Entered June 21, 1977

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

ORDER NO. AG-N-39-4

SUPPLEMENTAL GAS PRORATION ORDER FOR THE MONTH OF JULY, 1977

This cause came on for public hearing by the Commission's Examiner, Richard L. Stamets, at Santa Fe, New Mexico, on June 15, 1977, at 9 a.m., pursuant to legal notice for the purpose of setting the allowable production of gas from the following four gas pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for the month of July, 1977.

Basin-Dakota, Blanco-Mesaverde, Blanco-Pictured Cliffs, South, and Tapacito-Pictured Cliffs.

NOW, on this <u>21st</u> day of June, 1977, the Commission, a quorum being present, having considered the supplemental nominations of purchasers, the capacity of producing wells, and the recommendations of the Examiner, and being otherwise fully advised in the premises,

FINDS:

(1) That the total nomination of purchasers of gas produced from the above-listed four gas pools for the month of July, 1977, is 34,797,291 Mcf. The individual pool nominations are as follows:

| Basin-Dakota | 11,104,291 Mcf |
|-------------------------------|----------------|
| Blanco-Mesaverde | 20,592,000 Mcf |
| Blanco-Pictured Cliffs, South | 2,497,000 Mcf |
| Tapacito-Pictured Cliffs | 604,000 Mcf |

- (2) That the potential producing capacity of all gas wells in the four 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 four gas pools should be limited, allocated, and distributed during the month of July, 1977.
- (3) That all the producing gas wells, together with the expected completed or recompleted wells in the four gas pools listed above, can produce a total of 34,797,291 Mcf without causing waste during the month of July, 1977, 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 month of July, 1977, the allowable production to be assigned the four allocated gas pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, is as follows:

| Basin-Dakota | 11,104,291 | Mcf |
|-------------------------------|------------|-----|
| Blanco-Mesaverde | 20,592,000 | Mcf |
| Blanco-Pictured Cliffs, South | 2,497,000 | Mcf |
| Tapacito-Pictured Cliffs | 604,000 | Mcf |

- (2) That the allocation hereby set for the month of July, 1977, in the four 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 a proration schedule, duly prepared by the Commission and thereafter adopted for the month of July, 1977, is hereto attached and made a part hereof; it distributes and allocates the allowable production among the gas wells in the four gas pools listed above for the period stated, 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

PHIL R. LUCERO, Chairman

EMERY & ARNOLD Member

JOE D. RAMEY, Member & Secretary

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