

CASE 1364: Application of NATIONAL
HI Producing Co. for an exception
to the "no-flare" provision of Order
P-1497

Case No.

1858

Application, Transcript,
Small Exhibits, Etc.

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

January 15, 1930

C
O
P
Y

Mr. Burns Errebo
P. O. Box 496
Simms Building
Albuquerque, New Mexico

Dear Mr. Errebo:

On behalf of your clients, Socony-Mobil Oil Company
and The British-American Oil Producing Company, we
enclose two copies of Order R-1563 in Case 1862 and
two copies of Order No. R-1569 in Case No. 1858 issued
by the Oil Conservation Commission this date.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

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Enclosures

Copies to Hobbs & Lytle

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

APPLICATION OF THE BRITISH AMERICAN OIL
PRODUCING COMPANY FOR AN EXCEPTION TO
ORDER NO. R-1427 INsofar AS IT APPLIES
TO ITS SALGE "B" LEASE, DOOTHIT "B" LEASE,
MARYE LEASE, MARYE "B" LEASE, SALGE LEASE
AND NAVAJO LEASE, BISTI - LOWER GALLUP OIL
POOL, SAN JUAN COUNTY, NEW MEXICO

CASE NO. _____

APPLICATION

COMES NOW The British American Oil Producing Company and
respectfully alleges and states as follows:

1. That it is operator of the Salge "B", Doothit "B",
Marye, Marye "B", Salge and Navajo leases which are productive of
oil from the Bisti-Lower Gallup Oil Pool, the production from
which is subject to restriction pursuant to Order No. R-1427,
dated June 25, 1959, which provides among other things, that no
casinghead gas shall be flared or vented from any well in said
pool after December 31, 1959.

2. That applicant, aware of the importance of conserving
produced casinghead gas, installed a gas gathering system at a
cost of \$162,000 upon the aforementioned leases in the western portion
of said oil pool and commenced injection of said produced casinghead
gas on March 13, 1959, before order No. R-1427 was issued, and since
that time has injected and conserved a total of 246,000 mcf of casing-
head gas.

3. That increasing oil-gas ratios have now resulted in pro-
duction of approximately 2,400 mcf of gas per day from said leases, of which
the aforesaid facilities can handle only 1,226 MCFD and 221 MCFD are
consumed in lease operations and that applicant previously arranged with
El Paso Natural Gas Company to take all of said casinghead gas prior
to January 1, 1960.

4. That applicant is now advised by El Paso Natural Gas Company
that the field facilities being constructed by said company for handling

*How many
wells?*

such gas will not be completed before January 1, or February 1, 1960.

5. That applicant, as aforesaid, at substantial cost, installed said gas gathering and injection system as soon as possible after the first hearing held by this Commission on December 17, 1958, although not required to do so, and as a result has conserved great quantities of casinghead gas.

6. That due to no fault of its own, applicant is now faced with a delay of some fifteen to thirty days in disposal of all of its gas in accordance with said order, and consequent restriction of production from its leases, which will cause undue hardship upon applicant, which has heretofore exhibited prudence and diligence in its field operations.

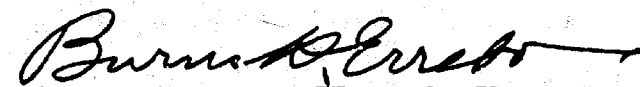
7. That by reason of the foregoing, an emergency exists.

WHEREFORE, applicant prays for administrative approval of an exception to said order, pursuant to provisions thereof, until said field facilities of El Paso Natural Gas Company are completed and in operation; and in the alternative, should this Commission see fit not to grant such administrative exception, applicant prays for issuance of an emergency order pursuant to Rule 1202 of this Commission, granting an exception to said Order No. 1427, as it applies to applicants leases named herein, and setting said matter for hearing before this Commission during the time said emergency order is in force.

THE BRITISH AMERICAN OIL PRODUCING COMPANY

By MODRALL, SEYMOUR, SPERLING, ROEHL & HARRIS
Its Attorneys,

By



Burns H. Errebo
1200 Simms Building, P. O. Box 466
Albuquerque, New Mexico

*Doyle
mailed
Jan. 4,
1960*

THE BRITISH-AMERICAN OIL PRODUCING COMPANY

DENVER CLUB BUILDING

DENVER 1, COLORADO

PRODUCTION & ENGINEERING DEPT.

