

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. 4039 Order No. R-3673

THE APPLICATION OF THE OIL CONSERVATION COMMISSION UPON ITS OWN MOTION FOR AN ORDER GRANTING AN EXCEP-TION TO THE NINTH PARAGRAPH OF CHAPTER II, SECTION 2 OF ORDER NO. R-333-F TO PERMIT SHUTTING IN GAS WELLS FOR THE REQUIRED SHUT-IN TEST AT SOME PERIOD DURING THE 1969 TEST SEASON OTHER THAN IMMEDIATELY FOLLOWING THE 7-DAY DELIVERABILITY FLOW TEST; FURTHER TO PERMIT MEASURING THE SHUT-IN TEST PRESSURE DURING THE 8TH TO 15TH DAY OF SHUT-IN OF THE WELL RATHER THAN ON THE 8TH DAY AS PRESENTLY REQUIRED.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 5, 1969, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>llth</u> day of February, 1969, 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 Order No. R-333-F, dated November 30, 1962, promulgated Special Rules and Regulations governing gas well testing in the San Juan Basin (Counties of San Juan, Rio Arriba, McKinley, and Sandoval, New Mexico), as an exception to Rules 401 and 402 of the general statewide rules and regulations of the Commission relating to gas well testing procedures. -2-CASE No. 4039 Order No. R-3673

(3) That Chapter II, Section 2 of said Order No. R-333-F prescribes the annual deliverability and shut-in pressure test procedure.

(4) That paragraph nine of said Section 2 directs that in order to obtain the shut-in pressure of a well under test, the well shall be shut in immediately after the 7-day deliverability flow test for the full period of seven consecutive days and that such shut-in pressure shall be measured within the next succeeding twenty-four hours following the 7-day shut-in period.

(5) That there has been and will continue to be, for a period of several months, an extremely heavy demand for gas from wells governed by the provisions of Order No. R-333-F.

(6) That the aforementioned deliverability flow tests can continue to be scheduled and conducted as required by Order No. R-333-F during said period of heavy demand.

(7) That it will be extremely difficult for the heavy demand for gas in Northwest New Mexico to be met if the gas wells governed by Order No. R-333-F are shut in for pressure tests during said period of heavy demand.

(8) That in order to avoid shutting in the subject gas wells during said period of heavy demand, an exception to said paragraph nine should be established to permit shutting in of said gas wells for the required shut-in test at some period during the 1969 test period other than immediately following the 7-day deliverability flow test.

(9) That an exception to said paragraph nine should be established to permit the measuring of the shut-in pressure during the 8th to 15th consecutive day of shut-in of the well rather than on the 8th day as presently required in order to render less difficult the scheduling and measuring of same.

(10) That the scheduling of shut-in pressure tests at some period other than immediately following the 7-day deliverability flow test and the measuring of the shut-in pressure during the 8th to 15th consecutive day of shut in rather than on the 8th day as presently required will not have an unduly adverse effect upon the accuracy of said pressure tests. -3-CASE No. 4039 Order No. R-3673

(11) That establishment of the aforesaid exceptions will not violate correlative rights and will otherwise prevent waste and promote conservation.

IT IS THEREFORE ORDERED:

(1) That paragraph nine of Chapter II, Section 2 of Order No. R-333-F is hereby suspended for the duration of the 1969 annual deliverability and shut-in pressure test period, insofar and only insofar as said paragraph directs that in order to obtain the shut-in pressure of a well under test, the well shall be shut in immediately after the 7-day deliverability flow test for the full period of seven consecutive days and that such shut-in pressure shall be measured within the next succeeding twenty-four hours following the 7-day shut-in period.

(2) That to obtain the shut-in pressure of a well, subject to the testing requirements of said Order No. R-333-F, under test during the duration of the annual deliverability and shut-in test period for 1969, the well shall be shut in at some time during the year of 1969 for a period of seven to fourteen consecutive days. Such shut-in pressure shall be measured during the eighth to fifteenth day following shutting in of the well.

(3) That each gas transportation facility shall, in cooperation with the operators involved, prepare and submit a schedule of shut-in pressure tests in accordance with Chapter I, Section 3, provided, however, that said schedule need only be submitted prior to the shutting in of the well or wells involved.

(4) That the Aztec District Office of the Commission shall be notified of the date the shut-in pressure of a well is to be measured in order that said measurement may be witnessed.

(5) 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 10. 1-1-DAVID F. CARGO, Chairman 11.18 H Member

L. PORTER, Jr., Member & Secretary

SEAL

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