

Case No.

997

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Application, Transcript,  
Small Exhibits, Etc.

897,000 Requesting for Pubco Dev. Inc.  
in order revising existing rules per-  
taining to assignment of allowables on re-  
completed wells.

BEFORE THE  
**Oil Conservation Commission**  
SANTA FE, NEW MEXICO  
January 19, 1956

IN THE MATTER OF:

CASE NO. 997

**TRANSCRIPT OF PROCEEDINGS**

**ADA DEARNLEY AND ASSOCIATES**  
COURT REPORTERS  
605 SIMMS BUILDING  
TELEPHONE 3-6691  
ALBUQUERQUE, NEW MEXICO

BEFORE THE  
OIL CONSERVATION COMMISSION  
STATE OF NEW MEXICO  
Santa Fe, New Mexico

January 19, 1956

IN THE MATTER OF:

Application of the Oil Conservation Commission at the request of Pubco Development, Incorporated, for an order revising Rule 9 of Order R-128-B pertaining to the Blanco-Mesaverde Gas Pool rules, Rule 14 of Order R-565-C pertaining to the Astec-Pictured Cliffs Gas Pool rules, Rule 14 of Order R-565-C pertaining to the South Blanco-Pictured Cliffs Gas Pool rules, Rule 14 of Order R-565-C pertaining to the Fulcher Kutz-Pictured Cliffs Gas Pool rules, and Rule 14 of Order R-566-D pertaining to the West Kutz-Pictured Cliffs Gas Pool rules. Applicant, in the above-styled cause, seeks an order revising the existing rules pertaining to the assignment of allowables on re-completed wells. Applicant desires to amend the existing rules to provide that the assignment of allowables on re-completed wells shall be effective upon the date of the completion of the work over.

Case No. 997

Before Honorable John F. Simms, E. S. (Johnny) Walker,  
and William B. Macey

TRANSCRIPT OF HEARING

MR. MACEY: Next case on the docket is case 997.

ELVIS A. UTZ

having first been duly sworn, testified as follows:

DIRECT EXAMINATION

BY: MR. KITTS:

Q Will you state your name and position, please.

A Elvis A. Utz, engineer with the Oil Conservation Commission.

Q You are familiar with Case 997?

A Yes, I am.

Q First of all, as a preliminary matter, it is true, is it

not, that Rule 9 of Order 128-D and Rule 14 of R-565-C covering the pools embraced in that order, and Rule 14 of R-566-D, that all those rules are identical in language, are they not?

A That is correct.

Q Have you prepared an exhibit incorporating your recommendation in this matter?

A Yes, I have.

Q Mr. Utz, will you tell the Commission what your recommendation is, and turning to the order, what you propose to amend and to change?

A Under Rule 9 of 128-C, the fourth paragraph which now reads--

Q 128-D?

A 128-D. "A change in the wells deliverability due to retest, or test after recompletion or workover shall be effective on the 1st of the month following the receipt and approval of form C-122-A for such test. Such test shall be taken in accordance with Order R-333-C."

Q That is the only paragraph that you would delete and substitute your recommendation?

A That is correct, and the wording in that paragraph is identical in all three orders. I would substitute in place of that paragraph the following:

"A change in a wells deliverability due to retest or test after recompletion or workover shall become effective:

(a) On the date of reconnection" -- and that is a change over what was printed on this Rule. Rather than 'completion', I would recommend 'reconnection' be used there--"after the workover, such date to be determined from Form C-104 as filed by the operator; or

(b) A date 45 days prior to the date upon which a well's

initial deliverability and shut-in pressure test is reported to the Commission on Form C-122-A in conformance with the provisions of R-333-C and D; or,

(c) A date 45 days prior to the receipt and approval of Form C-104 by the Commission's office (Box 697, Astec, New Mexico), Form C-104 shall specify the exact nature of the workover or remedial work; whichever date is later.

Q Will you state the basis for your recommendation or change in this Rule, or reason for it?

