

Entered September 21, 1972
A.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. 4810
Order No. R-4404

IN THE MATTER OF THE APPLICATION OF THE OIL
CONSERVATION COMMISSION ON ITS OWN MOTION
TO CONSIDER THE REVISION OF THE SPECIAL
RULES FOR THE DEVILS FORK GALLUP ASSOCIATED
POOL AND THE ESCRITO GALLUP ASSOCIATED POOL,
RIO ARRIBA AND SAN JUAN COUNTIES, NEW MEXICO,
PROMULGATED BY ORDERS NOS. R-1670-B AND
R-1793-A, RESPECTIVELY, TO PERMIT TAKING
OF GAS-OIL RATIO AND BOTTOM-HOLE PRESSURE
TESTS ON AN ANNUAL BASIS RATHER THAN QUARTERLY
AND SEMI-ANNUALLY, AS IS NOW REQUIRED.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 13,
1972, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 27th day of September, 1972, the Commission,
a quorum being present, having considered the testimony, the
record, and the recommendations of the Examiner, 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 Rules 27 and 28 of the Special Rules and Regula-
tions for the Devils Fork-Gallup Pool, Rio Arriba County, New
Mexico, promulgated by Order No. R-1670-B, as amended, require,
respectively, the taking of gas-liquid ratio tests on a quarterly
basis and bottom-hole pressure tests on a semi-annual basis.

(3) That Rule 9 of the Special Rules and Regulations for
the Escrito-Gallup Oil Pool, Rio Arriba and San Juan Counties,
New Mexico, promulgated by Order No. R-1793-A, requires the
taking of gas-liquid ratio tests quarterly.

(4) That due to the state of depletion of the above-
described pools, semi-annual and quarterly tests are no longer
needed.

(5) That in order to lessen the administrative burden upon operators and the Commission, the Special Rules and Regulations for the Devils Fork-Gallup and Escrito-Gallup Pools should be amended to permit the taking of gas-liquid ratio and bottom-hole pressure tests on an annual basis.

(6) That the above-described amendments will neither cause waste nor violate correlative rights.

IT IS THEREFORE ORDERED:

(1) That Rule 27 and Rule 28 of the Special Rules and Regulations for the Devils Fork-Gallup Pool, Rio Arriba County, New Mexico, promulgated by Order No. R-1670-B, as amended, are hereby amended to read in their entirety as follows:

"Special Rule 27. Gas-liquid ratio tests shall be taken on all wells in the Devils Fork-Gallup Pool and on all wells producing from the Gallup formation within one mile of the boundaries of the Devils Fork-Gallup Pool which are not within another designated Gallup pool during the month of November of each year. The initial gas-liquid ratio test shall suffice as the first annual test. Tests shall be 24-hour tests, being the final 24 hours of a 72-hour period during which the well shall be produced at a constant normal rate of production. Results of such tests shall be filed on Commission Form C-116 on or before the 10th day of the following month. At least 72 hours prior to commencement of any such gas-liquid ratio test, each operator shall file with the Aztec District Office of the Commission a test schedule for its wells specifying the time each of its wells is to be tested. Copies of the test schedule shall also be furnished to all offset operators.

Special tests shall also be taken at the request of the Secretary-Director and may also be taken at the option of the operator. Such special tests shall be taken in accordance with the procedures outlined hereinabove, including notification to the Commission and offset operators."

"Special Rule 28. The average reservoir pressure shall be determined during November of each year after the well has been shut-in for a minimum of 3 days. Pressures shall be calculated to a common datum, which shall be the approximate depth of the gas-oil contact (1025 feet above sea level). The pressure on individual wells shall be determined in the following manner:

- (1) Subsurface pressure tests shall be taken on all wells, gas and oil, in accordance with the procedure outlined in Statewide Rule 302, except with respect to shut-in time and datum as provided above. Pressures of pumping oil wells may be calculated from sonic fluid level determinations.

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- (2) Information obtained on these tests shall be reported on Form C-124 in accordance with the provisions of Statewide Rules 302 and 1123, and the Commission shall use the arithmetic average of the pressures so reported for the pressure, Pres, in the calculations as provided in Special Rule 13(a)."

(2) That Rule 9 of the Special Rules and Regulations for the Escrito-Gallup Pool, Rio Arriba and San Juan Counties, New Mexico, promulgated by Order No. R-1793-A, is hereby amended to read in its entirety as follows:

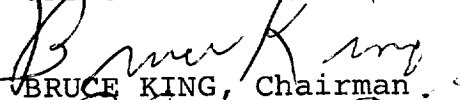
RULE 9. Gas-liquid ratio tests shall be taken on all wells in the Escrito-Gallup Oil Pool, and on all wells producing from the Gallup formation within one mile of the boundaries of the Escrito-Gallup Oil Pool which are not within another designated Gallup oil pool, during the month of November of each year. The initial gas-liquid ratio test shall suffice as the first annual test. Tests shall be 24-hour tests, being the final 24 hours of a 72-hour period during which the well shall be produced at a constant normal rate of production. Results of such tests shall be filed on Commission Form C-116 on or before the 10th day of the following month. At least 72 hours prior to commencement of any such gas-liquid ratio tests, each operator shall file with the Aztec Office of the Commission a test schedule for its wells, specifying the time each of its wells is to be tested. Copies of the test schedule shall also be furnished to all offset operators.

Special tests shall also be taken at the request of the Secretary-Director and may also be taken at the option of the operator. Such special tests shall be taken in accordance with the procedures outlined hereinabove, including notification to the Commission and offset operators."

- (3) 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


BRUCE KING, Chairman.


ALEX J. ARMIJO, Member


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

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