

GOVERNOR
EDWIN L. MECHEM
CHAIRMAN

State of New Mexico
Oil Conservation Commission

LAND COMMISSIONER
E. S. JOHNNY WALKER
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

P. O. BOX 871
SANTA FE

2294

R-1998

Mr. Oliver Seth
Seth, Montgomery, Federici & Andrews
Box 828
Santa Fe, New Mexico

Re: Case No. _____
Order No. _____
~~El Paso Natural Gas Company~~
Applicant: _____

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,



A. L. PORTER, Jr.
Secretary-Director

ir/

Carbon copy of order also sent to:

Hobbs OCC^x _____
Artesia OCC _____
Aztec OCC^x _____

OTHER Mr. Garrett Whitworth

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. 2294
Order No. R-1998

APPLICATION OF EL PASO NATURAL GAS
COMPANY FOR AUTHORIZATION TO CONDUCT
MAXIMUM PRESSURE BUILD-UP TESTS, SAN
JUAN AND RIO ARriba COUNTIES, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 24, 1961, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this _____ day of June, 1961, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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 the applicant, El Paso Natural Gas Company, seeks authorization to conduct maximum pressure build-up tests in the Blanco-Mesaverde Gas Pool, the Aztec-Pictured Cliffs Gas Pool, the Ballard-Pictured Cliffs Gas Pool, the Fulcher Rutz-Pictured Cliffs Gas Pool, and the South Blanco-Pictured Cliffs Gas Pool, San Juan and Rio Arriba Counties, New Mexico.
- (3) That there is a need for the reservoir information that the proposed maximum pressure build-up tests would provide.
- (4) That the applicant further seeks establishment of special rules governing said tests, including a provision authorizing the non-cancellation and/or transfer of allowables from wells to be shut-in in each pool and including a provision allowing substitute tests by administrative approval.
- (5) That all shut-in wells should be excepted from the

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requirements of Order R-333-C and D during the time that maximum pressure build-up tests are being conducted.

(6) That any shut-in well which has not been assigned an allowable prior to the effective date of this order should be assigned an allowable from the date of connection to a transportation facility, provided said date is not more than forty-five days prior to the beginning of the test.

(7) That the applicant should be permitted to transfer the allowable which accrues to the shut-in well during the test to certain other wells on the same basic lease; and further, that any such allowable which is not so transferred should be considered to have accrued on the date the test is completed.

(8) That the underage and overage balancing provisions of Order No. R-1670 should be suspended for all affected shut-in and transfer wells until the end of the six-month proration period following the proration period during which the test is completed.

(9) That inasmuch as the proposed tests will not cause waste nor impair correlative rights, the subject application should be approved.

IT IS THEREFORE ORDERED:

(1) That authority is hereby granted to conduct maximum pressure build-up tests on the wells hereinafter designated as the "Shut-in Well" and to transfer any allowables accruing to said wells during the tests to one or more of the wells designated as a "Transfer Well" for the same test, subject to the provisions of Paragraph 2 of this order:

SHUT-IN WELL

TRANSFER WELL

AZTEC-PICTURED CLIFFS GAS POOL

El Paso-Lackey No. 5-B
SE/4, S 20, T-28N, R-9W

El Paso-Lackey No. 3-B
NW/4, S 29, T-28N, R-9W

El Paso-Lackey No. 4-B
NE/4, S 29, T-28N, R-9W

El Paso-Lackey No. 6-B
NW/4, S 21, T-28N, R-9W

El Paso-Lackey No. 8-B
SW/4, S 20, T-28N, R-9W

El Paso-Lackey No. 9-B
SW/4, S 21, T-28N, R-9W

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El Paso-Morris A-6 SW/4, S 21, T-30N, R-11W	None
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BALLARD-PICTURED CLIFFS GAS POOL

El Paso-McConnell No. 5 NW/4, S 24, T-26N, R-9W	El Paso-McConnell No. 2 SE/4, S 13, T-26N, R-9W
	El Paso-McConnell No. 4 SW/4, S 24, T-26N, R-9W
	El Paso-Payne No. 1-A SW/4, S 13, T-26N, R-9W
El Paso-McManus No. 10 NE/4, S 4, T-25N, R-8W	El Paso-McManus No. 2 NW/4, S 4, T-25N, R-8W
	El Paso-McManus No. 3 SE/4, S 33, T-26N, R-8W
	El Paso-McManus No. 9 SW/4, S 33, T-26N, R-8W
	El Paso-McManus No. 13 SW/4, S 4, T-25N, R-8W

