

Entered September 30, 1983  
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STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION COMMISSION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE NO. 7905  
Order No. R-7362

APPLICATION OF DOYLE HARTMAN FOR  
THE CLASSIFICATION AS MARGINAL OF  
ALL WELLS IN THE PRORATED GAS POOLS  
OF SOUTHEAST NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 a.m. on July 7, 1983, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 30th day of September, 1983, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, 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, Doyle Hartman, seeks the classification as marginal of all wells in the prorated gas pools of Southeast New Mexico.

(3) That the applicant proposes that each pipeline would be required, pursuant to Section 70-2-19 Subsections D, E. and F, NMSA, 1978, to take ratably from each well connected to it, and in the event of an increase or decrease in its market demand, to ratably increase or decrease its takes from each well connected to it.

(4) That applicant further proposes that such ratable taking will be based upon an equal number of days of pipeline production for all wells connected to any pipeline.

(5) That such a system of allocation of production would be based primarily on the ability of any well to produce (its pipeline deliverability).

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(6) That proration formulas for the prorated gas pools of Southeast New Mexico, adopted after due notice and hearing, are based 100 percent on acreage with no consideration being given to deliverability.

(7) That the granting of this application would result in a radical amendment of the prorationing system for the prorated gas pools of Southeast New Mexico.

(8) That the applicant presented evidence, relating to only three (3) wells in one (1) of the fifteen (15) prorated pools of Southeast New Mexico, to show that applicant's proposal would operate to protect applicant's correlative rights.

(9) That the evidence presented was insufficient to allow the Commission to determine certain foundationary matters which would be necessary to support a change in the proration system previously adopted.

(10) That in the absence of substantial evidence that applicant's proposal would serve to protect the correlative rights of the owners of wells within all of the prorated gas pools in a manner superior to the existing proration rules, formulas and procedures, the application should be denied.

IT IS THEREFORE ORDERED:

(1) That the application of Doyle Hartman for the classification as marginal of all wells in the prorated gas pools of Southeast New Mexico is denied.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

JIM BACA, Member



ED KELLEY, Member



JOE D. RAMEY, Chairman &  
Secretary

S E A L