

BEFORE THE  
OIL CONSERVATION COMMISSION OF THE  
STATE OF NEW MEXICO

MAIN OFFICE OCC  
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IN THE MATTER OF THE APPLICATION  
OF EL PASO NATURAL GAS COMPANY  
FOR AN ORDER AUTHORIZING THE CON-  
DUCTING OF MAXIMUM PRESSURE BUILDUP  
TESTS AND THE NONCANCELLATION AND/OR  
TRANSFER OF ALLOWABLES FOR WELLS  
INVOLVED IN SUCH TESTING PROGRAM IN  
THE BLANCO-MESAVERDE, BASIN-DAKOTA,  
AZTEC-PICTURED CLIFFS, BALLARD-  
PICTURED CLIFFS, AND SOUTH BLANCO-  
PICTURED CLIFFS GAS POOLS, SAN JUAN  
AND RIO ARRIBA COUNTIES, NEW MEXICO

CASE NO. 2770

ORDER NO. \_\_\_\_\_

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.

Applicant is the operator of oil and gas leases in  
the Blanco-Mesaverde, Basin-Dakota, Aztec-Pictured Cliffs,  
Ballard-Pictured Cliffs, and South Blanco-Pictured Cliffs  
Gas Pools, as delineated by orders of this Commission, and  
the gas wells located on said leases as described in Exhibit  
"A" which is attached hereto and made a part hereof;

III.

There is a continuing need for reservoir information  
concerning said pools and such information should be obtained  
by shutting in the wells listed in said Exhibit "A" and con-  
ducting maximum pressure build-up tests with respect to same.  
Applicant proposes to complete such tests as soon as possible  
following the date of issuance of the Commission's order in  
this case.

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Date 2/25/63

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IV.

Such proposed tests would not constitute waste nor violate correlative rights and should be authorized;

V.

All wells shut-in for the purpose of conducting such tests should be excepted from the requirements of Testing Order R-333-F of this Commission during the time that the maximum pressure build-up tests are being conducted;

VI.

Applicant should be permitted to transfer the allowable which accrues to any shut-in well during its testing period to any other offset well or wells on the same basic lease; and that the transfer of such allowable to any specific well or wells should be upon request of Applicant and authorization of the Commission issued in the form of a supplemental allowable to such transfer well;

VII.

The underage and overage balancing provisions of the General Rules and Regulations for Northwestern New Mexico adopted by Order No. R-1670 as amended of this Commission and the Special Pool Rules with respect to overage and underage balancing provisions affecting the above mentioned gas pools should be suspended as to each affected shut-in and transfer well located in each such respective gas pool until the end of the six-month proration period following the proration period during which the testing of each such shut-in well is completed.

VIII.

In addition to the maximum pressure build-up tests stipulated herein, the order sought by this application should provide for the granting of administrative approval to conduct

such substitute tests as Applicant may in its discretion  
deem necessary for obtaining more thorough and complete  
reservoir information with respect to said gas pools if  
there is no objection thereto.

WHEREFORE, Applicant respectfully requests this matter to be set for hearing as prescribed by law, and that upon notice and hearing the Commission issue its Order authorizing the conducting of maximum pressure build-up tests with respect to the wells listed in Exhibit "A" hereto located in the Blanco-Mesaverde, Basin-Dakota, Aztec-Pictured Cliffs, Ballard-Pictured Cliffs and South Blanco-Pictured Cliffs Gas Pools located in San Juan and Rio Arriba Counties, New Mexico, and such substitute tests as Applicant may in its discretion deem necessary to conduct after first having obtained administrative approval therefor, and the noncancellation and/or transfer of allowables for all wells involved in such testing program in the manner herein described, or in such manner as the Commission shall deem necessary and proper.

  
Garrett C. Whitworth  
Attorney for Applicant

*[Faint handwritten notes and signatures are visible at the bottom of the page.]*

EXHIBIT "A"

BLANCO-MESAVERDE

Atlantic No. 5-A SW/4 Sec. 26, T-31-N, R-10-W  
Atlantic No. 8-A NE/4 Sec. 29, T-31-N, R-10-W  
Barnes No. 7 SW/4 Sec. 23, T-32-N, R-11-W  
Barrett No. 2 NE/4 Sec. 19, T-31-N, R-9-W  
Gartner No. 2 NE/4 Sec. 28, T-30-N, R-8-W  
Hughes No. 3 NE/4 Sec. 20, T-29-N, R-8-W  
Lucerne No. 2-A NE/4 Sec. 9, T-31-N, R-10-W  
San Juan 30-6 Unit McElvain No. 1-A, NE/4 Sec. 23, T-30-N, R-7-W  
Riddle No. 2 SW/4 Sec. 3, T-30-N, R-9-W SJ  
Schwerdtfeger No. 1 SW/4 Sec. 27, T-31-N, R-9-W J  
San Juan 28-6 Unit No. 37 SW/4 Sec. 6, T-27-N, R-6-W J

BASIN-DAKOTA

Allison Unit No. 1 NW/4 Sec. 17, T-32-N, R-6-W SJ  
Jicarilla No. 67-10 SW/4, Sec. 30, T-25-N, R-5-W J  
Lackey No. 13-B SW/4, Sec. 20, T-28-N, R-9-W SJ  
Michener No. 3 SW/4, Sec. 15, T-28-N, R-9-W SJ  
Heaton No. 14 NE/4, Sec. 29, T-31-N, R-11-W  
Ludwick No. 16 NE/4, Sec. 31, T-30-N, R-10-W  
Rincon Unit No. 136, SW/4, Sec. 23, T-27-N, R-7-W J  
San Juan 28-5 Unit No. 35 SW/4, Sec. 19, T-28-N, R-5-W J  
Huerfano Unit No. 117 SE/4, Sec. 16, T-26-N, R-10-W SJ  
Huerfano Unit No. 125 NW/4, Sec. 30, T-26-N, R-9-W SJ

AZTEC-PICTURED CLIFFS

Ludwick No. 2, SE/4 Sec. 19, T-30-N, R-10-W J

BALLARD-PICTURED CLIFFS

Ballard No. 2-14 (No. 6) NW/4 Sec. 14, T-16-N, R-9-W J  
Quitzan No. 3 SE/4 Sec. 11, T-25-N, R-8-W  
Wilson No. A-1 NW/4 Sec. 32, T-26-N, R-8-W

SOUTH BLANCO-PICTURED CLIFFS

Jicarilla No. 1-B NW/4 Sec. 28, T-25-N, R-4-W  
Jicarilla No. 8-E NW/4 Sec. 20, T-25-N, R-4-W J