BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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

> CASE No. 1717 Order No. R-1451

APPLICATION OF PAN AMERICAN PETROLEUM CORPORATION FOR A ONE-WELL EXCEPTION TO THE "NO FLARE" PROVISION CONTAINED IN THE POOL RULES FOR THE OTERO-GALLUP POOL, RIO ARRIBA COUNTY, NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 o'clock a.m. on July 8, 1959, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this day of duget 1959, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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 is the owner and operator of an oil well in the Otero-Gallup Oil Pool, known as the Jicarilla Tribal 35 Well No. 1, located in the NW/4 SW/4 of Section 35, Township 25 North, Range 5 West, NMPM, Rio Arriba County, New Mexico.

(3) That at the present time it is uneconomical for the applicant to make beneficial use of the casinghead gas produced from said Jicarilla Tribal 35 Well No. 1.

(4) That approximately 100 MCF of casinghead gas is presently being flared or vented from said well.

(5) That the applicant seeks permission to continue flaring or venting the cashinghead gas produced from said well.

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(6) That an order authorizing the flaring or venting of casinghead gas from said well should be issued subject to the limitations set forth below.

IT IS THEREFORE ORDERED:

That the applicant, Pan American Petroleum Corporation, be and the same is hereby authorized to flare or vent casinghead gas produced from its Jicarilla Tribal 35 Well No. 1, located in the NW/4 SW/4 of Section 35, Township 25 North, Range 5 West, NMPM, Otero-Gallup Oil Pool, Rio Arriba County, New Mexico, for a period not to exceed one year from the date of this order.

PROVIDED HOWEVER, That the daily volume of casinghead gas in cubic feet, which is produced from said well and is flared or vented, shall not exceed that number derived by multiplying the daily top unit allowable for the Otero-Gallup Oil Pool by 2000.

PROVIDED FURTHER, That the applicant shall notify the Secretary-Director of the Commission if and when any other Gallup wells are completed on the lease on which the subject well is located.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION JOHN BURROUGHS, Chairman

SEAL

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