

Entered November 30, 1971
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 UPON ITS OWN MOTION
TO CONSIDER THE AMENDMENT OF
THE DEFINITION OF A GAS WELL.

CASE NO. 4623
Order No. R-4226

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 10, 1971, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 30th day of November, 1971, 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 gas well definition contained in Section "A" of the New Mexico Oil Conservation Rules and Regulations entitled "DEFINITIONS" does not recognize the existence of gas wells in oil pools.
- (3) That wells that have a gas-oil ratio in excess of 100,000 cubic feet of gas per barrel of oil are in fact gas wells even though located in pools classified as oil pools.
- (4) That the existence of gas wells in oil pools should be recognized by the Commission.
- (5) That the definition of a gas well should be amended to recognize the principle that gas wells do occur in oil pools.
- (6) That a reasonable definition of a gas well in an oil pool would include a well that has a gas-oil ratio in excess of 100,000 cubic feet of gas per barrel of oil.

-2-

CASE NO. 4623

Order No. R-4226

(7) That the definition of a gas well as it appears in Section "A" of the Commission Rules and Regulations should be amended to read in its entirety as follows:

"Gas well shall mean a well producing gas or natural gas from a gas pool, or a well with a gas-oil ratio in excess of 100,000 cubic feet of gas per barrel of oil producing from an oil pool."

IT IS THEREFORE ORDERED:

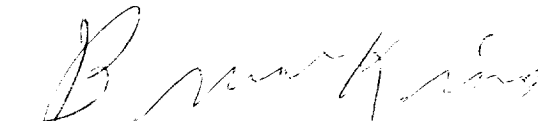
(1) That effective April 1, 1972, the definition of a gas well as it appears in Section "A" of the New Mexico Oil Conservation Commission Rules and Regulations is hereby amended to read in its entirety as follows:

"Gas well shall mean a well producing gas or natural gas from a gas pool, or a well with a gas-oil ratio in excess of 100,000 cubic feet of gas per barrel of oil producing from an oil pool."


(2) 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 this day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


BRUCE KING, Chairman


ALEX J. ARMIJO, Member


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

S E A L

dr/