A The initial rule was written as a matter of convenience to the Commission in not having to calculate and mail some supplements since the change in the well's deliverability would automatically become effective the 1st of the following month a supplement was not necessary. However, we have found that that rule is somewhat discriminatory in that it causes an operator to lose a certain amount of allowable even after he has worked his well over, so I recommend the change as stated for that reason.

Q Mr. Utz, I would like to call your attention to Paragraph C of your recommendation. You provide there that Form C-104, which would be the form whereby an additional or a new allowable will be requested, isn't that correct?

A That is correct, yes.

Q You provided there that on that form shall be specified the exact nature of the workover or the remedial work. You are aware, are you not, that Form C-103, required by our rules, that any 30 days after any workover for remedial work, that should be reported. Would that be in addition to that?

A It was my original intention that they--it not be necessary

to file C-103. However, the wording, and Rule 1106 does require it. I would not be adverse to changing C to require 103 or the equivalent form of the USGS.

Q Would it be agreeable to you recommending or attaching to the C-104 the copy of the C-103 the full nature of the remedial work?

A I would be agreeable to that. I wouldn't be sure that the supervisor of the Astec office would be.

MR. ARNOLD: It seems to me that the important thing is that you get the information. I think its better to leave them a little flexible if you can, so you don't get on it. It seems a little arbitrary to make them re-file.

Q The rule itself requiring the C-103 to be filed maybe somewhat arbitrary by itself in the books. Do you feel that C-104 is set up for the purpose of, or that the information report of the complete remedial work could be placed on C-104?

A I think in some cases it could, yes. C-104 does contain the information necessary for us to revise the allowable.

MR. KITTS: That is all.

MR. MACEY: Anyone else have a question of the witness?

CROSS EXAMINATION

BY: MR. MACKIN:

Q Was the only change that you made to the proposed recommended change that was passed out, that the word changed in the paragraph today was 'completion of' to 'reconnection after'?

A That is right.

Q In other words, you would put the wording, 'reconnection after' rather than 'completion of'?

A That is correct.

Q That is the only change in the slip passed out?

A Yes.

MR. MANKIN: That is all.

MR. MACEY: Anyone else? Mr. Arnold.

CROSS EXAMINATION

BY: MR. ARNOLD:

Q Mr. Utz, regarding C-104 and C-103's again, what do you think of having the operator specify on the C-104 whether he has previously filled C-103 covering the workover, in that case he wouldn't have to show his workover again on the C-104?

A I think as long as you have a record of what the workover or the remedial work, or whatever consists of is all that is necessary.

MR. ARNOLD: I think so too. That is all.

CROSS EXAMINATION

BY: MR. CORHAM:

Q I have a question. In substituting 'reconnection after' for 'completion of', is it conceivable that a marketing company, for reasons of its own could not reconnect a workover for a period of time thus incurring a hardship on the operator?

A It is conceivable that the operator would not want to connect a well for at least 30 days after workover. It is also conceivable that the pipe line could not connect. My reason for changing that is that I doubt that an operator is entitled to allowable during that period.

Q What period did you have in mind?

A During the period of testing or whatever you might be doing to the well between the completion date of the workover and

the reconnection to the pipeline.

Q I have one more question. As a matter of fact, it is a question for the Commission, if I could ask it. If the Commission please, Public Developing would like to request that the Commission consider the substitution of sixty days for forty-five days where used in the recommended change for the following reasons:

1. A three week period of conditioning plus one week of production is required for the actual deliverability test, or a total of 28 days.

2. The charts must be integrated by the marketing company in the case of El Paso Natural Gas Company in El Paso, Texas, which apparently, according to our experiences require a minimum of ten to twelve days upon the return of the charts to our company. The deliverability is calculated and then forwarded to the oil and gas conservation commission. It is possible that work can be completed in a 45 day period. We feel that a hardship could be incurred and would like to recommend that that period be changed from 45 to 60 days.

MR. MACEY: Is that all you have?

MR. CORHAN: Yes.

MR. MACEY: Anyone else have a question of the witness, or statement?

MR. ARNOLD: I would like to ask one more question. What would you recommend as being the effective date of the order?

A The effective date of the change.

