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BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE 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 TESTING PROGRAM IN THE  
BLANCO-MESA VERDE GAS POOL, SAN  
JUAN AND RIO ARriba COUNTIES,  
NEW MEXICO.

Case No. 1291

TO THE HONORABLE COMMISSION:

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

I

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

II

That, Applicant is the present operator of an oil and gas lease  
in the Blanco-Mesa Verde Gas Pool, as delineated by Orders of this  
Commission, upon which said lease there is presently located a cer-  
tain gas well as described in Exhibit "A" attached hereto and made  
a part hereof;

III

That, as a result of the need for reservoir information con-  
cerning said gas pool, the well described in Exhibit "A" hereto  
was shut-in by Applicant during the year 1956 for the purpose of  
conducting maximum pressure build-up tests with respect thereto;

IV

That such well is now and has continuously remained shut-in  
for the purpose of conducting such tests; and that Applicant pro-  
poses to complete such tests within the six (6) month period follow-  
ing the date of issuance of the Commission's Order herein; provided  
however, that Applicant shall be permitted in its discretion to con-  
duct such tests over shorter periods of time where possible; and  
provided further, that Applicant shall be permitted to conduct such  
tests over longer periods of time than six (6) months where neces-  
sary upon application filed with and authorization granted by the

Secretary-Director of the Commission;

V

That, as a result of the length of time required to complete such tests, certain underages of production have accrued and will in the future accrue to such well;

VI

That certain of such underages of production which accrued to such well during the August 1, 1956, to February 1, 1957, proration period will be canceled on August 1, 1957, in the absence of action taken on the part of the Commission suspending such cancellation;

VII

That the well shut-in for the purpose of conducting such tests should be excepted from the requirements of Order R-333-C and D during the time that the maximum pressure build-up tests are being conducted with respect to same;

VIII

That, Applicant should be permitted to transfer the underages which have accrued and will accrue to this shut-in well on August 1, 1957, to any other well or wells on the same basic lease; and that the transfer of such underage 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;

IX

That the underage and overage balancing provisions of Rules 6 and 7 of Order R-128-D, as amended by Order R-967, with respect to the Blanco-Mesa Verde Gas Pool should be suspended as to the shut-in and transfer well located in said gas pool until the end of the six-month proration period following the proration period during which the testing of such shut-in well is completed; and

X

That such maximum pressure build-up tests are being and will continue to be conducted without waste or violation of correlative rights and in good faith;

WHEREFORE, Applicant respectfully requests this matter be set for hearing as prescribed by law, and that upon notice and hearing

the Commission issue its Order providing for the noncancellation and/or transfer of underages of production accruing to Applicant's well involved in such testing program in the manner herein described, or in such manner as the Commission shall deem necessary and proper.

  
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Attorney for Applicant

EXHIBIT "A"

of

Application filed with

The Oil Conservation Commission of the State of New Mexico

BLANCO-MESA VERDE GAS POOL

Well currently on test which  
will lose allowable in  
August, 1957

Location of Well  
Section, Township, Range, N.M.P.M.

Sunray #2-A

E/2 10 30 North 10 West

? Transfer wells.

DOCKET: EXAMINER HEARING JUNE 25, 1957

FARMINGTON CITY HALL, 10:00 a.m., FARMINGTON, NEW MEXICO

The following cases will be heard before Warren W. Mankin, Examiner

- CASE 1269: Application of Northwest Production Corporation for authority to commingle liquid hydrocarbons produced from the Pictured Cliffs, Mesaverde, Gallup, and Graneros-Dakota formations into central tank batteries located on certain leases in the Blanco-Mesaverde, South Blanco-Pictured Cliffs, Tapacito-Pictured Cliffs and certain undesignated gas pools in Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order granting authority to commingle the liquid hydrocarbon production from the Pictured Cliffs, Mesaverde, Gallup, and Graneros-Dakota formations into central tank batteries located on certain of the applicant's leases in Township 25 North, Range 4 West; Township 26 North, Range 3 West; Township 26 North, Range 4 West; Township 26 North, Range 5 West, and Township 27 North, Range 2 West, Rio Arriba County, New Mexico.
- CASE 1270: Application of El Paso Natural Gas Company for an order authorizing maximum pressure build-up tests, and for the non-cancellation and/or transfer of allowables for wells involved in such testing program in certain gas pools in San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled cause, seeks an order authorizing it to conduct maximum pressure build-up tests for 26 gas wells in the Blanco-Mesaverde, Aztec-Pictured Cliffs, Ballard-Pictured Cliffs, Fulcher Kutz-Pictured Cliffs, and South Blanco-Pictured Cliffs Gas Pools in San Juan and Rio Arriba Counties, New Mexico, and further, authorizing the non-cancellation and/or transfer of allowables for said wells and for administrative approval for the substitution of test wells authorized by said order.
- CASE 1271: Application of El Paso Natural Gas Company for 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, San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled cause seeks an order authorizing the non-cancellation and/or transfer of allowable for its Sunray No. 2-A Well located in the E/2 of Section 10, Township 30 North, Range 10 West, San Juan County, New Mexico, which well is presently involved in a maximum pressure build-up test for the Blanco-Mesaverde Gas Pool.

CASE 1272:

Application of El Paso Natural Gas Company for the transfer and/or non-cancellation and reinstatement of allowables for wells previously involved in maximum pressure build-up tests in certain gas pools in San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled cause, seeks an order authorizing the non-cancellation of allowables which accrued to 19 wells as a result of being shut-in for maximum pressure build-up tests during 1956 in the Blanco-Mesaverde, South Blanco-Pictured Cliffs, Ballard-Pictured Cliffs, and Fulcher Kutz-Pictured Cliffs Gas Pools, and further, authorizing the transfer of said allowables to other wells on the same basic lease, and for the reinstatement of underage for six of said wells which was cancelled February 1, 1957.

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