Entered June 18,1970 CELP

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

ORDER NO. AG-N-31

PRELIMINARY GAS NOMINATIONS FOR PRORATION PERIOD AUGUST 1, 1970 THROUGH JANUARY 31, 1971

The Commission held public hearing at Santa Fe, New Mexico, on June 17, 1970, at 9 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, 1970 through January 31, 1971.

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

NOW, on this <u>18th</u> day of June, 1970, 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, 1970 through January 31, 1971, is 246,544,110 Mcf. The individual pool nominations are as follows:

Basin-Dakota	103,043,510 Mcf
Blanco-Mesaverde	103,819,100 Mcf
Aztec-Pictured Cliffs	6,151,900 Mcf
Ballard-Pictured Cliffs	6,433,900 Mcf
Blanco-Pictured Cliffs, South	17,147,600 Mcf
Fulcher Kutz-Pictured Cliffs	3,290,100 Mcf
Kutz-Pictured Cliffs, West	1,895,500 Mcf
Tapacito-Pictured Cliffs	4,329,300 Mcf
Devils Fork-Gallup	433,200 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, 1970.
- (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 246,544,110 Mcf without causing waste within the six-month proration period commencing August 1, 1970, and an allocation based upon such production would be reasonable and would protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That for the six-month proration period commencing August 1, 1970, 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	103,043,510 Mcf
Blanco-Mesaverde	103,819,100 Mcf
Aztec-Pictured Cliffs	6,151,900 Mcf
Ballard-Pictured Cliffs	6,433,900 Mcf
Blanco-Pictured Cliffs, South	17,147,600 Mcf
Fulcher Kutz-Pictured Cliffs	3,290,100 Mcf
Kutz-Pictured Cliffs, West	1,895,500 Mcf
Tapacito-Pictured Cliffs	4,329,300 Mcf
Devils Fork-Gallup	433,200 Mcf

- (2) That the allocation hereby set for said six-month proration period in the nine allocated pools in San Juan, Rio Arriba, and Sanvoal Counties, New Mexico, shall be in accordance with the Commission Rules, Regulations, and Orders.
- (3) That the total allowable production for each pool as set forth 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 $\ensuremath{\mathsf{Commission}}\xspace.$

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

SIATE OF NEW

OIL CONSERVATION COMMISSION

MEXICO

DAVID F. CARGO, Chairman

ALEX J. ARMIJO, Member

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

SEAL