

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

OCT 17 1986

OIL CON. DIV.  
DIST. 3

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 8944  
ORDER No. R-8322

APPLICATION OF TENNECO OIL COMPANY  
FOR RETROACTIVE ALLOWABLE, SAN JUAN  
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on July 23, 1986 at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 16th day of October, 1986, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, Tenneco Oil Company, seeks a determination that the work performed in September, 1985 on its Fields "LS" Well No. 2A located 1500 feet from the South line and 850 feet from the East line (Unit I) of Section 25, Township 32 North, Range 11 West, Blanco-Mesaverde Pool, San Juan County, New Mexico, be designated as a "workover" pursuant to the Division Rules and Regulations regarding gas proration in Northwest New Mexico, and that an increase in the allowable assigned to the subject well be made effective as of November 1, 1985.

(3) Said well experienced an increase in production after September, 1985 when the 2 3/8-inch tubing was pulled and the 2 1/16-inch wellhead was replaced with a 4 1/16-inch production string, resulting in a tubingless completion authorized by the Aztec District Office of the Division.

(4) Prior to applying for a deliverability retest pursuant to the Rules and Regulations for the prorated gas pools in Northwest New Mexico (as promulgated by Division Order

No. R-8170) said well was assigned a deliverability of 1167 MCP per day.

(5) The supervisor of the Aztec District Office of the Division did not consider the work performance on this well as described in Finding Paragraph No. (4), above, as a "workover" and therefore denied applicant's request for retroactive allowable following a retest after workover.

(6) Since 1983 it has been the policy of the Division's District Office in Aztec to accept as "workover" only downhole work on a well that changes the permeability (k) and/or the production interval (h) in the well.

(7) Since the term "workover" has never been defined in writing by the NMOCD, a standard industry definition of "workover" should be used.

(8) Such a definition is found in Williams, H. R. & Meyers, C. M.: Manual of Oil and Gas Terms, Fourth Edition, Mathew Bender, New York (1976) which reads as follows:

"Operations on a producing well to restore or increase production. A typical workover is cleaning out a well that has sanded up. Tubing is pulled, the casing and bottom of the hole washed out with mud, and (in some cases) explosive set off in the hole to dislodge the silt and sand" - workover;

"Work performed on a well after its completion, in an effort to secure production where there has been none, restore production that has ceased or increase production. Cleaning out a hole that has silted up is a typical reworking operation." - Reworking Operations.

(9) While the work done was not a "workover" it did strongly indicate the current deliverability test was manifestly understated and the retest filed after the modification should be made retroactive to the latter of the date of reconnection or 90 days prior to the date of receipt of the retest in the Division's Aztec district office.

IT IS THEREFORE ORDERED THAT:

(1) The work performed in September, 1985 on the Tenneco Oil Company Fields "LS" Well No. 2A, located 1500 feet from the South line and 850 feet from the East line (Unit I) of Section 25, Township 32 North, Range 11 West, Blanco-Mesaverde Pool, San Juan County, New Mexico, is not considered "workover"

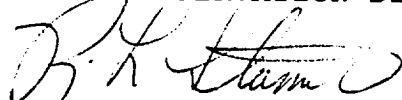
pursuant to the Division Proration Rules and Regulations regarding deliverability retest.

(2) The allowable of said well shall be recalculated in accordance with the retest filed after the removal of the 2 3/8-inch tubing and shall be effective the latter of the date of reconnection or 90 days prior to the date of receipt of the retest in the Division's Aztec District Office.

(3) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



R. L. STAMETS,  
Director

S E A L

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE  
(Other instructions on re-  
verse side)

Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. <input type="checkbox"/> OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER		5. LEASE DESIGNATION AND SERIAL NO. NM-010989
2. NAME OF OPERATOR Tenneco Oil Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
3. ADDRESS OF OPERATOR P. O. Box 3249, Englewood, CO 80155		7. UNIT AGREEMENT NAME
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 1500' FSL, 850' FEL		8. FARM OR LEASE NAME Fields LS
14. PERMIT NO. 30-045-22399		9. WELL NO. 2A
15. ELEVATIONS (Show whether DF, ST, GR, etc.) 6226' GL		10. FIELD AND POOL, OR WILDCAT Blanco Mesaverde
		11. SEC., T., R., M., OR BLE. AND SURVEY OR AREA Sec. 25, T32N, R11W
		12. COUNTY OR PARISH San Juan
		13. STATE NM

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANE <input type="checkbox"/>
(Other) <input type="checkbox"/>	

SUBSEQUENT REPORT OF:

WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input checked="" type="checkbox"/>
(Other) <u>Install Meter Run</u>	

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting and proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Tenneco Oil Company requests approval to install a 6 inch meter run adjacent to existing meter runs on this location.  
The existing right-of-way will be used to install the equipment.

RECEIVED  
SEP 14 1987  
OIL CON. DIV.  
DIST. 3

18. I hereby certify that the foregoing is true and correct

SIGNED Mike M'Intosh TITLE Administrative Analyst DATE 8/24/87

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

APPROVED  
SEP 1 01987

AREA MANAGER

\*See Instructions on Reverse Side

NMOCC