Entered June 20, 1468

## BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

ORDER NO. AG-N-27

GAS PRORATION ORDER FOR PERIOD AUGUST 1, 1968 THROUGH JANUARY 31, 1969

The Commission held public hearing at Santa Fe, New Mexico, on June 19, 1968, at 9 o'clock a.m., pursuant to legal notice, for the purpose of setting the allowable production of gas from the following nine gas pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for the six-month period, August 1, 1968, through January 31, 1969.

Basin-Dakota, Blanco-Mesaverde, Aztec-Pictured Cliffs, Ballard-Pictured Cliffs, Fulcher Kutz-Pictured Cliffs, South Blanco-Pictured Cliffs, Tapacito-Pictured Cliffs, West Kutz-Pictured Cliffs, and Devils Fork-Gallup.

NOW, on this 20th day of June, 1968, the Commission, a quorum being present, having considered the nominations of purchasers, the capacity of producing wells, and being otherwise fully advised in the premises,

FINDS:

(1) That the total nomination of purchasers of gas produced from the above-listed nine gas pools for the period August 1, 1968 through January 31, 1969, is 294,906,300 Mcf. The individual pool nominations are as follows:

| Basin-Dakota                 | 137,830,500 Mcf |
|------------------------------|-----------------|
| Blanco-Mesaverde             | 111,571,300 Mcf |
| Aztec-Pictured Cliffs        | 5,984,200 Mcf   |
| Ballard-Pictured Cliffs      | 7,342,700 Mcf   |
| Fulcher Kutz-Pictured Cliffs | 3,024,800 Mcf   |
| South Blanco-Pictured Cliffs | 20,619,600 Mcf  |
| Tapacito-Pictured Cliffs     | 6,307,600 Mcf   |
| West Kutz-Pictured Cliffs    | 1,599,000 Mcf   |
| Devils Fork-Gallup           | 626,600 Mcf     |

(2) That the potential producing capacity of all gas wells in the nine gas pools listed above is in excess of the nominations of purchasers of gas, and in order to prevent waste and protect correlative rights, the production of gas from the above-listed nine gas pools should be limited, allocated and distributed during the six-month proration period commencing August 1, 1968.

(3) That all the producing gas wells, together with the expected completed or recompleted wells in the nine gas pools listed above, can produce above stated volumes without causing waste within the six-month proration period commencing August 1, 1968, and an allocation based upon such production would be reasonable and protect correlative rights.

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## IT IS THEREFORE ORDERED:

(1) That for the six-month proration period commencing August 1, 1968, the total allowable production to be assigned the nine allocated gas pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, be and the same hereby is as follows:

| Basin-Dakota                 | 137,830,500 Mcf |
|------------------------------|-----------------|
| Blanco-Mesaverde             | 111,571,300 Mcf |
| Aztec-Pictured Cliffs        | 5,984,200 Mcf   |
| Ballard-Pictured Cliffs      | 7,342,700 Mcf   |
| Fulcher Kutz-Pictured Cliffs | 3,024,800 Mcf   |
| South Blanco-Pictured Cliffs | 20,619,600 Mcf  |
| Tapacito-Pictured Cliffs     | 6,307,600 Mcf   |
| West Kutz-Pictured Cliffs    | 1,599,000 Mcf   |
| Devils Fork-Gallup           | 626,600 Mcf     |

That the allocation hereby set for said six-month pro-(2) ration period in the nine allocated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, shall be in accordance with the Commission Rules, Regulations, and Orders.

That the total allowable production for each pool as (3) set forth shall be allocated on a monthly basis and shall be adjusted monthly to meet changes in market conditions as reflec-ted by purchasers' supplemental nominations and actual gas production, in accordance with the Commission Rules, Regulations, and Orders.

The foregoing order shall remain effective until further order of the Commission.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

Membe HAYS. PORTER, Jr., Member & Secretary

SEAL

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