

Entered January 25, 1967
A.P.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION ON ITS OWN MOTION TO CONSIDER SUSPENDING THE SCHEDULED CANCELLATION OF UNDERPRODUCTION WHICH ACCRUED TO CERTAIN WELLS IN THE EUMONT GAS POOL DURING THE FIRST SIX MONTHS OF 1966 AND WHICH WAS NOT MADE-UP DURING THE SECOND SIX MONTHS PERIOD AND WAS THEREFORE SUBJECT TO CANCELLATION JANUARY 1, 1967.

CASE No. 3514
Order No. R-3183

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 4, 1967, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 25th day of January, 1967, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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 following wells in the Eumont Gas Pool, Lea County, New Mexico, accumulated underproduction during the last six months of 1965; that said underproduction was cancelled as of July 1, 1966:

Operator - Name of Well	Unit	Section	Township	Range
Continental Oil Company				
Phillips Hooper Well No. 1	O	27	20 South	37 East
State D Com Well No. 1	L	11	21 South	36 East
Great Western Drilling Co.				
N. B. Bordages Well No. 1	D	33	19 South	37 East
Bert Fields, Jr.				
Turner State Well No. 2	D	32	20 South	37 East

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(3) That the said wells were deprived of full opportunity to make up the said underproduction during the first six months of 1966 as a result of the sale of the connecting pipeline for said wells by an intrastate company to an interstate company resulting in the shutting in of the subject wells until FPC approval for the sale of gas was received.

(4) That the following wells in the Eumont Gas Pool, Lea County, New Mexico, accumulated underproduction during the first six months of 1966; that said underproduction was not made up during the second six months period of 1966 and was cancelled as of January 1, 1967:

Operator - Name of Well	Unit	Section	Township	Range
Continental Oil Company Phillips Hooper Well No. 1	O	27	20 South	37 East
Great Western Drilling Co. N. B. Bordages Well No. 1	D	33	19 South	37 East

(5) That the following wells in the Eumont Gas Pool, Lea County, New Mexico, accumulated underproduction during the last six months of 1966; that said underproduction is subject to cancellation as of July 1, 1967:

Operator - Name of Well	Unit	Section	Township	Range
Continental Oil Company Phillips Hooper Well No. 1	O	27	20 South	37 East
Great Western Drilling Co. N. B. Bordages Well No. 1	D	33	19 South	37 East
Me-Tex Supply Co. Wallace State Well No. 2	L	3	21 South	36 East
Skelly Oil Co. Van Etten Well No. 9	L	9	20 South	37 East
Van Etten Well No. 10	O	9	20 South	37 East

(6) That the underproduction accumulated during the first six months of 1966 and cancelled as of January 1, 1967, and the underproduction accumulated during the last six months of 1966 and subject to cancellation as of July 1, 1967, accrued as a result of the sale of the connecting pipeline for said wells by an intrastate company to an interstate company resulting in the

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shutting in of the subject wells until FPC approval for the sale of gas was received.

(7) That the Me-Tex Supply Company Wallace State Well No. 2 located in Unit L of Section 3, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico, accumulated underproduction during the last six months of 1965 and that said underproduction was cancelled July 1, 1966; that said well was deprived of full opportunity to make up the said underproduction as a result of the above-mentioned sale; that said well accumulated underproduction during the first six months of 1966 as a result of the above-mentioned sale and that by Order No. R-3159 the status of said well, as of December 1, 1966, was combined with the status, as of December 1, 1966, of the Me-Tex Supply Co. Wallace State Well No. 3 located in Unit N of Section 3, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico, causing said Wallace State Well No. 3 to have accumulated underproduction that was cancelled January 1, 1967, and accumulated underproduction that will be subject to cancellation July 1, 1967.

(8) That said shutting in of the subject wells was beyond the control of the operators of said wells.

(9) That in order to afford the operators of the subject wells the opportunity to produce their just and equitable share of the gas in the pool, the operators of the subject wells should be authorized to produce during the make-up period from January 1, 1967, to July 1, 1968, any underproduction attributed to the wells and cancelled as of July 1, 1966, January 1, 1967, and July 1, 1967.

IT IS THEREFORE ORDERED:

(1) That during the make-up period from January 1, 1967, to July 1, 1968, the operator of each of the following gas wells in the Eumont Gas Pool, Lea County, New Mexico, is hereby authorized to produce, from the well, the underproduction attributed to the well and cancelled on July 1, 1966, January 1, 1967, as well as that to be cancelled July 1, 1967:

Operator - Name of Well	Unit	Section	Township	Range
Continental Oil Company				
Phillips Hooper Well No. 1	O	27	20 South	37 East
State "D" Com Well No. 1	L	11	21 South	36 East

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Operator - Name of Well	Unit	Section	Township	Range
Great Western Drilling Co. N. B. Bordages Well No. 1	D	33	19 South	37 East
Bert Fields, Jr. Turner State Well No. 2	D	32	20 South	37 East
Skelly Oil Co. Van Etten Well No. 9	L	9	20 South	37 East
Van Etten Well No. 10	O	9	20 South	37 East

(2) That during the make-up period from January 1, 1967, to July 1, 1968, the operator of the Me-Tex Wallace State Well No. 3, Eumont Gas Pool, Lea County, New Mexico, is hereby authorized to produce, from said well, the underproduction attributed to the Me-Tex Wallace State Well No. 2 and cancelled July 1, 1966, and the underproduction attributed to the Me-Tex Wallace State Well No. 3 and cancelled January 1, 1967, as well as that to be cancelled July 1, 1967.

(3) That the Secretary-Director of the Commission, upon proper application, may approve extensions of time during which said cancelled underproduction may be made up when the necessity therefor is caused by the inability of the pipeline company to take the underproduction.

(4) That to obtain administrative approval for an extension of time in which to make up cancelled underproduction, the operator shall submit in triplicate a request for such authority, stating the amount of underproduction produced to date and describing the conditions preventing complete make up of cancelled underproduction by June 30, 1967.

(5) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

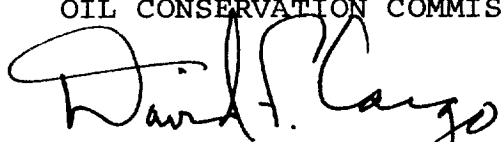
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DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



DAVID F. CARGO, Chairman



GUYTON B. HAYS, Member



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

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