

Adopted January 12, 1972

E. L. 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. 4633
Order No. R-4237

APPLICATION OF EL PASO NATURAL
GAS COMPANY FOR THE SUSPENSION
OF CERTAIN PROVISIONS OF RULES 14 (A)
AND 15 (A) OF THE GENERAL RULES AND
REGULATIONS FOR THE PRORATED GAS POOLS
OF SOUTHEASTERN NEW MEXICO, PROMULGATED
BY ORDER NO. R-1670, AS AMENDED.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on December 15, 1971, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 12th day of January, 1972, 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 applicant, El Paso Natural Gas Company, is the owner and operator of pipelines connected to gas wells in the Blinbry, Crosby (Devonian), Eumont, Jalmat, Justis, and Tubb Gas Pools, Lea County, New Mexico.

(3) That the applicant seeks suspension for a period of one year from January 1, 1972, of those provisions of Rule 14(A) and 15(A) of the General Rules and Regulations for the Prorated Gas Pools of Southeast New Mexico, promulgated by Order No. R-1670, as amended, as to the Blinbry, Crosby (Devonian), Eumont, Jalmat, Justis, and Tubb Gas Pools, Lea County, New Mexico, that provide

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for the cancellation of unproduced allowable and the shutting-in of overproduced wells.

(4) That there are numerous non-marginal wells in said gas pools that have accumulated underproduction which is subject to cancellation as of January 1, 1972.

(5) That there are numerous non-marginal wells in said prorated gas pools which are currently overproduced and were not brought in balance during the proration period beginning July 1, 1971, and that such wells are subject to being shut-in and their current monthly allowable credited against said overproduction until they are in balance.

(6) That there are numerous non-marginal wells in said prorated gas pools which are overproduced an amount equalling six times their current monthly allowable and that such wells are subject to being shut in until the wells are overproduced less than six times their current monthly allowable.

(7) That there is a present and continued need for gas which cannot be satisfactorily met if the aforesaid overproduced wells referred to in Findings Nos. 5 and 6 are not allowed to continue producing.

(8) That there is such a present and continued need for gas that the wells that have accrued the aforesaid underproduction should be able to produce the aforesaid underproduction in addition to the normal allowables by January 1, 1973.

(9) That completed and planned installation of compression facilities should lessen the heavy demand on the overproduced wells referred to in Findings Nos. 5 and 6 and enable said wells to be brought into balance by January 1, 1973.

(10) That in order to protect correlative rights, prevent waste, promote conservation, and allow each producer in the prorated gas pools described above the opportunity to produce his just and equitable share of the reserves underlying said gas pools, the aforesaid Rules 14(A) and 15(A) should be suspended for a period of one year from January 1, 1972.

IT IS THEREFORE ORDERED:

(1) That Rules 14(A) and 15(A) of the General Rules and Regulations for the Prorated Gas Pools of Southeast New Mexico,

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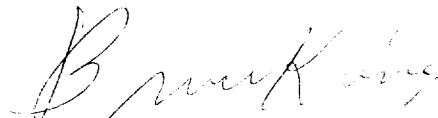
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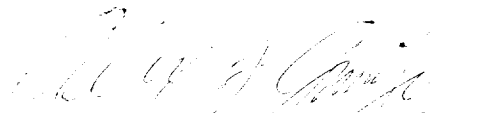
promulgated by Order No. R-1670, as amended, are hereby suspended for a period of one year beginning January 1, 1972, for the Blinebry, Crosby (Devonian), Eumont, Jalmat, Justis, and Tubb Gas Pools, Lea County, New Mexico.


(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 the 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

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