

Entered February 1, 1967  
J.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. 3522  
Order No. R-3187

APPLICATION OF TEXACO INC. FOR SUSPENSION  
OF CANCELLATION OF UNDERPRODUCTION AND EXTEN-  
SION OF DELIVERABILITY TEST DEADLINE, SAN  
JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 25, 1967,  
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 1st day of February, 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 Basin-Dakota Gas Pool,  
San Juan County, New Mexico, accumulated underproduction during  
the proration period February 1, 1966, to August 1, 1966; that  
said underproduction is subject to cancellation February 1, 1967;

Operator - Name of Well	Unit	Section	Township	Range
Texaco				
H. J. Loe Federal B Well No. 2	G	23	29 North	12 West
H. J. Loe Federal B Well No. 3	M	23	29 North	12 West

(3) That the said wells were deprived of full opportunity to  
make up the said underproduction during the proration period  
August 1, 1966, to February 1, 1967, as a result of the assignment

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of the gas purchase rights by an interstate company to an intra-state company resulting in the shutting in of the subject wells until Federal Power Commission approval for the sale of gas was received.

(4) That the above-mentioned wells also accumulated underproduction during the proration period August 1, 1966, to February 1, 1967, as a result of the above-mentioned shutting in; that said underproduction will be subject to cancellation August 1, 1967.

(5) That said shutting in of the subject wells was beyond the control of and through no fault of the operator of said wells.

(6) That in order to afford the operator of the subject wells the opportunity to produce its just and equitable share of the gas in the pool, the operator of the subject wells should be authorized to produce during the make-up period from February 1, 1967, to August 1, 1967, and such other make-up period as may be necessary, any underproduction attributed to the subject wells and subject to cancellation February 1, 1967, or August 1, 1967.

(7) That the applicant further seeks, as an exception to Order No. R-333-F, an extension of the 1966 deliverability test deadline for its said H. J. Loe Federal Well No. 3.

(8) That the need for an extension of time in which to conduct the deliverability test was occasioned by the above-mentioned shutting in of said well.

(9) That the time for conducting the 1966 deliverability test for the said H. J. Loe Federal Well No. 3 should be extended to March 1, 1967.

IT IS THEREFORE ORDERED:

(1) That during the make-up period from February 1, 1967, to August 1, 1967, the operator of each of the following gas wells in the Basin-Dakota Gas Pool, San Juan County, New Mexico, is hereby authorized to produce, from the well, the underproduction attributed to the well and cancelled on February 1, 1967:

Operator - Name of Well	Unit	Section	Township	Range
Texaco				
H. J. Loe Federal B Well No. 2	G	23	29 North	12 West
H. J. Loe Federal B Well No. 3	M	23	29 North	12 West

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(2) That the Secretary-Director of the Commission, upon proper application, may approve an extension of time during which underproduction that accumulated to said H. J. Loe Federal Wells Nos. 2 and 3 and cancelled February 1, 1967, and the underproduction that accumulated to said wells and subject to cancellation August 1, 1967, may be made up.

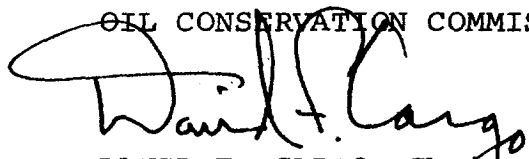
(3) That to obtain administrative approval for an extension of time in which to make up cancelled underproduction, the operator shall submit in triplicate a request for such authority, stating the amount of underproduction produced to date and describing the conditions preventing complete make up of underproduction by August 1, 1967.

(4) That the time for conducting the 1966 deliverability test for the Texaco H. J. Loe Federal Well No. 3 located in Unit M, Section 23, Township 29 North, Range 12 West, NMPM, San Juan County, New Mexico, is hereby extended to March 1, 1967; provided, however, that nothing in this order shall be construed as relieving the operator of said well from the obligation to conduct a 1967 deliverability test on said well.

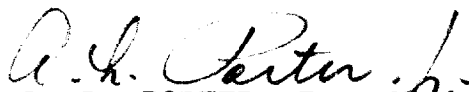
(5) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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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