

*Entered June 2, 1969
A.P.*

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. 4129
ORDER NO. R-3774

APPLICATION OF REDFERN DEVELOPMENT
CORPORATION FOR GAS COMMINGLING,
RIO ARRIBA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 7, 1969,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 3rd day of June, 1969, the Commission,
a quorum being present, having considered the testimony, the
record, and the recommendations of the examiner, 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, Redfern Development Corporation,
is the owner and operator of the Largo Spur Well No. 1, located
in Unit J of Section 18, Township 24 North, Range 6 West, NMPM,
Rio Arriba County, New Mexico.

(3) That the aforesaid well is dually completed to produce
gas from the Devils Fork-Gallup and Basin-Dakota Gas Pools.

(4) That the aforesaid well is an extremely low marginal
producer as to the Dakota zone.

(5) That the applicant seeks an exception to Rule 21(A)
of the General Rules and Regulations governing prorated gas pools
in Northwest New Mexico, promulgated by Order No. R-1670, as
amended, to commingle gas from the Gallup and Dakota zones of
the subject well after passing each stream through an individual
3-phase separator, separately metering the Gallup gas, passing
the commingled stream through a dehydrator, metering the combined
streams into Southern Union Gas Company's sales line, and deter-
mining the Dakota gas production by subtracting the metered Gallup
gas from the total metered gas.

-2-

Case No. 4129

Order No. R-3774

(6) That approval of the subject application will result in convenience, economy, and increased safety to the operator, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Redfern Development Corporation, is hereby granted an exception to Rule 21(A) of the General Rules and Regulations governing prorated gas pools in Northwest New Mexico, promulgated by Order No. R-1670, as amended, to commingle gas from the Gallup and Dakota zones of its dually completed Largo Spur Well No. 1, located in Unit J of Section 18, Township 24 North, Range 6 West, NMPM, Rio Arriba County, New Mexico;

PROVIDED HOWEVER, that, prior to commingling, each stream shall pass through an individual 3-phase separator and the Gallup gas shall be separately and continuously metered; that after passing the commingled Gallup gas and Dakota gas through a dehydrator, said commingled stream shall be continuously metered; and that the Dakota production shall be determined by subtracting the metered Gallup gas from the total metered gas.

PROVIDED FURTHER, that subject to further direction by the Secretary-Director of the Commission, the charts from both meters shall be integrated by the purchaser of the gas.

(2) 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 hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


DAVID F. CARGO, Chairman


ALEX J. ARMILLO, Member


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

S E A L

IR/