STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
Santa Fe, New Mexico

23 October 1986

COMMISSION HEARING

IN THE MATTER OF:

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Cases 9009, 9010, 9011, 9012, 9013, and 9014, all of which are concerning proposed rule changes.

CASES 9009-9010 9011-9012 9013-9014

Transcript in Case 9009

BEFORE: Richard L. Stamets, Chairman Ed Kelley, Commissioner

TRANSCRIPT OF HEARING

APPEARANCES

For the Division:

Jeff Taylor Legal Counsel to the Division Oil Conservation Division State Land Office Bldg. Santa Fe, New Mexico

ILLEGIBLE

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 9011 Order No. R-8336

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION ON ITS OWN MOTION TO CONSIDER THE AMENDMENT OF RULE 402.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 23, 1986, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 4th day of November, 1986, 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,

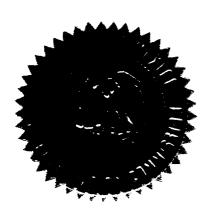
FINDS THAT:

- (1) Due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) The Oil Conservation Division seeks to amend its Rule 402 to provide for the filing of Division Form C-125 as directed by the Division rather than with the appropriate district office.
- (3) This change will eliminate confusion with the reporting system adopted by the Division in recent years wherein Form C-125 is filed directly with the Division's Santa Fe office.
- (4) Rule 402 should be amended to read in its entirety as shown on Exhibit "A", attached to this order, effective November 10, 1986.

IT IS THEREFORE ORDERED THAT:

- (1) Effective November 10, 1986, Oil Conservation Division Rule 402 is hereby amended to read in its entirety as shown on Exhibit "A" attached to this order.
- (2) 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

JIM BACA, Member

ED KELLEY, Member

Chairman and Secretary

SEAL

RULE 402. METHOD AND TIME OF SHUT-IN PRESSURE TESTS

(a) Shut-in pressure tests shall be taken on all natural gas wells annually. Such tests shall be taken by the operator of the well during the months of July, August, or September unless otherwise specified by special pool rules or special directive. Tests shall be reported as prescribed by the Division on Form C-125 not later than October 15 of the same year.

CASE NO. 9011 ORDER NO. R-8336 EXHIBIT "A"

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

CASE NO. 9011 Order No. R-8336-A

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION ON ITS OWN MOTION TO CONSIDER THE AMENDMENT OF RULE 402.

NUNC PRO TUNC ORDER

BY THE COMMISSION:

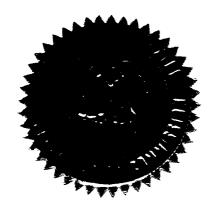
It appearing to the Commission that Order No. R-8336, dated November 4, 1986, does not correctly state the intended order of the Commission,

IT IS THEREFORE ORDERED THAT:

- (1) Exhibit A, attached to Order No. R-8336 dated November 4, 1986, is hereby amended to read in its entirety as follows:
 - "RULE 402. METHOD AND TIME OF SHUT-IN PRESSURE TESTS
 - (a) Shut-in pressure tests shall be taken on all natural gas wells annually. Such tests shall be taken by the operator of the well during the months of July, August, or September unless otherwise specified by special pool rules or special directive. Tests shall be reported as prescribed by the Division on Form C-125 not later than October 15 of the same year.
 - (b) Shut-in pressures shall be taken with a deadweight gauge after a minimum shut-in period of 24 hours. When the shut-in period exceeds 24 hours, the length of time the well was shut in shall be reported to the Division.
 - (c) The Division Director may prescribe special shut-in pressure test periods and procedures for pools when he deems the same necessary in order to obtain more accurate pressure data."
- (2) The corrections set forth in this order be entered nunc pro tunc as of November 4, 1986.

-2-Case No. 9011 Order No. R-8336-A

DONE at Santa Fe, New Mexico, on this 16th day of April, 1987.



STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

WILLIAM R. HUMPHRIES, Member

ERLING A. BROSTUEN, Member

WILLIAM J. LEMAY () Chairman and Secretary

SEAL