

*Entered January 21, 1960
J.P.V.*

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. 1849
Order No. R-1575

APPLICATION OF WESTERN NATURAL
GAS COMPANY FOR AN ORDER PER-
MITTING THREE OVER-PRODUCED GAS
WELLS IN THE JALMAT GAS POOL,
LEA COUNTY, NEW MEXICO, TO COM-
PENSATE FOR THEIR OVER-PRODUCED
STATUS AT A LESSER RATE THAN
COMPLETE SHUT-IN

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on January 6, 1960, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 18th day of January, 1960, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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 the applicant has requested that two of the three wells for which exception was originally sought be stricken from the application.
- (3) That the applicant is the owner and operator of the Wells Federal No. 1 Well, located in the SW/4 NE/4 of Section 6, Township 25 South, Range 37 East, Jalmat Gas Pool, Lea County, New Mexico.
- (4) That the said Wells Federal No. 1 Well is over-produced and is subject to complete shut-in under the provisions of Order R-520 as amended by Order R-967.

-2-

Case No. 1849
Order No. R-1575

(5) That due to severe liquid problems, the applicant seeks an order permitting the over-production to be made up at a lesser rate than complete shut-in in order to preclude permanent injury to the subject well.

(6) That the applicant should be permitted to produce the said Wells Federal No. 1 Well at a monthly rate equal to fifty percent of the well's current allowable or at a monthly rate equal to fifty percent of the well's average monthly allowable for the preceding six-month proration period, whichever is greater.

(7) That the curtailed rate of production to compensate for over-production as hereinabove prescribed should be adequate to prevent injury to the well or producing formation.

(8) That the Secretary-Director should be authorized to order that tests be made to determine whether the subject well may be produced at a lesser rate than that prescribed by this order without permanent injury to the well and/or producing formation and, if the results of such tests warrant, the Secretary-Director should be authorized to order the production rate curtailed below that herein prescribed.

IT IS THEREFORE ORDERED:

That the operator be and the same is hereby authorized to compensate for the over-production of the following-described gas well in the Jalmat Gas Pool, Lea County, New Mexico, by producing it at a monthly rate equal to fifty percent of the well's current monthly allowable or at a monthly rate equal to fifty percent of the well's average monthly allowable for the preceding six-month proration period, whichever is greater:

Wells Federal No. 1 Well, SW/4 NE/4 of
Section 6, Township 25 South, Range 37 East,
NMPM, Lea County, New Mexico.

PROVIDED HOWEVER, That the Secretary-Director be and the same is hereby authorized to order that tests be made to determine whether the subject well may be produced at a lesser rate than that prescribed in this order without permanent injury to the well and/or producing formation and, if the results of such tests warrant, the Secretary-Director is hereby authorized to order the production rate curtailed below that rate herein prescribed.

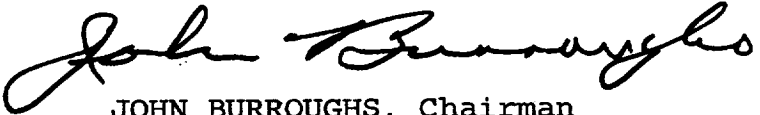
-3-

Case No. 1849


Order No. R-1575

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JOHN BURROUGHS, Chairman


MURRAY E. MORGAN, Member


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

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