

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. 790
Order No. R-553

THE APPLICATION OF THE COMMISSION
UPON ITS OWN MOTION, FOR REVISIONS
AND AMENDMENTS TO PARAGRAPH 10 OF
ORDER R-520 AND RULE 17 OF EACH OF THE
VARIOUS SPECIAL RULES AND REGULATIONS
FOR GAS POOLS IN SOUTHEAST NEW MEXICO,
AS EMBRACED IN ORDER R-520.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 17, 1954 at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 22nd day of November, 1954, the Commission, a quorum being present, having considered the records and testimony adduced, and being fully advised in the premises,

FINDS:

- (1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this matter and the subject matter thereof.
- (2) That it is in the interests of orderly and efficient administrative procedure, with due regard for the prevention of waste and the protection of correlative rights, to grant administrative exceptions to the "no-flare order" and the various "no-flare rules" embraced in Order R-520, without the necessity of notice and hearing.
- (3) That the practice of considering said applications for exceptions only upon notice and hearing would cause an undue burden upon and inconvenience to both the applicants and this Commission.
- (4) That Paragraph 10 of Order R-520 and Rule 17 of each of the various pool rules and regulations embraced in said Order R-520 should be amended as hereinafter provided.

IT IS THEREFORE ORDERED:

- (1) That Paragraph (10) of Order R-520, be and the same is hereby amended to read as follows:

Entered 11-20-54

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(10) That except when authorized by or pursuant to the following provisions of this paragraph (10), no gas, either dry gas or casinghead gas, shall be flared or vented from any well in any of the following pools at any time after ninety (90) days from January 1, 1955 or ninety (90) days from the date such well is completed, whichever is later:

Eunice-Monument Oil Pool
South Eunice Oil Pool
Hardy Oil Pool
Penrose-Skelly Oil Pool
Cooper-Jal Oil Pool
Arrowhead Oil Pool
Langlie-Mattix Oil Pool
Rhodes Oil Pool
Leonard Oil Pool
South Leonard Oil Pool
Eaves Oil Pool
Arrow Gas Pool
Eumont Gas Pool
Jalmat Gas Pool

Any operator who desires to obtain an exception to the foregoing provisions of this paragraph (10) shall submit to the Secretary of the Commission, an application for such exception with a sworn statement setting forth the facts and circumstances justifying such exception. The Secretary is hereby authorized to grant such an exception whenever the granting of the exception is reasonably necessary to protect correlative rights, prevent waste, or prevent undue hardship on the applicant under all the facts and circumstances as set forth in the statement. The Secretary shall either (a) grant the exception within 15 days after receipt of the application and statement or (b) thereafter set the application for hearing by the Commission at a regular monthly hearing; provided, however, that no such applicant shall incur any penalty by reason of a delay in setting the application for hearing. Notice of hearing of the application shall be published in the manner provided by law and the Rules of the Commission. If the exception is granted by the Secretary, a list of such exceptions shall be distributed in the Commission's regular mailing list.

All operators who have not heretofore done so shall file Form C-110 in quadruplicate with the Commission, designating thereon the disposition of all dry gas or casinghead gas from each well in each pool listed above. Within 15 days after an oil or gas well within the boundaries of any of the above listed pools is connected to a gas transportation facility, the operator shall file Form C-110 designating the disposition of gas from the well.

The flaring or venting of gas from any well in violation of any provision of this paragraph (10) will result in suspension of any further allowable until further order of the Commission.

No extraction plant processing any gas from any of the above designated pools shall flare or vent such gas unless such flaring or venting is made necessary by mechanical difficulties or unless the gas flared or vented is of no commercial value.

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IT IS FURTHER ORDERED: That Rule 17 of each of the sets of Rules and Regulations pertaining to the Jalmat Gas Pool, the Eumont Gas Pool, and the Arrow Gas Pool in said Order R-520 be, and the same are hereby, amended to read as follows:

RULE 17

No gas, either dry gas or casinghead gas, produced from the (Jalmat, Eumont or Arrow) gas pools shall be flared or vented except as authorized under the provisions of Paragraph (10) of this order.

DONE at Santa Fe, New Mexico, the day and year hereinabove designated.

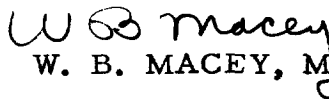
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman



E. S. WALKER, Member



W. B. MACEY, Member and Secretary

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