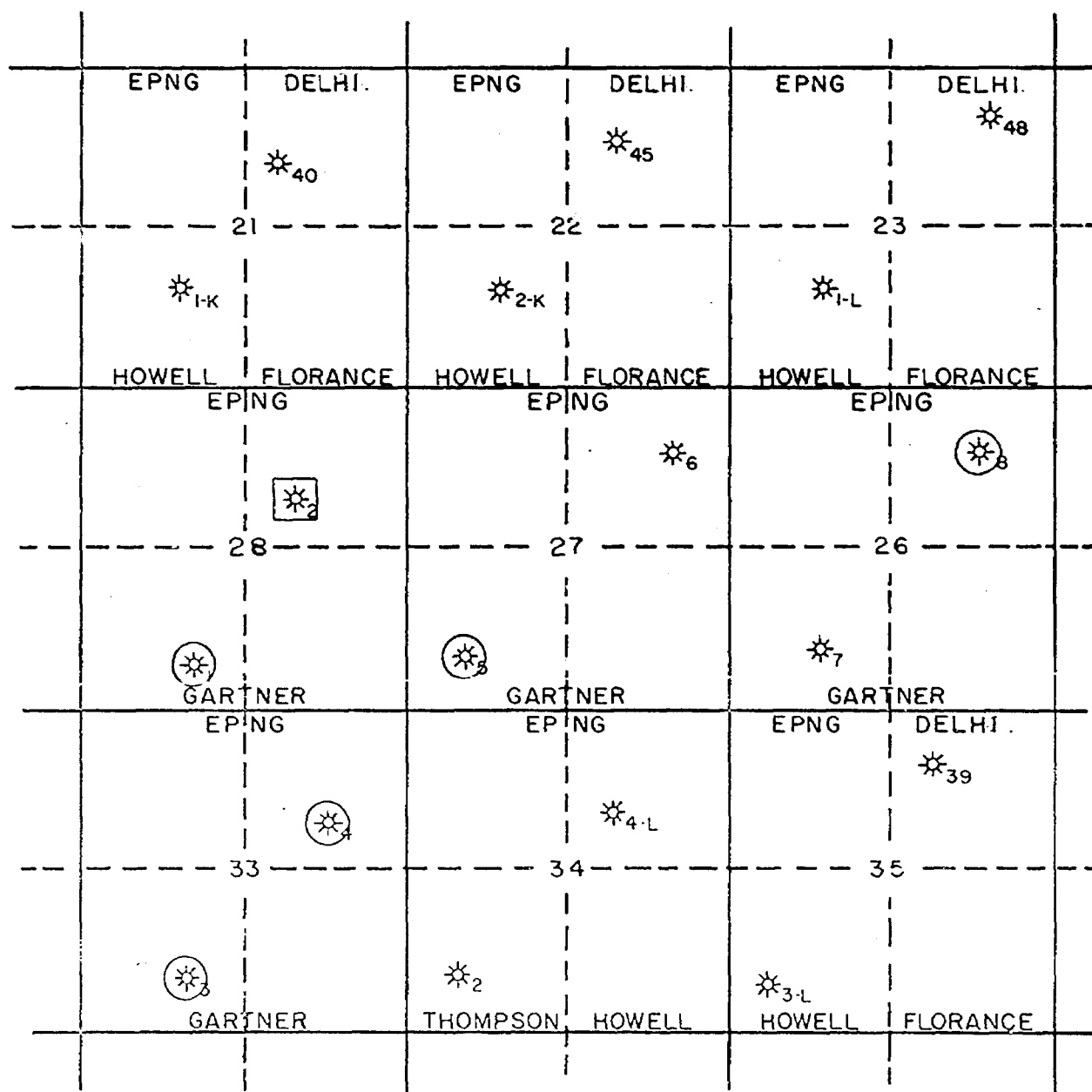
<u>Name</u>	<u>Location</u>	<u>Deliverability</u>	<u>Date of Test</u>
Gartner #1	N-28-30-8	1957	1962
Gartner #3	N-33-30-8	2211	1962
Gartner #4	H-33-30-8	1464	1961
Gartner #5	M-27-30-8	1427	1962
Gartner #8	A-26-30-8	3148	1962

Proration Department

SAN JUAN COUNTY, NEW MEXICO

BLANCO MV

TOWNSHIP 30-N RANGE 8-W



EPNG PRESSURE BUILD-UP TEST

TEST WELL DATA BLANCO MESAVERDE Pool

Date Jan. 7, 1963

TEST WELL: Operator: El Paso Natural Gas Company Well Name & No. Hughes #3
 Location 970 fr. N, 990 fr. E lines, D Sec. 20 T. 29 N., R. 8 W
 TD: 5505 Casing: 7" @ 5146 Tubing: 2" @ 5240
 Completed: July 1, 1952 First Delivery: May 20, 1953
 Pay Zone: Open Hole Interval: 4670-5402 or Perforations: _____
 Stimulation: Shot w/1660 qts. SNG 4673-5453
 SIPC: 1085 SIPT: 1085 DAYS SI: 7
 I.P. Test: 4380 MCF, 3 hrs. _____ Choke: _____ MCF AOF thru tubing or casing
 Current Deliverability: 749 MCF, Date Tested: 1962

WELLS ON SAME BASIC LEASE

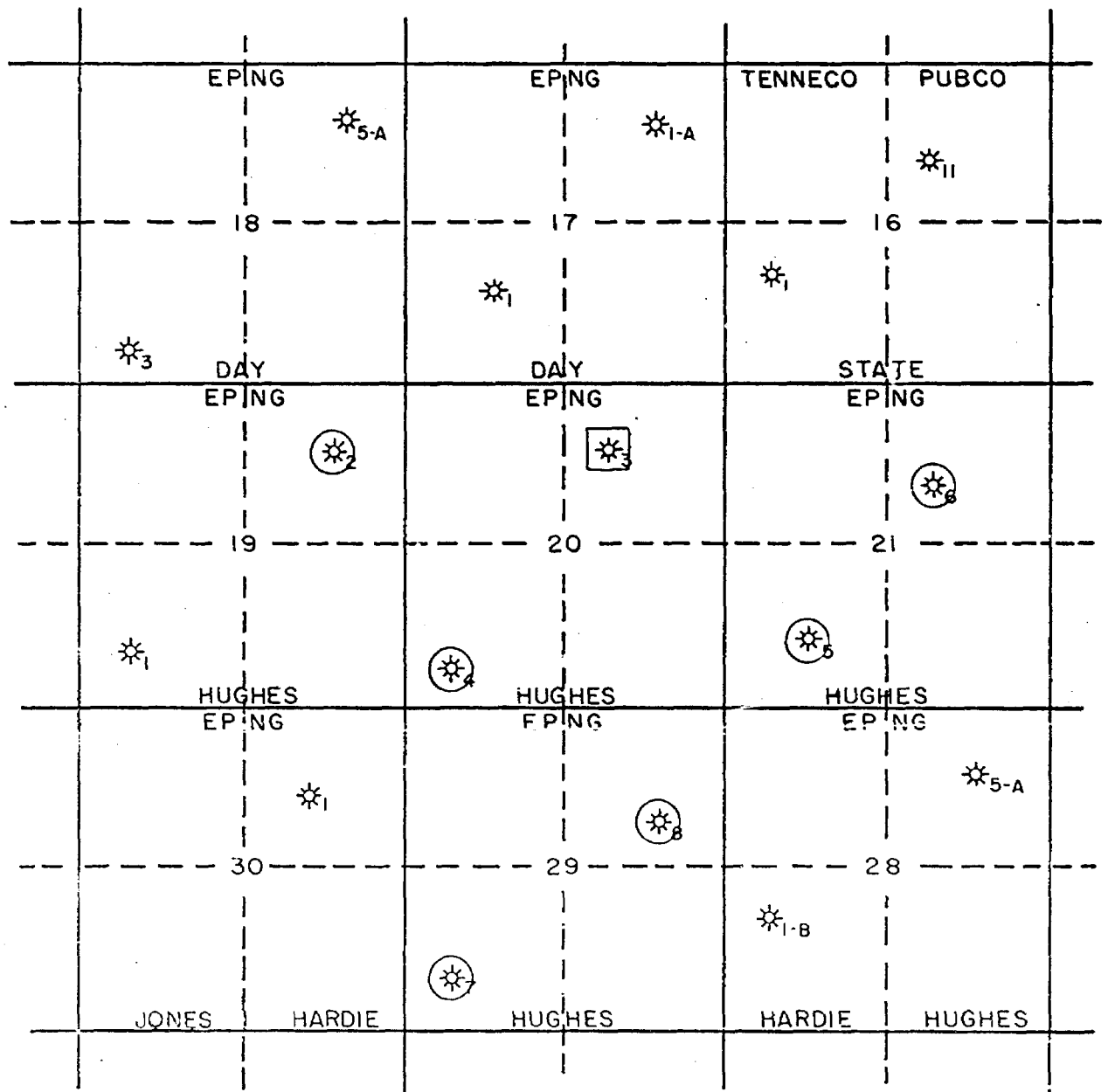
<u>Name</u>	<u>Location</u>	<u>Deliverability</u>	<u>Date of Test</u>
Hughes #2	A-19-29-8	174	1962
Hughes #4	M-20-29-8	562	1962
Hughes #5	N-21-29-8	233	1962
Hughes #6	G-21-29-8	288	1962
Hughes #7	M-29-29-8	222	1962
Hughes #8	H-29-29-8	293	1962

Proration Department

SAN JUAN COUNTY, NEW MEXICO

BLANCO MV

TOWNSHIP 29-N RANGE 8-W



EPNG PRESSURE BUILD-UP TEST

TEST WELL DATA BLANCO MESAVERDE Pool

Date Jan. 7, 1963

TEST WELL: Operator: El Paso Natural Gas Company Well Name & No. Lucerne #A-2

Location 890 fr. N, 1650 fr. E lines, B Sec. 9 T. 31 N., R. 10 W

TD: 5360 Casing: 7" @ 4655 Tubing: 2" @ 5271

Completed: September 16, 1954 First Delivery: October 18, 1954

Pay Zone: Open Hole Interval: 4670-5360 or Perforations: _____

Stimulation: Sand-oil frac.

SIPC: 1010 SIPT: 1006 DAYS SI: 7

I. P. Test: 3848 MCF, 3 hrs. _____ Choke: _____ MCF AOF thru tubing or casing

Current Deliverability: 590 MCF, Date Tested: 1962

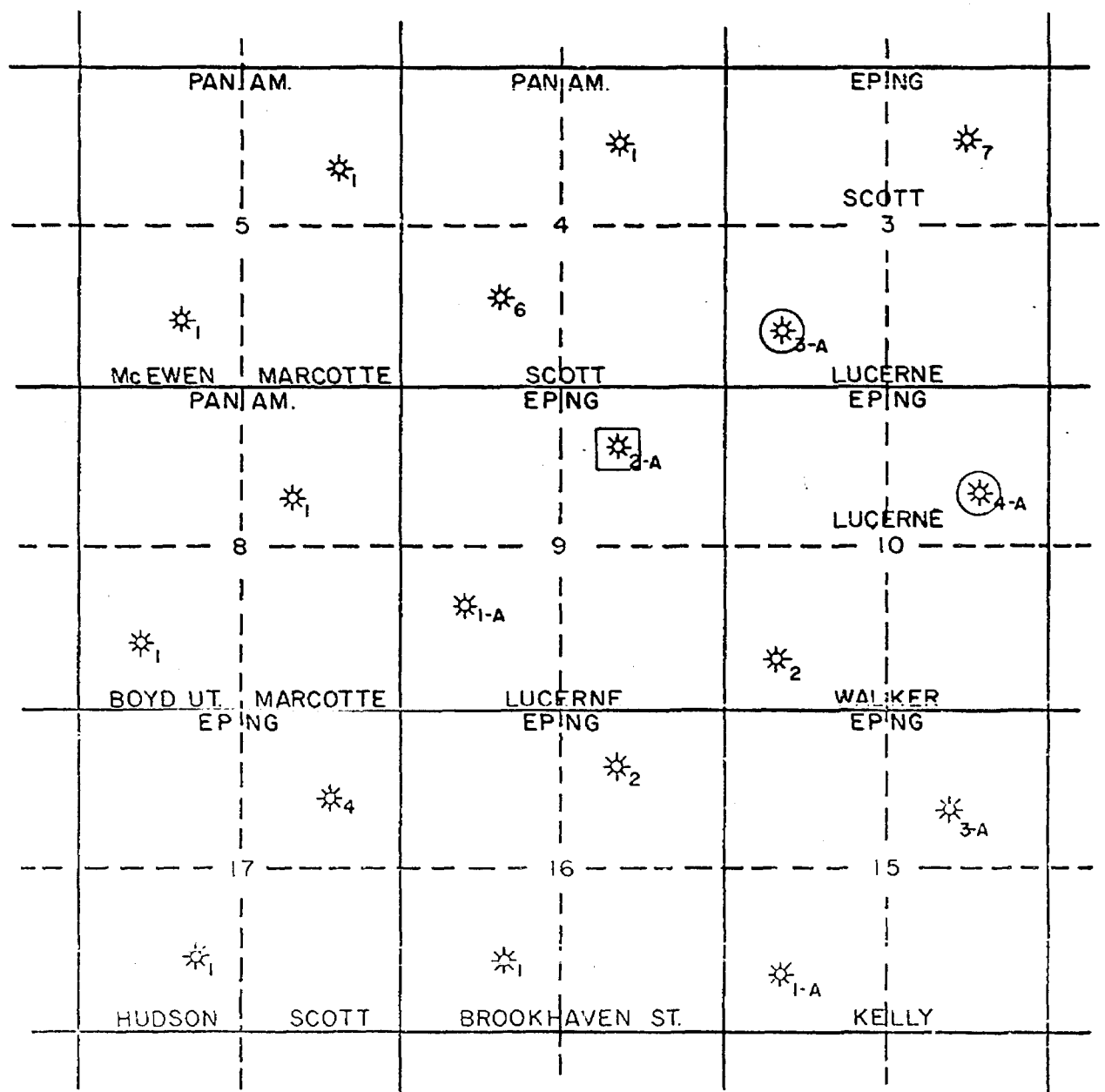
WELLS ON SAME BASIC LEASE

<u>Name</u>	<u>Location</u>	<u>Deliverability</u>	<u>Date of Test</u>
Lucerne #3-A	M-3-31-10	905	1962
Lucerne #4-A	H- 10-31-10	593	1962

SAN JUAN COUNTY, NEW MEXICO

BLANCO MV

TOWNSHIP 31-N RANGE 10-W



EPNG PRESSURE BUILD-UP TEST

TEST WELL DATA BLANCO MESAVERDE Pool

Date Jan. 7, 1963

(SJU 30-6)

TEST WELL: Operator: El Paso Natural Gas Company Well Name & No. McElvain #A-1

Location 1190 fr. N, 1190 fr. E lines, A Sec. 23 T. 30 N., R. 7 W.

TD: 5485 Casing: 5" @ 4792 Tubing: 2" @ 5460

Completed: April 2, 1953 First Delivery: August 11, 1953

Pay Zone: Open Hole Interval: 4914-5485 or Perforations:

Stimulation: Shot w/500 qts. SNG 5150-5485

SPC: 1127 SIPT: 1126 DAYS SI: 11

I. P. Test: 3780 MCF, 3 hrs. Choke: MCF AOF thru tubing or casing

Current Deliverability: 1180 MCF, Date Tested: 1962

WELLS ON SAME BASIC LEASE

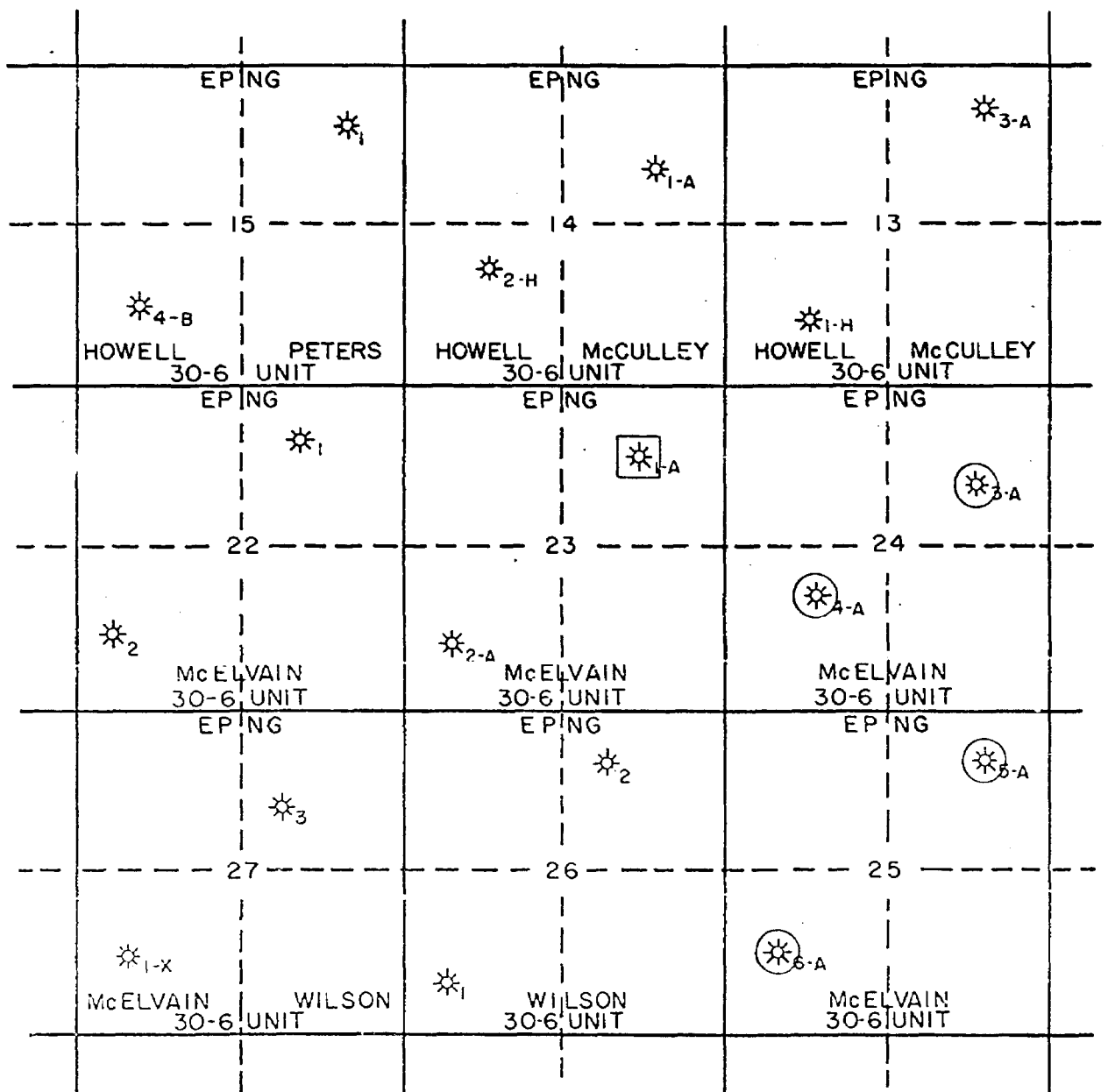
<u>Name</u>	<u>Location</u>	<u>Deliverability</u>	<u>Date of Test</u>
McElvain #2-A	K-23-30-7	267	1962
#3-A	H-24-30-7	190	1962
#4-A	K-24-30-7	266	1962
#5-A	A-25-30-7	190	1962
#6-A	L-25-30-7	287	1962

Proration Department

RIO ARRIBA COUNTY, NEW MEXICO

BLANCO MV

TOWNSHIP 30-N RANGE 7-W



EPNG PRESSURE BUILD-UP TEST

TEST WELL DATA BLANCO MESAVERDE Pool

Date Jan. 7, 1963

TEST WELL: Operator: El Paso Natural Gas Company Well Name & No. Riddle #2

Location 1650 fr. S, 990 fr. W lines, L Sec. 3 T. 30 N., R. 9 W

TD: 5203 Casing: 7" @ 4507 Tubing: 2" @ 5190

Completed: July 16, 1953 First Delivery: August 13, 1953

Pay Zone: Open Hole Interval: 4531-5171 or Perforations:

Stimulation: Shot w/1615 qts. SNG 4553-5203

SIPC: 1074 SIPT: 1074 DAYS SI: 22

I. P. Test: 2986 MCF, 3 hrs. Choke: MCF AOF thru tubing or casing

Current Deliverability: 385 MCF, Date Tested: 1962

WELLS ON SAME BASIC LEASE

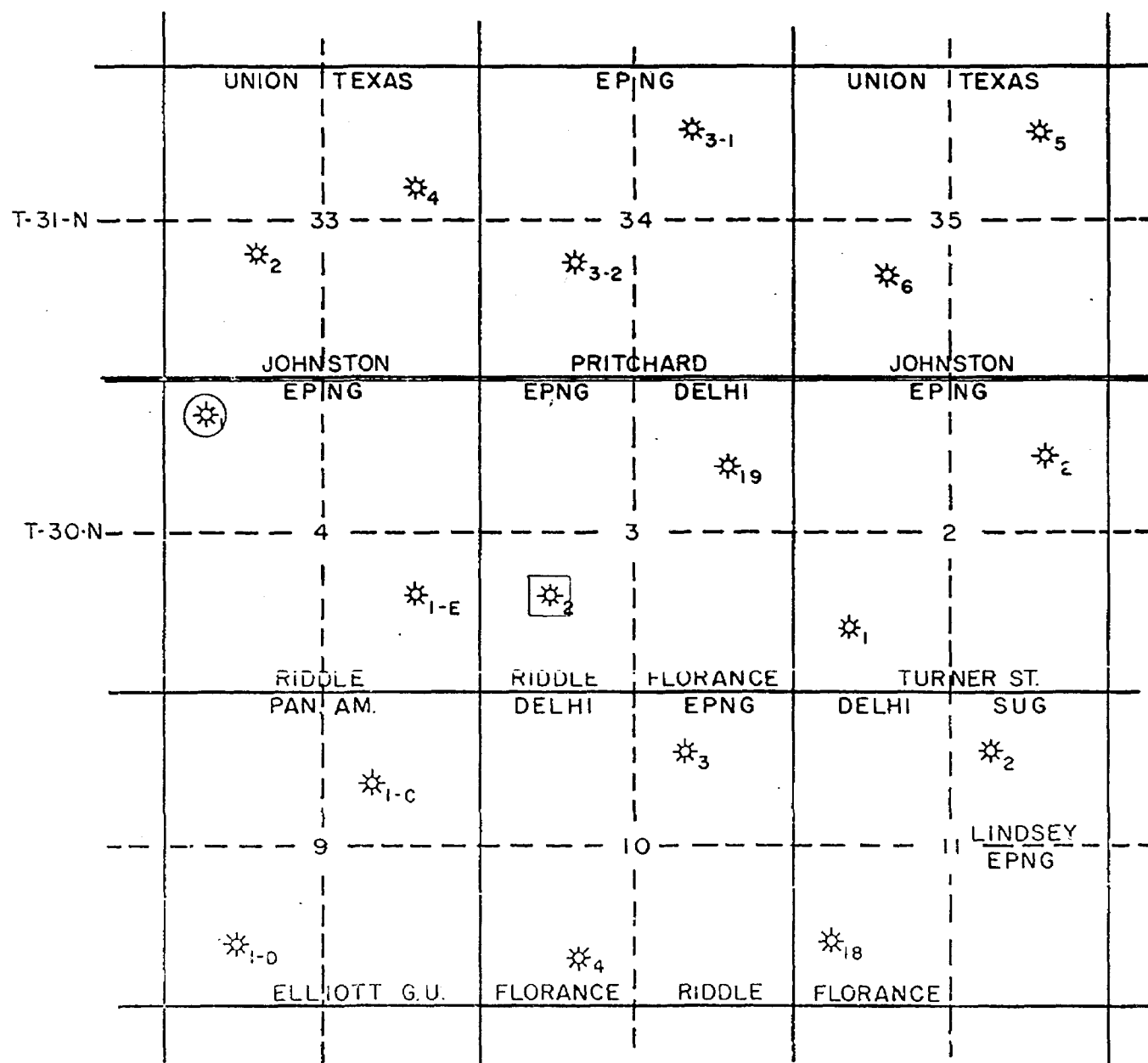
<u>Name</u>	<u>Location</u>	<u>Deliverability</u>	<u>Date of Test</u>
H. K. Riddle #1	D-4-30-9	1755	1962

