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BEFORE THE

NEW MEXICO OIL CONSERVATION COMMISSION

IN THE MATTER OF THE APPLICATION OF EL PASO NATURAL GAS COMPANY FOR AN EXCEPTION TO RULE 10 OF THE JALMAT POOL RULES, ORDER NO. R-520 AS AMENDED BY ORDER NO. R-967, NEW MEXICO OIL CONSERVATION COMMISSION RULES AND REGULATIONS, TO PROVIDE THAT ITS E. J. WELLS NO. 13 AND ITS WELLS B-4 NO. 1, LEA COUNTY, NEW MEXICO, BE ALLOWED TO PRODUCE GAS DURING SHUT-IN PERIOD IN ORDER TO PREVENT THE PREMATURE ABANDONMENT OF SAID WELLS.

CASE NO.

1777

*#1: - 75200 not allow Sept 59
#2: - 69978 " " " "*

A P P L I C A T I O N

TO THE HONORABLE COMMISSION:

COMES NOW El Paso Natural Gas Company, hereinafter referred to as "Applicant," and alleges and states:

I.

Applicant is a Delaware corporation with a permit to do business in the State of New Mexico;

II.

Heretofore, El Paso has filed with the Commission by telegram, which was later supplemented by a letter, all of the information and allegations contained in this application, and this application is made for the purpose of keeping the record in order and of formally submitting to the Commission the allegations previously made;

III.

Heretofore, El Paso's E. J. Wells No. 13 located in L-5-25-37 and El Paso's Wells B-4 No. 1 located in (D-4-25-37) both in Lea County, New Mexico, were classified as marginal wells. Recently, by order of the New Mexico Oil Conservation Commission, both of said wells were given a nonmarginal classification on a retroactive basis with the result that said wells are now more than six times overproduced and subject to being shut-in in accordance

with provisions of Rule 10 of Order R-967, Rules and Regulations of the New Mexico Oil Conservation Commission;

IV.

Since the date that said wells were reclassified as non-marginal, said wells have remained shut-in except for an attempt to obtain some production for one day each month. This shut-in has resulted in a loading up of E. J. Wells No. 13 with liquids, thereby rendering said well incapable of production. Said well may be returned to production at this time by employing the services of a swabbing unit, but should said well remain shut-in until it returns to a balanced condition, permanent loss of the well is likely;

V.

It is considered that E. J. Wells No. 13 Well can be returned to production by swabbing operations and that the accumulation of excess liquids can be prevented in the future by producing this well each month. It should not be necessary to produce said well at a rate in excess of fifty percent (50%) of the average monthly allowable for the well during the preceding six months' period in order to prevent such accumulation;

VI.

During said shut-in period, said Wells B-4 No. 1 Well has loaded up with liquids but has been able to unload said liquids during the short period of production each month. The prolonged shut-in of this well would permit liquids to accumulate which could not be unloaded and which would likely cause permanent injury to and the premature abandonment of said well. It is considered that an excess accumulation of liquids could be prevented by allowing said well to produce for the necessary length of time, not to exceed twenty-five percent (25%) of the allowable for the well during the preceding six months' period during any one month.

VII.

The Commission has jurisdiction to hear and determine this cause and to grant the relief requested;

VIII.

The granting of this application will prevent waste and will not prejudice or violate correlative rights;

WHEREFORE, Applicant respectfully requests this matter be set for hearing before an examiner for the Commission and that upon due notice and hearing, the Commission issue its order granting an exception to Rule 10 of the Jalmat Pool Rules, Order No. R-520 as amended by Order No. R-967, for said wells and to provide for the production of said wells as above requested, and for such other and further relief, either at law or in equity, to which Applicant may show itself justly entitled.

SETH, MONTGOMERY, FEDERICI & ANDREWS

By *Saul C. Hannah*

Garrett C. Whitworth
Garrett C. Whitworth

B4#1 12-15 moos over (one allow)
13 16-18 moos over (one allow)
intermediate system 250#

#13 presently logged off

#1 has liquids + paraffin plug @ 1678'
well will produce small quantities

B4#1 SI 5-8-59 produced 2 days June
1 day in July + Aug 2½-3 days in Sept

#13 SI 6-5-59 3 days in June, well has
been compl. logged off since.

new combi into ea well

#13 FL lev 1730' from surp
142 psia surf pressure
633.2 psia bot hole
