

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION COMMISSION

OIL CONSERVATION DIV.
12 AUG 28 AM 10:48

**APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION,
THROUGH THE ENGINEERING BUREAU CHIEF, FOR REPEAL OF RULE
402 (METHOD AND TIME OF SHUT-IN PRESSURE TEST)**

CASE NO. 12934

APPLICATION FOR ADOPTION OF AMENDED RULES

1. Division Rule 402 [19 NMAC 15.F.402] is the rule presently in effect requiring operators of gas wells to conduct annual shut-in pressure tests on each such well, and prescribing the manner of conducting such tests and of reporting same.
2. The Division believes that Rule 402 and the data reported pursuant thereto are not necessary for the prevention of waste or protection of correlative rights.
3. After consultation with industry representatives and other interested parties, the Division's Engineering Bureau has determined that Rule 402 should be repealed in its entirety.

WHEREFORE, the Engineering Bureau Chief of the Division hereby applies to the Commission to enter an order:

- A. Repealing existing Rules 402 in its entirety.

B. Granting such other and further relief as the Commission deems appropriate.

RESPECTFULLY SUBMITTED,

A handwritten signature in cursive script, reading "David K. Brooks", is written over a horizontal line.

David K. Brooks
Assistant General Counsel
Energy, Minerals and Natural
Resources Department of the State of
New Mexico
1220 S. St. Francis Drive
Santa Fe, NM 87505
(505)-476-3450
Attorney for The New Mexico Oil
Conservation Division

**CASE 12934: (Continued from September 27, 2002
Commission Hearing)**

Application of the New Mexico Oil Conservation Division for repeal of Rule 402 (method and time of shut-in pressure test). The New Mexico Oil Conservation Division applies to the Oil Conservation Commission to repeal Rule 402, which presently requires all operators of gas wells to conduct annual shut-in pressure tests on each such wells and prescribes the manner of conducting and reporting such tests. Application of the proposed repeal is STATEWIDE.