

CASE 1962: Application of SOCONY-  
MOBIL for an exception to "no-flare"  
provision of Order R-1427.

Case No.

1862

Application, Transcript,  
Small Exhibits, Etc.

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

IN THE MATTER OF  
CASE NO. 1862

TRANSCRIPT OF PROCEEDINGS

January 13, 1960.

DEARNLEY-MEIER REPORTING SERVICE, Inc.

ALBUQUERQUE, NEW MEXICO

PHONE CH 3-6691



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

IN THE MATTER OF:

APPLICATION OF SOCONY-MOBIL OIL 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 seven wells in the Bisti-Lower Gallup  
Oil Pool, San Juan County, New Mexico.

CASE

NO. 1862

BEFORE:

A. L. Porter, Secretary-Director  
Murray Morgan, Land Commissioner  
Hon. John W. Burroughs

TRANSCRIPT OF PROCEEDINGS

MR. PORTER: The hearing will come to order please.

We will take up the next case 1862.

MR. PAYNE: Application of Socony-Mobil Oil Company  
for an exception to the "no-flare" provision of Order R-1427.

MR. ERREBO: If the commission please, Burns H. Errebo,  
appearing on behalf of Socony-Mobil Oil Company, the applicant.  
We will have two witnesses, if you desire to swear them in at this  
time. Mr. Holick will be our first witness, Mr. Gordon our second  
witness.

(Witnesses sworn.)

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W. V. HOLICK

a witness, called by and on behalf of the Applicant, having been duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. ERREBO:

Q You are the same Mr. Holick who previously testified today as a witness before this commission in connection with flare gas?

A Yes, sir.

Q Mr. Holick, are you familiar with the connection situation of the Socony-Mobil Oil Company lease in the Bisti-Lower Gallup Oil Pool?

A Yes, sir.

Q Can you tell me, Mr. Holick, how many wells are connected at the present time?

A I could not state the wells, there are four batteries that we are concerned with, I believe, at this time that Socony has.

Q Can you state whether, of your knowledge, the Sanda Well lease having two wells, is unconnected?

A Is unconnected?

Q Yes.

A I believe that is what we carry as 61, as it's located in 17, 25, and 11.

Q Northwest of 1, 25, 11?

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A 17, I believe.

Q 17, correct. That is the lease number.

A That battery is not connected now. It is anticipated that that battery will be connected by the 21st of January.

Q Mr. Holick, do you have any knowledge of when Socony-Mobil entered into contract with you for the purchase of this gas?

A That was, I believe, in August of 1958.

Q August of 1958. Now --

A That is the base contract, I believe.

Q Yes. Now, do you recall when you obtained F. P. C. approval?

A When El Paso did?

Q Yes.

A We got temporary and permanent, permanent -- the temporary twenty-five million was in September, as I recall of '59. The original small amount of temporary was earlier in '59, I could not give you the exact date.

Q And then did you commence construction of this gas system in the Bisti Pool thereafter?

A Yes, we did.

Q Now then, did it come to your attention that this well was unconnected in November of this year, do you recall?

A This was brought to our attention by Magnolia, or Mobil brought to our attention, and it is located, I believe, in the, what I call the Shell-Carson unit there, or immediately



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adjacent to it. We were under the impression it was part of that unit. It was called to our attention that that was incorrect, and we immediately took steps as promptly as possible to tie that well in correctly to the Number 1 gathering system.

Q Actually, then that well was just overlooked because of its situation?

A It was our mistake.

Q Both of these wells were?

A The battery, it was our mistake.

Q Now, that was in November of 1959; it is now January of 1960. What steps have you taken, do you know, to make that?

A Yes, we have gone out to get the right-of way, get the pipe available. The surveys have been completed, and it is my understanding that we made arrangements to hang another valve in the gathering line, and we are ready to tie it in. If it is not tied in today or this week, it will be very shortly, certainly by the 21st.

Q Of course, Socony-Mobil appreciates that you have other wells in there. We have been talking about them all day. But, I take it then, you just have to get around to these wells, these batteries, when you can to tie them in?

A We are doing it as rapidly as possible, and barring any completely unforeseen circumstances, we will be tied in by the 21st.

Q By the 21st of January?





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A That's correct.

Q Now, then, do you know of any right-of-way problems which were encountered, so far as that lease is concerned, which might have held up your laying your line?

A I could not specifically describe any particular right-of-way problem; they do develop through that area at various times and at various locations. It is my understanding that the right-of-way is cleared on that lease.

Q Now, when that well is tied in on the 21st, and actually, do you have any reason to believe now, other than some unforeseen circumstance, that that well will not be tied in on the 21st of January?

A Barring any unforeseen circumstances, I believe it will be tied in.

Q That is, in other words, that is on the schedule for connection, which there is no reason why it should not be fulfilled, is that right, barring anything unforeseen, is that correct?

A That's correct.

Q Now, actually --

A I'm not trying to hedge, but you realize of course that we are in the middle of winter up there, and if it snowed neck deep, well, I don't know what will happen.

Q Of course, you must realize also that is very critical to us, and if maybe you don't come through, we may be cut off again?