Proration Department

SAN JUAN COUNTY, NEW MEXICO

BLANCO MV

TOWNSHIP 30-N RANGE 9-W



EPNG PRESSURE BUILD-UP TEST

TEST WELL DATA Blanco Mesa Verde Pool

Date Feb. 5, 1963

TEST WELL: Operator: El Paso Natural Gas Company Well Name & No. Schwerdtfeger #1

Location 990 fr. W, 990 fr. S lines, M Sec. 27 T. 31 N., R. 9 W

TD: 5350 Casing: 5-1/2" @ 4410 Tubing: 2" @ 5250

Completed: May 31, 1952 First Delivery: August 3, 1952

Pay Zone: Open Hole Interval: 4644-5334 or Perforations:

Stimulation: Shot w/1680 qts. SNG 4634-5344

SIPC: 1067 SIPT: DAYS SI³⁶

I. P. Test: 7920 MCF, 3 hrs. Choke: MCF AOF thru tubing or casing

Current Deliverability: 1566 MCF, Date Tested: 1962

WELLS ON SAME BASIC LEASE

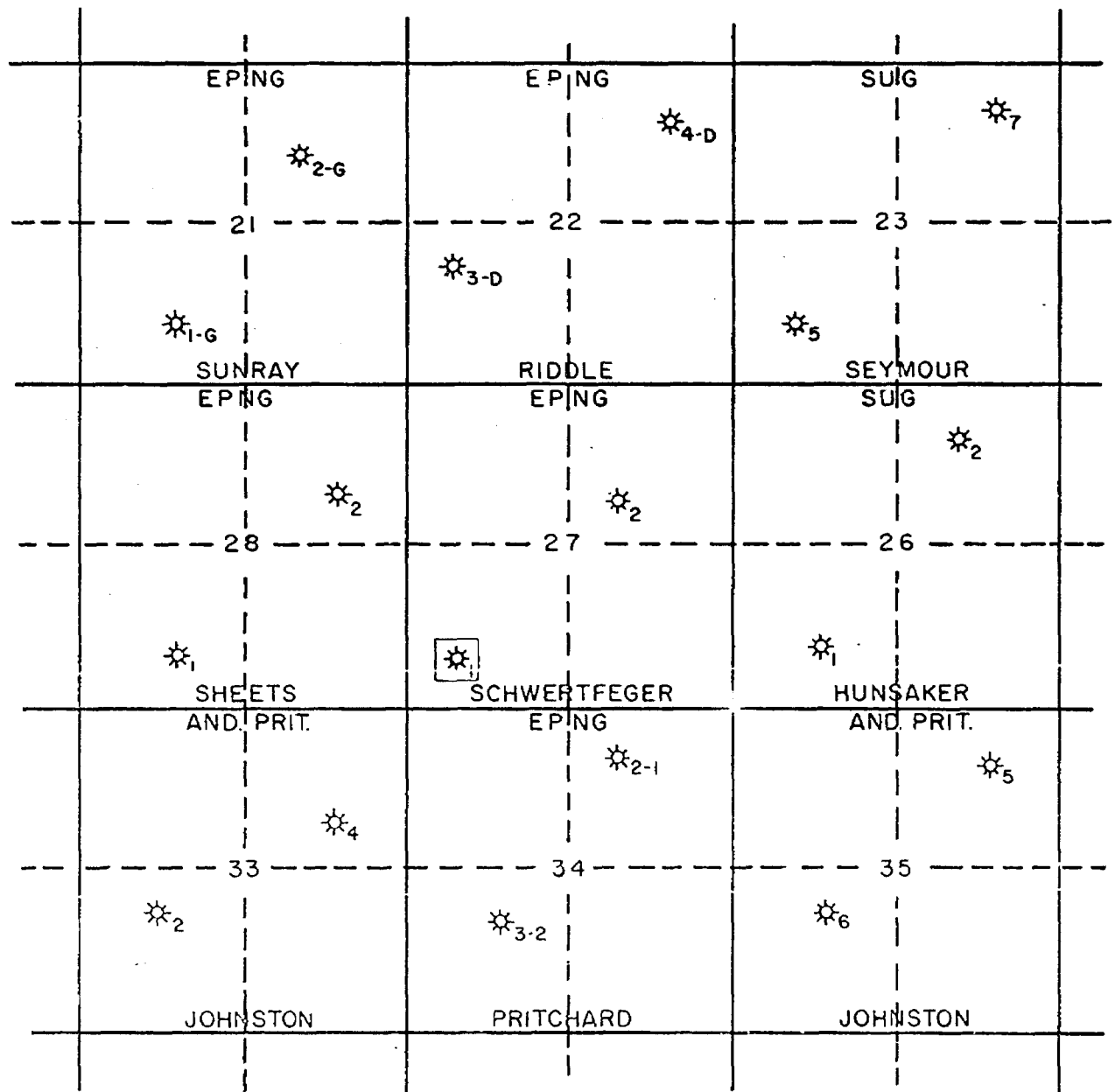
<u>Name</u>	<u>Location</u>	<u>Deliverability</u>	<u>Date of Test</u>
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None

SAN JUAN COUNTY, NEW MEXICO

BLANCO MV

TOWNSHIP 31-N RANGE 9-W



EPNG PRESSURE BUILD-UP TEST

TEST WELL DATA BLANCO MESAVERDE Pool

Date Jan. 7, 1963

TEST WELL: Operator: El Paso Natural Gas Company Well Name & No. SJU 28-6 #37

Location 1650 fr. S, 1650 fr. W lines, K Sec. 6 T. 27 N., R. 6 W.

TD: 5165 Casing: 5-1/2" @ 5165 Tubing: 2" @ 5062

Completed: October 21, 1955 First Delivery: December 8, 1955

Pay Zone: Open Hole Interval: _____ or Perforations: 4454-5143

Stimulation: Sand-water frac.

SIPC: 1095 SIPT: 1092 DAYS SI: 9

I. P. Test: 4742 MCF, 3 hrs. Choke: _____ MCF AOF thru tubing or casing

Current Deliverability: 461 MCF, Date Tested: 1962

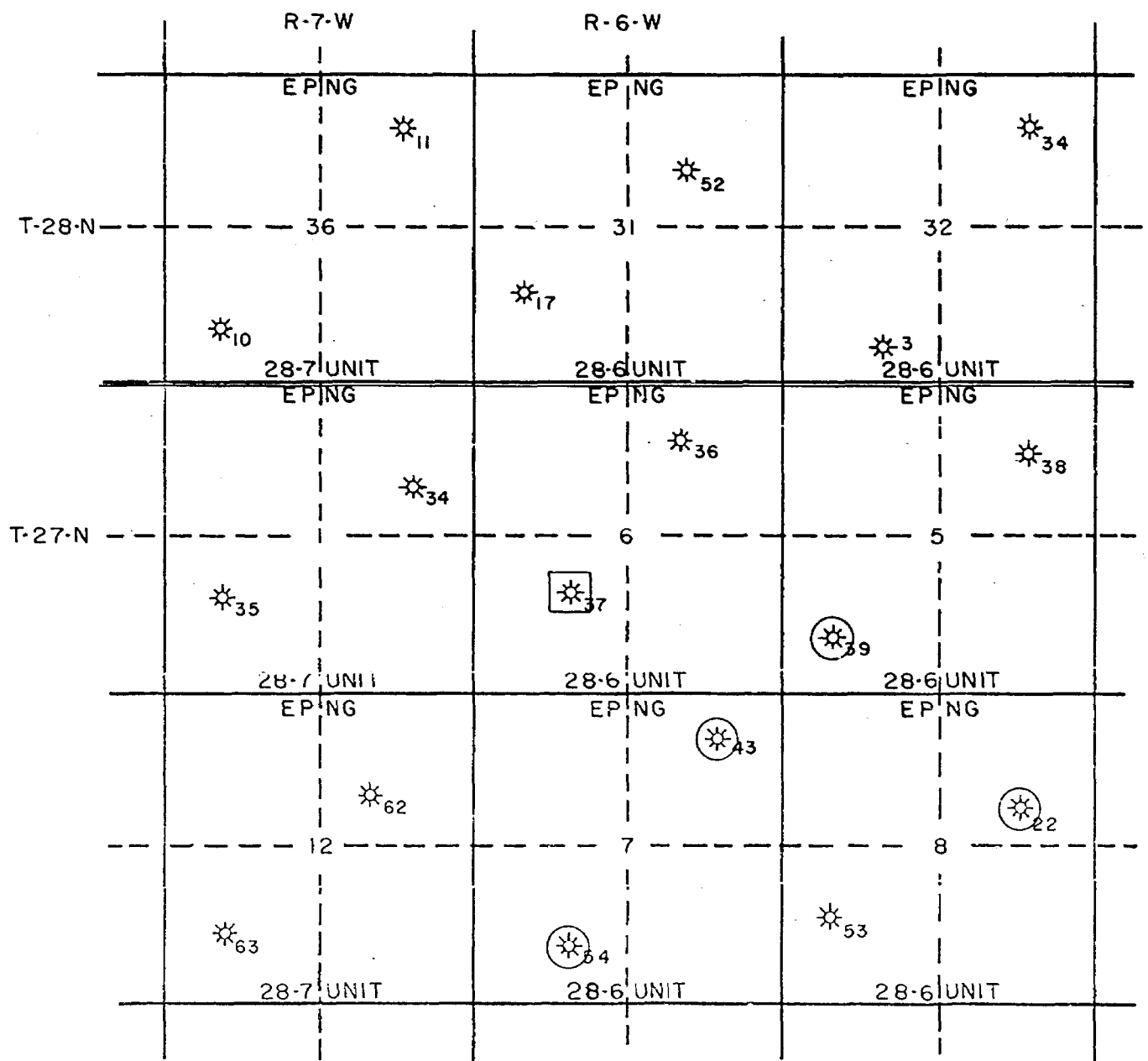
WELLS ON SAME BASIC LEASE

<u>Name</u>	<u>Location</u>	<u>Deliverability</u>	<u>Date of Test</u>
SJU 28-6 #39	N-5-27-6	277	1962
SJU 28-6 #43	A-7-27-6	231	1962
SJU 28-6 #54	N-7-27-6	459	1962
SJU 28-6 #22	H-8-27-6	164	1962

RIO ARRIBA COUNTY, NEW MEXICO

BLANCO MV

TOWNSHIP 27-N RANGE 6-W



EPNG PRESSURE BUILD-UP TEST

TEST WELL DATA Basin Dakota Pool

Date Feb. 5, 1963

TEST WELL: Operator: El Paso Natural Gas Company Well Name & No. Allison Unit No. 1
 Location 1980 fr. N, 660 fr. W lines, E Sec. 17 T. 32 N., R. 6 W
 TD: 8660 Casing: 7930 Tubing: 8022
 Completed: 8/30/54 Reworked 2/13/59 First Delivery: 2/2/55
 Pay Zone: Open Hole Interval: 7930-8084 or Perforations: _____
 Stimulation: Sand-Oil Frac
 SPC: 2897 SIPT: 2869 DAYS SI: 14
 I. P. Test: 2326 MCF, 3 hrs. 3/4" Choke: - MCF AOF thru tubing or casing
 Current Deliverability: 449 MCF, Date Tested: 1962

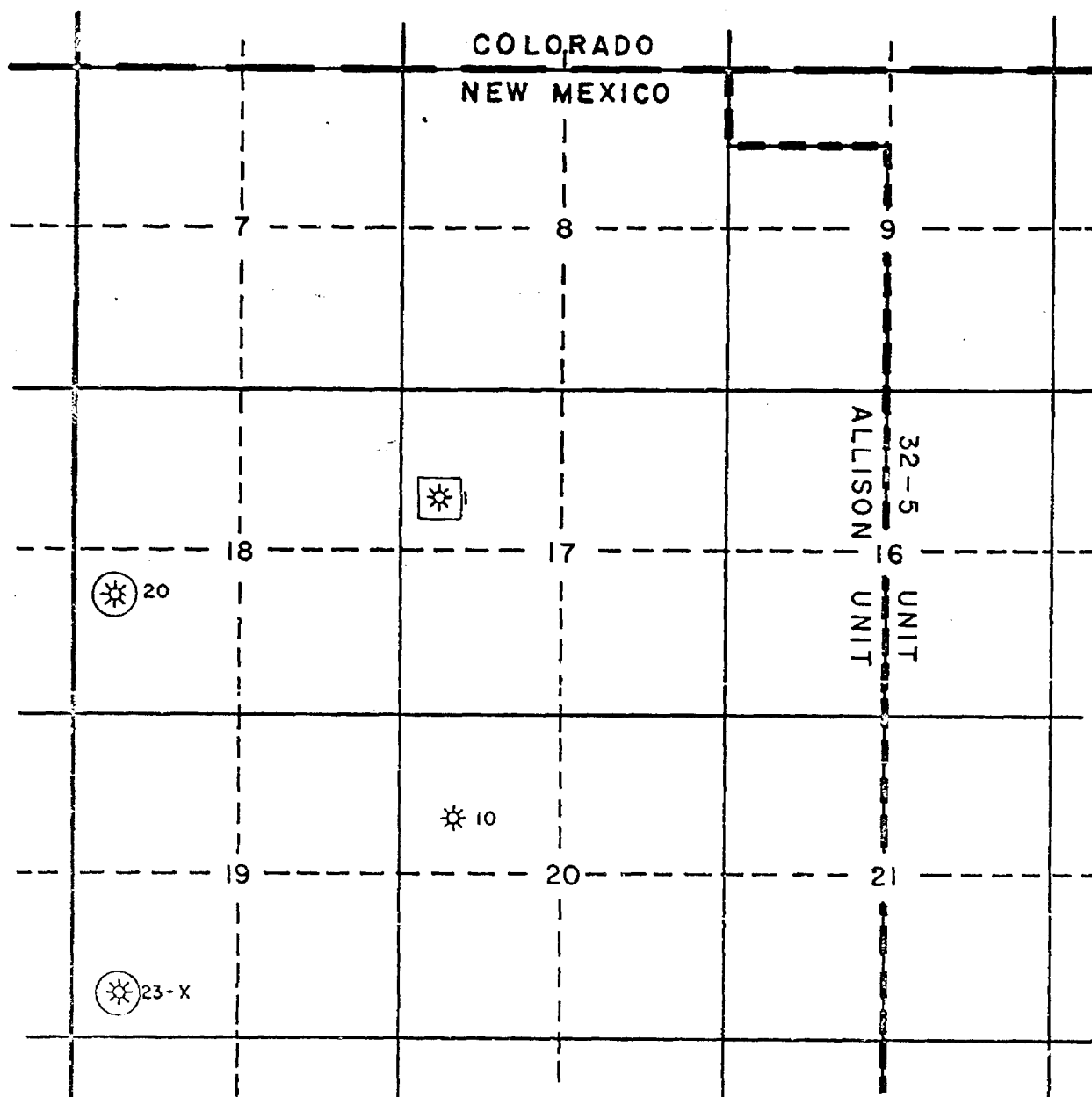
WELLS ON SAME BASIC LEASE

<u>Name</u>	<u>Location</u>	<u>Deliverability</u>	<u>Date of Test</u>
Allison Unit #20	L-18-32-6	1397	1962
Allison Unit #23-X	M-19-32-6	679	1962

SAN JUAN COUNTY, NEW MEXICO

BASIN DAKOTA

TOWNSHIP-32-N RANGE-6-W



EPNG PRESSURE BUILD-UP TEST

TEST WELL DATA Basin Dakota Pool

Date Feb. 5, 1963

TEST WELL: Operator: El Paso Natural Gas Company Well Name & No. Jicarilla 67-10

Location 990 fr. S, 990 fr. W lines, M Sec. 30 T. 25 N., R. 5 W

TD: 7181 Casing: 5-1/2" @ 7177' Tubing: 2" @ 7015'

Completed: 1/20/60 First Delivery: 4/4/60

Pay Zone: Open Hole Interval: _____ or Perforations: 6846-7004

Stimulation: Sand-Oil Frac

SIPC: 2147 SIPT: 2147 DAYS SI: 10

I. P. Test: 3570 MCF, $\frac{3}{4}$ hrs. 3/4" Choke: 4002 MCF AOF thru tubing or casing

Current Deliverability: 567 MCF, Date Tested: 1962

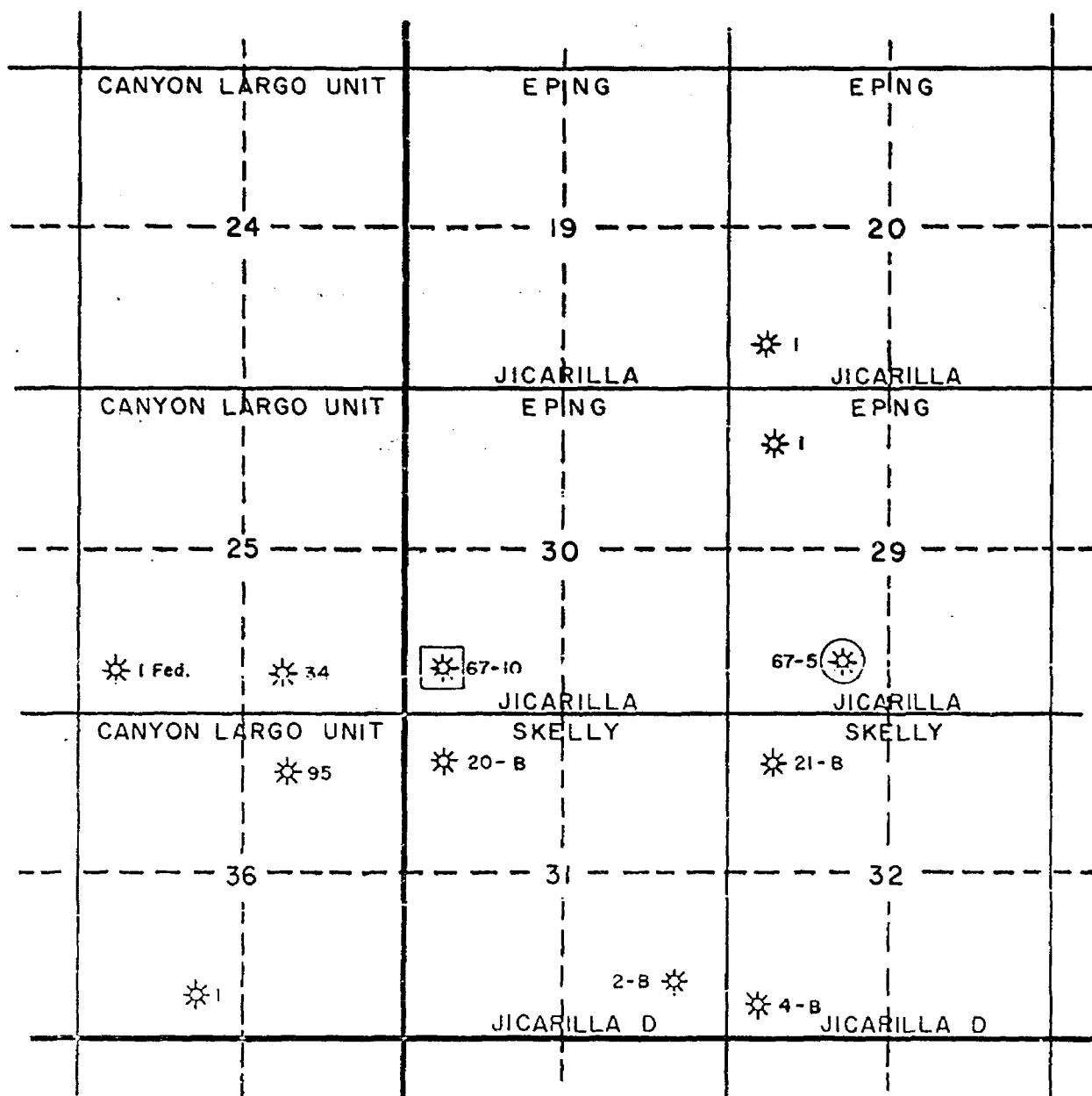
WELLS ON SAME BASIC LEASE

<u>Name</u>	<u>Location</u>	<u>Deliverability</u>	<u>Date of Test</u>
Jicarilla 67-5	N-29-25-5	691	1962

RIO ARRIBA COUNTY, NEW MEXICO

BASIN DAKOTA

TOWNSHIP -25-N RANGE -5-W



EPNG PRESSURE BUILD-UP TEST

TEST WELL DATA Basin Dakota Pool

Date Feb. 5, 1963

TEST WELL: Operator: El Paso Natural Gas Company Well Name & No. Lackey B-13

Location 1650 fr. S, 1650 fr. W lines, K Sec. 20 T. 28 N., R. 9 W

TD: Casing: 5-1/2'@ 6680' Tubing: 2" @ 6545'

Completed: 9/7/60 First Delivery: 5/10/61

Pay Zone: Open Hole Interval: or Perforations: 6412-6638

Stimulation: Sand Water Frac

SIPC: 2048 SIPT: 2065 DAYS SI: 7

I.P. Test: 5104 MCF, 3 hrs. 3/4" Choke: 5969 MCF AOF thru tubing or casing

Current Deliverability: 1133 MCF, Date Tested: 1962

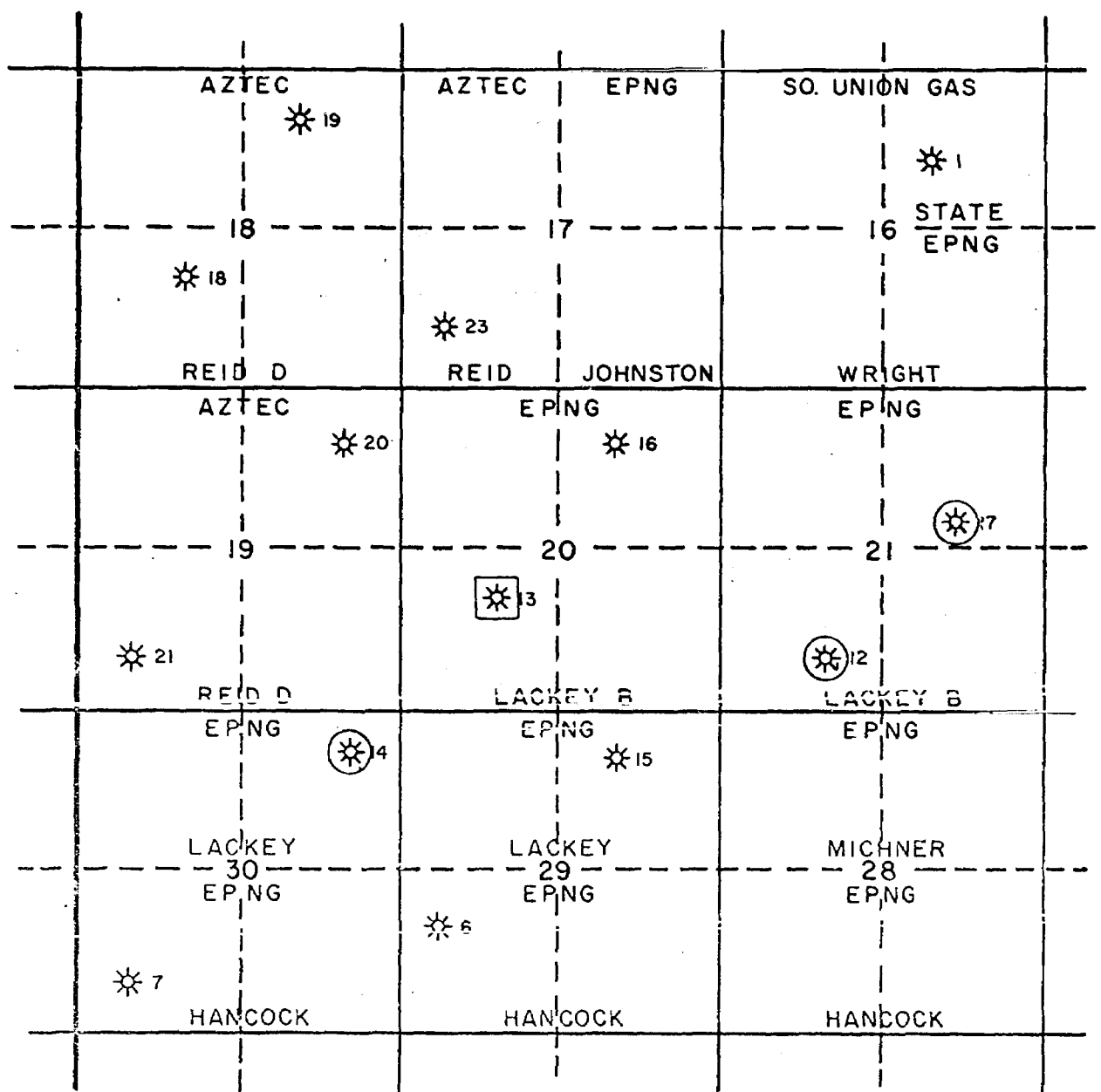
WELLS ON SAME BASIC LEASE

<u>Name</u>	<u>Location</u>	<u>Deliverability</u>	<u>Date of Test</u>
Lackey B-12	N-21-28-9	1165	1962
Lackey B-14	A-30-28-9	1219	1962
Lackey B-17	O-21-28-9	430	1962