MR. ARNOLD: Of the change?

A The date the order was written.

MR. MACEY: What you are talking about is whether or not it



would be retroactive?

MR. ARNOLD: That is what I had in mind.

MR. MACEY: Does anyone else have a thought on that subject?  
Mr. Gerham.

MR. GERHAM: Well, as a matter of fact, we have considerable thought on that subject. The point was not really brought out, I do not believe, that not only would an operator suffer a reduced allowable during the period which under the old rule from the time the workover was completed to the one month after the receipt of the deliverability by the Commission, but that the operator would, in testing the new workover well, incur an overage based on the old deliverability. This overage has required the shutting-in of several of our recompleted wells because of the fact it was produced under the old allowable situation. As a consequence, since we have completed approximately eight pictured-cliff wells, the last sixty days, we of course, would like to have a retroactive date on this particular order.

MR. MACEY: Does anyone else have anything further in this case?

A I have something else I would like to put in, in regard to the 45 day period. Actually, the way the order reads now, we have 60 days, the last 15 days by request. In the first month after the revision of the orders in question, 128-B, 565-C, and 566-B, there were 41 completion or connection. Out of the 41, 14 were received in the Astec office between 34 and 45 days, 26 were received between 45 and 60 days. There was only one that went beyond 60 days, and it was 62 days. Of the 42 completion or reconnection, 17 of these were annual tests, which requires considerably longer time

than the production test. 24, of course, were production tests. In checking with El Paso, they tell me that if the operator will have his request in at the El Paso office for the integrated chart data on his test chart, that that data can be returned to them in less than a week. In view of this, as a matter of fact, Pubco got four production tests back in 35 to 40 days. In view of this, I doubt the feasibility of extending the time. I believe that 60 days in most of the cases will be sufficient.

MR. GORHAM: That 60 days will be sufficient?

A Yes, you have 45 days and you get another 15 by merely requesting it.

MR. GORHAM: In regard to that one point of retroactive decisions of the Commission, I would like to request that the Commission consider the possibility of removing all overages incurred during the period of the completion of the workover to the date of the new deliverability, and perhaps not necessarily give an increased deliverability retroactively.

MR. MACEY: You are talking about a mammoth bookkeeping problem. I am sure they will work it out.

Anyone else have a statement or question of Mr. Utz?

MR. WOODRUFF: I have a statement.

MR. MACEY: The witness may be excused if there is no further questions.

(Witness excused.)

MR. WOODRUFF: Norman Woodruff, El Paso Natural Gas Company. We concur in the recommendation offered by the Commission here. We think it is reasonable to consider a 60 day period rather than a 45. As you know, it takes 28 days to test a well. The operator

must obtain from the pipeline company the volume of gas measured during the test period. We do co-operate closely with the operators in getting back to them the volumes of gas measured. However, it is conceivable that due to the time of the month during which the well was tested, that the operator may not get his data back promptly enough to report in 45 days. I understand that there is a 15 day extension if requested. However, I think it would be reasonable to establish a 60 day period initially.

MR. MACEY: Anyone else? If nothing further, we will take the case under advisement.

MR. KITTS: By the way, Mr. Utz, this exhibit was prepared by you?

MR. UTZ: That is right.

MR. KITTS: We offer the Commission staff Exhibit 1 in evidence.

MR. MACEY: Without objection, the exhibit will be received and we will take the case under advisement.

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C E R T I F I C A T E

I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings in the matter of Case 997 was taken by me on January 19, 1956, that the same is a true and correct record to the best of my knowledge, skill and ability.

  
REPORTER

ADA DEARNLEY & ASSOCIATES  
STENOTYPE REPORTERS  
ALBUQUERQUE, NEW MEXICO  
TELEPHONE 3-6691

**Memo**

2/29/07

From  
CWW

Re: Case # 997

To  
JWG

OK to go ahead  
and write 3 orders  
on this case appearing  
as presented on this sheet.