ADDRESS ALL CORRESPONDENCE TO
POST OFFICE BOX 180

December 23, 1959

New Mexico Oil Conservation Commission
Mr. A. L. Porter, Jr., Secretary-Director
P. O. Box 871
Santa Fe, New Mexico

Re: Summary of British-American's
Use of Casinghead Gas in the
Bisti Lower-Gallup Oil Pool

Gentlemen:

Attached is a summary of British-American's gas utilization for November, and the proposed gas utilization for January, 1959.

Thank you for granting exceptions to no flare Order No. R-1427 for our Salge #2, Salge B-5, and Navajo #2, #3, and #4. Our exception request letter of December 8, 1959 for Salge #2 incorrectly listed the location as NE, SW, Section 33-26N-13W. Location should have been C SW, NW, Section 3-25N-13W.

Please correct your copy of Administrative Order NFO-454 to read Salge Well No. 2 located in the SW/4 NW/4 of Section 3, Township 25 North, Range 13 West.

Very truly yours,

THE BRITISH-AMERICAN OIL PRODUCING CO.

Thomas M. Hogan
District Superintendent

WR/pr

cc: Mr. E. C. Arnold
Dallas Production & Engineering Department
Mr. N. R. Stone

BISTI LOWER-GALLUP OIL POOLGAS UTILIZATION

	MCF Produced November	Used on Lease November	Flared Nov.	Inj. into Douthit B-5 November	To be Sold to El Paso 1960	Flared 1960
Douthit B-2	736					
Douthit B-3	Temp. Aband.					
Douthit B-4	285					
Douthit B-5	Gas Inj. Well					
Douthit B-6	3,338					
Douthit B-7	2,490					
Douthit B-8	3,326					
Douthit B-9	2,656					
Douthit B-10	2,338					
Douthit B-11	2,477					
Douthit B-12	3,201					
Douthit B-13	4,557					
Douthit B-14	5,160					
Douthit B-15	2,317					
Douthit B-16	349					
Douthit B-18	234					
Douthit B-19	593					
Total	34,057	3,690	13,311	17,056	Gas Currently being Flared	0
Marye #1	1,275					
Marye #2	Inj. Well					
Marye #3	4,218					
Marye #5	Inj. Well					
Marye #6	6,134					
Marye #8	1,330					
Total	12,957	430	4,536	7,991	Gas Currently being Flared	0
Marye B-1	3,423					
Marye B-2	3,202					
Marye B-3	3,319					
Marye B-4	2,955					
Marye B-5	1,697					
Marye B-6	2,445					
Total	17,041	2,120	6,904	8,017	Gas Currently being Flared	0

BISTI LOWER-Gallup OIL POOLGAS UTILIZATION

	MCF Produced November	Used on Lease November	Flared Nov.	Inj. into Douthit B-5 November	To be Sold to El Paso 1960	Flared 1960	
Navajo #2	100						Produced Gas not being used on Lease NFO-456
Navajo #3	487						
Navajo #4	1,768						
Total	<u>2,355</u>	260	2,095	0	0		
Salge B-1	2,502						Gas Currently being Flared Except B-5 NFO-455 Gas From Salge B-5
Salge B-2	Temp. Aband.						
Salge B-4	1,754						
Salge B-5	138						
Salge B-6	2,234						
Total	<u>6,628</u>	385	2,516	3,727			
Warren C-1	75	0	75	0	75	0	
Salge #2	294	100	194	0	0		NFO-454 Produced Gas not used on Lease

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

December 30, 1958

*Wochel
Mailed - Jan 4, 1960*

C
O
P
Y

Mr. Thomas Hogan
British American Oil Producing Company
P. O. Box 180
Denver 1, Colorado

Dear Mr. Hogan:

Reference is made to your request for administrative approval of an exception to the no-flare provision of Order No. R-1427 for 54 oil wells in the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico.