SAN JUAN COUNTY, NEW MEXICO

BASIN DAKOTA

TOWNSHIP - 28-N RANGE - 9-W



EPNG PRESSURE BUILD-UP TEST

TEST WELL DATA Basin Dakota Pool

Date Feb. 5, 1963

TEST WELL: Operator: El Paso Natural Gas Company Well Name & No. Michener #3

Location 1090 fr. S, 990 fr. W lines, M Sec. 15 T. 28 N., R. 9 W

TD: Casing: 5-1/2" @ 6961' Tubing: 2" @ 6767

Completed: 9/7/60 First Delivery: 5/9/61

Pay Zone: Open Hole Interval: or Perforations: 6673-6864

Stimulation: Sand Water Frac

SIPC: 2027 SIPT: 2019 DAYS SI: Initial

I. P. Test: 3044 MCF, 3 hrs. 3/4" Choke: 3285 MCF AOF thru tubing or casing

Current Deliverability: 382 MCF, Date Tested: 1962

WELLS ON SAME BASIC LEASE

<u>Name</u>	<u>Location</u>	<u>Deliverability</u>	<u>Date of Test</u>
None			

SAN JUAN COUNTY, NEW MEXICO

BASIN DAKOTA

TOWNSHIP -28-N RANGE -9-W

	33	34	35
	EPNG 9	EPNG 10	EPNG 11
	JOHNSTON SO. UNION GAS	JOHNSTON EPNG	WARREN EPNG
	16	15	14
	STATE 1	MC CULLEY JOHNSTON	1
	WRIGHT EPNG	3 MICHNER EPNG	MC CULLEY WARREN EPNG
	21	22	23
	12-8 LACKEY	6-B HANCOCK	14-C STORY
			HANCOCK WARREN

EPNG PRESSURE BUILD-UP TEST

TEST WELL DATA

Basin Dakota

Pool

Date Feb. 5, 1963

TEST WELL: Operator: El Paso Natural Gas Company Well Name & No. Heaton #14

Location 1550 fr. N , 1550 fr. E lines, G Sec. 29 T. 31 N., R. 11 W

TD: 7210 Casing: 5-1/2" @ 6832' Tubing: 2" @ 7080

Completed: 7/24/61 First Delivery: 11/14/61

Pay Zone: Open Hole Interval: 6930-7080 or Perforations:

Stimulation: Sand Water Frac

SIPC: 2008 SIPT: 1725 DAYS SI: 13

I. P. Test: 2799 MCF, 3 hrs. 3/4" Choke: 3267 MCF AOF thru tubing or casing

Current Deliverability: 379 MCF, Date Tested: 1962

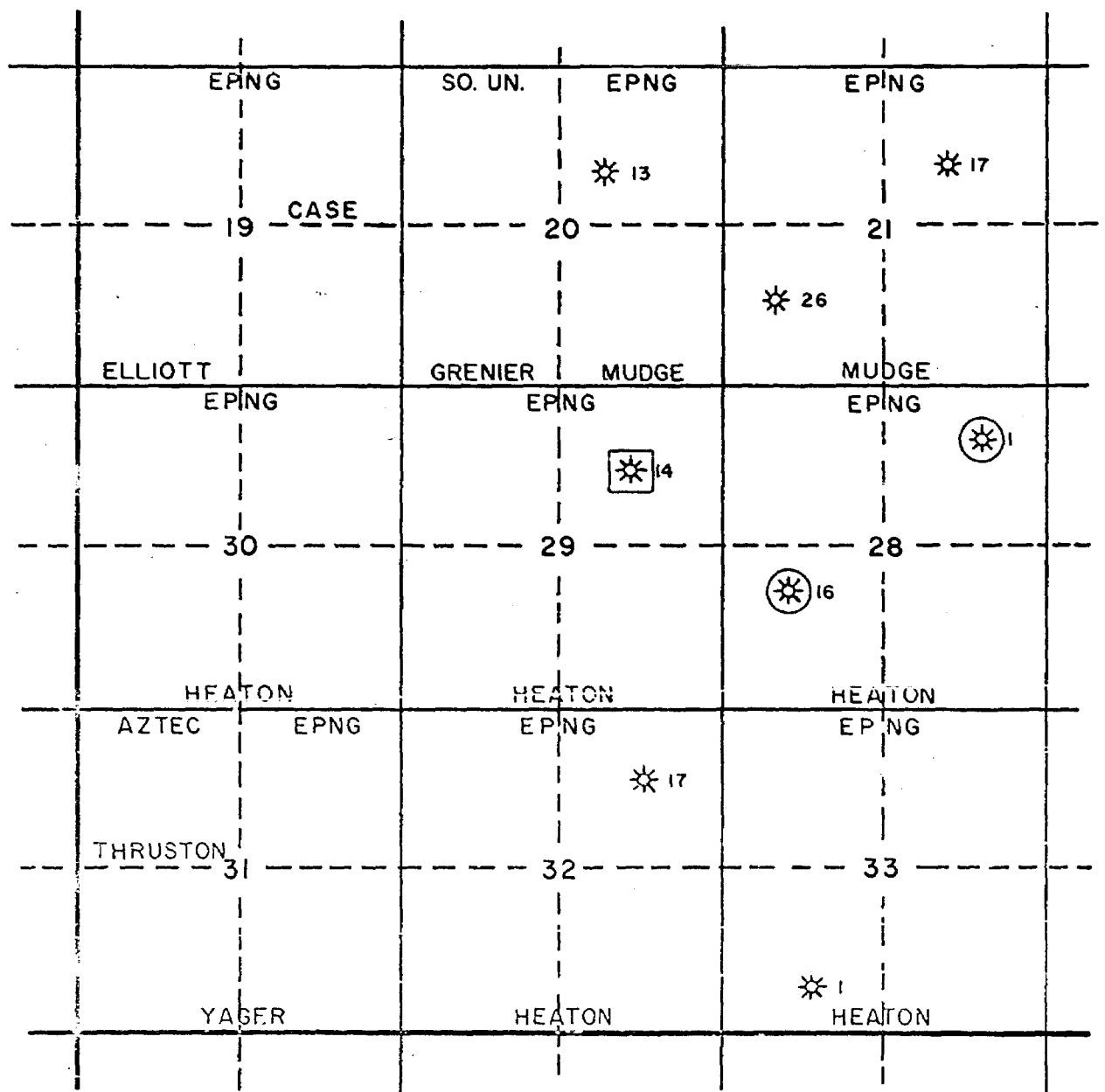
WELLS ON SAME BASIC LEASE

Name	Location	Deliverability	Date of Test
Heaton #1	A-28-31-11	545	1962
Heaton #16	L-28-31-11	97	1962

SAN JUAN COUNTY, NEW MEXICO

BASIN DAKOTA

TOWNSHIP -31-N RANGE -11-W



EPNG PRESSURE BUILD-UP TEST

TEST WELL DATA	Basin Dakota	Pool
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Date Feb. 5, 1963

TEST WELL: Operator: El Paso Natural Gas Company Well Name & No. Ludwick #16

Location 1810 fr. N, 1750 fr. E lines, G Sec. 31 T. 30 N., R. 10 W

TD: _____ Casing: 5-1/2" @ 7146 _____ Tubing: 2" @ 6970 _____

Completed: 8/30/60 First Delivery: 4/27/61

Pay Zone: Open Hole Interval: _____ or Perforations: 6831-7048

Stimulation: Sand Water Frac

SIPC: 2076 SIFT: DAYS SI: Initial

I.P. Test: 2460 MCF, 3 hrs. 3/4" Choke: 2836 MCF AOF thru tubing or casing

Current Deliverability: 252 MCF, Date Tested: 1962

WELLS ON SAME BASIC LEASE

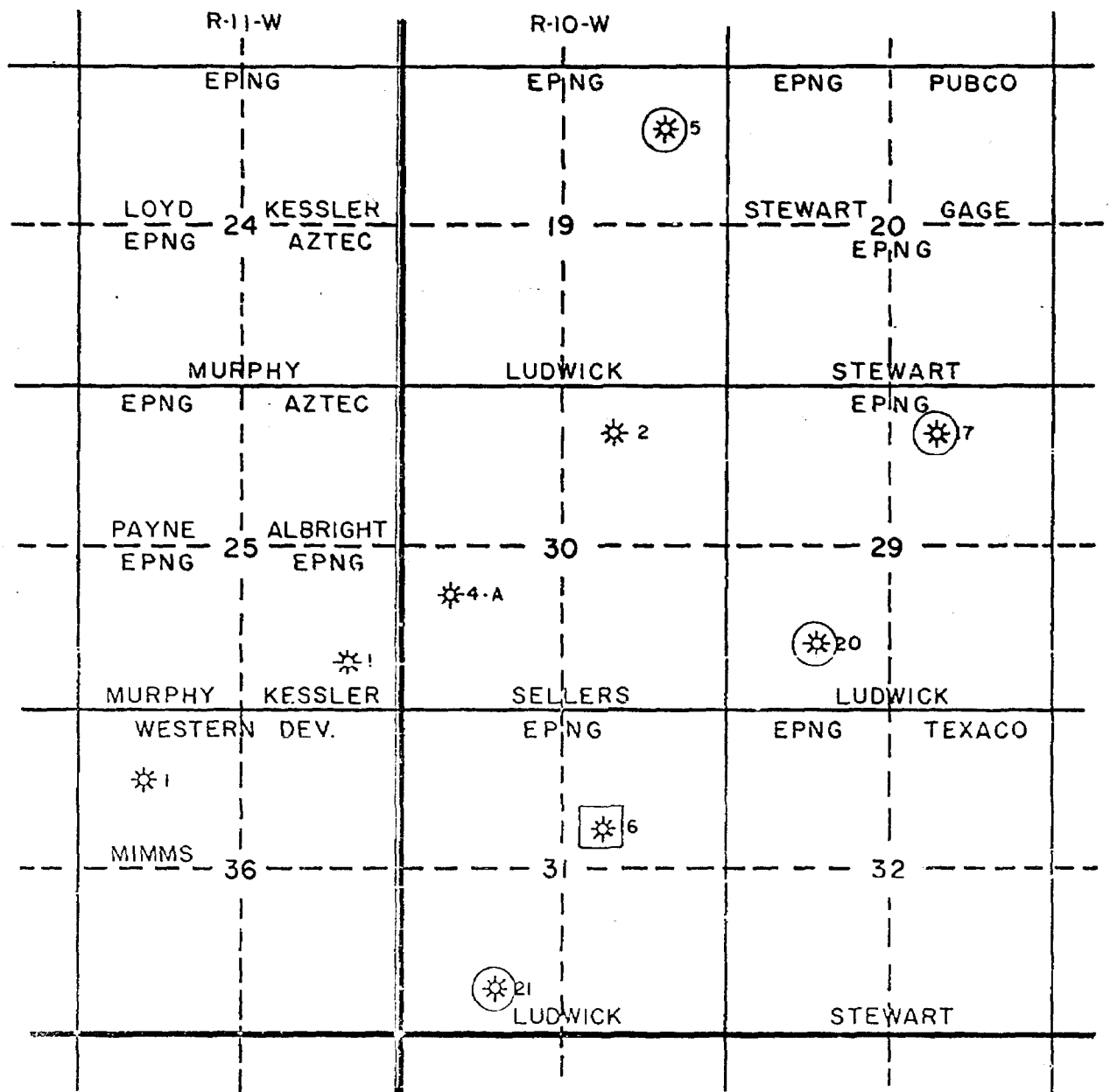
<u>Name</u>	<u>Location</u>	<u>Deliverability</u>	<u>Date of Test</u>
Ludwick #15	A-19-30-10	456	1962
Ludwick #17	B-29-30-10	409	1962
Ludwick #20	K-29-30-10	728	1962
Ludwick #21	N-31-30-10	438	1962

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SAN JUAN COUNTY, NEW MEXICO

BASIN DAKOTA

TOWNSHIP -30-N RANGE -10-W



EPNG PRESSURE BUILD-UP TEST

TEST WELL DATA Basin Dakota Pool

Date Feb. 5, 1963

TEST WELL: Operator: El Paso Natural Gas Company Well Name & No. Rincon Unit #136

Location 1180 fr. N, 990 fr. E lines, A Sec. 23 T. 27 N., R. 7 W

TD: 7700 Casing: 5" @ 7697' Tubing: 2" @ 7591'

Completed: 4/11/60 First Delivery: 5/16/60

Pay Zone: Open Hole Interval: _____ or Perforations: 7414-7644

Stimulation: Sand Oil Frac

SIPC: 2348 SIPT: 2342 DAYS SI: 9

I.P. Test: 5251 MCF, 3 hrs. 3/4" Choke: 6603 MCF AOF thru tubing or casing

Current Deliverability: 624 MCF, Date Tested: 1962

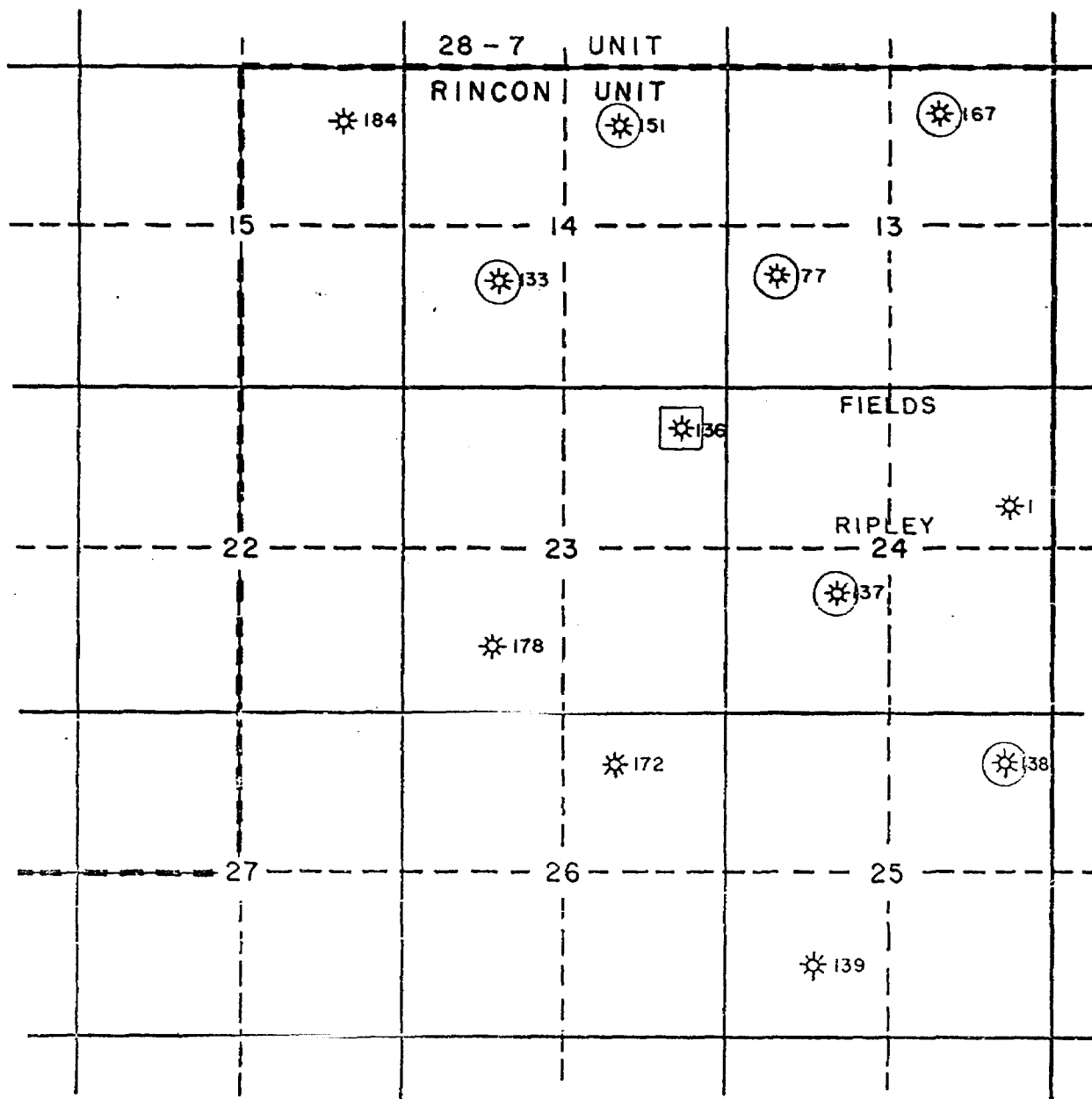
WELLS ON SAME BASIC LEASE

<u>Name</u>	<u>Location</u>	<u>Deliverability</u>	<u>Date of Test</u>
Rincon Unit 133	K-14-27-7	710	1962
Rincon Unit 137	K-24-27-7	609	1962
Rincon Unit 138	A-25-27-7	1068	1962
Rincon Unit 151	B-14-27-7	733	1962
Rincon Unit 167	B-13-27-7	844	1962
Rincon Unit 177	L-13-27-7	1009	1962

RIO ARRIBA COUNTY, NEW MEXICO

BASIN DAKOTA

TOWNSHIP -27-N RANGE -7-W



EPNG PRESSURE BUILD-UP TEST

TEST WELL DATA Basin Dakota Pool

Date Feb. 5, 1963

TEST WELL: Operator: El Paso Natural Gas Company Well Name & No. SJ 28-5 Unit #35
 Location 990 fr. S, 990 fr. W lines, M Sec. 19 T. 28 N., R. 5 W
 TD: 7951 Casing: 5" @ 7952' Tubing: 2" @ 7499'
 Completed: 12/21/59 First Delivery: 4/21/60
 Pay Zone: Open Hole Interval: _____ or Perforations: 7605-7804
 Stimulation: Sand Oil Frac
 SPC: 1021 SIPT: 2098 DAYS' SI: 7
 I. P. Test: 4247 MCF, 3 hrs. 3/4" Choke: 4687 MCF AOF thru tubing or casing
 Current Deliverability: 317 MCF, Date Tested: 1962

WELLS ON SAME BASIC LEASE

<u>Name</u>	<u>Location</u>	<u>Deliverability</u>	<u>Date of Test</u>
SJU 28-5 #33	L-17-28-5	1067	1962
SJU 28-5 #34	M-18-28-5	1051	1962
SJU 28-5 #41	A-32-28-5	1090	1962
SJU 28-5 #42	K-31-28-5	2382	1962

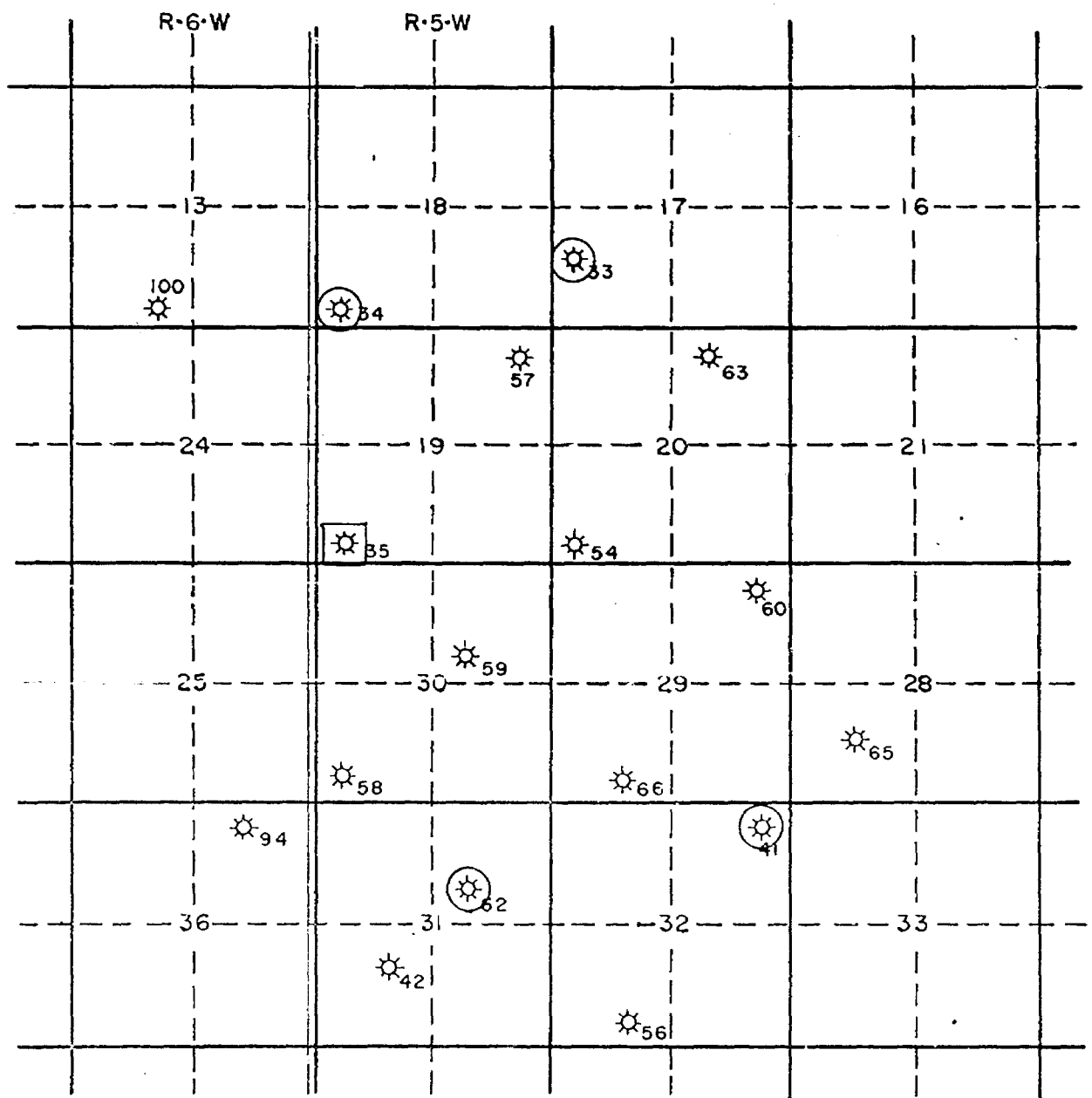
RIO ARRIBA COUNTY, NEW MEXICO

BASIN DAKOTA

TOWNSHIP 28-N RANGE 5-W

S.J.U. 28-6

S.J.U. 28-5



EPNG PRESSURE BUILD-UP TEST

TEST WELL DATA Basin Dakota Pool

Date 2-5-63

TEST WELL: Operator: El Paso Natural Gas Company Well Name & No. Huerfano Unit #117

Location 990 fr. S, 990 fr. E lines, P Sec. 16 T. 26 N., R. 10 W

TD: 6787 Casing: 5-1/2" @ 6785' Tubing: 2" @ 6639'

Completed: 1/23/61 First Delivery: 4/25/61

Pay Zone: Open Hole Interval: _____ or Perforations: 6622-6654

Stimulation: Sand Water Frac

SIPC: 774 SIPT: 882 DAYS SL: 7

I.P. Test: 1731 MCF, 3 hrs. 3/4" Choke: 2226 MCF AOF thru tubing or casing

Current Deliverability: 1688 MCF, Date Tested: 1962

WELLS ON SAME BASIC LEASE

<u>Name</u>	<u>Location</u>	<u>Deliverability</u>	<u>Date of Test</u>
Huerfano Unit 104	P-17-26-10	1911	1962
Huerfano Unit 116	C-11-26-10	299	1962
Huerfano Unit 121	F-27-26-10	4857	1962