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A Right.

Q Now, when that well is, or that battery is tied in, do you expect that your system will be able to take the gas which the battery produces?

A We expect to take every bit of gas from that battery that the system is capable of taking. Now, we have heard testimony earlier today that because of some circumstances, we had the Number 1 station in operation, and there was some gas flaring, evidently, from another producer's lease.

Q Is this well connected into the Number 1?

A It is connected into the Number 1 system. And we would take the gas from that well to the maximum capacities of the facility that we have. If gas, from all of the producers in that particular area, is not capable of being handled by the equipment that is there, certainly that battery would share with all the other batteries in the capacity that would be available. And then, any difference might have to be flared.

Q Well, Mr. Holick, do you mean to say that they would be flared regularly?

A I certainly mean that.

Q Now, I am interested in knowing where this flaring would take place, would it take place on the lease?--

A I imagine.

Q -- or at your station?

A I believe it would take place at the lease. There



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is no central flare to my knowledge there.

Q Now, then, are you prepared to state as a conclusion from your testimony here, whether, as far as your latest knowledge, there is room now, or as of your latest knowledge, in your system to take the production of gas from the Sanda Well lease?

A The figures that I have available to me, the latest production figures that we had, indicated that the horsepower that we had available would handle the gas presently available from that Number 1 area. Now, those figures are the most recent that we had available.

Q Then it would be your conclusion from that, that you could take all the gas from the Sanda Well lease?

A I believe we can.

Q Would you care to make an estimate as to what percentage of the batteries which are connectable, or you foresee are connectable, are now connected? Is your job 85 percent, is it 90 percent done?

A I would imagine, I would have to make an estimate here, I haven't made any calculation on it. It is probably 85 percent. Now, I want to call attention, however, to this one particular item, When I say 85 percent, I mean 85 percent of the wells that are contracted and clear, and maybe for late contracts we haven't tied in some of them. But as for what we see now, that we are in the midst of tying into the various producers, I'd say we are that far along.



MR. ERREBO: That's all we have from this witness.

MR. PORTER: Anyone else have questions of Mr. Holick?

CROSS EXAMINATION

BY MR. PAYNE:

Q Mr. Holick, as a practical matter, even after your system is complete, after every well is connected, every well operator whom you have a contract with, there will still be some flaring, won't there?

A I would be surprised if in particular areas that you picked out, if there weren't some small amount of flaring. I don't think that you can have things so nice and even that you can have it all even when you are loaded up in a particular instance.

Q The important thing is to get all the wells connected?

A Get them connected and to take gas from them right across with everybody else as rapidly as possible.

MR. PAYNE: Thank you.

MR. PORTER: Any further questions?

(No response.)

MR. PORTER: The witness may be excused.

MR. PAYNE: One further question, Mr. Holick.

Q (By Mr. Payne) The Otero Group Oil Pool has no flare provision in the pool rules, are you familiar with it?

A I'm not familiar with that particular one.

Q What has been your general experience as to flaring,

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when there are connections for all the wells in the pool?

A Well, let me see if this might answer it. We are very sensitive to gas flaring, and we attempt in every instance where we can, to get those flares out. Now, I don't know the particular circumstances surrounding this pool.

Q You do generally find though, don't you, that you have to glare some gas?

A Oh, yes, you will always find that.

MR. PAYNE: That's all.

MR. PORTER: The witness may be excused.

MR. ERREBO: Call Mr. Gordon.

JOSEPH G. GORDON, JR.

a witness, called by and on behalf of the Applicant, having been duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. ERREBO:

Q Will you state your name, please?

A Joseph G. Gordon, Junior.

Q By whom are you employed?

A Mobil Oil Company Division of Socony-Mobil Oil Company, Incorporated.

Q And, in what capacity, and where are you located?

A I am a senior production engineer, located at Hobbs.

Q In connection with your duties with the Socony-Mobil Oil Company, what can you tell me? Are you familiar with the

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Socony-Mobil Oil Company leases in the Bisti-Lower Gallup Pool?

A Yes, sir.

Q And, are you in agreement, insofar as your office is concerned, with Mr. Holick's testimony that all of the seven wells, which are the subject of this application, are connected with the exception of two?

A Yes, sir.

Q And, what are those two wells?

A Those two wells are the wells on the Sanda Well lease, located in the Northwest quarter of Section 17, 25, 11.

Q Mr. Gordon, I will refer you to a plat which has been marked as Applicant's Exhibit Number 1, and ask that you identify it.

A This is a plat showing the location of El Paso Natural Gas Company's gas gathering line in their Number 1 system; outlined in red is the Sanda Well lease, showing the two wells, the battery location, and the tie-in to El Paso Natural Gas' gathering system.

Q The gathering system line then runs across in an East-West direction across the South line of that lease, is that correct?

A Yes. And both our wells are located in the approximate vicinity of that quarter section, and the connecting lateral is on the North-South line there.

Q Can you point out to the Commission the approximate



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location of the Bisti Pools?

A Approximately here in this geographical center (indicating). We are denoted here with the red line shown here as to batteries to be tied in by January 21st.

