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OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

P. O. BOX 2088 - SANTA FE

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I. R. TRUJILLO
CHAIRMAN

LAND COMMISSIONER
PHIL R. LUCERO
MEMBER

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

MAY 7, 1975

MEMORANDUM

TO: ALL OPERATORS IN THE LONE PINE-DAKOTA
"D" OIL POOL, MCKINLEY COUNTY, NEW MEXICO

FROM: A. L. PORTER, Jr., SECRETARY-DIRECTOR

SUBJECT: GAS PRODUCTION AND GAS DISPOSAL



As all operators in the subject pool are aware, Lone Pine-Dakota "D" Oil Pool is somewhat distant removed from any gas purchaser's gathering system. This may not always be the case however and a market may eventually be had for the gas in this field.

We have authorized gas injection into the reservoir based on the premise that an additional 2.65 million barrels of oil would be recovered by pressure maintenance and with the hope that a market would be available by the time the reservoir was ready to blow down. At the hearing there was some concern expressed as to whether sufficient gas would be available to achieve the pressure necessary to recover the entire additional 2.65 millions of barrels of oil, so water would also be injected.

It baffles me that in the face of this apparent shortage of gas for pressure maintenance, some operators in the pool find it necessary to seek authority to flare gas.

It behooves all operators in this field to arrive at a solution to this problem. It is patently unfair to any operator to have to be shut in and not be able to produce his share of the oil when there is obviously a use for the gas.

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Memorandum to All Operators in the
Lone Pine-Dakota "D" Oil Pool

May 7, 1975

If arrangements cannot be made to accommodate all produced gas in the Lone Pine Dakota "D" injection system or in the Lower Hospah injection projects within the next 30 days, the Commission will call a hearing to consider reducing the total volume of gas that can be produced in the field so that all gas can be reinjected.

ALP/DSN/ir