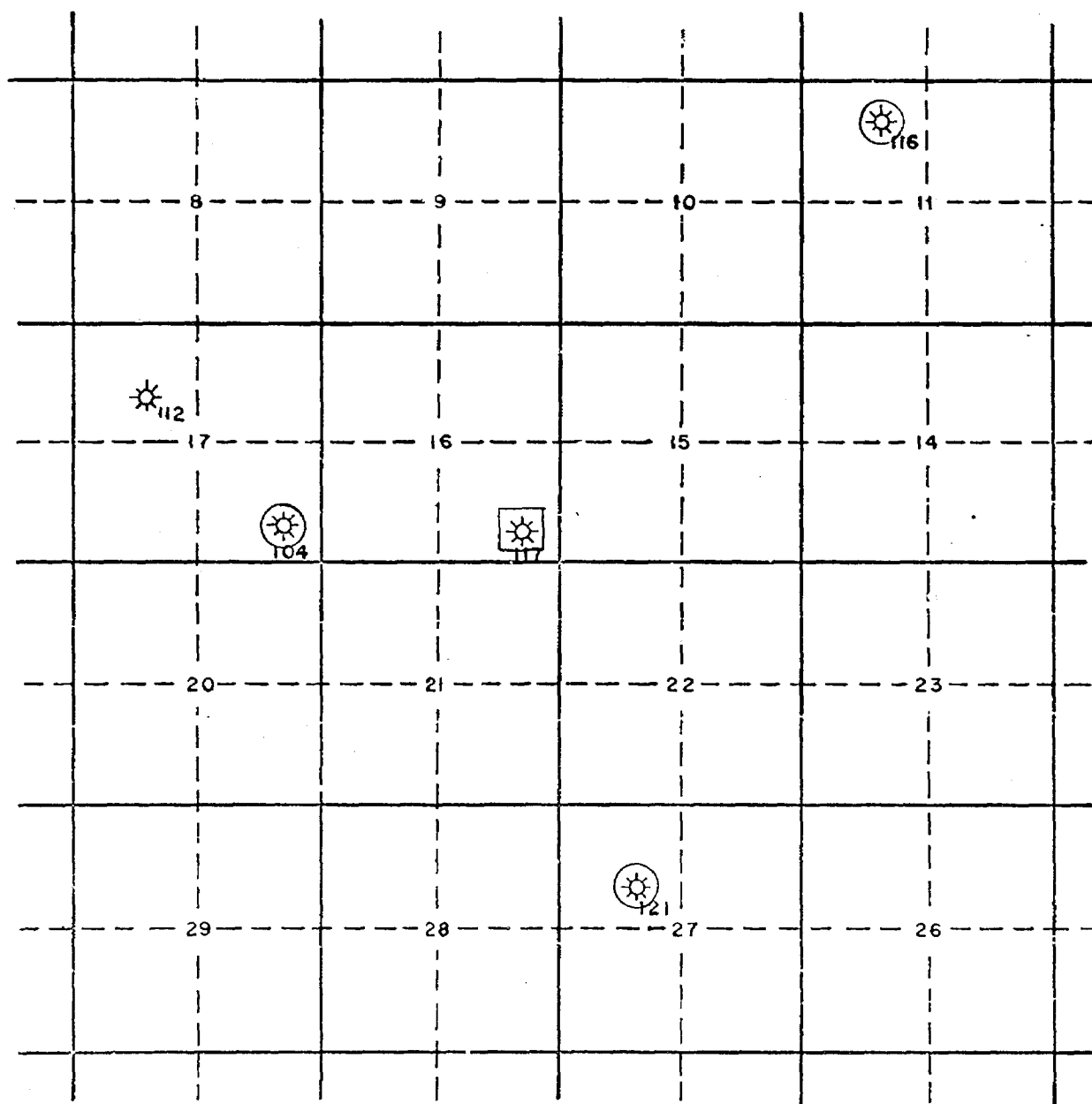
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SAN JUAN COUNTY, NEW MEXICO

BASIN DAKOTA

TOWNSHIP 26-N RANGE 10-W

HUERFANO UNIT



EPNG PRESSURE BUILD-UP TEST

TEST WELL DATA	Basin Dakota	Pgol
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Date Feb. 5, 1963

TEST WELL: Operator: El Paso Natural Gas Company Well Name & No. Huerfano Unit #125

Location 1700 fr. N, 1040 fr. W lines, E Sec. 30 T. 26 N., R. 9 W

TD: _____ Casing: 5-1/2" @ 6776' Tubing: 2" @ 6594'

Completed: 3/14/61 First Delivery: 4/25/61

Pay Zone: Open Hole Interval: _____ or Perforations: 6524 - 6632

Stimulation: Sand Water Frac

SIPC: 1935 SIPT: 1891 DAYS SI: 42

I. P. Test: 5883 MCF, 3 hrs. 3/4" Choke: 7754 MCF AOF thru tubing or casing

Current Deliverability: 1136 MCF, Date Tested: 1962

WELLS ON SAME BASIC LEASE

<u>Name</u>	<u>Location</u>	<u>Deliverability</u>	<u>Date of Test</u>
Huerfano Unit 111	F-20-26-9	724	1962
Huerfano Unit 120	C-25-26-10	1862	1962
Huerfano Unit 130	D-29-26-9		
Huerfano Unit 134	J-36-26-10		
Huerfano Unit 136	J-21-26-9		
Huerfano Unit 137	J-31-26-9		

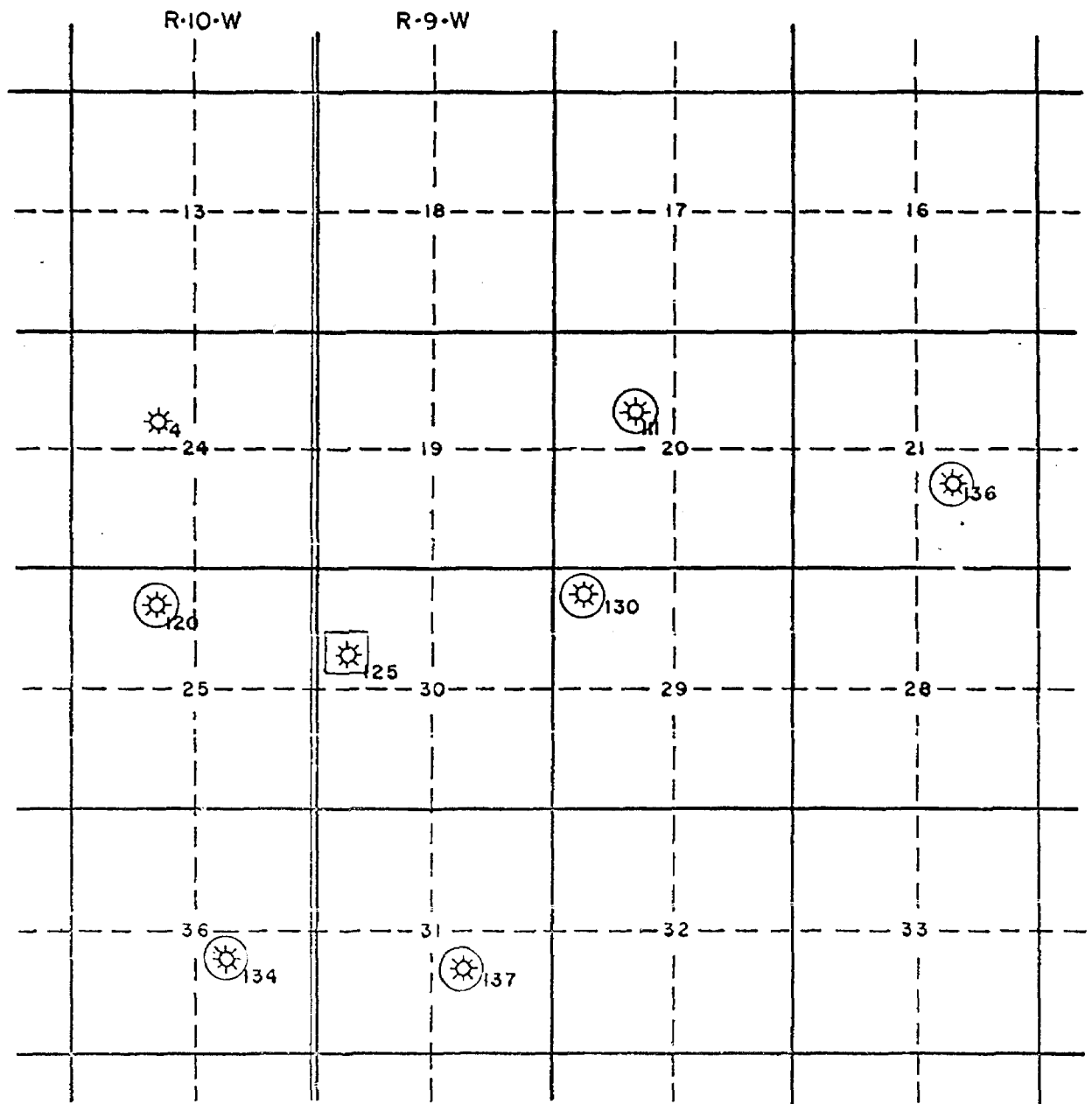
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SAN JUAN COUNTY, NEW MEXICO

BASIN DAKOTA

TOWNSHIP 26-N RANGE 9-W

HUERFANO UNIT



EPNG PRESSURE BUILD-UP TEST

TEST WELL DATA AZTEC PICTURED CLIFFS Pool

Date Jan. 7, 1963

TEST WELL: Operator: El Paso Natural Gas Company Well Name & No. Ludwick #2
 Location _____ fr. _____, _____ fr. _____ lines, _____ P _____ Sec. 19 T. 30 N., R. 10 W
 TD: 2795 Casing: 5-1/2" @ 2646 Tubing: 1" @ 2709
 Completed: October 10, 1951 First Delivery: June 9, 1952
 Pay Zone: Open Hole Interval: 2675-2795 or Perforations: _____
 Stimulation: Shot w/350 qts. SNG
 SIPC: 653 SIPT: _____ DAYS SL: 3
 I. P. Test: 2830 MCF, 3 hrs. _____ Choke: _____ MCF AOF thru tubing or casing
 Current Deliverability: 200 MCF, Date Tested: 1962

WELLS ON SAME BASIC LEASE

<u>Name</u>	<u>Location</u>	<u>Deliverability</u>	<u>Date of Test</u>
Ludwick #1	E- 29-30-10	264	1962
#3	O- 29-30-10	246	1962
#4	A- 31-30-10	96	1962
#5	F- 31-30-10	41	1962
#6	L- 19-30-10	343	1962

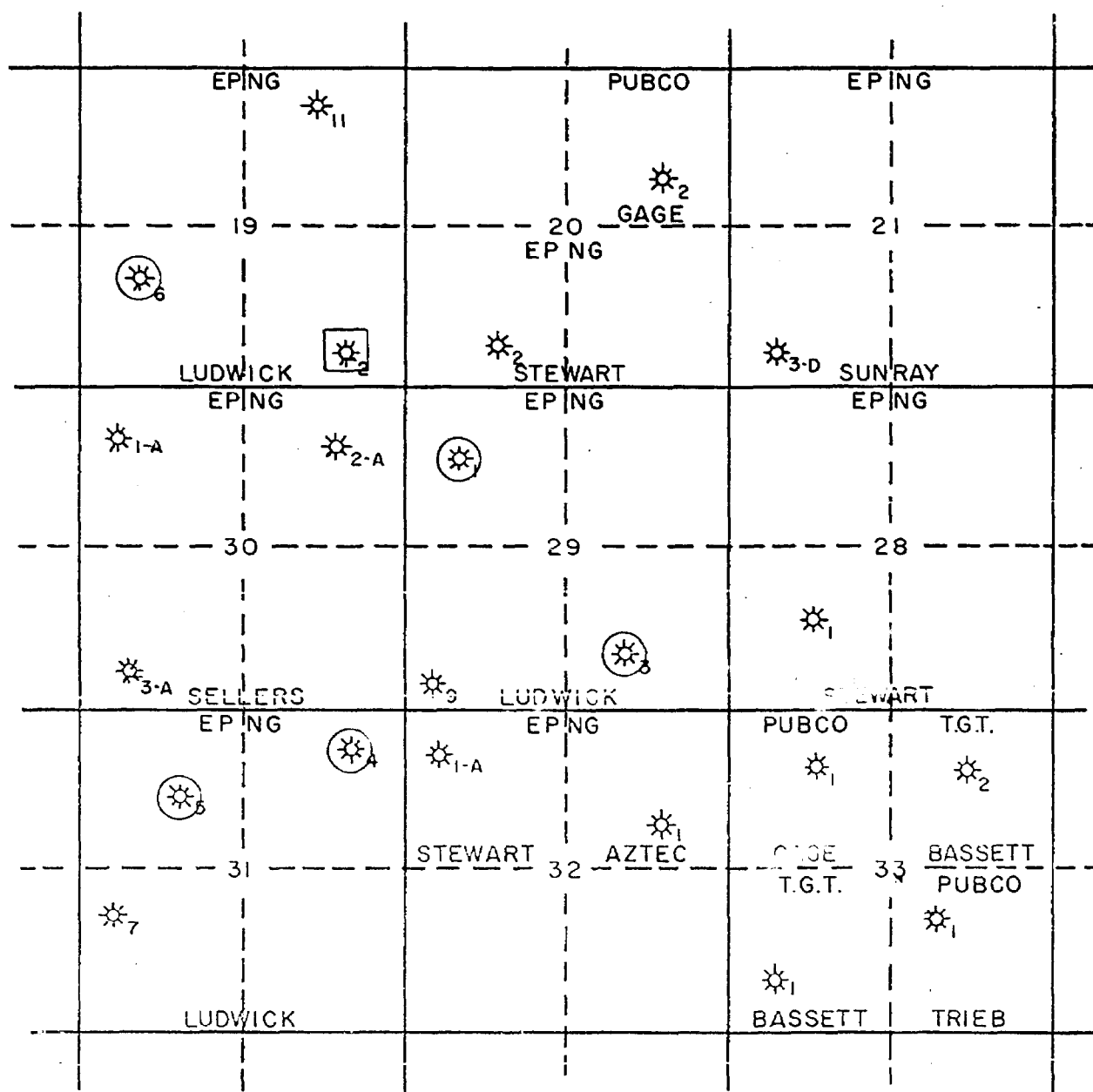
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COUNTY, NEW MEXICO

AZTEC P C

TOWNSHIP 30-N RANGE 10-W



EPNG PRESSURE BUILD-UP TEST

TEST WELL DATA BALLARD PICTURED CLIFFS Pool

Date Jan. 7, 1963

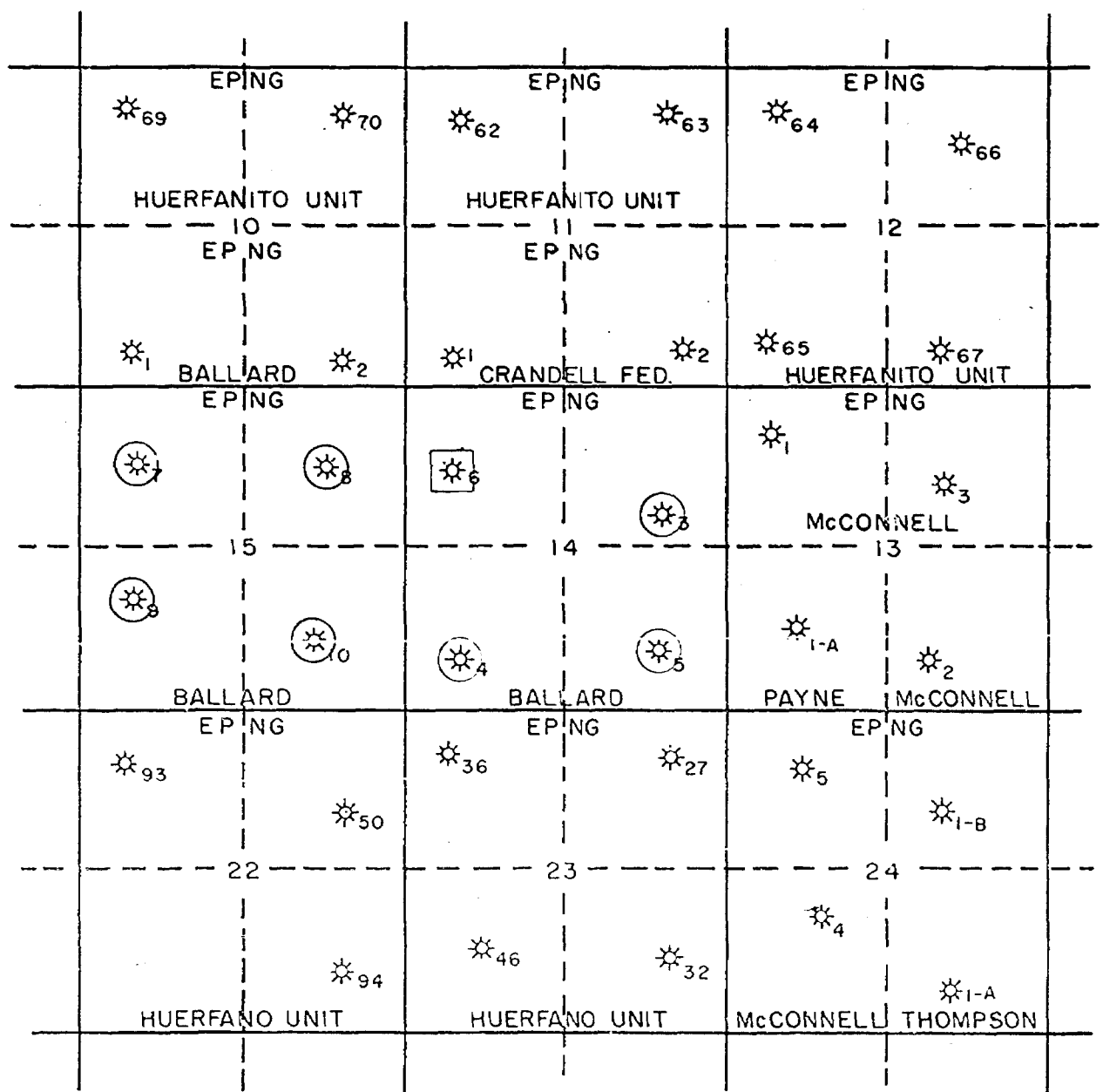
TEST WELL: Operator: El Paso Natural Gas Company Well Name & No. Ballard #6
 Location 1650 fr. N, 990 fr. W lines, E Sec. 14 T. 26 N., R. 9 W
 TD: 2029 Casing: 5-1/2" @ 1994 Tubing: 1" @ 1996
 Completed: August 15, 1954 First Delivery: October 1, 1954
 Pay Zone: Open Hole Interval: 2000-2029 or Perforations: _____
 Stimulation: Sand-oil frac.
 SIPC: 656 SIPT: 657 DAYS SI: 11
 I.P. Test: 2774 MCF, 3 hrs. _____ Choke: _____ MCF AOF thru tubing or casing
 Current Deliverability: 416 MCF, Date Tested: 1962

WELLS ON SAME BASIC LEASE

<u>Name</u>	<u>Location</u>	<u>Deliverability</u>	<u>Date of Test</u>
Ballard #5	P- 14-26-9	177	1962
Ballard #3	H- 14 26 9	161	1962
Ballard #4	M-14-26-9	267	1962
Ballard #7	E- 15-26-9	292	1962
Ballard #8	H- 15-26-9	279	1962
Ballard #9	O- 15-26-9	224	1962
Ballard #10	L- 15-26-9	118	1962

Proration Department

TOWNSHIP 26-N RANGE 9-W



EPNG PRESSURE BUILD-UP TEST

TEST WELL DATA BALLARD PICTURED CLIFFS Pool

Date Jan. 7, 1963

TEST WELL: Operator: El Paso Natural Gas Company Well Name & No. Quitza #3
 Location 1292 fr. S, 1300 fr. W lines, K Sec. 11 T. 25 N., R. 8 W
 TD: 2785 Casing: 5-1/2" @ 2720 Tubing: 1" @ 2755
 Completed: May 14, 1955 First Delivery: May 28, 1955
 Pay Zone: Open Hole Interval: 2720-2785 or Perforations: _____
 Stimulation: Sand-oil frac.
 SIPC: 593 SIPT: 593 DAYS SI: 9
 I. P. Test: 4462 MCF, 3 hrs. _____ Choke: 6217 MCF AOF thru tubing or casing
 Current Deliverability: 386 MCF, Date Tested: 1962

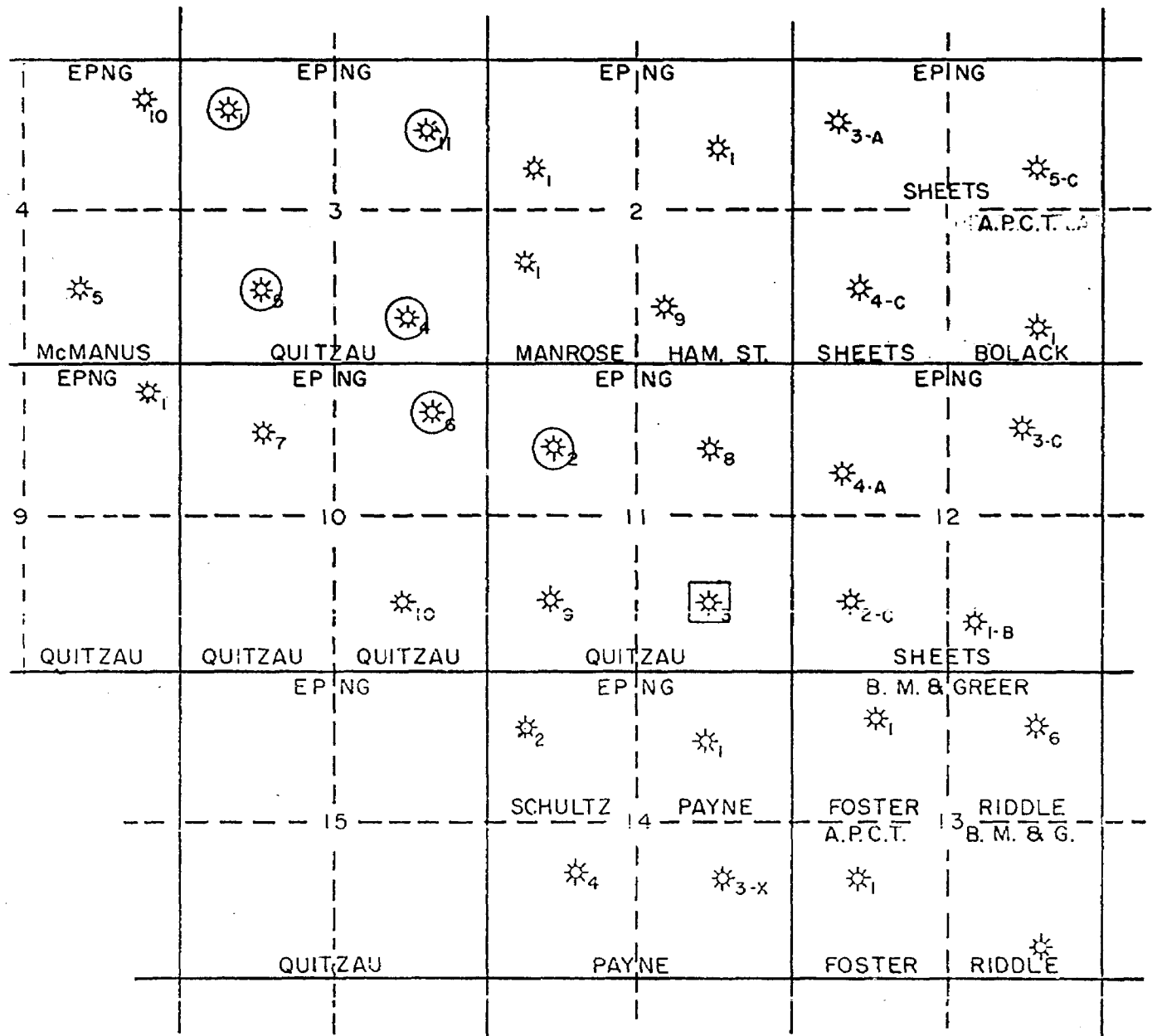
WELLS ON SAME BASIC LEASE

<u>Name</u>	<u>Location</u>	<u>Deliverability</u>	<u>Date of Test</u>
Quitza #1	D- 3-25-8	81	1962
Quitza #2	F- 11-25-8	200	1962
Quitza #4	O- 3-25-8	229	1962
Quitza #5	M- 3-25-8	511	1962
Quitza #6	A- 10-25-8	528	1962
Quitza #11	A- 3-25-8	244	1962

SAN JUAN COUNTY, NEW MEXICO

BALLARD P C

TOWNSHIP 25-N RANGE 8-W



EPNG PRESSURE BUILD-UP TEST

TEST WELL DATA BALLARD PICTURED CLIFFS Pool

Date Jan. 7, 1963

TEST WELL: Operator: El Paso Natural Gas Company Well Name & No. Wilson #A-1

Location 1296 fr. N, 1298 fr. W lines, F Sec. 32 T. 26 N., R. 8 W

TD: 2128 Casing: 5-1/2" @ 2050 Tubing: 1" @ 2113

Completed: August 15, 1954 First Delivery: April 25, 1955

Pay Zone: Open Hole Interval: 2046-2128 or Perforations:

Stimulation: Sand-oil frac.