Q Now, can you state what the current production is from each of those wells, as to oil and gas?

A From both wells, the battery production is averaging now 60 barrels of oil per day.

Q That is from both wells?

A From both wells. That's a battery production figure.

Q And the total amount of gas production?

A It is a little over a hundred MCF per day.

Q And, what is the average gas-oil ratio of those two wells?

A Approximately 1900.

Q Can you state when your contract was signed with the El Paso Natural Gas Company, was that September 1st of '58?

A Yes, sir.

Q Now, actually that was about three months, was it not, before the flare gas, the first flare gas hearing held by this Commission?

A Yes, sir.

Q And, do you have anything further that you care to advise the Commission of at this time? I might ask you, if you have a recommendation as to what type of exception that you would



need?

A We would like to ask for an extension of our present exception to the no-flare order, that extension to be extended until we are connected; or, if that is not satisfactory with the Commission because of its indefinite status, then the exception to be extended to February 1st, 1960.

MR. ERREBO: That's all we have.

MR. PORTER: Does anyone have any questions of the witness?

(No response.)

CROSS EXAMINATION

BY MR. NUTTER:

Q Mr. Gordon, you were talking about the Sanda Well Number 1, and 2 wells, all the time there, weren't you?

A Yes, sir, I also used the term "battery".

Q Yes, sir. Do you mean that these two wells together are only making 60 barrels of oil per day?

A Yes, sir.

Q The proration schedules show them as both top allowable wells, with an allowable of 106 barrels a day each. That is Sanda Well Number 1 in Unit F of 17, 25, 11, and Number 2 in Unit E of 17, 25, 11.

A Our latest figures don't reflect any 106 barrels allowable, sir.

MR. PORTER: You are talking about production?

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A This is production, sir.

Q (By Mr. Nutter) It would appear that perhaps you ought to request a change in allowance on those wells.

A Yes, sir, this figure of 60 barrels here per day was our daily average production.

Q Do you have any idea what the production is for each of the wells?

A Approximately 30 apiece, sir.

MR. NUTTER: Thank you.

MR. PORTER: Have you experienced rapid production at times on those wells?

A Yes, sir. Both the wells are still flowing, and we are expecting to put, I know, personally, the Sanda Well Number 2 on pump and try to increase production in the very near future.

QUESTIONS BY MR. PAYNE:

Q When were these wells drilled?

A I could not tell you right now, sir.

Q They are more or less located on the fairway of the pool, aren't they?

A Yes, sir, they are of an older generation.

Q Now, you are just asking an exception for two wells now?

A Yes, sir. Our other batteries are connected.

MR. PORTER: Anyone else have any questions?

MR. ERREBO: I have one further question.



REDIRECT EXAMINATION

BY MR. ERREBO:

Q Mr. Gordon, do you know of anything further that Socony-Mobil Company could have done in order to attain connection of these wells at an earlier date?

A No, sir.

Q Do you feel then that you have been diligent and prudent in your operation in your endeavor to comply with the flare gas order?

A Yes, sir, to comply.

MR. PORTER: Any further questions?

(No response.)

MR. PORTER: The witness may be excused.

(Witness excused.)

MR. ERREBO: If it please the Commission, I have a statement I would like to give to the Commission.

MR. PORTER: You may proceed.

MR. ERREBO: In this instance, it appears to the applicant that we have been fully diligent as well as prudent in trying to get a connection here. Certainly, we have had problems. Our lease unfortunately was overlooked in the connection of other leases and batteries in that area. Almost all of the others in that general neighborhood are connected. Apparently, also there was some right-of-way trouble. We find ourselves therefore in the last 15 percent to be connected, and certainly we are no less

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diligent than any other operators who are now fortunate enough to be connected.

We feel that the flare gas order, which this Commission issued, has been effective and has substantially accomplished its purpose. The casing-head gas in this pool is now being saved at an unusually early time, we feel, in the light of the average oil well. And we feel, therefore, that the Commission is to be complimented on the results which have been attained.

Now, the Commission has been tolerant in the application of this flare gas order, and we ask in this instance only that the Commission bear with us just a little longer.

Each situation, we feel, must be looked at individually, and if this Commission should find and believe that Socony-Mobil has not been diligent and has not been prudent, has dragged its feet, has been lacking in its endeavors to comply with this order, then we believe our application should be denied. We believe, on the other hand, if you find that we have been diligent, and we have done everything that we could do, and that this delay has been caused by circumstances which we could not very reasonably foresee and which are beyond our control, then we respectfully submit that you should grant our application.

MR. PORTER: Does anyone have anything further to offer in this case?

(No response.)

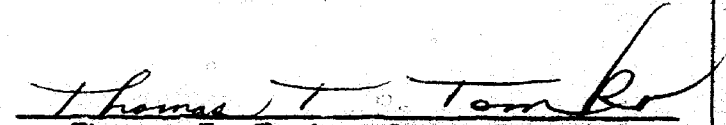
MR. PORTER: The Commission will take the case under advisement.



STATE OF NEW MEXICO       )  
                                  )  
COUNTY OF BERNALILLO    ) ss.

