Entered July 27, 1967 app.

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. 3613 Order No. R-3283

APPLICATION OF SUNRAY DX OIL COMPANY FOR AN AMENDMENT TO ORDER NO. R-1636-A, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on July 12, 1967, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>27th</u> day of July, 1967, the Commission, a quorum being present, 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 Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Sunray DX Oil Company, operator of the Central Bisti LPG-Gas-Water Injection Project in the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico, seeks an exception to Rule 9 of Order No. R-1636-A to discontinue the monthly gas-oil ratio tests in the aforesaid pressure maintenance project.

(3) That the applicant further seeks an exception to Rule 9 of said Order No. R-1636-A to file each month Form C-120 in lieu of Pressure Maintenance Project Operator's Report now prescribed by the Commission.

(4) That the necessity for monthly gas-oil ratio testing no longer exists in the subject area due to the decreased gas-oil ratios in the subject pool. -2-CASE No. 3613 Order No. R-3283

(5) That the filing of Form C-120 in lieu of the Pressure Maintenance Project Operator's Report will relieve the unit operator from unnecessary operating expenses and will provide the Commission sufficient information to assure that the owner of each property in the Bisti-Lower Gallup Oil Pool will receive his just and equitable share of the oil and gas in the pool.

IT IS THEREFORE ORDERED:

(1) That the applicant, Sunray DX Oil Company, is hereby granted authority to discontinue the monthly gas-oil ratio tests required by Rule 9 of Order No. R-1636-A for its Central Bisti LPG-Gas-Water Injection Project in the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico.

(2) That the applicant is hereby granted an exception to Rule 9 of Order No. R-1636-A to file Form C-120 in lieu of Pressure Maintenance Project Operator's Report.

(3) That Form C-120 shall be submitted in accordance with Rule 1120 of the Commission Rules and Regulations.

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

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION DAVID F. CARGO Ch irman B GUYTON B. HAYS, Member A. L. PORTER, Jr., Member & Secretary

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