SIPC: 612 SIPT: 613 DAYS SI: 44

I. P. Test: 3490 MCF, 3 hrs. Choke: MCF AOF thru tubing or casing

Current Deliverability: 418 MCF, Date Tested: 1962

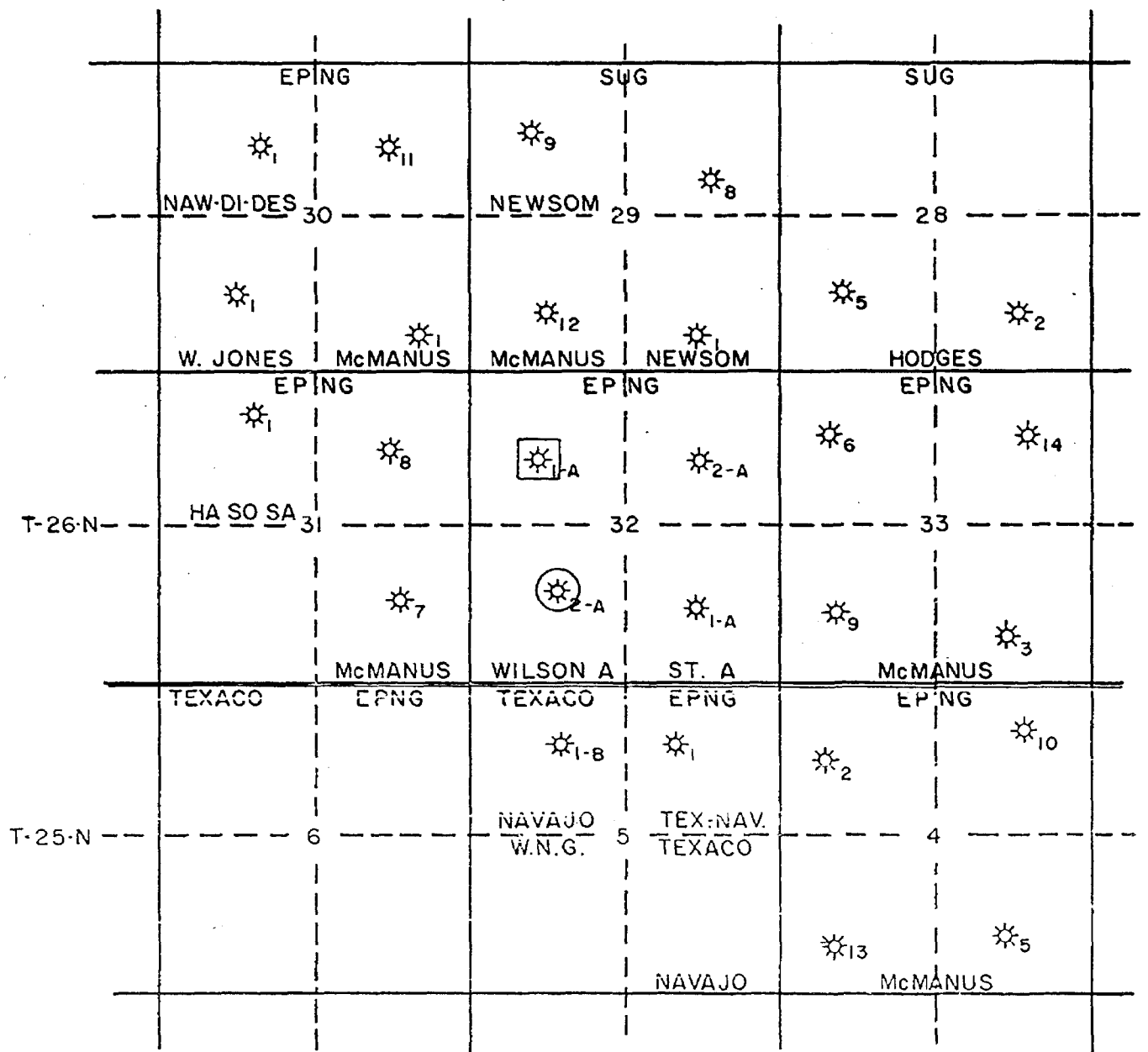
WELLS ON SAME BASIC LEASE

<u>Name</u>	<u>Location</u>	<u>Deliverability</u>	<u>Date of Test</u>
Wilson #A-2	K-32-26-8	417	1962

SAN JUAN COUNTY, NEW MEXICO

BALLARD P C

TOWNSHIP 26-N RANGE 8-W



EPNG PRESSURE BUILD-UP TEST

TEST WELL DATA South Blanco Pictured Cliffs Pool

Date Feb. 5, 1963

TEST WELL: Operator: El Paso Natural Gas Company Well Name & No. Jicarilla #1-B

Location 1650 fr. N, 1650 fr. W lines, F Sec. 28 T. 25 N., R. 4 W

TD: 3350 Casing: 7" @ 3360 Tubing: 1-1/4" @ 3282

Completed: April 4, 1956 First Delivery: March 26, 1957

Pay Zone: Open Hole Interval: 3284-3308 or Perforations: 3284-3308

Stimulation: Water-sand frac.

SIPC: 995 SIPT: 995 DAYS SI: 15

I.P. Test: 10,340 MCF, 3 hrs. Choke: 21,300 MCF AOF thru tubing or casing

Current Deliverability: 688 MCF, Date Tested: 1962

WELLS ON SAME BASIC LEASE

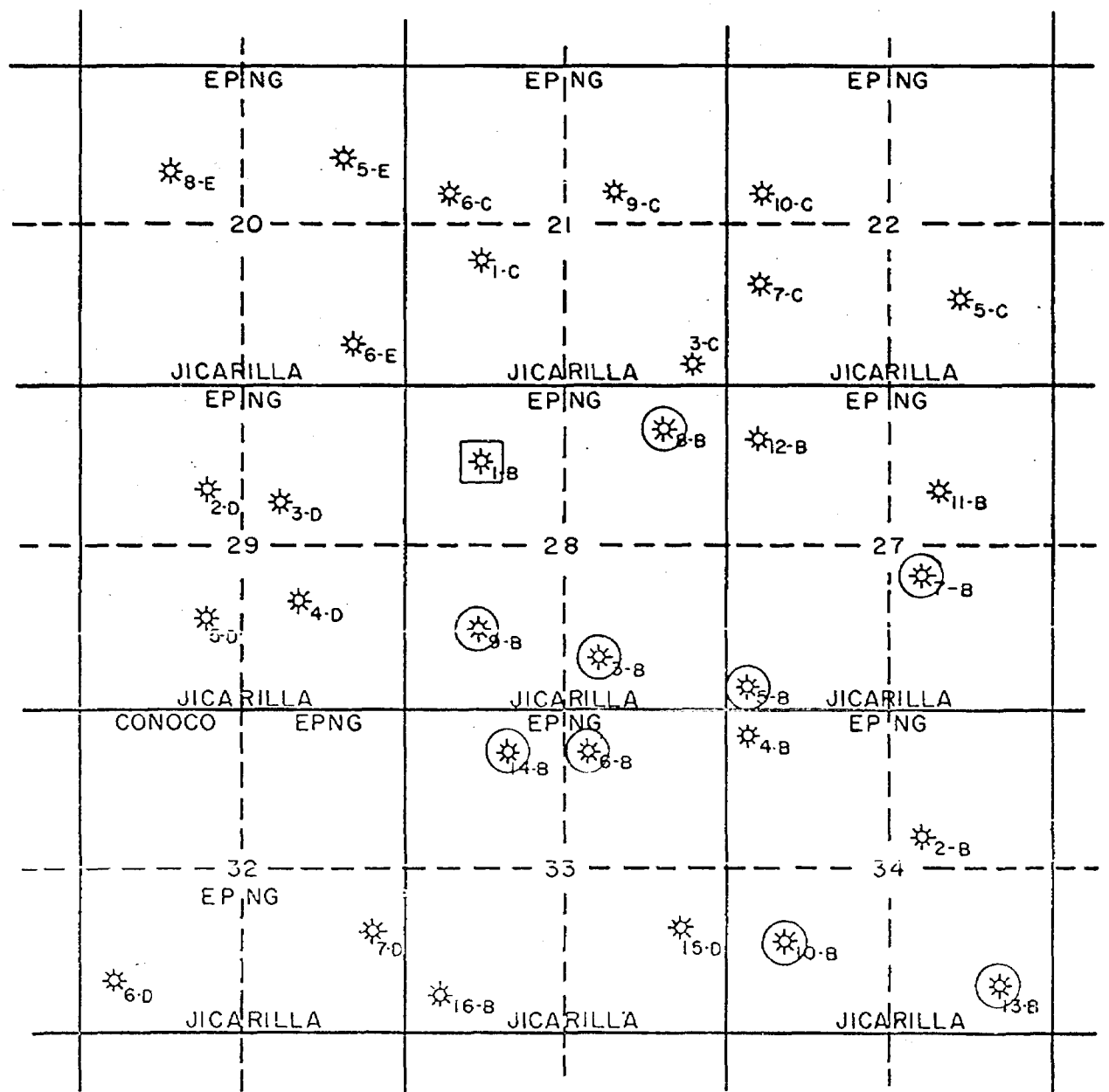
<u>Name</u>	<u>Location</u>	<u>Deliverability</u>	<u>Date of Test</u>
Jicarilla #3-B	O-28-25-4	325	1962
Jicarilla #5-B	M-27-25-4	76	1962
Jicarilla #6-B	B-33-25-4	885	1962
Jicarilla #7-B	J-27-25-4	194	1962
Jicarilla #8-B	G-28-25-4	259	1962
Jicarilla #9-B	K-28-25-4	400	1962
Jicarilla #10-B	K-34-25-4	455	1962
Jicarilla #13-B	P-34-25-4	167	1962
Jicarilla #14-B	C-33-25-4	69	1962

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RIO ARRIBA COUNTY, NEW MEXICO

SO. BLANCO P C

TOWNSHIP 25-N RANGE 4-W



EPNG PRESSURE BUILD-UP TEST

TEST WELL DATA SOUTH BLANCO PICTURED CLIFFS Pool

Date Jan. 7, 1963

TEST WELL: Operator: El Paso Natural Gas Company Well Name & No. Jicarilla #8-E
 Location 2310 fr. N, 1363 fr. W lines, F Sec. 20 T. 25 N., R. 4 W
 TD: 3395 Casing: 7" @ 3348 Tubing: 2" @ 3328
 Completed: November 8, 1954 First Delivery: December 31, 1957
 Pay Zone: Open Hole Interval: 3348-3395 or Perforations: _____
 Stimulation: Sand-oil frac.
 SIPC: 999 SIPT: _____ DAYS SE: 7
 I. P. Test: 3156 MCF, 3 hrs. _____ Choke: _____ MCF AOF thru tubing or casing
 Current Deliverability: 328 MCF, Date Tested: 1962

WELLS ON SAME BASIC LEASE

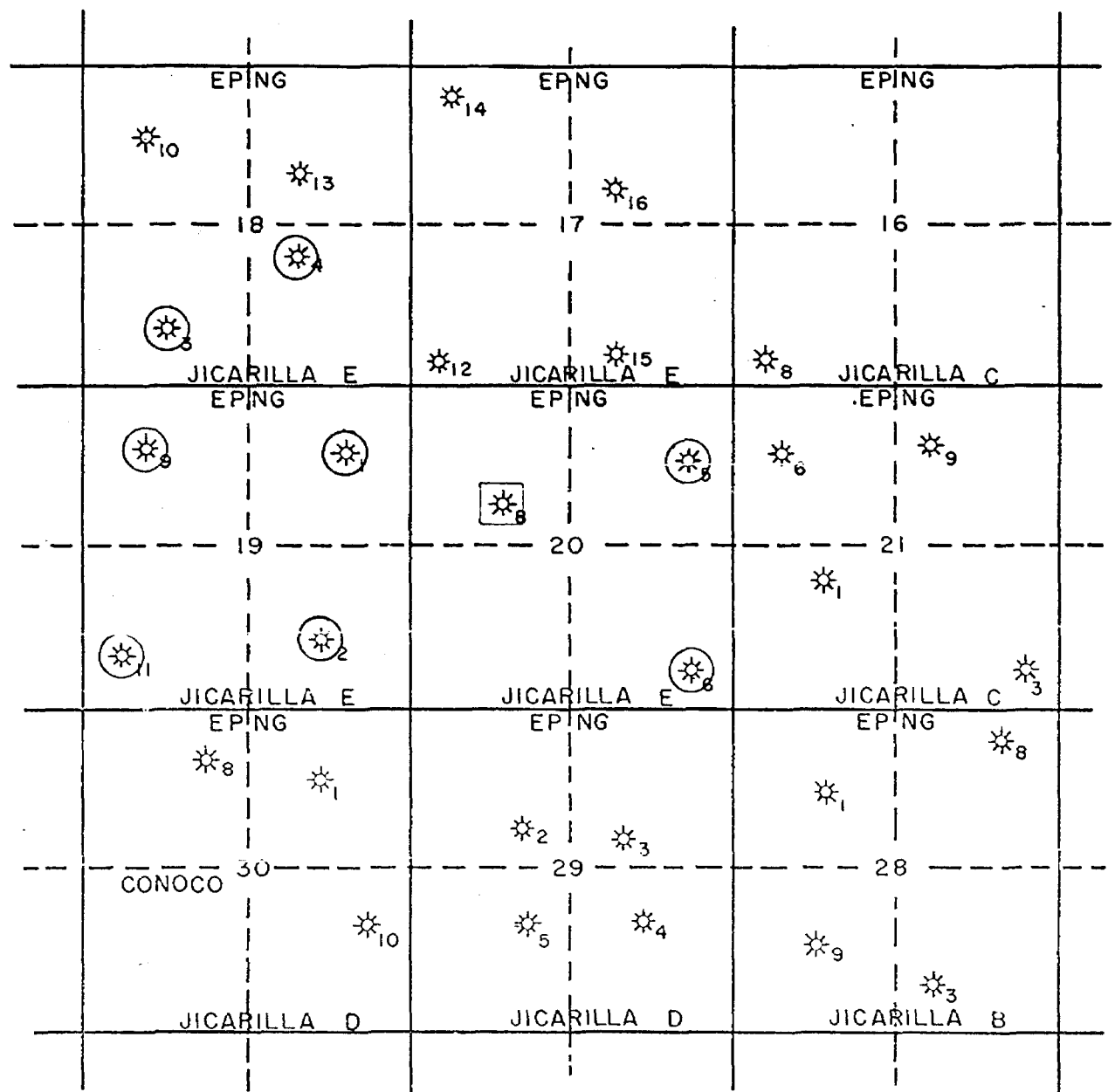
<u>Name</u>	<u>Location</u>	<u>Deliverability</u>	<u>Date of Test</u>
Jicarilla #1-E	H- 19-25-4	995	1962
Jicarilla #2-E	O- 19-25-4	828	1962
Jicarilla #3-E	N- 18-25-4	959	1961
Jicarilla #4-E	J- 18-25-4	2326	1961
Jicarilla #5-E	H- 20-25-4	395	1962
Jicarilla #6-E	P- 20-25-4	1286	1962
Jicarilla #9-E	D- 19-25-4	2196	1961
Jicarilla #11-E	L- 19-25-4	511	1962

Proration Department

RIO ARRIBA COUNTY, NEW MEXICO

SO. BLANCO P C

TOWNSHIP 25-N RANGE 4-W



BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
March 7, 1963

EXAMINER HEARING

IN THE MATTER OF:

Application of El Paso Natural Gas Company for permission to conduct certain special well tests, San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled cause, seeks authority to conduct maximum pressure build-up tests on 27 wells in the Blanco-Mesaverde, Basin-Dakota, Aztec-Pictured Cliffs, Ballard-Pictured Cliffs, and South Blanco-Pictured Cliffs Gas Pools, San Juan and Rio Arriba Counties, New Mexico. Applicant further seeks exception to the annual well-testing requirements of Order R-333-F for said wells during the testing period, as well as exception to the underage and overage balancing requirements of Order R-1670. Further, applicant seeks authority to transfer said wells' allowables to other wells on the same basic lease for production. Applicant also seeks an administrative procedure for the designation of such substitute wells for testing as may be deemed necessary.

CASE 2770

BEFORE: Daniel S. Nutter, Examiner

MANUSCRIPT OF HEARING

MR. NUTTER: We call Case 2770.

MR. D'ARNO: Application of El Paso Natural Gas Company for permission to conduct certain special well tests, San Juan and Rio Arriba Counties, New Mexico.

MR. WHITCATH: Garrett Whitworth and the Santa Fe firm of Seth, Montgomery, Federici and Andrews for the Applicant, I

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have one witness to be sworn, Mr. Jerry Hickson.

(Witness sworn.)

(Whereupon, Applicant's Exhibit No. A marked for identification.)

GERALD A. HICKSON

called as a witness herein, having been first duly sworn on oath, testified as follows:

DIRECT EXAMINATION

BY MR. WHITWORTH:

Q Will you please state your full name, by whom and in what capacity you are employed?

A Gerald A. Hickson, proration engineer for El Paso Natural Gas Company.

Q Have you previously testified as an expert witness before this Commission, and your qualifications have been made a matter of record; is that true?

A That's correct.

Q Mr. Hickson, this is an application by El Paso Natural Gas Company for the conducting of maximum pressure build-up tests and non-cancellation and/or transfer of allowables on certain wells in the San Juan Basin, is that right?

A Yes, sir, and also for exception to Order 332-F.

Q What does Order 332-F contain?

A That provides for testing of wells in San Juan Basin prorated pools.

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Q What pools are involved in this application?

A The Blanco-Mesaverde, the Basin-Dakota, Aztec-Pictured Cliffs, Ballard-Pictured Cliffs, and South Blanco-Pictured Cliffs.

Q Do you have an exhibit that sets out the wells that are involved and the test well data and the plat showing the location of each individual well, along with the wells on the same basic lease?

A Yes, sir, I do, Exhibit A.

Q Is that El Paso's Exhibit A? What does El Paso Exhibit A consist of?

A El Paso's Exhibit A is in 27 parts, one for each well and each part consisting of two pages, one which is the test well data on the test well, also listing the transfer wells and the deliverability and the date of the test of its deliverability.

The second sheet is a plat with a nine or 16 section range of the area of the transfer wells and the test well.

Q Why is it necessary to conduct these maximum pressure build-up tests, Mr. Mickson?

A In the San Juan Basin, the operated pools exhibit the characteristic of having slow build-up on their shut-in pressures, which reflects low reserves. In order to determine the reserves of the San Juan Basin, we must have accurate shut-in pressures and this is a means of obtaining them, by pressure build-up test.

Q This is a continuing thing, is it not? This isn't the first time that El Paso has made this type of application?

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A No, sir. We have tested a number of wells in the San Juan Basin in most of the prorated pools, and this is the third test for some of the wells on this application. We are just now beginning to receive information which will be of value in calculating the reserves by decline method or original volumetric method.

Q Now the request that El Paso makes in the application for the transfer of allowables for the wells that are being tested to other wells on the same basic lease, would you care to comment on that?

A Excuse me, I didn't understand that.

Q The transfer of allowables and/or the transfer of allowables or the non-cancellation of allowables, that pertains only to wells on the same basic lease?

A That's correct. We propose to shut in each of these wells after a deliverability test has been taken, and then after the well has been turned back on and the status is carried forward, we will take that allowable and transfer it to all the wells on the same basic lease in a manner in which we can recover this same allowable.

Q In your entire log, on the average how long will it take to conduct these tests?

A Well, it's hard to say. We have never tested any of these Basin-Dakota wells. Well, we have one test which took in the neighborhood of 130 days on a Basin-Dakota well. On some of

the other wells, it ranges from 120, 130 days up to six, 700 days. It just depends on the formation.

Q What are the requirements of Order R-333-F that El Paso seeks to except?

A The requirements are that each well must be tested annually for deliverability test and the wells that we propose to shut in will have a deliverability test this year, but if it goes through next year, through 1964, this is the exception that we are asking for, that the well be permitted to forego this test in 1964.

Q In our application, we stated that the Applicant proposes to complete such tests as soon as possible following the date of issuance of the Commission order in this case, and you have already commented on what you consider to be a reasonable time for conducting the test?

A Yes, sir.

Q What does El Paso propose with respect to the underage and overage requirements of Order R-1670 pertaining to the Northwest?

A We are proposing that this be suspended until a period six months after a full balancing period after the wells have been taken off test.

Q What is your recommendation as to administrative approval for conducting tests for reserve information?

A I didn't understand that.

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Q There is a paragraph in our application which states that in addition to the maximum pressure build-up tests, we are seeking an order that should provide for the granting of administrative approval to conduct such substitute tests as we may in our discretion deem necessary for obtaining more thorough and complete reservoir information.

A Yes, sir.

Q What type of reservoir information are we talking about?

A We are talking about the same pressure information, and what we're requesting by this portion of the application was in case of mechanical troubles or some type of trouble that we can't see at this time, for instance, if we cannot get the pressure on one of the wells that we are asking for here, we would request the Commission by administrative approval grant us permission to use another well on the same basic lease instead of the well that we're asking for today.

Q That would be done by letter of request to the Secretary-Director of the Commission?

A Yes, sir.

Q Do you have anything else that you would like to add to your testimony?

A Yes, sir. Order R-1998 is an acceptable order for this type of case, with exception of part 11 of that order. I don't know if the Commission has that available or not. I would like to read from that order. "That the authority herein granted shall

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terminate one year from the date of this order; provided, however, that the Secretary-Director may approve an extension of time for the taking of the subject tests for good cause shown." I would suggest that this be modified and that this order shall terminate after the final test has been completed which was granted under the order.

Q In other words, you don't want to be limited to one year?

A No, sir, because we know in some cases that it will definitely take more than one year to obtain maximum pressure build-up.

Q The order that you just read from was an order previously issued by this Commission as a result of a similar type application by El Paso?

A That is correct.

MR. WHITWORTH: That's all we have.

MR. NUTTER: Are there any questions of Mr. Hickson?

MR. WHITWORTH: I have one more.

Q (By Mr. Whitworth) This Exhibit A, that was prepared under your direct supervision?

A Yes, it was.

MR. WHITWORTH: We ask that be received in evidence.

MR. NUTTER: Exhibit A will be admitted in evidence.

(Whereupon, Applicant's Exhibit A admitted in evidence.)

CROSS EXAMINATION

BY MR. NUTTER:

Q Do I understand that 1963 deliverability tests will be completed on all these wells prior to shutting them in?

A Yes, we always take a deliverability test and then start the shut-in period for the shut-in period of the deliverability test.

Q So any exception to the annual test would be for 1964?

A Yes, that's correct.

Q In Section 7 of the application, you want the underage and overage balancing provisions suspended for these wells. You want them suspended for a full six months after a full balancing period --

A No.

Q -- after the test is completed?

A No, it would be a full six months after the period has been, the period in which the test was completed.

Q In other words, it is completed during a six months period?

A That's correct.

Q And then you would want one full six months period after that?

A That's correct.

Q And then the underage or overage provisions would apply?

A Yes, sir.

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Q You want administrative approval for such wells as you may deem necessary in Section 8. This would be for the shut-in well or for the producing well, also?

