

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. 105

ORDER NO. 724

THE PETITION OF THE PANHANDLE CARBON
COMPANY, INC. FOR AN EXTENSION OF THE
PERMIT HERETOFORE GRANTED UNDER DATE
OF NOVEMBER 27, 1944 FOR THE USE OF
WASTE RESIDUE GAS.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This matter coming on for hearing upon the petition and application of PANHANDLE CARBON COMPANY, INC., for an extension of the permit heretofore granted to it to use certain residue gas from the Phillips Petroleum Company, Gasoline Extraction Plant in the "Eunice" field, Lea County, New Mexico to the amount of approximately thirty million cubic feet per day for use in the manufacture of channel carbon black, and

Due notice of hearing upon said application having been published as provided by law fixing the 15th of July, 1947 at Santa Fe, New Mexico, as the time and place for hearing upon said application and petition; and

The matter having come on for hearing and the Commission having heard testimony as to the need and necessity for the extension of said permit in the manufacture of Channel Carbon Black; and

It appearing therefrom that Channel Carbon Black is still an essential commodity in the manufacture of tire casings and other rubber goods and products and that the demand for Channel Carbon Black is in excess of the supply thereof; and

It further appearing to the Commission that there are at this time ample available supplies of gas and residue gas for meeting all commercial and domestic sales and for use in present repressuring projects, and that there is at this time residue gas being flared, which constitutes surface waste under Section 2 of the oil and gas conservation laws of New Mexico; and

It further appearing to the Commission that the use of such waste and residue gas in the manufacture of Channel Carbon Black will result in the conservation of such waste and residue gas now being flared.

IT IS THEREFORE ORDERED:

That the permit previously granted by the Commission to the Panhandle Carbon Company, Inc., under date of November 27, 1944, be and the same hereby is amended and extended for a period and term of ten (10) years from the date hereof for the use in the manufacture of Channel Carbon Black, any and all available waste residue gas from the Phillips Petroleum Gasoline Extraction Plant located in the "Eunice" field, Lea County, New Mexico, and from such other sources as may from time to time become available and be acquired by the Panhandle Carbon Company, Inc., provided, however, the Commission may from time to time determine the higher economic use of such waste residue gas for domestic sales or use in repressuring projects and for these purposes, jurisdiction of this case is hereby retained by the Commission during the period and term of this extension.

DONE at Santa Fe, New Mexico, on this 30 day of July
1947.

OIL CONSERVATION COMMISSION

Wm. W. Waboy
CHAIRMAN

John E. Miller
MEMBER

R. L. Spurrer
SECRETARY