After studying your application, the Commission has determined that administrative approval cannot be granted. Accordingly, the case has been set for hearing before the Commission on January 13, 1960. It would be helpful if your witness in this case is prepared to testify concerning the present casinghead gas production from these wells and the disposition thereof.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/ORP/ir

cc: Burns Errebo
Albuquerque, New Mexico

**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. 1838
Order No. R-1849**

**APPLICATION OF THE BRITISH-
AMERICAN OIL PRODUCING COMPANY
FOR A TEMPORARY EXCEPTION TO
THE "NO-FLARE" PROVISION OF
ORDER NO. R-1427 FOR CERTAIN
WELLS IN THE BISTI-LOWER GALLUP
OIL POOL, SAN JUAN COUNTY,
NEW MEXICO**

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on January 13, 1960, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 15th day of January, 1960, 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 seeks a temporary exception to the "no-flare" provision of Order No. R-1427 for certain wells in the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico.
- (3) That the applicant requested that Case No. 1838 be dismissed.

IT IS THEREFORE ORDERED:

That Case No. 1838 be and the same is hereby dismissed.

-2-
Case No. 1250
Order No. R-1569

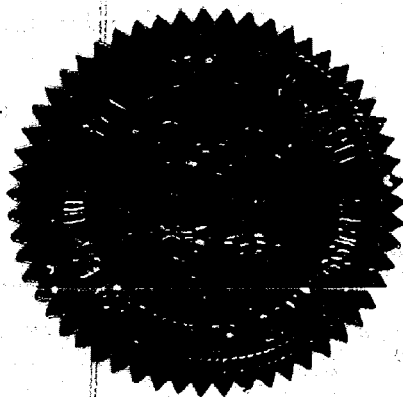
DONE at Santa Fe, New Mexico, on the day and year herein
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

John Burroughs
JOHN BURROUGHS, Chairman

MURRAY E. MORSE, Member

A. L. Porter, Jr.
A. L. PORTER, JR., Member & Secretary



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(201)

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BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
January 13, 1960

IN THE MATTER OF:)
)
)

Application of The British-American)
Oil Producing Company for an excep-)
tion to the "no-flare" provision of)
Order R-1427.)

Case 1858

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BEFORE THE
OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
January 13, 1960

IN THE MATTER OF:)

Application of The British-American Oil)
Producing Company for an exception to)
the "no-flare" provision of Order R-1427.)
Applicant, in the above-styled cause,)
seeks a temporary exception to the "no-)
flare" provision of Order R-1427 for)
certain wells in the Bisti-Lower Gallup)
Oil Pool, San Juan County, New Mexico.)

Case 1858

BEFORE:

Honorable John Burroughs
Mr. A. L. Porter
Mr. Murray Morgan

TRANSCRIPT OF HEARING

MR. REBO: Burns Errebo of Modrall, Seymour, Sperling,
Roehl and Harris, on behalf of British-American Oil Producing
Company, Case 1858. British-American advises that their leases
are connected and gas is being taken and they desire at this time
to move for a dismissal, which I now tender to the Commission.

MR. PORTER: Case 1858 will be dismissed.

STATE OF NEW MEXICO)
 : SS
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial seal this 6th day of February, 1960.

Ada Dearnley
Notary Public-Court Reporter

My commission expires:

June 19, 1963.

DEARNLEY - MEIER & ASSOCIATES
GENERAL LAW REPORTERS
ALBUQUERQUE, NEW MEXICO
Phone CHapel 3-6691

DRAFT
CNP:ven
Jan. 14

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. 1858

Order No. 1569

APPLICATION OF British-American Oil
Producing Company FOR A
Temporary EXCEPTION TO THE
"NO-FLARE" PROVISION OF ORDER
NO. R-1427 FOR certain WELLS IN
THE Briti-Lowm Gullapil POOL, SAN
JUAN COUNTY, NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on
January 13, 1960, at Santa Fe, New Mexico, before the Oil Con-
servation Commission of New Mexico, hereinafter referred to as
the "Commission."

NOW, on this _____ day of January, 1960, 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 sub-
ject matter thereof.

(2) That the applicant seeks a Temporary exception to the
"no-flare" provision of Order No. R-1427 for certain wells in the
Briti-Lowm Gullapil Pool, San Juan County, New Mexico.

(3) That the applicant requested that Case No. 1858 be
dismissed.

IT IS THEREFORE ORDERED:

That Case No. 1858 be and the same is hereby dismissed.

DONE at SFE. -----