A Is this Section 8 --

Q Of the application.

A -- of our application. Excuse me. This would be a well that's on the same basic lease as one of the wells that we're asking for today.

Q Well, I understand that, but do you want this administrative approval of the substitution wells to apply only to the wells that are being shut-in, or to the wells that are being shut-in as well as the wells that would receive the allowable as transferred allowable? In other words, could you substitute the transfer wells as well as shut-in wells?

A Substitute them for a shut-in well, is that my understanding of the question? The provisions of 8 --

Q It would be on the same basic lease; that's one provision, that the substitution wells would be a substitute well on the same basic lease, is that correct?

A That's correct.

Q Now would you limit the substitution to the wells which are being shut-in only, or would you also want to provide that if you substituted a well that's shut-in, if you substituted another well for the designated shut-in well, that you could also substitute a well which would receive that well's allowable?

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A No. No, we're asking that only the wells listed on each of these exhibits be included. Now to give an example of this, if we took the first one, Atlantic 5-A, it has five transfer wells. As this portion of Number 8, if we took one of the wells and used it as the shut-in well, we would actually substitute for it just the Atlantic 5-A, the other wells would still be transfer wells.

Q We're on this Atlantic 5-A; that's the shut-in well, right?

A That's correct.

Q And there are four wells on that lease which would receive the allowable?

A Or the Atlantic 5-A. The Atlantic 5-A, at the end of the balancing period -- rather, when the test is completed, we take the allowable and assign it to all of the wells, also the 5-A; the 5-A actually receives a portion of the allowable if the rest of the wells on the same basic lease have not overproduced by the amount that the 5-A underproduced.

Q If you substituted the 1-A for the 5-A as the shut-in well, then the 5-A could produce some of 1-A's allowable?

A That is correct.

Q So the substitution works for the shut-in well as well as the transfer well?

A That is correct.

Q In all events, it would be limited to the same lease as

the wells which are depicted on Exhibit A?

A Yes.

MR. NUTTER: Are there any further questions of Mr. Hickson?

MR. UTZ: Yes, I have one.

BY MR. UTZ:

Q Are any of these wells listed on your Exhibit A, which is 27 wells, I believe, plus all your transfer wells, are any of those wells marginal wells at this particular time?

A Not to my knowledge, not when these exhibits were prepared.

Q If any of those wells are marginal wells, then there would not be any reason to include them in this order, would there?

A No, sir.

Q Does Order 1998 provide for notification to the Commission for the beginning and the ending of these tests?

A Yes, sir, it does.

Q And that would be agreeable if it was in the order you are requesting now?

A Yes, sir.

MR. UTZ: That's all.

A We notify the Commission at the same time we take the deliverability tests on these wells, and then on completion of a test we request that the allowable be transferred, which is the notification of the end.

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MR. DURRETT: May I ask a question?

MR. NUTTER: Yes, sir.

BY MR. DURRETT:

Q Mr. Hickson, I would like to clear up a little bit this statement or the proposition that you propose, that you want the order to terminate after the last test is taken, is that correct?

A Yes, sir.

Q You mean just automatically terminate upon completion of the last test that's approved?

A Well, now that I think about it, that might -- we are suspending the balancing provisions for six months after the last test, on the last test the same as we are, say, when the first one comes off, so actually we would have to make it for probably one year after the last test is completed to insure that if you took a test of say the first month into one balancing period you would have five months plus an additional six months for that well to make up its underproduction or lose it.

MR. NUTTER: So in that regard, the order would have to remain in effect after the tests were completed?

A One year after the tests were completed.

Q (By Mr. Durrett) One other question on this same line. What is the longest period of time that you would estimate that might be involved on testing it?

A The San Juan 286 No. 37, which is one of the wells under

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this application, there's 492 days; and we have one longer than that, which is the Atlantic 5-A, which was 645 days. We don't know what the Basin-Dakotas will do because we never had a test on any of these wells before. I don't believe it will be this period of time.

Q But as of this date, 645 days is the longest test you have experienced?

A Under this group of wells, yes, I'm not sure; it seems to me like we had one longer.

MR. DURRETT: Thank you.

MR. NUTTER: Any further questions of Mr. Hickson? He may be excused.

(Witness excused.)

MR. NUTTER: Do you have anything further, Mr. Whitworth?

MR. WHITWORTH: The information that El Paso obtains as a result of this test is passed along; these tests are passed along to the Commission; that's right, Mr. Hickson?

MR. HICKSON: That's correct; that's under the order.

MR. WHITWORTH: That's all I have.

MR. NUTTER: Anything further in Case 2770? We will take the case under advisement and the hearing is adjourned.

* * * *

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STATE OF NEW MEXICO)
COUNTY OF BERNALILLO) ss

I, ADA DEARNLEY, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Proceedings before the New Mexico Oil Conservation Commission was reported by me, and that the same is a true and correct record of the said proceedings to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal this 26th day of March, 1963.

Ada Dearnley
NOTARY PUBLIC

My Commission Expires:
June 19, 1963.

I do hereby certify that the foregoing is
a true and correct copy of the original in
the files of the Commission.
Dated this 3/7 2770
63.
Arthur, Examiner
New Mexico Oil Conservation Commission

DRAFT

JMD/esr

March 26, 1963

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. 2770

Order No. R- 2460

APPLICATION OF EL PASO NATURAL GAS
COMPANY FOR AUTHORITY TO CONDUCT
MAXIMUM PRESSURE BUILD-UP TESTS,
SAN JUAN AND RIO ARriba COUNTIES,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on March 7, 1963, 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 March day of March, 1963, 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, El Paso Natural Gas Company, seeks authority to conduct maximum pressure build-up tests in the Blanco-Mesaverde Gas Pool, the Basin-Dakota Gas Pool, the Aztec-Pictured Cliffs Gas Pool, the Ballard-Pictured Cliffs Gas Pool, and the South Blanco-Pictured Cliffs Gas Pool, San Juan and Rio Arriba Counties, New Mexico.

(3) That the proposed maximum pressure build-up tests would provide additional reservoir information and would therefore be in the interest of conservation.

(4) That the applicant also seeks the establishment of special rules to govern said tests, including a provision

authorizing the non-cancellation or transfer of allowables from wells shut-in in each pool and including a provision allowing substitute tests by administrative approval.

(5) That the proposed tests will not cause waste or impair correlative rights.

(6) That special rules should be promulgated to govern the proposed tests in order to assure prevention of waste and protection of correlative rights.

IT IS THEREFORE ORDERED:

That the applicant, El Paso Natural Gas Company, is hereby authorized to conduct maximum pressure build-up tests on the wells hereinafter designated "Shut-in Wells" and to transfer any allowable accruing to said wells during the tests to one or more of the wells hereinafter designated "Transfer Wells" for the same test, subject to the Special Maximum Pressure Build-up Test Rules set out below:

SHUT-IN WELLS

TRANSFER WELLS

BLANCO-MESAVERDE GAS POOL

El Paso-Atlantic No. 5-A,
Unit L, S 26, T-31N, R-10W

El Paso-Atlantic No. 1-A, Unit H,
S 27, T-31N, R-10W

El Paso-Atlantic No. 9-A, Unit N,
S 27, T-31N, R-10W

El Paso-Atlantic No. 2-A, Unit A,
S 28, T-31N, R-10W

El Paso-Atlantic No. 3-A, Unit M,
S 28, T-31N, R-10W

El Paso-Atlantic No. 8-A,
Unit A, S 29, T-31N, R-10W

El Paso-Atlantic No. 7-A, Unit K,
S 29, T-31N, R-10W

El Paso-Barnes No. 7,
Unit K, S 23, T-32N, R-11W

No transfer well.

El Paso-Barrett No. 2,
Unit B, S 19, T-31N, R-9W

El Paso-Barrett No. 3, Unit K,
S 20, T-31N, R-9W

El Paso-Barrett No. 4, Unit A,
S 20, T-31N, R-9W

El Paso-Gartner No. 2,
Unit G, S 28, T-30N, R-8W

El Paso-Gartner No. 1, Unit N,
S 28, T-30N, R-8W

El Paso-Gartner No. 3, Unit N,
S 33, T-30N, R-8W

El Paso-Gartner No. 4, Unit H,
S 33, T-30N, R-8W

El Paso-Gartner No. 5, Unit M,
S 27, T-30N, R-8W

El Paso-Gartner No. 8, Unit A,
S 26, T-30N, R-8W

El Paso-Hughes No. 3,
Unit B, S 20, T-29N, R-8W

El Paso-Hughes No. 2, Unit A,
S 19, T-29N, R-8W

El Paso-Hughes No. 4, Unit M,
S 20, T-29N, R-8W

El Paso-Hughes No. 5, Unit N,
S 21, T-29N, R-8W

El Paso-Hughes No. 6, Unit G,
S 21, T-29N, R-8W

El Paso-Hughes No. 7, Unit M,
S 29, T-29N, R-8W

El Paso-Hughes No. 8, Unit H,
S 29, T-29N, R-8W

El Paso-Lucerne A-2,
Unit B, S 9, T-31N, R-10W

El Paso-Lucerne No. 3-A, Unit M,
S 3, T-31N, R-10W

El Paso-Lucerne No. 4-A, Unit H,
S 10, T-31N, R-10W

El Paso-McElvain A-1,
Unit A, S 23, T-30N, R-7W

El Paso-McElvain No. 2-A, Unit K,
S 23, T-30N, R-7W

El Paso-McElvain No. 3-A, Unit H,
S 24, T-30N, R-7W

El Paso-McElvain No. 4-A, Unit K,
S 24, T-30N, R-7W

El Paso-McElvain No. 5-A, Unit A,
S 25, T-30N, R-7W

El Paso-McElvain No. 6-A, Unit L,
S 25, T-30N, R-7W

El Paso-H. K. Riddle No. 2,
Unit L, S 3, T-30N, R-9W

El Paso-H. K. Riddle No. 1, Unit
D, S 4, T-30N, R-9W

El Paso-Schwerdtfeger No. 1,
Unit M, S 27, T-31N, R-9W

No transfer well.

El Paso-SJU 28-6 No. 37,
Unit K, S 6, T-27N, R-6W

El Paso-SJU 28-6 No. 39, Unit N,
S 5, T-27N, R-6W

El Paso-SJU 28-6 No. 43, Unit A,
S 7, T-27N, R-6W

El Paso-SJU 28-6 No. 54, Unit N,
S 7, T-27N, R-6W

El Paso-SJU 28-6 No. 22, Unit H,
S 8, T-27N, R-6W

BASIN-DAKOTA GAS POOL

El Paso-Allison Unit No. 1,
Unit E, S 17, T-32N, R-6W

El Paso-Allison Unit No. 20, Unit
L, S 18, T-32N, R-6W

El Paso-Allison Unit No. 23-X,
Unit M, S 19, T-32N, R-6W

El Paso-Jicarilla 67 Federal
No. 10, Unit M, S 30, T-25N,
R-5W

El Paso-Jicarilla 67 Federal
No. 5, Unit N, S 29, T-25N, R-5W

El Paso-Lackey B-13,
Unit K, S 20, T-28N, R-9W

El Paso-Lackey B-12, Unit N,
S 21, T-28N, R-9W

El Paso-Lackey B-14, Unit A,
S 30, T-28N, R-9W

El Paso-Lackey B-17, Unit G,
S 21, T-28N, R-9W

El Paso-Michener No. 3,
Unit M, S 15, T-28N, R-9W

No transfer well.

El Paso-Heaton No. 14,
Unit G, S 29, T-31N, R-11W

El Paso-Heaton No. 1, Unit A,
S 28, T-31N, R-11W

El Paso-Heaton No. 16, Unit L,
S 28, T-31N, R-11W

El Paso-Ludwick No. 16,
Unit G, S 31, T-30N, R-10W

El Paso-Ludwick No. 15, Unit A,
S 19, T-30N, R-10W

El Paso-Ludwick No. 17, Unit B,
S 29, T-30N, R-10W

El Paso-Ludwick No. 20, Unit K,
S 29, T-30N, R-10W

El Paso-Ludwick No. 21, Unit N,
S 31, T-30N, R-10W

El Paso-Rincon Unit No. 136,
Unit A, S 23, T-27N, R-7W

El Paso-Rincon Unit No. 133,
Unit K, S 14, T-27N, R-7W

El Paso-Rincon Unit No. 137,
Unit K, S 24, T-27N, R-7W

El Paso-Rincon Unit No. 138,
Unit A, S 25, T-27N, R-7W

El Paso-Rincon Unit No. 151,
Unit B, S 14, T-27N, R-7W

El Paso-Rincon Unit No. 167,
Unit B, S 13, T-27N, R-7W

El Paso-Rincon Unit No. 177,
Unit L, S 13, T-27N, R-7W

El Paso-SJ 28-5 Unit No. 35,
Unit M, S 19, T-28N, R-5W

El Paso-SJU 28-5 No. 33, Unit L,
S 17, T-28N, R-5W

El Paso-SJU 28-5 No. 34, Unit M,
S 18, T-28N, R-5W

El Paso-SJU 28-5 No. 41, Unit A,
S 32, T-28N, R-5W

El Paso-SJU 28-5 No. 42, Unit K,
S 31, T-28N, R-5W

El Paso-Huerfano Unit No. 117,
Unit P, S 16, T-26N, R-10W

El Paso-Huerfano Unit No. 104,
Unit P, S 17, T-26N, R-10W

El Paso-Huerfano Unit No. 116,
Unit C, S 11, T-26N, R-10W

El Paso-Huerfano Unit No. 121,
Unit F, S 27, T-26N, R-10W

El Paso-Huerfano Unit No. 125,
Unit E, S 30, T-26N, R-9W

El Paso-Huerfano Unit No. 111,
Unit F, S 20, T-26N, R-9W

El Paso-Huerfano Unit No. 120,
Unit C, S 25, T-26N, R-10W

El Paso-Huerfano Unit No. 130,
Unit D, S 29, T-26N, R-9W

El Paso-Huerfano Unit No. 134,
Unit J, S 36, T-26N, R-10W

El Paso-Huerfano Unit No. 136,
Unit J, S 21, T-26N, R-9W

El Paso-Huerfano Unit No. 137,
Unit J, S 31, T-26N, R-9W

AZTEC-PICTURED CLIFFS GAS POOL

El Paso-Ludwick No. 2,
Unit P, S 19, T-30N, R-10W

El Paso-Ludwick No. 1, Unit E,
S 29, T-30N, R-10W

El Paso-Ludwick No. 3, Unit O,
S 29, T-30N, R-10W

El Paso-Ludwick No. 4, Unit A,
S 31, T-30N, R-10W

El Paso-Ludwick No. 5, Unit F,
S 31, T-30N, R-10W

El Paso-Ludwick No. 6, Unit L,
S 19, T-30N, R-10W

BALLARD-PICTURED CLIFFS GAS POOL

El Paso-Ballard No. 6,
Unit E, S 14, T-26N, R-9W

El Paso-Ballard No. 5, Unit P,
S 14, T-26N, R-9W

El Paso-Ballard No. 3, Unit H,
S 14, T-26N, R-9W

El Paso-Ballard No. 4, Unit M,
S 14, T-26N, R-9W

El Paso-Ballard No. 7, Unit E,
S 15, T-26N, R-9W

El Paso-Ballard No. 8, Unit H,
S 15, T-26N, R-9W

El Paso-Ballard No. 9, Unit O,
S 15, T-26N, R-9W

El Paso-Ballard No. 10, Unit L,
S 15, T-26N, R-9W

El Paso-Quitzeau No. 3,
Unit P, S 11, T-25N, R-8W

El Paso-Quitzeau No. 1, Unit D,
S 3, T-25N, R-8W

El Paso-Quitzeau No. 2, Unit F,
S 11, T-25N, R-8W

El Paso-Quitzeau No. 4, Unit O,
S 3, T-25N, R-8W

El Paso-Quitzeau No. 5, Unit M,
S 3, T-25N, R-8W

El Paso-Quitzeau No. 6, Unit A,
S 10, T-25N, R-8W

El Paso-Quitzeau No. 11, Unit A,
S 3, T-25N, R-8W

El Paso-Wilson No. A-1,
Unit F, S 32, T-26N, R-8W

El Paso-Wilson No. A-2, Unit K,
S 32, T-26N, R-8W

SOUTH BLANCO-PICTURED CLIFFS GAS POOL

El Paso-Jicarilla B No. 1,
Unit F, S 28, T-25N, R-4W

El Paso-Jicarilla B No. 3, Unit
O, S 28, T-25N, R-4W

El Paso-Jicarilla B No. 5, Unit
M, S 27, T-25N, R-4W

El Paso-Jicarilla B No. 6, Unit
B, S 33, T-25N, R-4W

El Paso-Jicarilla B No. 7, Unit
J, S 27, T-25N, R-4W

El Paso-Jicarilla B No. 8, Unit
G, S 28, T-25N, R-4W

El Paso-Jicarilla B No. 9, Unit
K, S 28, T-25N, R-4W

El Paso-Jicarilla B No. 10, Unit
K, S 34, T-25N, R-4W

El Paso-Jicarilla B No. 13, Unit
P, S 34, T-25N, R-4W

El Paso-Jicarilla B No. 14, Unit
C, S 33, T-25N, R-4W

El Paso-Jicarilla E No. 8,
Unit F, S 20, T-25N, R-4W

El Paso-Jicarilla E No. 1, Unit
H, S 19, T-25N, R-4W

El Paso-Jicarilla E No. 2, Unit
O, S 19, T-25N, R-4W

El Paso-Jicarilla E No. 3, Unit
N, S 18, T-25N, R-4W

El Paso-Jicarilla E No. 4, Unit
J, S 18, T-25N, R-4W

El Paso-Jicarilla E No. 5, Unit
H, S 20, T-25N, R-4W

El Paso-Jicarilla E No. 6, Unit
P, S 20, T-25N, R-4W

El Paso-Jicarilla E No. 9, Unit
D, S 19, T-25N, R-4W

El Paso-Jicarilla E No. 11, Unit
L, S 19, T-25N, R-4W

SPECIAL MAXIMUM PRESSURE BUILD-UP TEST RULES

RULE 1. Any operator desiring an allowable transfer shall submit a request for the same to the Commission setting out the amount of allowable which he proposes to transfer and the name and location of the well or wells which are to receive the same. Such transfers must be to wells on the same basic lease as the shut-in well. If approved, the transfer shall be effected upon completion of the test if a deliverability test for the proration year in which the test is completed has been filed for the well. If a deliverability test has not been filed for the proration year in which the test is completed, the transfer, if approved, shall be effected upon receipt of said deliverability test for the well.

RULE 2. The ~~underage and overage~~ provisions of Order No. R-1670 ~~shall be suspended for all shut-in and transfer wells~~ *requiring cancellation of underproduction and the shutting in of* *inoperable wells* insofar as concerns any overage or underage accrued to such wells at the time a test is commenced; provided, however, that said wells shall be subject to the ~~provisions of the aforementioned rules~~ *said* *Order No. R-1670* at the end of the six-month proration period following the proration period ~~during~~ *is* which the test is completed.

RULE 3. Any allowable which accrues to a shut-in well during a test and which is not transferred shall be considered to

have accrued to said shut-in well on the date the test is completed.

RULE 4. Any transfer well which has not been connected to a transportation facility at the beginning of the test shall have its allowable assigned in accordance with the applicable proration order.

RULE 5. Any shut-in well which ^{has} not been assigned an allowable prior to the effective date of this order shall be assigned an allowable from the date of connection to a transportation facility if said date is not more than forty-five days prior to the beginning of the test. If the shut-in well has not been connected to a transportation facility at the beginning of the test, its allowable shall begin on the date when the well would have delivered gas into a transportation facility had the well not been shut in, such date to be established by affidavit from the gas purchaser.

RULE 6. All shut-in wells are hereby excepted from the requirements of Order No. R-333-F until the date of first delivery of gas into a gas transportation facility after ~~the~~ completion of the test.

RULE 7. The Secretary-Director of the Commission is hereby authorized to administratively approve the substitution of wells designated to participate in any of the tests, but no well shall be designated as a transfer well which is not on the same basic lease as the shut-in well.

RULE 8. The official starting date of a test shall be established by affidavit from the operator and shall be the date the well was shut in for the purpose of testing and not thereafter produced in any manner, ~~except for the purpose of taking pressure readings~~. Affidavits shall be filed with the Santa Fe and Aztec offices of the Commission .

RULE 9. All shut-in wells shall be padlocked in a manner that will prevent the opening of any valve by unauthorized persons. Valves on shut-in wells shall be opened only for the purpose of taking pressure readings.

RULE 10. The results of all pressure readings shall be filed with the Commission's Aztec and Santa Fe offices within 30 days ✓ after the completion of the last test authorized. ~~This~~^{the} data shall be filed in both tabular and graphic form and shall show the date that the test well was shut in, the date and the pressure at each pressure reading, and the length of time that the well was shut in prior to each reading. The graph shall depict the pressure build-up in pounds per square inch absolute plotted against shut-in time in days.

IT IS FURTHER ORDERED:

(1) That the authority herein granted shall terminate one year from the date of completion of the last test authorized by this order.

(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, Chairman

E. S. WALKER, Member

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

No. 8-63

DOCKET: EXAMINER HEARING - THURSDAY - MARCH 7, 1963

9 A. M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or
Elvis A. Utz, as alternate examiner:

CASE 2763: (Continued)

Dismissed
Application of Sunray DX Oil Company for the creation of a
Strawn Gas Pool and for Special Temporary Pool Rules, Eddy
County, New Mexico. Applicant, in the above-styled cause,
seeks the creation of a new Strawn Gas Pool for its New
Mexico State "AH" Well No. 1, located in Unit K of Section
30, Township 18 South, Range 23 East, Eddy County, New Mexico,
and the establishment of temporary pool rules therefor,
including a provision for 640-acre proration units.

CASE 2766:

*James H. Nutter
700 N. 1st St.
Santa Fe, N.M.*
Application of Tom Brown Drilling Company, Inc., for a unit
agreement, Eddy County, New Mexico. Applicant, in the above-
styled cause, seeks approval of the Siegreist Draw Unit Area,
comprising 7,578 acres, more or less, of State and fee lands
in Township 19 South, Range 23 East, Eddy County, New Mexico.

CASE 2767:

Application of Tom Brown Drilling Company, Inc., for a unit
agreement, Eddy County, New Mexico. Applicant, in the above-
styled cause, seeks approval of the Antelope Sink Unit Area,
comprising 7,561 acres, more or less, of State and fee lands
in Township 19 South, Ranges 23 and 24 East, Eddy County,
New Mexico.

CASE 2768:

Application of Ernest A. Hanson and Harold Kersey for special
nomenclature, Eddy County, New Mexico. Applicants, in the
above-styled cause, seek an order extending the vertical
limits of that portion of the Red Lake (Grayburg-San Andres)
Pool underlying the NW/4 of Section 14, Township 17 South,
Range 28 East, Eddy County, New Mexico, to include therein
the Queen formation.

CASE 2769:

Application of Cities Service Oil Company for three water
injection wells, Chaves County, New Mexico. Applicant, in
the above-styled cause, seeks authority to convert the Pure
State No. 1 and the Gulf State Well No. 1 located in Units
D and P, respectively, of Section 16, Township 14 South,
Range 31 East, Chaves County, New Mexico, to water injection,
offsetting Phillips Petroleum Company's West Cap Waterflood
Project. Applicant further seeks authority to drill an
additional water injection well at the southwest corner of
Unit K of said Section 16.

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Docket No. 8-63

CASE 2770:

Application of El Paso Natural Gas Company for permission to conduct certain special well tests, San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled cause, seeks authority to conduct maximum pressure build-up tests on 27 wells in the Blanco-Mesaverde, Basin-Dakota, Aztec-Pictured Cliffs, Ballard-Pictured Cliffs, and South Blanco-Pictured Cliffs Gas Pools, San Juan and Rio Arriba Counties, New Mexico. Applicant further seeks exception to the annual well-testing requirements of Order R-333-F for said wells during the testing period, as well as exception to the under-age and overage balancing requirements of Order R-1670. Further, applicant seeks authority to transfer said wells' allowables to other wells on the same basic lease for production. Applicant also seeks an administrative procedure for the designation of such substitute wells for testing as may be deemed necessary.

iqg/

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. 2294
Order No. R-1998

APPLICATION OF EL PASO NATURAL GAS
COMPANY FOR AUTHORIZATION TO CONDUCT
MAXIMUM PRESSURE BUILD-UP TESTS, SAN
JUAN AND RIO ARriba COUNTIES, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 24, 1961, 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 14th day of June, 1961, 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, El Paso Natural Gas Company, seeks authorization to conduct maximum pressure build-up tests in the Blanco-Mesaverde Gas Pool, the Aztec-Pictured Cliffs Gas Pool, the Ballard-Pictured Cliffs Gas Pool, the Fulcher Kutz-Pictured Cliffs Gas Pool, and the South Blanco-Pictured Cliffs Gas Pool, San Juan and Rio Arriba Counties, New Mexico.

