

Entered March 2, 1984  
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STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 8066  
Order No. R-7458

APPLICATION OF ALPHA TWENTY-ONE  
PRODUCTION COMPANY FOR EXCEPTION TO  
RULE 15B OF THE GENERAL RULES AND  
REGULATIONS PERTAINING TO PRORATIONING  
IN SOUTHEASTERN NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on February 15, 1984, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 7th day of March, 1984, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Alpha Twenty-One Production Company, pursuant to provisions of Rule 15E of the General Rules and Regulations for Prorated Gas Pools in Southeastern New Mexico contained in Division Order No. R-1670, as amended, seeks to produce its El Paso State Well No. 1 located in Unit J of Section 22, Township 23 South, Range 36 East, and its El Paso Plant Well No. 1 located in Unit L of Section 32, Township 23 South, Range 37 East, Jalmat Gas Pool, Lea County, New Mexico, at a rate of no less than 75 Mcf per day each, to delay the reduction of over production from these wells.

(3) That said wells are subject to shut in under provisions of said General Rules for failure to have made up underproduction carried into the proration period.

(4) That complete shut in of said wells could result in reservoir damage and the loss of reserves thereby causing waste.

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(5) That the proposed 75 Mcf per day minimum producing rate is greater than the non-marginal allowable assigned to these wells during some months in the last year.

(6) That to avoid said wells accumulating additional overproduction during the period when current overproduction is being made up, the minimum flow rate established by this order should be the lesser of 75 Mcf per day or one-half the current non-marginal allowable.

(7) That approval of this application under the terms and conditions outlined above will serve to prevent waste and will not violate correlative rights.

IT IS THEREFORE ORDERED:

(1) That the Alpha Twenty-One Production Company El Paso State Well No. 1 located in Unit J of Section 22, Township 23 South, Range 36 East, NMPM, and the El Paso Plant Well No. 1 located in Unit L of Section 32, Township 23 South, Range 37 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, are hereby exempt from complete shut-in while overproduction is being made up.

PROVIDED HOWEVER; that while such overproduction is being made up, said wells may be produced at 75 Mcf per day or at a rate equal to one-half the currently assigned non-marginal allowable, whichever is less.

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

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

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
JOE D. RAMEY,  
Director

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