(M)

BEFORE THE  
OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO  
EXHIBIT No. 1  
CASE 997



CASE NO. 997

PROPOSED RECOMMENDED CHANGES IN PARAGRAPH 4 OF RULE 9  
OF R-128-D AND RULE 14 OF R-565-C AND RULE 14 OF R-566-D:

A change in a wells deliverability due to retest or test after  
recompletion or workover shall become effective:

- (a) On the date of *Reconnection* completion of the workover, such  
date to be determined from Form C-104 as filed by the  
operator; or
- (b) A date 45 days prior to the date upon which a well's  
initial deliverability and shut-in pressure test is reported  
to the Commission on Form C-122-A in conformance with  
the provisions of R-333-C and D; or,
- (c) A date 45 days prior to the receipt and approval of  
Form C-104 by the Commission's office (Box 697, Aztec,  
New Mexico), Form C-104 shall specify the exact nature  
of the workover or remedial work;

Whichever date is later.

CASE NO. 997

PROPOSED RECOMMENDED CHANGES IN PARAGRAPH 4 OF RULE 9  
OF R-128-D AND RULE 14 OF R-565-C AND RULE 14 OF R-566-D:

A change in a wells deliverability due to retest or test after  
recompletion or workover shall become effective:

- (a) On the date of <sup>recompletion after</sup> completion of the workover, such  
date to be determined from Form C-104 as filed by the  
operator; or
- (b) A date 45 days prior to the date upon which a well's  
initial deliverability and shut-in pressure test is reported  
to the Commission on Form C-122-A in conformance with  
the provisions of R-333-C and D; or,
- (c) A date 45 days prior to the receipt and approval of  
Form C-104 by the Commission's office (Box 697, Antec,  
New Mexico). Form C-104 shall specify the exact nature  
of the workover or remedial work;

Whichever date is later.

*Jan K. Hanning*  
**PUBCO DEVELOPMENT, INC.**

BOX 1412

**ALBUQUERQUE, NEW MEXICO**

TELEPHONE 7-8836  
7-8837

December 8, 1955

New Mexico Oil Conservation Commission  
125 Mabry Hall  
Capitol Building  
Santa Fe, New Mexico

Attention: Mr. W. B. Macey, Director

Gentlemen:

Pubco Development, Inc., respectfully requests that the Commission reconsider the published rules relative to gas proration in the San Juan Basin of New Mexico, and specifically to Orders Nos. 128-D and 565-C, in regard to the following specific matter:

Our company recently worked over four Pictured Cliff gas producing wells during the months of July and August of 1955. These wells were placed on deliverability tests immediately upon the completion of the work overs. Upon the physical completion of these tests it was necessary for El Paso Natural Gas Company to integrate the gas charts in their El Paso, Texas office, and return the completed information to our Aztec, New Mexico office for final deliverability calculation. The new deliverabilities were then transmitted to the Oil Conservation Commission. During the period of approximately ninety (90) days from the completion of the work overs to the final receipt of the calculated deliverabilities by the Commission, the wells were operating under their former allowables, based on their old deliverabilities, and as a consequence were over-produced. This over-production is now being reflected in currently reduced allowables. Our company takes the position that an operator should not be penalized for working over and recompleting a producing gas well and should receive an allowable reflecting the increased or decreased deliverability immediately upon the completion of the work over. Under the existing conditions an operator will in almost all cases suffer an overage in allowable during the period from the completion of the work over until such final data can possibly be received by the Commission. It is believed that this inequity can be corrected by the Commission by granting an operator a new allowable based on the new deliverability beginning with the completion date of the work over.

Your consideration of the above matter will be sincerely appreciated.

Yours very truly,

*Frank D. Gorham, Jr.*

Frank D. Gorham, Jr.  
Vice President

FDGJr/h

**THE BRITISH-AMERICAN OIL PRODUCING COMPANY**

DENVER CLUB BUILDING

DENVER 1, COLORADO

December 31, 1955

PRODUCTION & ENGINEERING DEPT.

ADDRESS ALL CORRESPONDENCE TO  
POST OFFICE BOX 180

New Mexico Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico

Re: January 4, 1956  
Hearing: Case 997

Gentlemen:

This is to advise you that The British-American Oil Producing Company is in agreement with Pubco Development Company's recommendation to amend the existing rules to provide that the assignment of allowables on recompleted wells shall be effective upon the date of the completion of the workover.