I, THOMAS T. TOMKO, Court Reporter, do hereby certify that the foregoing and attached Transcript of Proceedings before the New Mexico Oil Conservation Commission was reported by me in Stenotype and reduced to typewritten transcript under my personal supervision, and that the same is a true and correct record to the best of my knowledge, skill and ability.

WITNESS my Hand this 16th day of January, 1960, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

  
Thomas T. Tomko, Court Reporter.

DEARNLEY-MEIER REPORTING SERVICE, Inc.

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OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

December 30, 1959

Mr. C. H. Samples  
Mobil Oil Company  
P. O. Box 2406  
Hobbs, New Mexico

Dear Mr. Samples:

Reference is made to your request for administrative approval of an exception to the no-flare provision of Order No. R-1427 for seven 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/OEP/ir

cc: Mr. Burns Errebo  
Modrall, Seymour, Sperling, Roehl and Harris  
Albuquerque, New Mexico

C  
O  
P  
Y

*Sorted  
Mailed  
1-4-60  
JL*



# Mobil Oil Company

A Division of Socony Mobil Oil Company, Inc.

P. O. Box 2406  
Hobbs, New Mexico

December 24, 1959

New Mexico Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico

Attn: Mr. A. L. Porter, Jr.

Dear Mr. Porter:

The following tabulation shows the disposition of all produced casing-head gas from all wells operated by Socony Mobil Oil Company, Inc. in the Bisti Lower Gallup Field, San Juan County, New Mexico.

<u>Lease</u>	<u>Well No.</u>	<u>Disposition</u>
Ah-Nus-Bah	1	Shut in, high pressure gas well
Sadie Canuto	1, 2	Connected to El Paso Natural Gas low pressure field gathering system
Deet-So-Sa	1, 2	" " "
Ken-No-To	1	" " "
Sanda Wall	1, 2	To be connected to El Paso Natural Gas system by December 31, 1959

It is our understanding that the El Paso system will be in operation by December 31, 1959.

This report is submitted to comply with Order No. R-1427, regarding flare gas in the Bisti Lower Gallup.

Yours very truly,

SOCONY MOBIL OIL COMPANY, INC.

*Handwritten: Pocket mailed 1-4-60*  
  
C. H. Samples  
District Superintendent  
Mobil Oil Company

A Division of Socony Mobil Oil Company, Inc.

nrh

cc: New Mexico Oil Conservation Commission (2)  
El Paso Natural Gas (1)

*Handwritten:*  
Core 186 ~  
Dan - Shouldn't this go to Emery?  
OK

C O P Y

NEW MEXICO OIL CONSERVATION COMMISSION

PROPOSED RULE

PROPOSED RULE

PROPOSED RULE

RULE 303. SEGREGATION OF PRODUCTION FROM POOLS

(a) Each pool shall be produced as a single common source of supply and the wells therein shall be completed, cased, maintained, and operated so as to prevent communication within the well bore with any other specific pool, and the production therefrom shall at all times be actually segregated and the comingling or confusion of such production, before marketing, with the production from any other pool or pools is strictly prohibited.

(b) The Secretary-Director of the Commission shall have the authority to grant an exception to Rule 303 (a) to permit the comingling in common facilities of the commonly owned production from two or more common sources of supply, provided that the production from each common source of supply shall be accurately measured and determined prior to such comingling; and provided further that the actual commercial value of such comingled production will not be less than the sum of the values of the production from each separate common source of supply.

Applications for administrative approval to so comingle the production from two or more common sources of supply shall be filed in triplicate with the Santa Fe office of the Commission. Applicant shall furnish the Commission with detailed data as to the gravities of the hydrocarbons, the values thereof, and the volumes of the hydrocarbons from each pool, as well as the expected gravity and value of the comingled production; a schematic diagram of the installation; a plat showing the location of all wells on the applicant's lease and the pool from which they are producing. Applicant shall also furnish evidence that all offsetting operators as well as those persons owning royalty interests in the subject acreage have been notified of the application to comingle and furnished a complete copy of the application.

The Secretary-Director may approve the comingling if, after a period of 20 days following receipt of the application, no person owning a royalty interest in the subject acreage or offset operators has objected.

NOTE: Underlined portions represent Socony Mobil Company's recommended additions to the proposed rule.

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

APPLICATION OF SOCONY MOBIL OIL  
COMPANY, INC. FOR AN EXCEPTION TO  
ORDER NO. R-1427 INsofar AS IT APPLIES  
TO ITS SADIE CANUTO NOS. 1 AND 2,  
DEET-SO-SA NOS. 1 AND 2, KEN-NO-TO  
NO. 1 AND SANDRA WALL NOS. 1 AND 2,  
BISTI-LOWER GALLUP OIL POOL, SAN JUAN  
COUNTY, NEW MEXICO

CASE NO. 1862

APPLICATION

COMES NOW Socony Mobil Oil Company, Inc. and respectfully  
alleges and states as follows:

1. That it is operator of the Sadie Canuto Nos. 1 and 2,  
Deet-So-Sa Nos. 1 and 2, Ken-No-To No. 1 and Sandra Wall Nos. 1 and  
2 wells 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 insaid pool after December 31, 1959.

