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. 1271 Order No. R-1056

Entered September 25, 1957 A.G.

APPLICATION OF EL PASO NATURAL GAS COMPANY FOR AN ORDER AUTHORIZING THE NON-CANCELLATION AND/OR TRANSFER OF ALLOWABLE FOR A WELL CURRENTLY INVOLVED IN A MAXIMUM PRESSURE BUILD-UP TEST IN THE BLANCO MESAVERDE GAS POOL IN SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 10 o'clock a.m. on June 25, 1957, at Farmington, New Mexico, before Warren W. Mankin, 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 $1/4^{t/t}$ day of September, 1957, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Warren W. Mankin, 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 case and the subject matter thereof.

(2) That the applicant, El Paso Natural Gas Company commenced a maximum pressure build-up test on June 8, 1956 on its Sunray No. 2-A Well located in the NE/4 of Section 10, Township 30 North, Range 10 West, NMPM, San Juan County, New Mexico, which test is still in progress.

(3) That El Paso Natural Gas Company by this application seeks an order of the Commission authorizing the non-cancellation of allowables presently accrued and hereafter accruing to the said Sunray No. 2-A Well during the test period, until the end of the proration period following the proration period during which the test is completed and further, authorizing the transfer of said allowables to other wells on the same basic lease.

(4) That the applicant's request for non-cancellation of allowables should be granted since the aforementioned test will furnish valuable reservoir information on the Blanco Mesaverde Gas Pool.

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(5) That it is not possible to authorize a transfer of allowables in this case since there are no other wells on the same basic lease.

That El Paso Natural Gas Company should report to (6) the Commission the results of the maximum pressure build-up test on its said Sunray No. 2-A Well within a reasonable time after the test is completed.

IT IS THEREFORE ORDERED:

That the application of El Paso Natural Gas Company for the non-cancellation of allowables presently accrued and hereafter accruing to its Sunray No. 2-A Well, located in the NE/4 of Section 10, Township 30 North, Range 10 West, NMPM, San Juan County, New Mexico, during the maximum pressure build-up test period, until the end of the proration period following the pro-ration period during which the test on said well is completed, be and the same is hereby approved provided a report of the recults and the same is hereby approved, provided a report of the results of the maximum pressure build-up test is submitted to the Commission by El Paso Natural Gas Company within a reasonable time after said test is completed.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

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EDWIN L. MECHEM, Chairman

MURRAY E. MORGAN, Member

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

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