

Entered December 4, 1958
A.L.P.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 1544
Order No. R-1286

THE APPLICATION OF THE OIL CONSERVATION
COMMISSION UPON ITS OWN MOTION AT THE
REQUEST OF CERTAIN OPERATORS TO DETERMINE
WHETHER ALL WELLS IN THE GALLEGOS-GALLUP
OIL POOL SHOULD BE GRANTED AN EXCEPTION
TO RULE 502 I (a) OF THE COMMISSION RULES
AND REGULATIONS.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on
November 13, 1958, at Santa Fe, New Mexico, before the Oil
Conservation Commission of New Mexico, hereinafter referred to
as the "Commission."

NOW, on this 21st day of November, 1958, the Commission,
a quorum being present, having considered the application, and
the evidence adduced, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required
by law, the Commission has jurisdiction of this cause and the
subject matter thereof.

(2) That certain operators in the Gallegos-Gallup Oil Pool
have requested that all wells in said pool be granted an exception
to the daily tolerance provisions of Rule 502 I (a) of the Com-
mission Rules and Regulations.

(3) That a preponderance of the evidence indicates that
waste of casinghead gas can be prevented by granting all wells in
said pool an exception to Rule 502 I (a) by permitting operators
to utilize the "slug" method of production.

(4) That all wells presently drilled or hereafter completed
in the Gallegos-Gallup Oil Pool should be granted an exception to
the daily tolerance provisions of Rule 502 I (a) of the Commission
Rules and Regulations and should be allowed to produce at a daily
rate not to exceed 200 per cent of the daily top unit allowable for
said pool.

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IT IS THEREFORE ORDERED:

That all wells presently drilled or hereafter completed in the Gallegos-Gallup Oil Pool are hereby granted an exception to the daily tolerance provisions of Rule 502 I (a) of the Commission Rules and Regulations and may be produced at a daily rate not to exceed 200 per cent of the daily top unit allowable for said pool.

PROVIDED HOWEVER, That in the event casinghead gas gathering facilities are established in the Gallegos-Gallup Oil Pool, a hearing will be called to determine whether the pool exception to Rule 502 I (a) granted by this order should be continued.

PROVIDED FURTHER, That nothing contained herein shall be construed as authorizing the production of wells in said pool in excess of the monthly tolerance set forth in Rule 502 II of the Commission Rules and Regulations.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman



MURRAY E. MORGAN, Member



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

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