Carterer Secendes 23, 1468 Rep.

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

ORDER NO. AG-N-28

GAS PRORATION ORDER FOR PERIOD FEBRUARY 1, 1969 THROUGH JULY 31, 1969

The Commission held public hearing at Santa Fe, New Mexico, on December 18, 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, February 1, 1969, through July 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 **23rd** day of December, 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, February 1, 1969, through July 31, 1969, is 276,541,300 Mcf. The individual pool nominations are as follows:

Basin-Dakota	112,301,100 Mcf
Blanco-Mesaverde	123,404,200 Mcf
Aztec-Pictured Cliffs	6,386,800 Mcf
Ballard-Pictured Cliffs	6,800,700 Mcf
Fulcher Kutz-Pictured Cliffs	2,784,400 Mcf
South Blanco-Pictured Cliffs	17,882,000 Mcf
Tapacito-Pictured Cliffs	4,737,500 Mcf
West Kutz-Pictured Cliffs	1,706,100 Mcf
Devils Fork-Gallup	538,500 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 February 1, 1969.

(3) That all the producing gas wells, together with the expected completed or recompleted wells in the nine gas pools listed above, can produce a total of 276,541,300 Mcf without causing waste within the six-month proration period commencing February 1, 1969, and an allocation based upon such production would be reasonable and would protect correlative rights.

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IT IS THEREFORE ORDERED:

(1) That for the six-month proration period commencing February 1, 1969, the total allowable production to be assigned the nine allocated gas pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico, is as follows:

Basin-Dakota	112,301,100 Mcf
Blanco-Mesaverde	123,404,200 Mcf
Aztec-Pictured Cliffs	6,386,800 Mcf
Ballard-Pictured Cliffs	6,800,700 Mcf
Fulcher Kutz-Pictured Cliffs	2,784,400 Mcf
South Blanco-Pictured Cliffs	17,882,000 Mcf
Tapacito-Pictured Cliffs	4,737,500 Mcf
West Kutz-Pictured Cliffs	1,706,100 Mcf
Devils Fork-Gallup	538,500 Mcf

(2) That the allocation hereby set for said six-month proration 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.

(3) That the total allowable production for each pool shall be allocated on a monthly basis and shall be adjusted monthly to meet changes in market conditions as reflected 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.

STATE OF NEW MEXICO

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

OIL CONSERVATION COMMISSION DAVID F. CARGO, Chairman GUYTON B. HAYS, Member

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

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