

Public Hearing 3

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. 3105
Order No. R-2774

APPLICATION OF PUBCO PETROLEUM CORPORATION
FOR RECISION OF AN ADMINISTRATIVE DETERMINA-
TION UNDER ORDER NO. R-333-F, SAN JUAN COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on September 16, 1964, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 1st day of October, 1964, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, 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, Pubco Petroleum Corporation, seeks recision of an administrative determination that the 1963 Annual Shut-In Pressure reported for the applicant's State Well No. 6 located in Unit L of Section 36, Township 31 North, Range 9 West, NMPM, Blanco-Mesaverde Pool, San Juan County, New Mexico, was abnormally low and should be averaged with the shut-in pressure of all offset wells in the Blanco-Mesaverde Pool under the provisions of Chapter II, Section 2, of the Gas Well Testing Rules and Procedures established by Order No. R-333-F.

(3) That the Commission's administrative action was based upon an administrative determination that the Pubco State Well

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No. 6 is located in a low pressure area or production pressure-sink, that the measured 7-day shut-in pressure in the Pubco State Well No. 6 does not accurately reflect true stabilized reservoir pressure, and that use of the measured shut-in pressure in the deliverability calculation formula results mathematically in the assignment of a disproportionately large allowable to the Pubco State Well No. 6.

(4) That Order No. R-333-F and its supporting record do not specifically authorize the administrative determination made by the Commission in this case.

(5) That the Commission's administrative determination concerning the 1963 shut-in pressure of the Pubco State Well No. 6 should be rescinded.

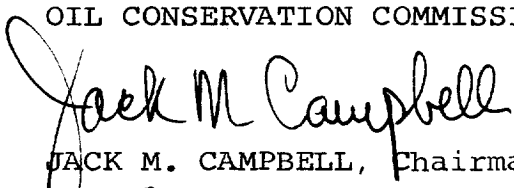
IT IS THEREFORE ORDERED:

(1) That the Commission's administrative determination that the 1963 Annual Shut-In Pressure reported for the Pubco State Well No. 6 located in Unit L of Section 36, Township 31 North, Range 9 West, NMPM, Blanco-Mesaverde Pool, San Juan County, New Mexico, should be averaged with the shut-in pressure of all offset wells in the Blanco-Mesaverde Pool is hereby rescinded.


(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

S E A L

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