2. That applicant has arranged with El Paso Natural Gas  
Company for the installation of facilities for the gathering of  
casinghead gas from said wells, and had understood from El Paso Natural  
Gas Company that said facilities would be fully completed so that  
all gas would be gathered prior to December 31, 1959, but that  
applicant is now informed that El Paso Natural Gas Company will not  
complete said facilities prior to January 1, 1960, when Order No.  
R-1427 will become effective.

3. That due to no fault of its own applicant is now faced  
with a delay of some fifteen to thirty days in disposal of its  
produced casinghead gas from said wells in accordance with said  
order, and consequent restriction of production from said wells  
which, under the circumstances and in view of applicants efforts  
to arrange for disposal facilities, will cause undue hardship upon  
applicant, which has attempted to comply with said order.

4. That under the aforesaid circumstances, the threatened  
restriction of production from applicant's wells constitutes an  
emergency.




WHEREFORE, applicant prays for administrative approval of an exception to said order, pursuant to the provisions thereof, until said field facilities of El Paso Natural Gas Company are completed, and in operation as to applicants wells; 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 Order No. R-1427, as it applies to applicant's wells named herein; and applicant further prays that this matter be set for hearing before this Commission at an early date, and for such other and further relief as to the Commission may seem proper.

SOCONY MOBIL OIL COMPANY, INC.

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

By



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

LAW OFFICES OF  
MODRALL, SEYMOUR, SPERLING, ROEHL & HARRIS

J. R. MODRALL  
AUGUSTUS T. SEYMOUR  
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DEAN P. KIMBALL  
LELAND S. SEDBERRY  
BURNS H. ERREBO  
ALLEN C. DEWEY

SIMMS BUILDING  
P. O. BOX 486  
ALBUQUERQUE, NEW MEXICO  
TELEPHONE CHAPEL 3-4314  
December 29, 1959

JOHN F. SIMMS (1885-1954)

*Case file  
(Socony Mobil)*

Oil Conservation Commission  
125 Mabry Hall  
Capitol Building  
Santa Fe, New Mexico

Attention: Mr. Oliver Payne

Gentlemen:

Enclosed herewith is application of Socony Mobil Oil Company, Inc. for exception to Order No. R-1427 covering seven of its wells in the Bisti - Lower Gallup Oil Pool, San Juan County, New Mexico.

This application covers the notice which you prepared on December 28, 1959.

Very truly yours,

*Burns H. Errebo*

Burns H. Errebo

BHE/b  
enclosures

*Checked  
Mailed  
1-4-60  
JH*

DOCKET: REGULAR HEARING JANUARY 13, 1960Oil Conservation Commission 9 a.m., Mabry Hall, State Capitol, Santa Fe, NM

- ALLOWABLE: (1) Consideration of the oil allowable for February, 1960
- (2) Consideration of the allowable production of gas for February 1960 from six prorated pools in Lea County, New Mexico; also consideration of the allowable production of gas from seven prorated pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico for February, 1960.

## NEW CASES

- CASE 1850: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider amending Rule 303 of the Commission Rules and Regulations to provide an administrative procedure whereby the production from two or more separate common sources of supply may be commingled under certain conditions, particularly after separately metering or measuring the production from each of the said common sources of supply.
- CASE 1851: Application of Skelly Oil Company for an exception to the "no-flare" provision of Order R-1427. Applicant, in the above-styled cause, seeks a 30-day exception to the "no-flare" provision of Order R-1427 for 24 wells in the Gallegos-Gallup Oil Pool, San Juan County, New Mexico.
- CASE 1852: Application of Southern Union Gas Company for an exception to the "no-flare" provision of Order R-1427. Applicant, in the above-styled cause, seeks a 120-day exception to the "no-flare" provision of Order R-1427 for its Whitley Well No. 1, located in the NW/4 of Section 17, Township 24 North, Range 9 West, Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico.
- CASE 1853: Application of Standard Oil Company of Texas for an exception to the "no-flare" provision of Order R-1427. Applicant, in the above-styled cause, seeks a 60-day exception to the "no-flare" provision of Order R-1427 for 18 wells in the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico.
- CASE 1854: Application of Texaco Inc. for an exception to the "no-flare" provision of Order R-1427. Applicant, in the above-styled cause, seeks a 60-day exception to the "no-flare" provision of Order R-1427 for three wells in the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico.

- CASE 1855: Application of Humble Oil & Refining 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 five wells in the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico.
- CASE 1856: Application of Sun Oil Company for an exception to the "no-flare" provision of Order R-1427. Applicant, in the above-styled cause, seeks a 30-day exception to the "no-flare" provision of Order R-1427 for seven wells in the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico.
- CASE 1857: Application of Kenneth Murchison 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 two wells in the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico.
- CASE 1858: 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 1859: Application of Sunray Mid-Continent Oil Company for an exception to the "no-flare" provision of Order R-1427. Applicant, in the above-styled cause, seeks an exception to the "no-flare" provision of Order R-1427 for one well in the Gallegos-Gallup Oil Pool and twelve wells in the Bisti-Lower Gallup Oil Pool, both in San Juan County, New Mexico.
- CASE 1862: Application of Socony-Mobil Oil 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 seven wells in the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico.
- CASE 1860: Northwestern New Mexico nomenclature case calling for an order for the extension of existing pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico:
- (a) Abolish the Huerfano-Dakota Pool for the purpose of joining pools producing from a common source of supply, to be known as the Angels Peak-Dakota Pool.

