Entered October 23, 1962

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. 2049 Order No. R-1670-B-1

APPLICATION OF THE OIL CONSERVATION COMMISSION ON ITS OWN MOTION TO RECONSIDER THE SPECIAL RULES AND REGULATIONS FOR THE DEVILS FORK-GALLUP POOL, RIO ARRIBA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on April 18, 1962, June 14, 1962, and September 13, 1962, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 18th day of October, 1962, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, 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 evidence adduced at said hearings indicates that development of the Devils Fork-Gallup Pool under the special rules and regulations promulgated by Order No. R-1670-B has been orderly and has progressed without undue waste and without violation of correlative rights inasmuch as each owner has been afforded the opportunity to produce his just and equitable share of the oil and gas in place.
- (3) That said Devils Fork-Gallup Pool has been prorated and produced under the aforesaid special rules and regulations in such a manner as to prevent the significant movement of the gas-oil contact, thereby preventing waste and protecting correlative rights.
- (4) That said rules, with minor modification, should be continued in effect until further order of the Commission.
- (5) That provision should be made in said rules to require that <u>all</u> wells be tested semiannually to determine the bottom hole

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pressure and further that all gas produced, regardless of the type of well from which produced or the disposition thereof, be measured.

IT IS THEREFORE ORDERED:

- (1) That the Special Rules and Regulations for the Devils Fork-Gallup Pool as promulgated by Order No. R-1670-B be and the same are hereby ordered to remain in effect until further order of the Commission.
- (2) That Special Rule 22 of said Special Rules and Regulations be and the same is hereby amended to read in its entirety as follows:
 - SPECIAL RULE 22. No gas, either dry gas or casinghead gas, produced from the Devils Fork-Gallup Pool shall be flared or vented except as otherwise provided in these Special Rules and Regulations. All gas produced, whether dry gas or casinghead gas and regardless of final disposition thereof, shall be constantly and accurately measured.
- (3) That sub-paragraph (1) of Special Rule 28 of said Special Rules and Regulations be and the same is hereby amended to read in its entirety as follows:
 - (1) Subsurface pressure tests shall be taken on all wells, gas and oil, in accordance with the procedure outlined in Statewide Rule 302, except with respect to shut-in time and datum as provided above. Pressures of pumping oil wells may be calculated from sonic fluid level determinations.
- (4) That jurisdiction of this cause is hereby retained for the entry of such further order or orders as may be necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

SEAL

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

Member

esr/