BLANCO-MESAVERDE GAS POOL

El Paso-Atlantic No. 5 NE/4, S 22, T-31N, R-10W	El Paso-Atlantic No. 6 SW/4, S 22, T-31N, R-10W
	El Paso-Atlantic No. 7 NE/4, S 23, T-31N, R-10W
	El Paso-Atlantic No. 8 SW/4, S 23, T-31N, R-10W
El Paso-Fields No. 1 NE/4, S 25, T-32N, R-11W	El Paso-Fields No. 2 SW/4, S 25, T-32N, R-11W
El Paso-Fields No. 3 NE/4, S 29, T-32N, R-11W	El Paso-Fields No. 4 NE/4, S 28, T-32N, R-11W
	El Paso-Fields No. 5 SW/4, S 28, T-32N, R-11W
El Paso-Gartner No. 4 NE/4, S 33, T-30N, R-8W	El Paso-Gartner No. 1 SW/4, S 28, T-30N, R-8W

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El Paso-Grambling No. 3
SW/4, S 22, T-29N, R-9W

El Paso-Howell No. 3-A
SW/4, S 4, T-30N, R-8W

El Paso-Mansfield No. 4
NE/4, S 29, T-30N, R-9W

El Paso-Prichard No. 2-1
NE/4, S 34, T-31N, R-9W

El Paso-SJU 28-7 No. 49
NE/4, S 21, T-28N, R-7W

El Paso-SJU 32-9 No. 29
SW/4, S 36, T-32N, R-10W

El Paso-Gartner No. 3
SW/4, S 33, T-30N, R-8W

El Paso-Gartner No. 5
SW/4, S 27, T-30N, R-8W

El Paso-Grambling No. 1
NE/4, S 28, T-29N, R-9W

El Paso-Grambling No. 2
NE/4, S 27, T-29N, R-9W

El Paso-Howell No. 1-A
NE/4, S 8, T-30N, R-8W

El Paso-Howell No. 2-A
SW/4, S 5, T-30N, R-8W

None

El Paso-Prichard No. 3-2
SW/4, S 34, T-31N, R-9W

El Paso-SJU 28-7 No. 6
SW/4, S 16, T-28N, R-7W

El Paso-SJU 28-7 No. 47
NE/4, S 20, T-28N, R-7W

El Paso-SJU 28-7 No. 48
SW/4, S 21, T-28N, R-7W

El Paso-SJU 32-9 No. 3
NE/4, S 1, T-31N, R-10W

El Paso-SJU 32-9 No. 9
SW/4, S 25, T-32N, R-10W

El Paso-SJU 32-9 No. 25
NE/4, S 2, T-31N, R-10W

El Paso-SJU 32-9 No. 26
SW/4, S 1, T-31N, R-10W

El Paso-SJU 32-9 No. 30
NE/4, S 36, T-32N, R-10W

El Paso-SJU 32-9 No. 32
SW/4, S 31, T-32N, R-9W

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El Paso-SJU 32-9 No. 34
SW/4, S 35, T-32N, R-10W