(3) That there is a need for the reservoir information that the proposed maximum pressure build-up tests would provide.

(4) That the applicant further seeks establishment of special rules governing said tests, including a provision authorizing the non-cancellation and/or transfer of allowables from wells to be shut-in in each pool and including a provision allowing substitute tests by administrative approval.

(5) That all shut-in wells should be excepted from the

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CASE No. 2294

Order No. R-1998

requirements of Order R-333-C and D during the time that maximum pressure build-up tests are being conducted.

(6) That any shut-in well which has not been assigned an allowable prior to the effective date of this order should be assigned an allowable from the date of connection to a transportation facility, provided said date is not more than forty-five days prior to the beginning of the test.

(7) That the applicant should be permitted to transfer the allowable which accrues to the shut-in well during the test to certain other wells on the same basic lease; and further, that any such allowable which is not so transferred should be considered to have ~~accrued~~ ^{been accruing} on the date the test is completed.

(8) That the underage and overage balancing provisions of Order No. R-1670 should be suspended for all affected shut-in and transfer wells until the end of the six-month proration period following the proration period during which the test is completed.

(9) That inasmuch as the proposed tests will not cause waste nor impair correlative rights, the subject application should be approved.

IT IS THEREFORE ORDERED:

(1) That authority is hereby granted to conduct maximum pressure build-up tests on the wells hereinafter designated as the "Shut-in Well" and to transfer any allowables accruing to said wells during the tests to one or more of the wells designated as a "Transfer Well" for the same test, subject to the provisions of Paragraph 2 of this order:

SHUT-IN WELL

TRANSFER WELL

AZTEC-PICTURED CLIFFS GAS POOL

El Paso-Lackey No. 5-B
SE/4, S 20, T-28N, R-9W

El Paso-Lackey No. 3-B
NW/4, S 29, T-28N, R-9W

El Paso-Lackey No. 4-B
NE/4, S 29, T-28N, R-9W

El Paso-Lackey No. 6-B
NW/4, S 21, T-28N, R-9W

El Paso-Lackey No. 8-B
SW/4, S 20, T-28N, R-9W

El Paso-Lackey No. 9-B
SW/4, S 21, T-28N, R-9W

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CASE No. 2294
Order No. R-1998

El Paso-Morris A-6
SW/4, S 21, T-30N, R-11W

None

BALLARD-PICTURED CLIFFS GAS POOL

El Paso-McConnell No. 5
NW/4, S 24, T-26N, R-9W

El Paso-McConnell No. 2
SE/4, S 13, T-26N, R-9W

El Paso-McConnell No. 4
SW/4, S 24, T-26N, R-9W

El Paso-Payne No. 1-A
SW/4, S 13, T-26N, R-9W

El Paso-McManus No. 10
NE/4, S 4, T-25N, R-8W

El Paso-McManus No. 2
NW/4, S 4, T-25N, R-8W

El Paso-McManus No. 3
SE/4, S 33, T-26N, R-8W

El Paso-McManus No. 9
SW/4, S 33, T-26N, R-8W

El Paso-McManus No. 13
SW/4, S 4, T-25N, R-8W

BLANCO-MESAVERDE GAS POOL

El Paso-Atlantic No. 5
NE/4, S 22, T-31N, R-10W

El Paso-Atlantic No. 6
SW/4, S 22, T-31N, R-10W

El Paso-Atlantic No. 7
NE/4, S 23, T-31N, R-10W

El Paso-Atlantic No. 8
SW/4, S 23, T-31N, R-10W

El Paso-Fields No. 1
NE/4, S 25, T-32N, R-11W

El Paso-Fields No. 2
SW/4, S 25, T-32N, R-11W

El Paso-Fields No. 3
NE/4, S 29, T-32N, R-11W

El Paso-Fields No. 4
NE/4, S 28, T-32N, R-11W

El Paso-Fields No. 5
SW/4, S 28, T-32N, R-11W

El Paso-Gartner No. 4
NE/4, S 33, T-30N, R-8W

El Paso-Gartner No. 1
SW/4, S 28, T-30N, R-8W

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CASE No. 2294
Order No. R-1998

El Paso-Grambling No. 3
SW/4, S 22, T-29N, R-9W

El Paso-Howell No. 3-A
SW/4, S 4, T-30N, R-8W

El Paso-Mansfield No. 4
NE/4, S 29, T-30N, R-9W

El Paso-Prichard No. 2-1
NE/4, S 34, T-31N, R-9W

El Paso-SJU 28-7 No. 49
NE/4, S 21, T-28N, R-7W

El Paso-SJU 32-9 No. 29
SW/4, S 36, T-32N, R-10W

El Paso-Gartner No. 3
SW/4, S 33, T-30N, R-8W

El Paso-Gartner No. 5
SW/4, S 27, T-30N, R-8W

El Paso-Grambling No. 1
NE/4, S 28, T-29N, R-9W

El Paso-Grambling No. 2
NE/4, S 27, T-29N, R-9W

El Paso-Howell No. 1-A
NE/4, S 8, T-30N, R-8W

El Paso-Howell No. 2-A
SW/4, S 5, T-30N, R-8W

None

El Paso-Prichard No. 3-2
SW/4, S 34, T-31N, R-9W

El Paso-SJU 28-7 No. 6
SW/4, S 16, T-28N, R-7W

El Paso-SJU 28-7 No. 47
NE/4, S 20, T-28N, R-7W

El Paso-SJU 28-7 No. 48
SW/4, S 21, T-28N, R-7W

El Paso-SJU 32-9 No. 3
NE/4, S 1, T-31N, R-10W

El Paso-SJU 32-9 No. 9
SW/4, S 25, T-32N, R-10W

El Paso-SJU 32-9 No. 25
NE/4, S 2, T-31N, R-10W

El Paso-SJU 32-9 No. 26
SW/4, S 1, T-31N, R-10W

El Paso-SJU 32-9 No. 30
NE/4, S 36, T-32N, R-10W

El Paso-SJU 32-9 No. 32
SW/4, S 31, T-32N, R-9W

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CASE No. 2294
Order No. R-1998

El Paso-SJU 32-9 No. 34
SW/4, S 35, T-32N, R-10W

El Paso-SJU 32-9 No. 38
NE/4, S 35, T-32N, R-10W

FULCHER KUTZ-PICTURED CLIFFS GAS POOL

El Paso-Rowley No. 4
NW/4, S 17, T-27N, R-10W

El Paso-Rowley No. 6
SE/4, S 18, T-27N, R-10W

SOUTH BIANCO-PICTURED CLIFFS GAS POOL

El Paso-Jicarilla No. 5-B
SW/4, S 27, T-25N, R-4W

El Paso-Jicarilla No. 2-B
NE/4, S 34, T-25N, R-4W

El Paso-Jicarilla No. 3-B
SE/4, S 28, T-25N, R-4W

El Paso-Jicarilla No. 4-B
NW/4, S 34, T-25N, R-4W

El Paso-Jicarilla No. 6-B
NE/4, S 33, T-25N, R-4W

El Paso-Jicarilla No. 7-B
SE/4, S 27, T-25N, R-4W

El Paso-Jicarilla No. 8-B
NE/4, S 28, T-25N, R-4W

El Paso-Jicarilla No. 11-B
NE/4, S 27, T-25N, R-4W

El Paso-Jicarilla No. 12-B
NW/4, S 27, T-25N, R-4W

upon completion of test
(2) That any operator desiring an allowable transfer as authorized above shall submit a request for the same to the Commission setting out the amount of allowable which he proposes to transfer and the name and location of the well or wells which are to receive the same. Such transfers must be to wells on the same basic lease as the shut-in well. (If the proposed transfer is approved by the Commission, the transfer shall be effected upon completion of the test or upon receipt of the deliverability test for the shut-in well, whichever date is later.)

(3) That the underage and overage provisions of Order No. R-1670 shall be suspended for all affected shut-in and

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CASE No. 2294

Order No. R-1998

transfer wells listed herein insofar as concerns any overage or underage accrued to such wells at the time a test is commenced; provided, however, that said wells shall be subject to the provisions of the aforementioned rules after the end of the six-month proration period following the proration period during which the test is completed, and further, that any allowable which accrues to a shut-in well during a test which is not transferred as provided for in Paragraph 2 above shall be considered to have ~~been~~ ^{accrued} to said shut-in well on the date the test is completed.

(4) That any transfer well which has not been connected to a transportation facility at the beginning of the test shall have its allowable assigned in accordance with the applicable proration order.

(5) That any shut-in well which has not been assigned an allowable prior to the effective date of this order shall be assigned an allowable from the date of connection to a transportation facility, provided said date is not more than forty-five days prior to the beginning of the test.

If, however, the shut-in well has not been connected to a transportation facility at the beginning of the test its allowable shall begin on the date when the well would have delivered gas into a transportation facility had the well not been shut-in, such date to be determined from an affidavit by the gas purchaser.

(6) That all shut-in wells be and the same are hereby excepted from the requirements of Order R-333-C and D until the date of first delivery of gas into a gas transportation facility after the completion of the test.

(7) That the Commission be and the same is hereby authorized to administratively approve the substitution of wells designated to participate in any of the tests listed in this order, provided that no well shall be designated as a transfer well which is not on the same basic lease as the shut-in well.

(8) That in order to establish the starting date of any maximum pressure build-up test listed in this order, the operator shall notify the Santa Fe and Aztec offices of the Commission at the time the well is shut-in and padlocked, which date shall be the starting date of the maximum pressure build-up test. Provided, that any test started before the date of this order on which the operator can furnish adequate proof that the well has not been blown to the air or produced in any manner, may have the starting date of the test begin as of the date of the shutting-in of the test well.

(9) That the shut-in well on all tests listed in this order shall be padlocked in such a manner so as to definitely prevent

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CASE No. 2294

Order No. R-1998

the opening of any valve except during the taking of the pressure readings.

(10) That the results of all pressure readings on the above-described tests shall be filed with the Commission's Aztec and Santa Fe offices within a reasonable time after the completion of the last test authorized herein. These data shall be filed in both tabular and graphic form and shall show the date that the test well was shut-in, the date and the pressure at each pressure reading, and the length of time that the well was shut-in prior to each reading. The graph shall depict the pressure build-up in pounds per square inch absolute plotted against shut-in time in days.

(11) That the authority herein granted shall terminate one year from the date of this order; provided, however, that the Secretary-Director may approve an extension of time for the taking of the subject tests for good cause shown.

(12) 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 herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

E. S. WALKER, Member

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

S E A L

esr/

El Paso Natural Gas Company

El Paso, Texas 1963 FEB 4 AM 8:29

February 1, 1963

Case 2770

Mr. A. L. Porter
Oil Conservation Commission
Of the State of New Mexico
Post Office Box 871
Santa Fe, New Mexico

Dear Mr. Porter:

I have enclosed for filing with the Commission the original and two copies of El Paso Natural Gas Company's application for an order authorizing the conducting of maximum pressure build-up tests and the noncancellation and/or transfer of allowables for wells involved in such testing program in the Blanco-Mesaverde, Basin-Dakota, Aztec-Pictured Cliffs, Ballard-Pictured Cliffs, and South Blanco-Pictured Cliffs Gas Pools, San Juan and Rio Arriba Counties, New Mexico.

We would like to get this case set before an examiner as soon as possible.

Yours very truly,

Garrett C. Whitworth
GARRETT C. WHITWORTH
ATTORNEY

GCW:cak

Enclosures

DOCKET MAILED

Date

2/25/63

JK

SETH, MONTGOMERY, FEDERICI & ANDREWS

ATTORNEYS AND COUNSELORS AT LAW

301 DON GASPAR AVENUE
SANTA FE, NEW MEXICO

March 6, 1963

A. K. MONTGOMERY
WM. FEDERICI
FRANK ANDREWS
FRED C. HANNAHS
GEORGE A. GRAHAM, JR.
RICHARD S. MORRIS

J. O. SETH
COUNSEL

POST OFFICE BOX 828
TELEPHONE YU 3-7315

New Mexico Oil Conservation Commission
State Land Office Building
Santa Fe, New Mexico

Gentlemen:

Please consider this letter as an entry of appearance by this firm on behalf of El Paso Natural Gas Company in the Case 2770, scheduled for hearing before one of the Commission's examiners on March 7, 1963. Mr. Garrett Whitworth of the Texas bar will present the case for El Paso Natural Gas Company.

Very truly yours,



RSM:s

BEFORE THE
OIL CONSERVATION COMMISSION OF THE
STATE OF NEW MEXICO

MAIN OFFICE OCC
1933 FEB 4 AM 8:29

IN THE MATTER OF THE APPLICATION
OF EL PASO NATURAL GAS COMPANY
FOR AN ORDER AUTHORIZING THE CON-
DUCTING OF MAXIMUM PRESSURE BUILDUP
TESTS AND THE NONCANCELLATION AND/OR
TRANSFER OF ALLOWABLES FOR WELLS
INVOLVED IN SUCH TESTING PROGRAM IN
THE BLANCO-MESAVERDE, BASIN-DAKOTA,
AZTEC-PICTURED CLIFFS, BALLARD-
PICTURED CLIFFS, AND SOUTH BLANCO-
PICTURED CLIFFS GAS POOLS, SAN JUAN
AND RIO ARriba COUNTIES, NEW MEXICO

CASE NO. 2770

ORDER NO. _____

A P P L I C A T I O N

TO THE HONORABLE COMMISSION:

COMES NOW El Paso Natural Gas Company, hereinafter
referred to as "Applicant" and alleges and states:

I.

Applicant is a Delaware corporation with a permit
to do business in the State of New Mexico;

II.

Applicant is the operator of oil and gas leases in
the Blanco-Mesaverde, Basin-Dakota, Aztec-Pictured Cliffs,
Ballard-Pictured Cliffs, and South Blanco-Pictured Cliffs
Gas Pools, as delineated by orders of this Commission, and
the gas wells located on said leases as described in Exhibit
"A" which is attached hereto and made a part hereof;

III.

There is a continuing need for reservoir information
concerning said pools and such information should be obtained
by shutting in the wells listed in said Exhibit "A" and con-
ducting maximum pressure build-up tests with respect to same.
Applicant proposes to complete such tests as soon as possible
following the date of issuance of the Commission's order in
this case.

DOCKET MAILED

Date 2/25/63

IV.

Such proposed tests would not constitute waste nor violate correlative rights and should be authorized;

V.

All wells shut-in for the purpose of conducting such tests should be excepted from the requirements of Testing Order R-333-F of this Commission during the time that the maximum pressure build-up tests are being conducted;

VI.

Applicant should be permitted to transfer the allowable which accrues to any shut-in well during its testing period to any other offset well or wells on the same basic lease; and that the transfer of such allowable to any specific well or wells should be upon request of Applicant and authorization of the Commission issued in the form of a supplemental allowable to such transfer well;

VII.

The underage and overage balancing provisions of the General Rules and Regulations for Northwestern New Mexico adopted by Order No. R-1670 as amended of this Commission and the Special Pool Rules with respect to overage and underage balancing provisions affecting the above mentioned gas pools should be suspended as to each affected shut-in and transfer well located in each such respective gas pool until the end of the six-month proration period following the proration period during which the testing of each such shut-in well is completed.

VIII.

In addition to the maximum pressure build-up tests stipulated herein, the order sought by this application should provide for the granting of administrative approval to conduct

such substitute tests as Applicant may in its discretion
deem necessary for obtaining more thorough and complete
reservoir information with respect to said gas pools if
there is no objection thereto.

WHEREFORE, Applicant respectfully requests this matter to be set for hearing as prescribed by law, and that upon notice and hearing the Commission issue its Order authorizing the conducting of maximum pressure build-up tests with respect to the wells listed in Exhibit "A" hereto located in the Blanco-Mesaverde, Basin-Dakota, Aztec-Pictured Cliffs, Ballard-Pictured Cliffs and South Blanco-Pictured Cliffs Gas Pools located in San Juan and Rio Arriba Counties, New Mexico, and such substitute tests as Applicant may in its discretion deem necessary to conduct after first having obtained administrative approval therefor, and the noncancellation and/or transfer of allowables for all wells involved in such testing program in the manner herein described, or in such manner as the Commission shall deem necessary and proper.

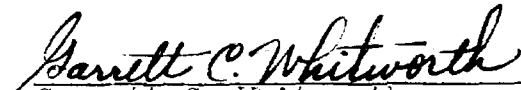

Garrett C. Whitworth
Attorney for Applicant

EXHIBIT "A"

BLANCO-MESAVERDE

Atlantic No. 5-A SW/4 Sec. 26, T-31-N, R-10-W
Atlantic No. 3-A NE/4 Sec. 29, T-31-N, R-10-W
Barnes No. 7 SW/4 Sec. 23, T-32-N, R-11-W
Barrett No. 2 NE/4 Sec. 19, T-31-N, R-9-W
Gartner No. 2 NE/4 Sec. 28, T-30-N, R-8-W
Hughes No. 3 NE/4 Sec. 20, T-29-N, R-8-W
Lucerne No. 2-A NE/4 Sec. 9, T-31-N, R-10-W
San Juan 30-6 Unit McElvain No. 1-A, NE/4 Sec. 23, T-30-N, R-7-W
Riddle No. 2 SW/4 Sec. 3, T-30-N, R-9-W
Schwerdtfeger No. 1 SW/4 Sec. 27, T-31-N, R-9-W
San Juan 28-6 Unit No. 37 SW/4 Sec. 6, T-27-N, R-6-W

BASIN-DAKOTA

Allison Unit No. 1 NW/4 Sec. 17, T-32-N, R-6-W
Jicarilla No. 67-10 SW/4, Sec. 30, T-25-N, R-5-W
Lackey No. 13-B SW/4, Sec. 20, T-28-N, R-9-W
Michener No. 3 SW/4, Sec. 15, T-28-N, R-9-W
Heaton No. 14 NE/4, Sec. 29, T-31-N, R-11-W
Ludwick No. 16 NE/4, Sec. 31, T-30-N, R-10-W
Rincon Unit No. 136, SW/4, Sec. 23, T-27-N, R-7-W
San Juan 28-5 Unit No. 35 SW/4, Sec. 19, T-28-N, R-5-W
Huerfano Unit No. 117 SE/4, Sec. 16, T-26-N, R-10-W
Huerfano Unit No. 125 NW/4, Sec. 30, T-26-N, R-9-W

AZTEC-PICTURED CLIFFS

Ludwick No. 2, SE/4 Sec. 19, T-30-N, R-10-W

BALLARD-PICTURED CLIFFS

Ballard No. 2-14 (No. 6) NW/4 Sec. 14, T-16-N, R-9-W
Quitzan No. 3 SE/4 Sec. 11, T-25-N, R-8-W
Wilson No. A-1 NW/4 Sec. 32, T-26-N, R-8-W

SOUTH BLANCO-PICTURED CLIFFS

Jicarilla No. 1-B NW/4 Sec. 28, T-25-N, R-4-W
Jicarilla No. 8-E NW/4 Sec. 20, T-25-N, R-4-W

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. 2770
Order No. R-2460

APPLICATION OF EL PASO NATURAL GAS
COMPANY FOR AUTHORITY TO CONDUCT
MAXIMUM PRESSURE BUILD-UP TESTS,
SAN JUAN AND RIO ARriba COUNTIES,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on March 7, 1963, 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 1st day of April, 1963, 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, El Paso Natural Gas Company, seeks authority to conduct maximum pressure build-up tests in the Blanco-Mesaverde Gas Pool, the Basin-Dakota Gas Pool, the Aztec-Pictured Cliffs Gas Pool, the Ballard-Pictured Cliffs Gas Pool, and the South Blanco-Pictured Cliffs Gas Pool, San Juan and Rio Arriba Counties, New Mexico.

(3) That the proposed maximum pressure build-up tests would provide additional reservoir information and would therefore be in the interest of conservation.

(4) That the applicant also seeks the establishment of special rules to govern said tests, including a provision authorizing the non-cancellation or transfer of allowables from wells shut-in in each pool and including a provision allowing substitute tests by administrative approval.

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CASE No. 2770
Order No. R-2460

(5) That the proposed tests will not cause waste or impair correlative rights.

(6) That special rules should be promulgated to govern the proposed tests in order to assure prevention of waste and protection of correlative rights.

IT IS THEREFORE ORDERED:

That the applicant, El Paso, Natural Gas Company, is hereby authorized to conduct maximum pressure build-up tests on the wells hereinafter designated "Shut-in Wells" and to transfer any allowable accruing to said wells during the tests to one or more of the wells hereinafter designated "Transfer Wells" for the same test, subject to the Special Maximum Pressure Build-up Test Rules set out below:

SHUT-IN WELLS

TRANSFER WELLS

BLANCO-MESAVERDE GAS POOL

El Paso-Atlantic No. 5-A,
Unit L, S 26, T-31N, R-10W

El Paso-Atlantic No. 1-A, Unit H,
S 27, T-31N, R-10W

El Paso-Atlantic No. 9-A, Unit H,
S 27, T-31N, R-10W

El Paso-Atlantic No. 2-A, Unit A,
S 28, T-31N, R-10W

El Paso-Atlantic No. 3-A, Unit M,
S 28, T-31N, R-10W

El Paso-Atlantic No. 8-A,
Unit A, S 29, T-31N, R-10W

El Paso-Atlantic No. 7-A, Unit K,
S 29, T-31N, R-10W

El Paso-Barnes No. 7,
Unit K, S 23, T-32N, R-11W

No transfer well.

El Paso-Barrett No. 2,
Unit B, S 19, T-31N, R-9W

El Paso-Barrett No. 3, Unit K,
S 20, T-31N, R-9W

El Paso-Barrett No. 4, Unit A,
S 20, T-31N, R-9W

El Paso-Gartner No. 2,
Unit G, S 26, T-30N, R-8W

El Paso-Gartner No. 1, Unit N,
S 28, T-30N, R-8W

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El Paso-Hughes No. 3,
Unit B, S 20, T-29N, R-8W

El Paso-Lucerne A-2,
Unit B, S 9, T-31N, R-10W

El Paso-McElvain A-1,
Unit A, S 23, T-30N, R-7W

El Paso-Gartner No. 3, Unit H,
S 33, T-30N, R-8W

El Paso-Gartner No. 4, Unit H,
S 33, T-30N, R-8W

El Paso-Gartner No. 5, Unit H,
S 27, T-30N, R-8W

El Paso-Gartner No. 8, Unit A,
S 26, T-30N, R-8W

El Paso-Hughes No. 2, Unit A,
S 19, T-29N, R-8W

El Paso-Hughes No. 4, Unit M,
S 20, T-29N, R-8W

El Paso-Hughes No. 5, Unit N,
S 21, T-29N, R-8W

El Paso-Hughes No. 6, Unit G,
S 21, T-29N, R-8W

El Paso-Hughes No. 7, Unit M,
S 29, T-29N, R-8W

El Paso-Hughes No. 8, Unit H,
S 29, T-29N, R-8W

El Paso-Lucerne No. 3-A, Unit K,
S 3, T-31N, R-10W

El Paso-Lucerne No. 4-A, Unit H,
S 10, T-31N, R-10W

El Paso-McElvain No. 2-A, Unit K,
S 23, T-30N, R-7W

El Paso-McElvain No. 3-A, Unit H,
S 24, T-30N, R-7W

El Paso-McElvain No. 4-A, Unit K,
S 24, T-30N, R-7W

El Paso-McElvain No. 5-A, Unit A,
S 25, T-30N, R-7W

El Paso-McElvain No. 6-A, Unit L,
S 25, T-30N, R-7W

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El Paso-H. K. Riddle No. 2,
Unit L, S 3, T-30N, R-9W

El Paso-H. K. Riddle No. 1, Unit
D, S 4, T-30N, R-9W

El Paso-Schwardtfeger No. 1,
Unit M, S 27, T-31N, R-9W

No transfer well.

