

*Entered June 18, 1959  
A. R.*

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. 1685  
Order No. R-1421

APPLICATION OF EL PASO NATURAL  
GAS COMPANY FOR AN ORDER  
AUTHORIZING MAXIMUM PRESSURE  
BUILD-UP TESTS AND FOR THE NON-  
CANCELLATION AND/OR TRANSFER OF  
ALLOWABLES FOR WELLS INVOLVED  
IN SUCH TESTING PROGRAM IN FIVE  
GAS POOLS IN 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 June 3, 1959, 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 9th day of June, 1959, 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 an order approving maximum pressure build-up tests on 19 gas wells in the Blanco Mesaverde, Aztec-Pictured Cliffs, Ballard-Pictured Cliffs, Fulcher Kutz-Pictured Cliffs, and the South Blanco-Pictured Cliffs Gas Pools in San Juan and Rio Arriba Counties, New Mexico, and further authorizing the non-cancellation and/or transfer of allowables for said wells and for administrative approval for the substitution of other wells for those authorized by this order.

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

(4) That the proposed tests would not cause waste nor violate correlative rights.

-2-

Case No. 1685

Order No. R-1421

(5) That the proposed tests should be authorized.

(6) That all shut-in wells should be excepted from the requirements of Order R-333-C and D during the time that maximum pressure build-up tests are being conducted.

(7) 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.

(8) 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 on the date the test is completed.

(9) That the underage and overage balancing provisions of Rules 6 and 7 of Order R-128-D, Rules 11 and 12 of Order R-565-C and R-846, as all of said rules are amended by Order R-967, 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.

IT IS THEREFORE ORDERED:

(1) That authority be and the same 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:

AZTEC-PICTURED CLIFFS GAS POOL

SHUT-IN WELL

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

TRANSFER WELL

El Paso-Ludwick No. 1  
NW/4, S 29, T-30N, R-10W

El Paso-Ludwick No. 3  
SE/4, S 29, T-30N, R-10W

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

El Paso-Ludwick No. 5  
NW/4, S 31, T-30N, R-10W

El Paso-Ludwick No. 6  
SW/4, S 19, T-30N, R-10W

-3-

Case No. 1685

Order No. R-1421

BALLARD-PICTURED CLIFFS GAS POOL

SHUT-IN WELL

El Paso-Ballard No. 2-14  
NW/4, S 14, T-26N, R-9W

El Paso-Quitau No. 9  
SW/4, S 11, T-25N, R-8W

TRANSFER WELL

El Paso-Ballard No. 1-14  
SE/4, S 14, T-26N, R-9W

El Paso-Ballard No. 3-14  
NE/4, S 14, T-26N, R-9W

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

El Paso-Ballard No. 1-15  
NW/4, S 15, T-26N, R-9W

El Paso-Ballard No. 2-15  
NE/4, S 15, T-26N, R-9W

El Paso-Ballard No. 3-15  
SE/4, S 15, T-26N, R-9W

El Paso-Ballard No. 4-15  
SW/4, S 15, T-26N, R-9W

El Paso-Quitau No. 1  
NW/4, S 3, T-25S, R-8W

El Paso-Quitau No. 2  
NW/4, S 11, T-25S, R-8W

El Paso-Quitau No. 3  
SE/4, S 11, T-25S, R-8W

El Paso-Quitau No. 4  
SE/4, S 3, T-25S, R-8W

El Paso-Quitau No. 5  
SW/4, S 3, T-25S, R-8W

El Paso-Quitau No. 6  
NE/4, S 10, T-25S, R-8W

El Paso-Quitau No. 7  
NW/4, S 10, T-25S, R-8W

El Paso-Quitau No. 8  
NE/4, S 11, T-25S, R-8W

-4-

Case No. 1685  
Order No. R-1421

El Paso-Quitzeau No. 10  
SE/4, S 10, T-25S, R-8W

El Paso-Quitzeau No. 11  
NE/4, S 3, T-25S, R-8W

El Paso-Wilson No. A-1  
NW/4, S 32, T-26N, R-8W

El Paso-Wilson No. A-2  
SW/4, S 32, T-26N, R-8W

BLANCO MESAVERDE GAS POOL

SHUT-IN WELL

El Paso-Atlantic No. 5-A  
SW/4, S 26, T-31N, R-10W

El Paso-Atlantic No. 8-A  
NE/4, S 29, T-31N, R-11W

El Paso-Barnes No. 7  
SW/4, S 23, T-32N, R-11W

El Paso-Barrett No. 2  
NE/4, S 19, T-31N, R-9W

El Paso-Gartner No. 2  
NE/4, S 28, T-30N, R-8W

TRANSFER WELL

El Paso-Atlantic No. 1-A  
NE/4, S 27, T-31N, R-10W

El Paso-Atlantic No. 9-A  
SW/4, S 27, T-31N, R-10W

El Paso-Atlantic No. 7-A  
SW/4, S 29, T-31N, R-10W

None

El Paso-Barrett No. 1  
SW/4, S 19, T-31N, R-9W

El Paso-Barrett No. 3  
SW/4, S 20, T-31N, R-9W

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

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

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

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

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

El Paso-Gartner No. 7  
SW/4, S 26, T-30N, R-8W

El Paso-Gartner No. 8  
NE/4, S 26, T-30N, R-8W

-5-

Case No. 1685  
Order No. R-1421

El Paso-Hughes No. 1  
SW/4, S 19, T-29N, R-8W

El Paso-Hughes No. 2  
NE/4, S 19, T-29N, R-8W

El Paso-Hughes No. 3  
NE/4, S 20, T-29N, R-8W

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

El Paso-Hughes No. 5  
SW/4, S 21, T-29N, R-8W

El Paso-Hughes No. 6  
NE/4, S 21, T-29N, R-8W

El Paso-Hughes No. 7  
SW/4, S 29, T-29N, R-8W

El Paso-Hughes No. 8  
NE/4, S 29, T-29N, R-8W

El Paso-Lucerne No. 2-A  
NE/4, S 9, T-31N, R-10W

El Paso-Lucerne No. 1-A  
SW/4, S 9, T-31N, R-10W

El Paso-Lucerne No. 3-A  
SW/4, S 3, T-31N, R-10W

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

El Paso-SJU 30-6 McElvain No. 1-A  
NE/4, S 23, T-30N, R-7W

El Paso-McElvain No. 2-A  
SW/4, S 23, T-30N, R-7W

El Paso-McElvain No. 3-A  
NE/4, S 24, T-30N, R-7W

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

El Paso-McElvain No. 5-A  
NE/4, S 25, T-30N, R-7W

El Paso-McElvain No. 6-A  
SW/4, S 25, T-30N, R-7W

El Paso-Riddle No. 2  
SW/4, S 3, T-30N, R-9W

El Paso-Riddle No. 1  
NW/4, S 4, T-30N, R-9W

El Paso-Schwerdtfeger No. 1  
SW/4, S 27, T-31N, R-9W

None

-6-

Case No. 1685  
Order No. R-1421

El Paso-SJU 28-6 No. 37  
SW/4, S 6, T-27N, R-6W

El Paso-SJU 28-6 No. 39  
SW/4, S 5, T-27N, R-6W

El Paso-SJU 28-6 No. 43  
NE/4, S 7, T-27N, R-6W

El Paso-SJU 28-6 No. 54  
SW/4, S 7, T-27N, R-6W

El Paso-SJU 28-6 No. 22  
NE/4, S 8, T-27N, R-6W

El Paso-SJU 28-7 No. 56  
SW/4, S 13, T-28N, R-7W

El Paso-SJU 28-7 No. 33  
NE/4, S 13, T-28N, R-7W

El Paso-SJU 28-7 No. 51  
NE/4, S 24, T-28N, R-7W

El Paso-SJU 28-7 No. 26  
SW/4, S 24, T-28N, R-7W

El Paso-SJU 28-7 No. 50  
NE/4, S 23, T-28N, R-7W

El Paso-SJU 28-7 No. 9  
SW/4, S 14, T-28N, R-7W

El Paso-SJU 28-7 No. 24  
NE/4, S 14, T-28N, R-7W

El Paso-SJU 28-7 No. 55  
SW/4, S 12, T-28N, R-7W

FULCHER KUTZ-PICTURED CLIFFS GAS POOL

SHUT-IN WELL

El Paso-Omler No. 5  
SE/4, S 25, T-28N, R-10W

TRANSFER WELL

El Paso-Omler No. 2  
NW/4, S 36, T-28N, R-10W

El Paso-Omler No. 3  
SE/4, S 36, T-28N, R-10W

El Paso-Omler No. 4  
NE/4, S 36, T-28N, R-10W

El Paso-Omler No. 6  
NE/4, S 25, T-28N, R-10W

El Paso-Omler No. 7  
NW/4, S 25, T-28N, R-10W

-7-

Case No. 1685

Order No. R-1421

El Paso-Omler No. 8  
SW/4, S 25, T-28N, R-10W

El Paso-Omler No. 9  
SW/4, S 36, T-28N, R-10W

SOUTH BLANCO-PICTURED CLIFFS GAS POOL

SHUT-IN WELL

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

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

TRANSFER WELL

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. 5-B  
SW/4, S 27, 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. 9-B  
SW/4, S 28, T-25N, R-4W

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

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

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

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

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

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

-8-

Case No. 1685  
Order No. R-1421

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

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

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

(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 Rules 6 and 7 of Order R-128-D and Rules 11 and 12 of Order R-565-C and R-846, as all of said orders are amended by Order R-967, shall be suspended for all affected shut-in and 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 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.



-9-

Case No. 1685

Order No. R-1421

(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 tests. 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.

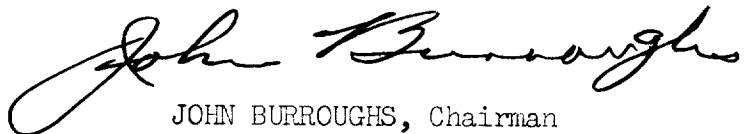
(9) That the shut-in well on all tests listed in this order shall be padlocked in such a manner so as to definitely prevent the opening of any valve except during the taking of the pressure readings.

(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.


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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
JOHN BURROUGHS, Chairman

S E A L

MURRAY E. MORGAN, Member

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

vem/