El Paso-SJU 32-9 No. 38
NE/4, S 35, T-32N, R-10W

FULCHER KUTZ-PICTURED CLIFFS GAS POOL

El Paso-Rowley No. 4
NW/4, S 17, T-27N, R-10W

El Paso-Rowley No. 6
SE/4, S 18, T-27N, R-10W

SOUTH BLANCO-PICTURED CLIFFS GAS POOL

El Paso-Jicarilla No. 5-B
SW/4, S 27, T-25N, R-4W

El Paso-Jicarilla No. 2-B
NE/4, S 34, T-25N, R-4W

El Paso-Jicarilla No. 3-B
SE/4, S 28, T-25N, R-4W

El Paso-Jicarilla No. 4-B
NW/4, S 34, T-25N, R-4W

El Paso-Jicarilla No. 6-B
NE/4, S 33, T-25N, R-4W

El Paso-Jicarilla No. 7-B
SE/4, S 27, T-25N, R-4W

El Paso-Jicarilla No. 8-B
NE/4, S 28, T-25N, R-4W

El Paso-Jicarilla No. 11-B
NE/4, S 27, T-25N, R-4W

El Paso-Jicarilla No. 12-B
NW/4, S 27, T-25N, R-4W

(2) That any operator desiring an allowable transfer as authorized above shall submit a request for the same to the Commission setting out the amount of allowable which he proposes to transfer and the name and location of the well or wells which are to receive the same. Such transfers must be to wells on the same basic lease as the shut-in well. If the proposed transfer is approved by the Commission, the transfer shall be effected upon completion of the test or upon receipt of the deliverability test for the shut-in well, whichever date is later.

(3) That the underage and overage provisions of Order No. R-1670 shall be suspended for all affected shut-in and

transfer wells listed herein insofar as concerns any overage or underage accrued to such wells at the time a test is commenced; provided, however, that said wells shall be subject to the provisions of the aforementioned rules after the end of the six-month proration period following the proration period during which the test is completed, and further, that any allowable which accrues to a shut-in well during a test which is not transferred as provided for in Paragraph 2 above shall be considered to have accrued to said shut-in well on the date the test is completed.

(4) That any transfer well which has not been connected to a transportation facility at the beginning of the test shall have its allowable assigned in accordance with the applicable proration order.

(5) That any shut-in well which has not been assigned an allowable prior to the effective date of this order shall be assigned an allowable from the date of connection to a transportation facility, provided said date is not more than forty-five days prior to the beginning of the test.

If, however, the shut-in well has not been connected to a transportation facility at the beginning of the test its allowable shall begin on the date when the well would have delivered gas into a transportation facility had the well not been shut-in, such date to be determined from an affidavit by the gas purchaser.

(6) That all shut-in wells be and the same are hereby excepted from the requirements of Order R-333-C and D until the date of first delivery of gas into a gas transportation facility after the completion of the test.

(7) That the Commission be and the same is hereby authorized to administratively approve the substitution of wells designated to participate in any of the tests listed in this order, provided that no well shall be designated as a transfer well which is not on the same basic lease as the shut-in well.

(8) That in order to establish the starting date of any maximum pressure build-up test listed in this order, the operator shall notify the Santa Fe and Aztec offices of the Commission at the time the well is shut-in and padlocked, which date shall be the starting date of the maximum pressure build-up tests. Provided, that any test started before the date of this order on which the operator can furnish adequate proof that the well has not been blown to the air or produced in any manner, may have the starting date of the test begin as of the date of the shutting-in of the test well.

(9) That the shut-in well on all tests listed in this order shall be padlocked in such a manner so as to definitely prevent

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the opening of any valve except during the taking of the pressure readings.

(10) That the results of all pressure readings on the above-described tests shall be filed with the Commission's Aztec and Santa Fe offices within a reasonable time after the completion of the last test authorized herein. These data shall be filed in both tabular and graphic form and shall show the date that the test well was shut-in, the date and the pressure at each pressure reading, and the length of time that the well was shut-in prior to each reading. The graph shall depict the pressure build-up in pounds per square inch absolute plotted against shut-in time in days.

(11) That the authority herein granted shall terminate one year from the date of this order; provided, however, that the Secretary-Director may approve an extension of time for the taking of the subject tests for good cause shown.

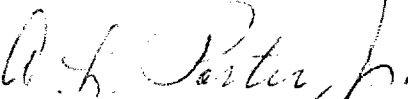
(12) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

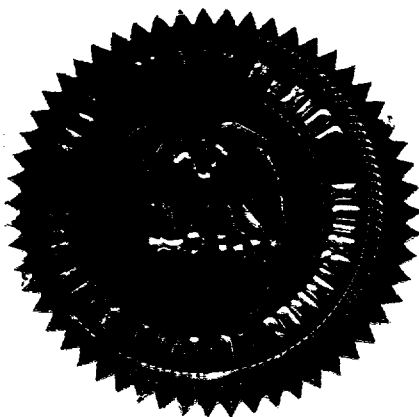
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman


E. S. WALKER, Member

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



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