Very truly yours,

THE BRITISH-AMERICAN OIL PRODUCING COMPANY

*John E. Stein*

John E. Stein  
District Engineer

JES:vs

ccs: D. W. Conaway

Pubco Development, Inc.  
P. O. Box 1360  
Albuquerque, N. M.



OIL CONSERVATION COMMISSION  
P. O. BOX 871  
SANTA FE, NEW MEXICO

April 11, 1956

Mr. Frank E. Graham, Jr.  
Pulse Development, Inc.  
P.O. Box 1219  
Albuquerque, New Mexico

Dear Sir:

We enclose a copy of Orders R-128-E, R-565-D and R-566-E  
issued March 29, 1956, by the Oil Conservation Commission in  
Case 997, which was heard on January 19th.

Very truly yours,

A. L. Porter, Jr.  
Acting Secretary - Director

ALP:brp  
Encls.

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**BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO**

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

**CASE NO. 987  
Order No. R-565-D**

**THE APPLICATION OF THE OIL  
CONSERVATION COMMISSION AT THE  
REQUEST OF FURCO DEVELOPMENT,  
INCORPORATED, FOR AN ORDER  
REVISING RULE 9 OF ORDER R-128-D,  
PERTAINING TO THE BLANCO-MESAVERDE  
GAS POOL RULES; RULE 14 OF ORDER  
R-565-C PERTAINING TO THE ASTEC-  
PICTURED CLIFFS GAS POOL RULES; RULE  
14 OF ORDER R-565-C PERTAINING TO  
THE SOUTH BLANCO-PICTURED CLIFFS  
GAS POOL RULES; RULE 14 OF ORDER  
R-565-C, PERTAINING TO THE FOLGER  
WEST-PICTURED CLIFFS GAS POOL RULES  
AND RULE 14 OF ORDER R-565-D,  
PERTAINING TO THE WEST KUTZ-  
PICTURED CLIFFS GAS POOL RULES; SAID  
ORDER PERSON TO REVISE THE EXISTING  
RULES PERTAINING TO THE ASSIGNMENT OF  
ALLOWABLES ON INCOMPLETE WELLS.**

**ORDER OF THE COMMISSION**

**BY THE COMMISSION:**

This cause came on for hearing at 9 o'clock a.m. on January 19, 1938, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

Now, on this 29<sup>th</sup> day of March 1938, the Commission, a quorum being present, having considered the evidence adduced and being fully advised in the premises,

**FINDS:**

(1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.

(2) That the revision of paragraph 4 of Rule 9 of Order R-128-D, pertaining to the Blanco-Mesa Verde Gas Pool Rules and revision of paragraph 4 of Rule 14 of Order R-565-D pertaining to the West Kutz-Pictured Cliffs Gas Pool Rules are being covered by other orders of this Commission.

(3) That sufficient evidence has been adduced to indicate the advisability of revising paragraph 4 of Rule 14 of Order R-565-C pertaining to the Astec-Pictured Cliffs Gas Pool Rules; paragraph 4 of Rule 14 of Order R-565-C pertaining to the

South Blanco-Pictured Cliffs Gas Pool and paragraph 4 of Rule 14 of Order R-565-C pertaining to the Fulcher Kutz-Pictured Cliffs Gas Pool Rules, and that said rules should be revised herein.