(b) Abolish the West Kutz-Dakota Pool for the purpose of joining pools producing from a common source of supply, to be known as the Angels Peak-Dakota Pool.

(c) Extend the Aztec-Fruitland Pool to include:

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM,  
Section 20: S/2

(d) Extend the Aztec-Pictured Cliffs Pool to include:

TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPM,  
Section 36: SE/4

(e) Extend the Ballard-Pictured Cliffs Pool to include:

TOWNSHIP 23 NORTH, RANGE 5 WEST, NMPM,  
Section 6: W/2

TOWNSHIP 23 NORTH, RANGE 6 WEST, NMPM,  
Section 1: SE/4

(f) Extend the Blanco-Pictured Cliffs Pool to include:

TOWNSHIP 29 NORTH, RANGE 9 WEST, NMPM,  
Section 6: NE/4

(g) Extend the South Blanco-Pictured Cliffs Pool to include:

TOWNSHIP 27 NORTH, RANGE 7 WEST, NMPM,  
Section 2: W/2

(h) Extend the Blanco-Mesaverde Pool to include:

TOWNSHIP 31 NORTH, RANGE 13 WEST, NMPM,  
Section 3: E/2

(i) Extend the Angels Peak-Gallup Oil Pool to include:

TOWNSHIP 26 NORTH, RANGE 9 WEST, NMPM,  
Section 7: E/2  
Section 17: W/2  
Section 18: NE/4  
Section 20: NW/4

(j) Extend the Horseshoe-Gallup Oil Pool to include:

TOWNSHIP 31 NORTH, RANGE 16 WEST, NMPM,

Section 27: SE/4 SW/4

Section 28: SW/4 NE/4 & S/2 NW/4

(k) Extend the Verde-Gallup Oil Pool to include:

TOWNSHIP 31 NORTH, RANGE 14 WEST, NMPM,

Section 21: SE/4 SE/4

Section 22: SW/4 SW/4

Section 30: NE/4 SE/4

(l) Extend the Angels Peak-Dakota Pool to include:

TOWNSHIP 26 NORTH, RANGE 9 WEST, NMPM,

Section 7: All

Section 18: All

Section 19: N/2

Section 20: N/2

TOWNSHIP 26 NORTH, RANGE 10 WEST, NMPM,

Section 1: All

Section 2: E/2 & SW/4

Section 3: S/2

Section 23: E/2

Section 24: All

TOWNSHIP 26 NORTH, RANGE 11 WEST, NMPM,

All of sections 1 thru 4 inclusive

All of sections 9 thru 16 inclusive

All of sections 21, 22, & 23

Section 26: N/2

Section 27: N/2

Section 23: All

TOWNSHIP 27 NORTH, RANGE 9 WEST, NMPM,

Section 18: All

Section 19: All

TOWNSHIP 27 NORTH, RANGE 10 WEST, NMPM,

Section 6: W/2

All of sections 7, 8, 11, 13, 14, 17, 18, 19, 20,  
& 21,

Section 23: E/2

Section 24: All

Section 26: E/2  
Section 29: W/2  
Section 30: All  
Section 31: All  
Section 32: All  
Section 33: W/2  
Section 35: E/2

TOWNSHIP 27 NORTH, RANGE 11 WEST, NMPM,

All of sections 1 thru 28 inclusive

Section 29: N/2

Section 30: N/2

All of sections 33 thru 36 inclusive

TOWNSHIP 27 NORTH, RANGE 12 WEST, NMPM,

All of sections 1 thru 18 inclusive and sections 23 & 24

Section 25: N/2

TOWNSHIP 27 NORTH, RANGE 13 WEST, NMPM,

Section 1: All

Section 2: E/2 & NW/4

Section 3: N/2

Section 4: N/2

Section 5: E/2

TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM,

All of sections 18, 19, & 30

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM,

Section 12: All (partial)

All of sections 13 thru 16, 21 thru 28, and 31 thru 36

TOWNSHIP 28 NORTH, RANGE 12 WEST, NMPM,

All of sections 19 thru 22, and 26 thru 36

TOWNSHIP 28 NORTH, RANGE 13 WEST, NMPM,

Section 9: All (partial)

Section 10: All (partial)

All of sections 15 and 16

Section 17: E/2

Section 20: E/2

All of sections 21 thru 27

Section 28: E/2

Section 33: E/2

All of sections 34, 35, & 36

TOWNSHIP 29 NORTH, RANGE 13 WEST, NMPM,  
All of sections 27, 28, 33, & 34

- (m) Extend the South Los Pinos-Dakota Pool to include:

TOWNSHIP 31 NORTH, RANGE 7 WEST, NMPM,  
Section 13: All  
Section 14: S/2  
Section 23: N/2

CASE 1861:

Southeastern New Mexico nomenclature case calling for an order for the creation of new pools and the extension of existing pools in Lea and Eddy Counties, New Mexico.

