Entered Jekness 23, 1967 C. F.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. 3530 Order No. R-3198

APPLICATION OF ATLANTIC RICHFIELD COMPANY FOR SUSPENSION OF CANCEL-LATION OF UNDERPRODUCTION, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 21, 1967, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this <u>23rd</u> 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 was cancelled as of February 1, 1967:

Operator - Name of WellUnit SectionTownship RangeAtlantic Richfield CompanyState "B" Gas Com. Well No. 1N1629 North 10 WestState "A" Gas Com. Well No. 1G3629 North 11 West

(3) That the said wells were deprived of full opportunity to make up the said underproduction during the proration period

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August 1, 1966, to February 1, 1967, 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 Federal Power Commission approval for the sale of the 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 cancelled February 1, 1967, and any underproduction attributed to the subject wells and subject to cancellation August 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 said well, the underproduction attributed to the well and cancelled on February 1, 1967:

Operator - Name of Well	Unit	Section	Township Range
Atlantic Richfield Company			
State "B" Gas Com. Well No. 1	N	16	29 North 10 West
State "A" Gas Com. Well No. l	G	36	29 North 11 West

(2) That the Secretary-Director of the Commission, upon proper application, may approve an extension of time during which underproduction that accumulated to said State "B" Gas Com. Well No. 1 and State "A" Gas Com. Well No. 1 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-CASE No. 3530 Order No. R-3198

(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 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 airman B. HAYS, Member GUYTON Erter, PORTER, Jr. / Member & Secretary Α.

SEAL