**IT IS THEREFORE ORDERED:**

That the application of the Oil Conservation Commission at the request of Tubac Development, Incorporated, for an order revising paragraph 4 of Rule 14 of Order R-565-C, pertaining to the Special Rules and Regulations for the Antec-Pictured Cliffs Gas Pool, be and the same is hereby approved and paragraph 4 of Rule 14 of Order R-565-C of the Special Rules and Regulations for the Antec-Pictured Cliffs Gas Pool shall be revised to read as follows:

A change in a well's deliverability due to retent or test after recompletion or workover shall become effective:

- (a) On the date of reconnection after workover, such date to be determined from Form C-104 as filed by the operator; or
- (b) A date 45 days prior to the date upon which a well's initial deliverability and shut-in pressure test is reported to the Commission on Form C-122-A in accordance with the provisions of R-565-C and D; or,
- (c) A date 45 days prior to the receipt and approval of Form C-104 by the Commission's office (Box 607, Antec, New Mexico);

(Form C-104 shall specify the exact nature of the workover or remedial work. If the nature of the work cannot be explained on Form C-104, in that event, Form C-105 shall also be filed in accordance with Rule 1105 of the Commission's Statutory Rules and Regulations. Form C-122 (Gas Well Plat) shall be submitted by the operator at any time there is a change in the acreage dedicated to said well);

whichever date is later.

That the application of the Oil Conservation Commission at the request of Tubac Development, Incorporated, for an order revising paragraph 4 of Rule 14 of Order R-565-C, of the Special Rules and Regulations to the South Blanco-Pictured Cliffs Gas Pool, be and the same is hereby approved and paragraph 4 of said Rule 14 of Order R-565-C of the Special Rules and Regulations of the South Blanco-Pictured Cliffs Gas Pool, shall be revised to read as follows:

A change in a well's deliverability due to retest or test after recompletion or workover shall become effective:

- (a) On the date of reconnection after workover, such date to be determined from Form C-104 as filed by the operator; or

(b) A date 45 days prior to the date upon which a well's initial deliverability and shut-in pressure test is reported to the Commission on Form C-122-A in conformance with the provisions of R-563-C and D; or,

(c) A date 45 days prior to the receipt and approval of Form C-104 by the Commission's office (Box 607, Antec, New Mexico);

(Form C-104 shall specify the exact nature of the workover or remedial work; If the nature of the work cannot be explained on Form C-104, in that event, Form C-103 shall also be filed in accordance with Rule 1106 of the Commission's Rules and Regulations. Form C-103 (Gas Well Plat) shall be submitted by the operator at any time that there is a change in the acreage dedicated to said well);

whichever date is later.

That the application of the Oil Conservation Commission at the request of Public Development, Incorporated, for an order revising paragraph 4 of Rule 14 of Order R-563-C of the Special Rules and Regulations for the Picher Hutz-Pictured Cliffs Gas Pool, be and the same is hereby approved, and that Paragraph 4 of said Rule 14, of Order R-563-C of the Special Rules and Regulations of the Picher Hutz-Pictured Cliffs Gas Pool, be and the same is hereby revised to read as follows:

A change in a well's deliverability due to retort or test after recompletion or workover shall become effective:

(a) On the date of reconnection after workover, such date to be determined from Form C-104 as filed by the operator; or,

(b) A date 45 days prior to the date upon which a well's initial deliverability and shut-in pressure test is reported to the Commission on Form C-122-A in conformance with the provisions of R-563-C and D; or

(c) A date 45 days prior to the receipt and approval of Form C-104 by the Commission's office (Box 607, Antec, New Mexico);

(Form C-104 shall specify the exact nature of the workover or remedial work; If the nature of the work cannot be explained on Form C-104, in that event, Form C-103 shall also be filed in accordance with Rule 1106 of the Commission's Statewide Rules and Regulations. Form C-122 (Gas Well Plat) shall be submitted by the operator at any time there is a change in the acreage dedicated to said well);

whichever date is later.

-4-

Order No. A-565-D

DOKE at Santa Fe, New Mexico on the day and year  
hereinafter designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*John F. Sims*

