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. 977 Order No. R-794-B

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IN THE MATTER OF THE HEARING ORDERED TO BE HELD BY PARAGRAPH 3 OF ORDER R-794-A TO PERMIT SOUTHERN UNION GAS COMPANY TO SHOW CAUSE WHY 320-ACRE SPACING SHOULD BE CONTINUED IN THE TAPACITO-PICTURED CLIFFS GAS POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m., on November 16, 1955, on March 14, 1957, and again on August 15, 1957, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 2^{tb} day of September, 1957, the Commission, a quorum being present, having considered the testimony and evidence adduced, and being fully advised in the premises,

FINDS:

(1) That due notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the interference test on the Southern Union Gas Company's Jicarilla No. 4-D Well located in the SE/4 NE/4 of Section 30, Township 26 North, Range 3 West, NMPM, Rio Arriba County, New Mexico, has not yet been completed.

(3) That the applicable provisions of Order R-794 should be extended until April 1, 1958, in order that the results of the aforementioned interference test may be considered in the final determination of this matter.

(4) That the applicant, Southern Union Gas Company, should be required to conduct a bottom hole pressure test on the said Jicarilla No. 4-D Well and bottom hole flowing pressure tests on the offset interference wells at the conclusion of the interference test and that the applicant should further be required to take flowing casing and tubing pressure tests on the offset interference wells at the same time that the monthly shut-in casing and tubing pressure test is taken on the said Jicarilla No. 4-D Well. -2-Case No. 977 Order No. R-794-B

(5) That the applicant should be required to permit any interested operator to conduct a gas analysis of the gas produced from the aforementioned offset interference wells.

(6) That Southern Union Gas Company has agreed to furnish all operators within two miles of the Tapacito-Pictured Cliffs Gas Pool with the results of the aforementioned tests upon receipt of a request for the same from the said operators.

(7) That this case should be called for hearing at the Commission monthly hearing in February of 1958 to permit Southern Union Gas Company and all other interested parties to show cause why the rules promulgated by Order R-794 should be continued in effect.

IT IS THEREFORE ORDERED:

1. That the provisions of paragraph 1 through 6 and paragraph 8 of Order R-794 be and the same are hereby continued in effect until April 1, 1958.

2. That the completion data and the results of a onepoint pressure test, as prescribed in the Commission's Memorandum No. 1-56, on all wells completed within the area affected by this order will be reported to the Commission before any of the wells are put on production. All wells completed between April 1, 1956, and April 1, 1958, shall be so reported.

3. That Southern Union Gas Company shall conduct a bottom hole pressure test on its Jicarilla No. 4-D Well located in the SE/4 NE/4 of Section 30, Township 26 North, Range 3 West, NMPM, Rio Arriba County, New Mexico, and bottom hole flowing pressure tests on the offset interference wells at the conclusion of the interference test.

4. That Southern Union Gas Company shall take flowing casing and tubing pressure tests on the offset interference wells at the same time that the monthly shut-in casing and tubing pressure test is taken on the aforementioned Jicarilla No. 4-D Well.

5. That Southern Union Gas Company shall permit any interested operator to conduct a gas analysis of the gas produced from the aforementioned interference wells.

6. That Southern Union Gas Company shall furnish all operators within two miles of the Tapacito-Pictured Cliffs Gas Pool with the results of the tests which are herein ordered to be conducted upon receipt of a request for the same by said operators.

7. That this case be called for hearing at the Commission monthly hearing in February of 1958 to permit Southern Union Gas Company and all other interested parties to appear and show cause why the rules contained in Order R-794 should be continued beyond

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April 1, 1958.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

MURRAY E. MORGAN, Member

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

SEAL