- (a) Create a new oil pool designated as the Fowler-Upper Silurian Pool and described as:

TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM,  
Section 22: E/2

- (b) Create a new oil pool designated as the West Crossroads-Devonian Pool, and described as:

TOWNSHIP 9 SOUTH, RANGE 36 EAST, NMPM,  
Section 31: SE/4

- (c) Create a new gas pool designated as the East Hightower-Devonian Gas Pool, and described as:

TOWNSHIP 12 SOUTH, RANGE 34 EAST, NMPM,  
Section 30: NW/4 NE/4

- (d) Create a new gas pool designated as the Teague-Abo gas Pool, described as:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM,  
Section 21: SE/4

- (e) Abolish the Baish-Abo Pool in Lea County, New Mexico, classified as an oil pool, described as:

TOWNSHIP 17 SOUTH, RANGE 32 EAST, NMPM,  
Section 21: SE/4

- (f) Extend the Allison-Pennsylvanian Pool to include:

TOWNSHIP 9 SOUTH, RANGE 36 EAST, NMPM,  
Section 1: NE/4



(g) Extend the Atoka-Pennsylvanian Gas Pool to include:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM,  
Section 22: NE/4 & S/2

(h) Extend the Four Lakes-Pennsylvanian Pool to include:

TOWNSHIP 11 SOUTH, RANGE 34 EAST, NMPM,  
Section 35: SE/4

(i) Extend the West Henshaw-Grayburg Pool to include:

TOWNSHIP 16 SOUTH, RANGE 30 EAST, NMPM,  
Section 2: SW/4

(j) Extend the East Millman-Queen-Grayburg Pool to include:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM,  
Section 18: NW/4

(k) Extend the Shugart Pool to include:

TOWNSHIP 19 SOUTH, RANGE 31 EAST, NMPM,  
Section 4: NE/4

CASE 1863:

Application of Phillips Petroleum Company for an exception to the no-flare provision of Order R-1427. Applicant, in the above-styled cause, seeks an exception to the no-flare provision of Order R-1427 for five wells in the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico.

CASE 1864:

Application of Skelly Oil Company for an exception to the no-flare provision of Order R-1427. Applicant, in the above-styled cause, seeks a 30-day exception to the no-flare provision of Order R-1427 for 21 wells in the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico.

(over)

CONTINUED FROM EXAMINERS HEARING

CASE 1841:

Application of Sinclair Oil & Gas Company for the creation of a new pool in the Potash-Oil Area and for the promulgation of special rules and regulations pertaining thereto. Applicant, in the above-styled cause, seeks an order creating a new pool for Yates production in the Potash-Oil Area as defined by Order R-111-A, said pool to comprise the SE/4 NW/4 of Section 16, Township 20 South, Range 33 East, Lea County, New Mexico, and such other acreage as may reasonably be proven productive from the same common source of supply. Applicant further seeks the promulgation of special rules and regulations for said pool as follows:

A. Cable Tool Casing Program.

Same as Order R-1078 for Teas Pool.

