

Entered April 26, 1977
JLR

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF CASE 5872 BEING REOPENED
PURSUANT TO THE PROVISIONS OF ORDER NO. R-5373
WHICH ORDER SUSPENDED RULES 15(A) AND 15(B) OF
THE GENERAL RULES FOR PRORATED GAS POOLS OF
NORTHWEST AND SOUTHEAST NEW MEXICO.

CASE NO. 5872
Order No. R-5373-A

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 20, 1977, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 26th day of April, 1977, 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 on the 27th day of January, 1977, the Commission entered its Emergency Order No. E-30 which order suspended Rule 15(A) and Rule 15(B) of the General Rules for the Prorated Gas Pools of Northwest New Mexico and Southeast New Mexico, as promulgated by Commission Order No. R-1670, as amended.

(3) That on the 11th day of February, 1977, the Commission entered its Order No. R-5373 which order further suspended said Rule 15(A) and Rule 15(B) pending further order of the Commission.

(4) That said Rule 15(A) and Rule 15(B) were suspended in an attempt to make more natural gas available to the Eastern United States during an emergency shortage of natural gas in that region.

(5) That this case was reopened to permit all interested parties to appear and show cause why said suspension should not be rescinded, to consider the matter of final disposition of overproduction accrued during the period of suspension of Rules 15(A) and 15(B), and what, if any, special consideration should be given to underproduction accrued to gas wells during the period of suspension of said rules.

(6) That the evidence presented demonstrated that said natural gas shortage emergency is over.

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(7) That the evidence presented demonstrated that suspension of said Rule 15(A) and Rule 15(B) should be terminated.

(8) That the evidence presented demonstrated that to protect correlative rights, overproduced wells subject to the shut-in provisions of said Rule 15(A) and Rule 15(B) due to overproduction should be shut-in following termination of the suspension of said rules.

(9) That the evidence presented demonstrated that no special consideration should be given to underproduction accrued to gas wells during the period of suspension of said Rule 15(A) and Rule 15(B).

(10) That the evidence presented did not demonstrate that any significant additional volumes of gas were made available to the Eastern United States due to the Commission's action in suspending said Rule 15(A) and Rule 15(B).

(11) That the termination of said suspension of said Rules 15(A) and 15(B) will not cause waste.

(12) That the suspension of said Rule 15(A) and Rule 15(B) should be terminated with no special provisions to apply to overproduction or underproduction accrued during the period of said suspension.

IT IS THEREFORE ORDERED:

(1) That effective at 12:01 a.m. Mountain Daylight Time, May 1, 1977, the suspension of Rule 15(A) and Rule 15(B) of the General Rules for the Prorated Gas Pools of Northwest New Mexico and Southeast New Mexico, as promulgated by Commission Order No. R-1670, as amended, is hereby terminated.

(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

PHIL R. LUCERO, Chairman


EMERY C. ARNOLD, Member


JOE D. RAMEY, Member & Secretary

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