

BEFORE THE OIL CONSERVATION
COMMISSION OF THE STATE
OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY
THE OIL CONSERVATION COMMISSION OF THE
STATE OF NEW MEXICO FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 19.

ORDER NO. 238.

THE ADOPTION OF REGULATIONS GOVERNING
GAS-OIL RATIOS IN THE VARIOUS PRODUCING
FIELDS IN NEW MEXICO.

ORDER OF THE COMMISSION
REGULATING AND PRESCRIBING MAXIMUM
GAS-OIL RATIOS FOR THE VARIOUS FIELDS
OF THE STATE OF NEW MEXICO

BY THE COMMISSION:

This cause came on for hearing at ten o'clock A. M.
on the 9th day of December, 1939, in the chamber of the House of
Representatives, in the State Capitol, Santa Fe, New Mexico.

NOW, on this 13th day of January, 1940, the Commission
having before it for consideration the evidence adduced at the
hearing in said case and being fully advised in the premises,
the Commission adopted the following regulations governing gas-
oil ratios in the various producing fields in New Mexico, as
follows:

The system of gas-oil ratio control in the State of
New Mexico shall be known as that of volumetric control, which
penalizes the unit of production for exceeding the maximum gas
volume established for each field by decreasing its monthly
allowable in accordance with the formula as provided hereinafter.

The maximum gas-oil ratio assigned to each field in New Mexico is listed below:

<u>FIELD</u>	<u>RATIOS</u>
Cooper	10,000
Haves.	4,000
Eunice	7,000
West Eunice.	1,000
Halfway.	1,000
Hardy.	5,000
Hobbs.	3,500
Jal	10,000
Langlie.	5,000
Lynch.	1,000
Lynn.	3,000
Mattix	5,000
Monument	5,000
N. Lynch	1,000
Penrose.	7,000
Rhodes	1,000
Skaggs	1,000
Skelly	5,000
S. Eunice.	5,000
S. Lovington	1,500
Vacuum	2,000
Artesia.	1,000
Grayburg-Jackson	1,000
High-Lonesome.	1,000
Leonard.	1,000
Loco Hills	1,000
Maljamar	1,000
N. Maljamar.	1,000
Red Lakes.	1,000
Robinson	1,000
Shugart.	1,000
Barber	1,000
Getty.	1,000

1. Any oil producing unit with a net gas-oil ratio in excess of the assigned maximum for the field in which it is situated as listed in the table above shall be allowed to produce daily a total volume of oil which, when multiplied by the gas-oil ratio of the unit will result in a total gas volume that does not exceed the allowance per top allowable unit as fixed in the current monthly proration schedule of the Commission for the field in which the unit is situated times the gas-oil ratio for said field. Provided, that nothing herein contained shall have the effect of

increasing the oil allowable of any unit above that fixed in the current proration schedule.

2. All units to which gas-oil ratio corrections are applied shall be set up in the proration schedule first and the remaining oil equitably reallocated to the other producing units in the state.

3. A marginal well shall be permitted to produce the same total volume of gas which it would be permitted to produce if it were a non-marginal well.

4. In the event that gas-oil ratios are not reported for any unit, then that unit will be omitted from the proration schedule.

5. The gas-oil ratio used in calculating penalties for any producing unit shall be those reported immediately prior to the beginning of the proration period on form C-104A or those measured under the supervision of the Oil Conservation Commission.

DONE at Santa Fe, New Mexico, this 13th day of January, 1940.

NEW MEXICO OIL CONSERVATION COMMISSION

By *Paul Worden*
Commissioner of Public Lands

By *A. Andreas*
State Geologist