JOHN F. SIMS, Chairman

*E. S. Walker*

E. S. WALKER, Member

*W. B. Macey*

W. B. MACY, Member and Secretary

12/

**BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO**

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

**CASE NO. 997  
Order No. R-565-E**

**THE APPLICATION OF THE OIL  
CONSERVATION COMMISSION AT THE  
REQUEST OF PUBLIC DEVELOPMENT,  
INCORPORATED, FOR AN ORDER  
REVISING RULE 9 OF ORDER R-128-D,  
PERTAINING TO THE BLANCO-MANAYESEN  
GAS POOL AREA; RULE 14 OF ORDER  
R-565-C PERTAINING TO THE ANTEC-  
PICTURED CLIFFS GAS POOL AREA; RULE  
14 OF ORDER R-565-C PERTAINING TO  
THE SOUTH BLANCO-PICTURED CLIFFS  
GAS POOL AREA; RULE 14 OF ORDER  
R-565-C, PERTAINING TO THE FULCHER  
KUTZ-PICTURED CLIFFS GAS POOL AREA  
AND RULE 14 OF ORDER R-565-C, PERTAIN-  
ING TO THE WEST KUTZ-PICTURED CLIFFS  
GAS POOL AREA; SAID RULES PURPOSE  
TO REVISE THE EXISTING RULES PERTAIN-  
ING TO THE ASSIGNMENT OF ALLOWABLES  
ON INCOMPLETE WELLS.**

**ORDER OF THE COMMISSION**

**BY THE COMMISSION:**

**This cause came on for hearing at 9 o'clock a.m. on  
January 19, 1966, at Santa Fe, New Mexico, before the Oil Con-  
servation Commission of New Mexico, hereinafter referred to as  
the "Commission".**

**DOE, on this 29<sup>th</sup> day of March 1966, the Commission, a  
quorum being present, having considered the evidence adduced and  
being fully advised in the premises,**

**FINDS:**

**(1) That due notice of the time and place of hearing and  
the purpose thereof having been given as required by law, the Com-  
mission has jurisdiction of this case and the subject matter thereof.**

**(2) That revision of paragraph 4 of Rule 9 of Order  
R-128-D of the Special Rules and Regulations of the Blanco Manayese  
Gas Pool, the revision of paragraph 4 of Rule 14 of Order R-565-C  
pertaining to the Special Rules and Regulations of the Antec-  
Pictured Cliffs Gas Pool, revision of paragraph 4 of Rule 14 of  
Order R-565-C pertaining to the Special Rules and Regulations of the  
South Blanco-Pictured Cliffs Gas Pool, and the revision of paragraph  
4 of Rule 14 of Order R-565-C pertaining to the Special Rules and  
Regulations of the Fulcher Kutz-Pictured Cliffs Gas Pool, are being  
covered in other orders of this Commission.**

(3) That sufficient evidence has been adduced to indicate the advisability of revising paragraph 4 of Rule 14 of Order R-500-2 of the Special Rules and Regulations of the West Extra-Pictured Cliffs Gas Pool and said rule should be revised herein.

IT IS THEREFORE ORDERED:

That the application of the Oil Conservation Commission at the request of Future Development, Incorporated, for an order revising paragraph 4 of Rule 14 of Order R-500-2, pertaining to the Special Rules and Regulations of the West Extra-Pictured Cliffs Pool, be and the same hereby is approved, and paragraph 4 of said Rule 14 of Order R-500-2 of the Special Rules and Regulations for the West Extra-Pictured Cliffs Gas Pool, be and the same is hereby revised to read as follows:

A change in a well's deliverability due to retent or test after recompletion or workover shall become effective:

- (a) On the date of reconnection after workover, such date to be determined from Form C-104 as filed by the operator; or
- (b) A date 45 days prior to the date upon which a well's initial deliverability and shut-in pressure test is reported to the Commission on Form C-122-4 in conformance with the provisions of R-322-C and D; or,
- (c) A date 45 days prior to the receipt and approval of Form C-104 by the Commission's office (Box 887, Artes, New Mexico);

(Form C-104 shall specify the exact nature of the workover or remedial work; if the nature of the work cannot be explained on Form C-104, in that event, Form C-103 shall also be filed in accordance with Rule 1100 of the Commission's Statewide Rules and Regulations. Form C-122 (Gas Well Plat) shall be submitted by the operator at any time there is a change in the acreage dedicated to said well);

whichever date is later.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*John F. Sims*  
JOHN F. SIMS, Chairman

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

*W. B. Macey*  
W. B. MACEY, Member and Secretary