El Paso-SJU 28-6 No. 37,
Unit K, S 6, T-27N, R-6W

El Paso-SJU 28-6 No. 39, Unit H,
S 5, T-27N, R-6W

El Paso-SJU 28-6 No. 43, Unit A,
S 7, T-27N, R-6W

El Paso-SJU 28-6 No. 54, Unit H,
S 7, T-27N, R-6W

El Paso-SJU 28-6 No. 22, Unit H,
S 8, T-27N, R-6W

BASIN-DAKOTA GAS POOL

El Paso-Allison Unit No. 1,
Unit E, S 17, T-32N, R-6W

El Paso-Allison Unit No. 20, Unit
L, S 18, T-32N, R-6W

El Paso-Allison Unit No. 23-X,
Unit M, S 19, T-32N, R-6W

El Paso-Jicarilla 67 Federal
No. 10, Unit M, S 30, T-25N,
R-5W

El Paso-Jicarilla 67 Federal
No. 5, Unit H, S 29, T-25N, R-5W

El Paso-Lackey B-13,
Unit K, S 20, T-28N, R-9W

El Paso-Lackey B-12, Unit H,
S 21, T-28N, R-9W

El Paso-Lackey B-14, Unit A,
S 30, T-28N, R-9W

El Paso-Lackey B-17, Unit G,
S 21, T-28N, R-9W

El Paso-Michener No. 3,
Unit M, S 15, T-28N, R-9W

No transfer well.

El Paso-Heaton No. 14,
Unit G, S 29, T-31N, R-11W

El Paso-Heaton No. 1, Unit A,
S 28, T-31N, R-11W

El Paso-Heaton No. 16, Unit L,
S 28, T-31N, R-11W

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El Paso-Ludwick No. 16,
Unit G, S 31, T-30N, R-10W

El Paso-Ludwick No. 15, Unit A,
S 19, T-30N, R-10W

El Paso-Ludwick No. 17, Unit B,
S 29, T-30N, R-10W

El Paso-Ludwick No. 20, Unit K,
S 29, T-30N, R-10W

El Paso-Ludwick No. 21, Unit H,
S 31, T-30N, R-10W

El Paso-Rincon Unit No. 136,
Unit A, S 23, T-27N, R-7W

El Paso-Rincon Unit No. 133,
Unit K, S 14, T-27N, R-7W

El Paso-Rincon Unit No. 137,
Unit K, S 24, T-27N, R-7W

El Paso-Rincon Unit No. 138,
Unit A, S 25, T-27N, R-7W

El Paso-Rincon Unit No. 151,
Unit B, S 14, T-27N, R-7W

El Paso-Rincon Unit No. 167,
Unit B, S 13, T-27N, R-7W

El Paso-Rincon Unit No. 177,
Unit L, S 13, T-27N, R-7W

El Paso-SJ 28-5 Unit No. 35,
Unit M, S 19, T-28N, R-5W

El Paso SJU 28-5 No. 33, Unit L,
S 17, T-28N, R-5W

El Paso-SJU 28-5 No. 34, Unit M,
S 18, T-28N, R-5W

El Paso-SJU 28-5 No. 41, Unit A,
S 32, T-28N, R-5W

El Paso-SJU 28-5 No. 42, Unit K,
S 31, T-28N, R-5W

El Paso-Huerfano Unit No. 117,
Unit P, S 16, T-26N, R-10W

El Paso-Huerfano Unit No. 104,
Unit P, S 17, T-26N, R-10W

El Paso-Huerfano Unit No. 116,
Unit C, S 11, T-26N, R-10W

El Paso-Huerfano Unit No. 121,
Unit F, S 27, T-26N, R-10W

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El Paso-Huerfano Unit No. 125,
Unit E, S 30, T-26N, R-9W

El Paso-Huerfano Unit No. 111,
Unit F, S 20, T-26N, R-9W

El Paso-Huerfano Unit No. 120,
Unit C, S 25, T-26N, R-10W

El Paso-Huerfano Unit No. 130,
Unit D, S 29, T-26N, R-9W

El Paso-Huerfano Unit No. 134,
Unit J, S 36, T-26N, R-10W

El Paso-Huerfano Unit No. 136,
Unit J, S 21, T-26N, R-9W

El Paso-Huerfano Unit No. 137,
Unit J, S 31, T-26N, R-9W

ASTEC-PICTURED CLIFFS GAS POOL

El Paso-Ludwick No. 2,
Unit P, S 19, T-30N, R-10W

El Paso-Ludwick No. 1, Unit E,
S 29, T-30N, R-10W

El Paso-Ludwick No. 3, Unit O,
S 29, T-30N, R-10W

El Paso-Ludwick No. 4, Unit A,
S 31, T-30N, R-10W

El Paso-Ludwick No. 5, Unit F,
S 31, T-30N, R-10W

El Paso-Ludwick No. 6, Unit L,
S 19, T-30N, R-10W

BALLARD-PICTURED CLIFFS GAS POOL

El Paso-Ballard No. 6,
Unit E, S 14, T-26N, R-9W

El Paso-Ballard No. 5, Unit P,
S 14, T-26N, R-9W

El Paso-Ballard No. 3, Unit H,
S 14, T-26N, R-9W

El Paso-Ballard No. 4, Unit M,
S 14, T-26N, R-9W

El Paso-Ballard No. 7, Unit E,
S 15, T-26N, R-9W

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El Paso-Ballard No. 8, Unit M,
S 15, T-26N, R-9W

El Paso-Ballard No. 9, Unit O,
S 15, T-26N, R-9W

El Paso-Ballard No. 10, Unit L,
S 15, T-26N, R-9W

El Paso-Quitzeau No. 3,
Unit P, S 11, T-25N, R-8W

El Paso-Quitzeau No. 1, Unit D,
S 3, T-25N, R-8W

El Paso-Quitzeau No. 2, Unit F,
S 11, T-25N, R-8W

El Paso-Quitzeau No. 4, Unit O,
S 3, T-25N, R-8W

El Paso-Quitzeau No. 5, Unit M,
S 3, T-25N, R-8W

El Paso-Quitzeau No. 6, Unit A,
S 10, T-25N, R-8W

El Paso-Quitzeau No. 11, Unit A,
S 3, T-25N, R-8W

El Paso-Wilson No. A-1,
Unit F, S 32, T-26N, R-8W

El Paso-Wilson No. A-2, Unit K,
S 32, T-26N, R-8W

SOUTH BLANCO-PICTURED CLIFFS GAS POOL

El Paso-Jicarilla B No. 1,
Unit F, S 28, T-25N, R-4W

El Paso-Jicarilla B No. 3, Unit
O, S 28, T-25N, R-4W

El Paso-Jicarilla B No. 5, Unit
M, S 27, T-25N, R-4W

El Paso-Jicarilla B No. 6, Unit
B, S 33, T-25N, R-4W

El Paso-Jicarilla B No. 7, Unit
J, S 27, T-25N, R-4W

El Paso-Jicarilla B No. 8, Unit
G, S 28, T-25N, R-4W

El Paso-Jicarilla B No. 9, Unit
K, S 28, T-25N, R-4W

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El Paso-Jicarilla E No. 10, Unit
K, S 34, T-25N, R-4W

El Paso-Jicarilla E No. 13, Unit
P, S 34, T-25N, R-4W

El Paso-Jicarilla E No. 14, Unit
C, S 33, T-25N, R-4W

El Paso-Jicarilla E No. 8,
Unit F, S 20, T-25N, R-4W

El Paso-Jicarilla E No. 1, Unit
H, S 19, T-25N, R-4W

El Paso-Jicarilla E No. 2, Unit
O, S 19, T-25N, R-4W

El Paso-Jicarilla E No. 3, Unit
N, S 18, T-25N, R-4W

El Paso-Jicarilla E No. 4, Unit
J, S 18, T-25N, R-4W

El Paso-Jicarilla E No. 5, Unit
H, S 20, T-25N, R-4W

El Paso-Jicarilla E No. 6, Unit
P, S 20, T-25N, R-4W

El Paso-Jicarilla E No. 9, Unit
D, S 19, T-25N, R-4W

El Paso-Jicarilla E No. 11, Unit
L, S 19, T-25N, R-4W

SPECIAL MAXIMUM PRESSURE BUILD-UP TEST RULES

RULE 1. Any operator desiring an allowable transfer shall submit a request for the same to the Commission setting out the amount of allowable which he proposes to transfer and the name and location of the well or wells which are to receive the same. Such transfers must be to wells on the same basic lease as the shut-in well. If approved, the transfer shall be effected upon completion of the test if a deliverability test for the proration year in which the test is completed has been filed for the well. If a deliverability test has not been filed for the proration year in which the test is completed, the transfer, if approved, shall be effected upon receipt of said deliverability test for the well.

RULE 2. The provisions of Order No. R-1670 requiring cancellation of underproduction and the shutting in of

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overproduced wells shall be suspended for all shut-in and transfer wells insofar as concerns any overage or underage accrued to such wells at the time a test is commenced; provided, however, that said wells shall be subject to the said provisions of Order No. R-1670 at the end of the six-month proration period following the proration period in which the test is completed.

RULE 3. Any allowable which accrues to a shut-in well during a test and which is not transferred shall be considered to have accrued to said shut-in well on the date the test is completed.

RULE 4. Any transfer well which has not been connected to a transportation facility at the beginning of the test shall have its allowable assigned in accordance with the applicable proration order.

RULE 5. Any shut-in well which has not been assigned an allowable prior to the effective date of this order shall be assigned an allowable from the date of connection to a transportation facility if said date is not more than forty-five days prior to the beginning of the test. If the shut-in well has not been connected to a transportation facility at the beginning of the test, its allowable shall begin on the date when the well would have delivered gas into a transportation facility had the well not been shut in, such date to be established by affidavit from the gas purchaser.

RULE 6. All shut-in wells are hereby excepted from the requirements of Order No. R-333-F until the date of first delivery of gas into a gas transportation facility after completion of the test.

RULE 7. The Secretary-Director of the Commission is hereby authorized to administratively approve the substitution of wells designated to participate in any of the tests, but no well shall be designated as a transfer well which is not on the same basic lease as the shut-in well.

RULE 8. The official starting date of a test shall be established by affidavit from the operator and shall be the date the well was shut in for the purpose of testing and not thereafter produced in any manner. Affidavits shall be filed with the Santa Fe and Aztec offices of the Commission.

RULE 9. All shut-in wells shall be padlocked in a manner that will prevent the opening of any valve by unauthorized persons. Valves on shut-in wells shall be opened only for the purpose of taking pressure readings.

RULE 10. The results of all pressure readings shall be filed with the Commission's Aztec and Santa Fe offices within 30 days

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after the completion of the last test authorized. The data shall be filed in both tabular and graphic form and shall show the date that the test well was shut in, the date and the pressure at each pressure reading, and the length of time that the well was shut in prior to each reading. The graph shall depict the pressure build-up in pounds per square inch absolute plotted against shut-in time in days.

IT IS FURTHER ORDERED:

- (1) That the authority herein granted shall terminate one year from the date of completion of the last test authorized by this order.
- (2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

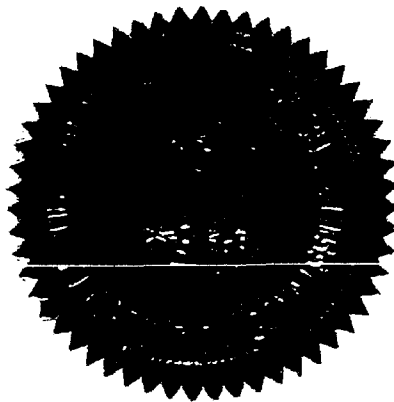
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

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/

BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
March 7, 1963

EXAMINER HEARING

IN THE MATTER OF:

Application of El Paso Natural Gas Company for permission to conduct certain special well tests, San Juan and Rio Arriba Counties, New Mexico.) CASE 2770
Applicant, in the above-styled cause, seeks authority to conduct maximum pressure build-up tests on 27 wells in the Blanco-Mesaverde, Basin-Dakota, Aztec-Pictured Cliffs, Ballard-Pictured Cliffs, and South Blanco-Pictured Cliffs Gas Pools, San Juan and Rio Arriba Counties, New Mexico. Applicant further seeks exception to the annual well-testing requirements of Order R-333-F for said wells during the testing period, as well as exception to the underage and overage balancing requirements of Order R-1670. Further, applicant seeks authority to transfer said wells' allowables to other wells on the same basic lease for production. Applicant also seeks an administrative procedure for the designation of such substitute wells for testing as may be deemed necessary.

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

MR. NUTTER: We call Case 2770.

MR. DURRETT: Application of El Paso Natural Gas Company for permission to conduct certain special well tests, San Juan and Rio Arriba Counties, New Mexico.

MR. WHITWORTH: Garrett Whitworth and the Santa Fe firm of Seth, Montgomery, Federici and Andrews for the Applicant, I

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have one witness to be sworn, Mr. Jerry Hickson.

(Witness sworn.)

(Whereupon, Applicant's Exhibit
No. A marked for identification.)

GERALD A. HICKSON

called as a witness herein, having been first duly sworn on oath,
testified as follows:

DIRECT EXAMINATION

BY MR. WHITWORTH:

Q Will you please state your full name, by whom and in
what capacity you are employed?

A Gerald A. Hickson, proration engineer for El Paso
Natural Gas Company.

Q Have you previously testified as an expert witness
before this Commission, and your qualifications have been made a
matter of record; is that true?

A That's correct.

Q Mr. Hickson, this is an application by El Paso Natural
Gas Company for the conducting of maximum pressure build-up tests
and non-cancellation and/or transfer of allowables on certain
wells in the San Juan Basin, is that right?

A Yes, sir, and also for exception to Order 333-F.

Q What does Order 333-F contain?

A That provides for testing of wells in San Juan Basin
prorated pools.

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Q What pools are involved in this application?

A The Blanco-Mesaverde, the Basin-Dakota, Aztec-Pictured Cliffs, Ballard-Pictured Cliffs, and South Blanco-Pictured Cliffs.

Q Do you have an exhibit that sets out the wells that are involved and the test well data and the plat showing the location of each individual well, along with the wells on the same basic lease?

A Yes, sir, I do, Exhibit A.

Q Is that El Paso's Exhibit A? What does El Paso Exhibit A consist of?

A El Paso's Exhibit A is in 27 parts, one for each well and each part consisting of two pages, one which is the test well data on the test well, also listing the transfer wells and the deliverability and the date of the test of its deliverability.

The second sheet is a plat with a nine or 16 section range of the area of the transfer wells and the test well.

Q Why is it necessary to conduct these maximum pressure build-up tests, Mr. Hickson?

A In the San Juan Basin, the prorated pools exhibit the characteristic of having slow build-up on their shut-in pressures, which reflects low reserves. In order to determine the reserves of the San Juan Basin, we must have accurate shut-in pressures and this is a means of obtaining them, by pressure build-up test.

Q This is a continuing thing, is it not? This isn't the first time that El Paso has made this type of application?

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A No, sir. We have tested a number of wells in the San Juan Basin in most of the prorated pools, and this is the third test for some of the wells on this application. We are just now beginning to receive information which will be of value in calculating the reserves by decline method or original volumetric method.

Q Now the request that El Paso makes in the application for the transfer of allowables for the wells that are being tested to other wells on the same basic lease, would you care to comment on that?

A Excuse me, I didn't understand that.

Q The transfer of allowables and/or the transfer of allowables or the non-cancellation of allowables, that pertains only to wells on the same basic lease?

A That's correct. We propose to shut in each of these wells after a deliverability test has been taken, and then after the well has been turned back on and the status is carried forward, we will take that allowable and transfer it to all the wells on the same basic lease in a manner in which we can recover this same allowable.

Q In your estimation, on the average how long will it take to conduct these tests?

A Well, it's hard to say. We have never tested any of these Basin-Dakota wells. Well, we have one test which took in the neighborhood of 180 days on a Basin-Dakota well. On some of

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the other wells, it ranges from 120, 130 days up to six, 700 days. It just depends on the formation.

Q What are the requirements of Order R-333-F that El Paso seeks to except?

A The requirements are that each well must be tested annually for deliverability test and the wells that we propose to shut in will have a deliverability test this year, but if it goes through next year, through 1964, this is the exception that we are asking for, that the well be permitted to forego this test in 1964.

Q In our application, we stated that the Applicant proposes to complete such tests as soon as possible following the date of issuance of the Commission order in this case, and you have already commented on what you consider to be a reasonable time for conducting the test?

A Yes, sir.

Q What does El Paso propose with respect to the underage and overage requirements of Order R-1670 pertaining to the Northwest?

A We are proposing that this be suspended until a period six months after a full balancing period after the wells have been taken off test.

Q What is your recommendation as to administrative approval for conducting tests for reservoir information?

A I didn't understand that.

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Q There is a paragraph in our application which states that in addition to the maximum pressure build-up tests, we are seeking an order that should provide for the granting of administrative approval to conduct such substitute tests as we may in our discretion deem necessary for obtaining more thorough and complete reservoir information.

A Yes, sir.

Q What type of reservoir information are we talking about?

A We are talking about the same pressure information, and what we're requesting by this portion of the application was in case of mechanical troubles or some type of trouble that we can't see at this time, for instance, if we cannot get the pressure on one of the wells that we are asking for here, we would request the Commission by administrative approval grant us permission to use another well on the same basic lease instead of the well that we're asking for today.

Q That would be done by letter of request to the Secretary-Director of the Commission?

A Yes, sir.

Q Do you have anything else that you would like to add to your testimony?

A Yes, sir. Order R-1998 is an acceptable order for this type of case, with exception of part 11 of that order. I don't know if the Commission has that available or not. I would like to read from that order. "That the authority herein granted shall

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terminate one year from the date of this order; provided, however, that the Secretary-Director may approve an extension of time for the taking of the subject tests for good cause shown." I would suggest that this be modified and that this order shall terminate after the final test has been completed which was granted under the order.

Q In other words, you don't want to be limited to one year?

A No, sir, because we know in some cases that it will definitely take more than one year to obtain maximum pressure build-up.

Q The order that you just read from was an order previously issued by this Commission as a result of a similar type application by El Paso?

A That is correct.

MR. WHITWORTH: That's all we have.

MR. NUTTER: Are there any questions of Mr. Hickson?

MR. WHITWORTH: I have one more.

Q (By Mr. Whitworth) This Exhibit A, that was prepared under your direct supervision?

A Yes, it was.

MR. WHITWORTH: We ask that be received in evidence.

MR. NUTTER: Exhibit A will be admitted in evidence.

(Whereupon, Applicant's exhibit A admitted in evidence.)

CROSS EXAMINATION

BY MR. NUTTER:

Q Do I understand that 1963 deliverability tests will be completed on all these wells prior to shutting them in?

A Yes, we always take a deliverability test and then start the shut-in period for the shut-in period of the deliverability test.

Q So any exception to the annual test would be for 1964?

A Yes, that's correct.

Q In Section 7 of the application, you want the underage and overage balancing provisions suspended for these wells. You want them suspended for a full six months after a full balancing period --

A No.

Q -- after the test is completed?

A No, it would be a full six months after the period has been, the period in which the test was completed.

Q In other words, it is completed during a six months period?

A That's correct.

Q And then you would want one full six months period after that?

A That's correct.

Q And then the underage or overage provisions would apply?

A Yes, sir.

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Q You want administrative approval for such wells as you may deem necessary in Section 8. This would be for the shut-in well or for the producing well, also?

A Is this Section 8 --

Q Of the application.

A -- of our application. Excuse me. This would be a well that's on the same basic lease as one of the wells that we're asking for today.

Q Well, I understand that, but do you want this administrative approval of the substitution wells to apply only to the wells that are being shut-in, or to the wells that are being shut-in as well as the wells that would receive the allowable as transferred allowable? In other words, could you substitute the transfer wells as well as shut-in wells?

A Substitute them for a shut-in well, is that my understanding of the question? The provisions of 8 --

Q It would be on the same basic lease; that's one provision, that the substitution wells would be a substitute well on the same basic lease, is that correct?

A That's correct.

Q Now would you limit the substitution to the wells which are being shut-in only, or would you also want to provide that if you substituted a well that's shut-in, if you substituted another well for the designated shut-in well, that you could also substitute a well which would receive that well's allowable?

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A No. No, we're asking that only the wells listed on each of these exhibits be included. Now to give an example of this, if we took the first one, Atlantic 5-A, it has five transfer wells. As this portion of Number 8, if we took one of the wells and used it as the shut-in well, we would actually substitute for it just the Atlantic 5-A, the other wells would still be transfer wells.

Q We're on this Atlantic 5-A; that's the shut-in well, right?

A That's correct.

Q And there are four wells on that lease which would receive the allowable?

A Or the Atlantic 5-A. The Atlantic 5-A, at the end of the balancing period -- rather, when the test is completed, we take the allowable and assign it to all of the wells, also the 5-A; the 5-A actually receives a portion of the allowable if the rest of the wells on the same basic lease have not overproduced by the amount that the 5-A underproduced.

Q If you substituted the 1-A for the 5-A as the shut-in well, then the 5-A could produce some of 1-A's allowable?

A That is correct.

Q So the substitution works for the shut-in well as well as the transfer well?

A That is correct.

Q In all events, it would be limited to the same lease as

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the wells which are depicted on Exhibit A?

A Yes.

MR. NUTTER: Are there any further questions of Mr. Hickson?

MR. UTZ: Yes, I have one.

BY MR. UTZ:

Q Are any of these wells listed on your Exhibit A, which is 27 wells, I believe, plus all your transfer wells, are any of those wells marginal wells at this particular time?

A Not to my knowledge, not when these exhibits were prepared.

Q If any of those wells are marginal wells, then there would not be any reason to include them in this order, would there?

A No, sir.

Q Does Order 1998 provide for notification to the Commission for the beginning and the ending of these tests?

A Yes, sir, it does.

Q And that would be agreeable if it was in the order you are requesting now?

A Yes, sir.

MR. UTZ: That's all.

A We notify the Commission at the same time we take the deliverability tests on these wells, and then on completion of a test we request that the allowable be transferred, which is the notification of the end.

MR. DURRETT: May I ask a question?

MR. NUTTER: Yes, sir.

BY MR. DURRETT:

Q Mr. Hickson, I would like to clear up a little bit this statement or the proposition that you propose, that you want the order to terminate after the last test is taken, is that correct?

A Yes, sir.

Q You mean just automatically terminate upon completion of the last test that's approved?

A Well, now that I think about it, that might -- we are suspending the balancing provisions for six months after the last test, on the last test the same as we are, say, when the first one comes off, so actually we would have to make it for probably one year after the last test is completed to insure that if you took a test of say the first month into one balancing period you would have five months plus an additional six months for that well to make up its underproduction or lose it.

MR. NUTTER: So in that regard, the order would have to remain in effect after the tests were completed?

A One year after the tests were completed.

Q (By Mr. Durrett) One other question on this same line. What is the longest period of time that you would estimate that might be involved on testing it?

A The San Juan 286 No. 37, which is one of the wells under

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this application, there's 492 days; and we have one longer than that, which is the Atlantic 5-A, which was 645 days. We don't know what the Basin-Dakotas will do because we never had a test on any of these wells before. I don't believe it will be this period of time.

Q But as of this date, 645 days is the longest test you have experienced?

A Under this group of wells, yes, I'm not sure; it seems to me like we had one longer.

MR. DURRETT: Thank you.

MR. NUTTER: Any further questions of Mr. Hickson? He may be excused.

(Witness excused.)

MR. NUTTER: Do you have anything further, Mr. Whitworth?

MR. WHITWORTH: The information that El Paso obtains as a result of this test is passed along; these tests are passed along to the Commission: that's right, Mr. Hickson?

MR. HICKSON: That's correct; that's under the order.

MR. WHITWORTH: That's all I have.

MR. NUTTER: Anything further in Case 2770? We will take the case under advisement and the hearing is adjourned.

* * * *

STATE OF NEW MEXICO)
) ss
 COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached Transcript of Proceedings before the New Mexico Oil Conservation Commission was reported by me, and that the same is a true and correct record of the said proceedings to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal this 26th day of March, 1963.

Ada Dearnley
 NOTARY PUBLIC

My Commission Expires:

June 19, 1963.

I do hereby certify that the foregoing is
 a correct and true copy of the original
 the same was filed in the office of the
 Notary Public for the County of Bernalillo,
 State of New Mexico, on this 27th day of
 March, 1963.

James H. ...
 New Mexico Oil Conservation Commission

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