B. Rotary Tool Casing Program.

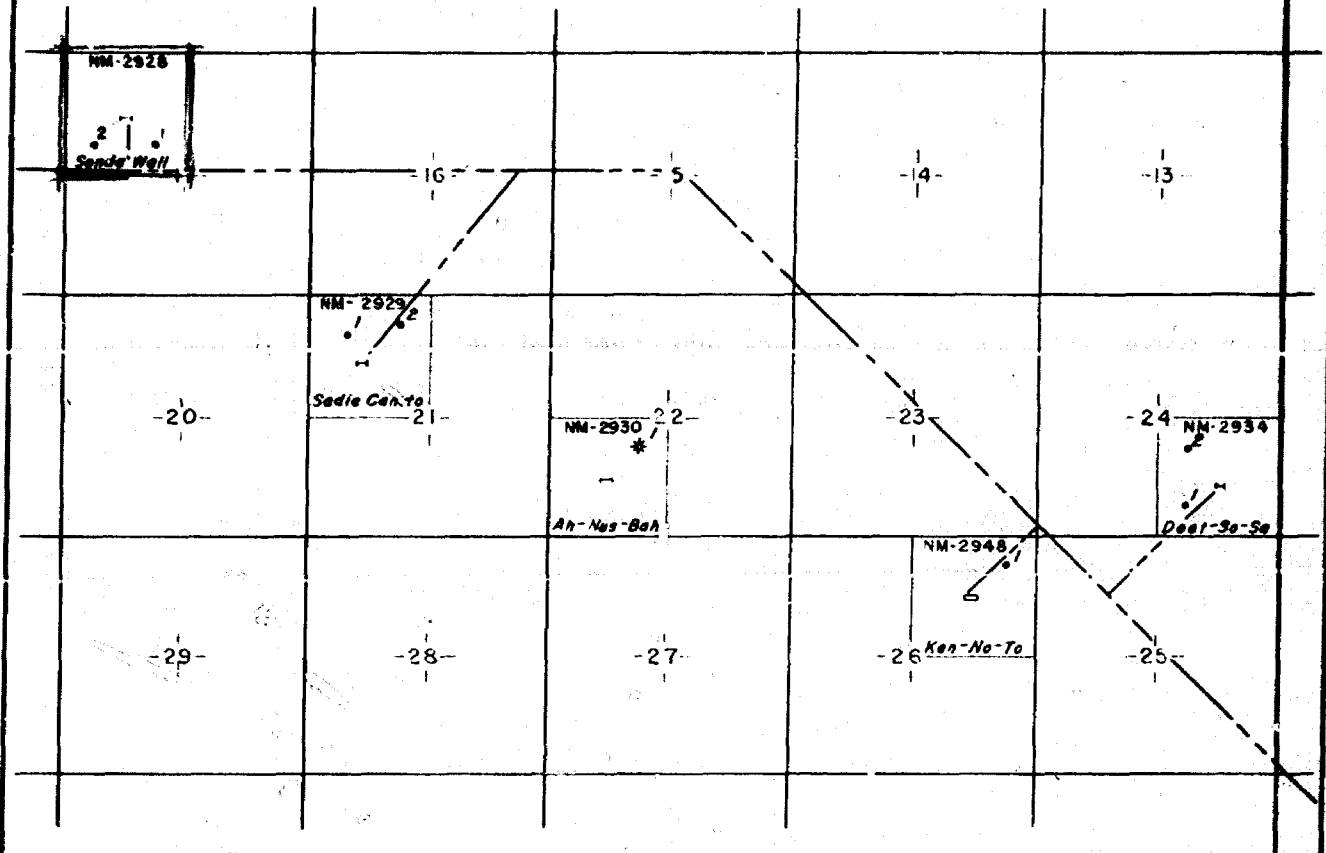
Surface casing set at 600 feet and cement circulated. No salt protection string. Production casing to be set through pay from 3146 feet to 3232 feet (approximately) with cement circulated to at least 50 feet into surface casing.

NEW CASE

CASE 1865

Application of Pan American Petroleum Corporation for an exception to the "no-flare" provision of Order R-1427. Applicant, in the above-styled cause, seeks a 30-day exception to the "no-flare" provision of Order R-1427 for 7 wells in the Bisti-Lower Gallup Oil Pool and 4 wells in the Gallegos-Gallup Oil Pool, San Juan County, New Mexico.

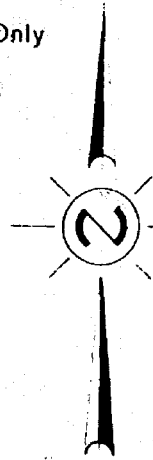
T 25N-RIIW



LEGEND

- I Tank Battery With Hlr. & Sep
- O Tank Battery With Separator Only

BEFORE THE  
OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO  
Socony Mobil EXHIBIT No. 1  
CASE 1862



<b>MOBIL OIL COMPANY</b>		
A Division of Socony Mobil Oil Company, Inc.		
PLAT SHOWING APPROX. LOCATION OF EL PASO NAT. GAS CO. GAS GATHERING LINE		
SURVEYED BY	DATE	SCALE 1" = 4000'
DRAWN BY C.E.L.	DATE Jan 11, 1960	SHEET OF SHEETS
TRACED BY	DATE	APPROVED BY
CHECKED BY J.C.G.	DATE	DRAWING NO. A 2

**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. 1862  
Order No. R-1565**

**APPLICATION OF SOCONY-MOBIL  
OIL COMPANY FOR A TEMPORARY  
EXCEPTION TO THE "NO-FLARE"  
PROVISION OF ORDER NO. R-1427  
FOR 2 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 2 wells in the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico.

(3) That the Commission, in the proper exercise of its legal obligation to prevent the physical waste of oil and gas resources, should deny the requested exception to the "no-flare" provision of Order No. R-1427.

**IT IS THEREFORE ORDERED:**

That the application of Socony-Mobil Oil Company for a temporary exception to the "no-flare" provision of Order No. R-1427 for 2 wells in the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico, be and the same is hereby denied.

-3-  
Case No. 1862  
Order No. R-1363

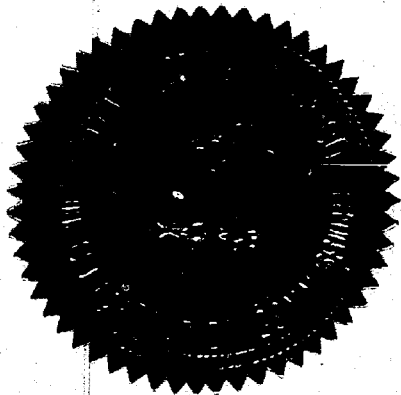
DONE at Santa Fe, New Mexico, on the day and year herein-  
above designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*John Burroughs*  
JOHN BURROUGHS, Chairman

MURRAY E. MORGAN, Member

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



VCM/