

Entered July 5, 1961
W.L.P.

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. 2306
Order No. R-2007

APPLICATION OF EL PASO NATURAL
GAS COMPANY FOR AN EXCEPTION TO
ORDER NO. R-333-C AND D, AS
AMENDED.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on June 14, 1961, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 22nd day of June, 1961, 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 in Townships 26, 27, 28, and 29 North, Ranges 11, 12, and 13 West, NMPM, San Juan County, New Mexico, there are wells producing from the Basin-Dakota Gas Pool that are connected to the same low-pressure pipeline facility as wells in the same area producing from the Pictured Cliffs Gas Pool.

(3) That inasmuch as the Pictured Cliffs wells produce with a pressure relatively low in comparison with the Dakota wells connected to the same pipeline facility, the Pictured Cliffs wells are prevented from producing their full allowable to the extent of the production from the Dakota wells.

(4) That the production from the Pictured Cliffs wells would be substantially curtailed if initial deliverability tests in accordance with Order No. R-333-C and D were required on the Dakota wells presently connected to the pipeline facility, or to be connected prior to October 1, 1961.

(5) That a high-pressure gathering system to service Dakota wells in the area is being constructed and should be completed by October 1, 1961.

-2-

CASE No. 2306

Order No. R-2007

(6) That, accordingly, the applicant, El Paso Natural Gas Company, seeks an exception to Order No. R-333-C and D, as amended, to provide for an administrative procedure whereby the time may be extended for conducting and reporting initial deliverability tests on Dakota wells which prior to October 1, 1961, are connected to a low-pressure pipeline facility servicing Pictured Cliffs wells when the taking of such tests would prevent the production of full allowable from the Pictured Cliffs wells.

(7) That it is further requested that allowables be assigned to Dakota wells based upon such delayed initial deliverability tests, effective retroactively to the date of connection to the low-pressure pipeline facility.

(8) That in the interest of protecting the rights of the operators of the Pictured Cliffs wells, the subject application should be approved.

IT IS THEREFORE ORDERED:

(1) That upon written application to the District Supervisor of the Aztec District Office of the Commission, any operator of a well completed in the Basin-Dakota Gas Pool in Townships 26, 27, 28, and 29 North, Ranges 11, 12, and 13 West, NMPM, San Juan County, New Mexico, may be granted an exception to the provisions of Paragraph (B), Subsection I, Section A of Order No. R-333-C and D, as amended, where the Dakota well, prior to October 1, 1961, is connected to El Paso Natural Gas Company's Pictured Cliffs Gathering System, and where the taking of an initial deliverability test would prevent Pictured Cliffs wells connected to the same pipeline facility from producing a full allowable.

(2) That when exception to Order No. R-333-C and D is obtained under the provisions of Paragraph (1) above, the operator shall take and report the results of an initial deliverability test on the subject well within sixty (60) days after such well is connected to a Dakota Gathering System.

(3) That when exception to Order No. R-333-C and D is obtained under the provisions of Paragraph (1) above, the subject well shall produce only such amounts of gas as may be necessary to protect leases and correlative rights.

(4) That when exception to Order No. R-333-C and D is obtained under the provisions of Paragraph (1) above, an allowable shall be assigned to the subject well based upon its delayed initial deliverability test, effective retroactively to the date of connection of the well to the Pictured Cliffs Gathering System.

(5) That this order and the exceptions granted hereunder shall be terminated ipso facto November 30, 1961, unless extended

-3-

CASE No. 2306

Order No. R-2007

prior to that time by order of the Secretary-Director of the Commission.

(6) 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.

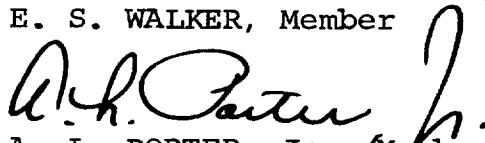
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman



E. S. WALKER, Member



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

S E A L

esr/