

BEFORE THE OIL CONSERVATION  
COMMISSION OF THE STATE  
OF NEW MEXICO

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

CASE NO. 30

ORDER NO. 410

THE PETITION OF THE NEW MEXICO  
OIL AND GAS ASSOCIATION TO  
CONSIDER REVISION IN ITS EXISTING  
RULES AND REGULATIONS REQUIRING  
REPORTS TO BE FILED BY PRODUCERS,  
TRANSPORTERS, STORERS, AND REFINERS  
OF CRUDE PETROLEUM OIL AND NATURAL  
GAS AND THE PRODUCTS THEREOF.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at two o'clock P.M.,  
September 25, 1941, at Santa Fe, New Mexico.

NOW, on this 3rd day of November, 1941  
the Oil Conservation Commission of the State of New Mexico,  
hereinafter referred to as the "Commission", having before it  
for consideration the testimony adduced at the hearing of said  
case and being fully advised in the premises, the Commission  
finds:

A. That notice by publication of the filing of the  
application herein, the time and the place of the hearing thereon,  
and the purpose of said hearing, have been regularly given in  
all respects as required by law, and the Commission has  
jurisdiction of the subject matter embraced in said petition  
and of the parties interested therein, and jurisdiction to  
issue and promulgate the hereinafter prescribed order.

B. That the general rules and regulations herein below  
set out in the Order are found to be reasonably necessary to  
prevent present and imminent waste to oil and gas as defined by  
law and otherwise to carry out the purposes of Chapter 72,  
Session Laws of 1935 and Acts amendatory thereof.

IT IS THEREFORE ORDERED:

That the following rules and regulations amending Order No. 4 and Order No. 52 of the Commission be and are hereby adopted and promulgated to become effective as of 7 A.M., November 1, 1941:

SECTION I

The provisions of this order shall extend and apply to all crude petroleum oil or natural gas, or both, produced from each and every well within the State of New Mexico, and all crude petroleum oil or natural gas transported, stored, refined, processed or otherwise handled within the State of New Mexico and to every producer, transporter, storer, refiner, processor and handler in the State of New Mexico.

SECTION II

Rule 21 (Written Notices, Requests and Reports) as provided in Order No. 4 shall be cancelled in its entirety and the following shall be the context of Rule 21 of General Rules and Regulations Governing the Conservation of Oil and Gas in New Mexico:

RULE 21. WRITTEN NOTICES, REQUESTS AND REPORTS.

The following forms shall be used in giving notices and making requests and reports to the Commission:

- Form C-101. Notice of Intention to Drill.
- Form C-102. Miscellaneous Notices.
- Form C-103. Miscellaneous Reports on Wells.
- Form C-105. Well Record.
- Form C-108. Producer's Monthly Crude Petroleum Oil Report.
- Form C-109. Operator's Monthly Report of Operations.
- Form C-110. Certificate of Compliance and Authorization to Transport Oil.
- Form C-111. Monthly Gas Report.
- Form C-112. Transporter's and Storer's Monthly Report.
- Form C-113. Refiner's Monthly Report.
- Form C-114. Gasoline or other Extraction Plant Monthly Report.

### SECTION III

(a) Rule 34, Operator's Monthly Report on Operations, as provided in Order No. 4 shall be cancelled in its entirety and that portion of Order No. 52, Special Rules and Regulations for Lea County Fields, New Mexico, requiring Operator's Monthly Report of Operations in Lea County Fields, Form C-104-A or C-104, and the following shall be the context of Rule 34 of General Rules and Regulations Governing the Conservation of Oil and Gas in New Mexico:

#### RULE 34. PRODUCER'S MONTHLY CRUDE PETROLEUM OIL REPORT. (FORM C-108)

Each producer of crude petroleum oil in the State of New Mexico, and each producer of liquid hydrocarbons from a gas well, where produced in liquid form at the well head by ordinary production methods, shall furnish for each calendar month a Producer's Monthly Crude Petroleum Oil Report, Form C-108, setting forth complete information and data indicated by such forms respecting crude petroleum oil produced from every proration or operating unit operated by said producer in the State of New Mexico, and respecting liquid hydrocarbons produced from gas wells at the well head in liquid form by ordinary production methods from each proration or operating unit operated by said producer in the State of New Mexico. Such report for each month shall be prepared and filed according to instructions, on or before the 15th day of the next succeeding month.

(b) The form of report annexed hereto and designated "Producer's Monthly Crude Petroleum Oil Report", Form C-108, and instructions for said report annexed hereto are hereby adopted and made a part of this Order.

### SECTION IV

#### RULE 34-A. OPERATOR'S MONTHLY REPORT OF OPERATIONS. (FORM C-109)

Each producer or operator of oil and/or gas wells within the State of New Mexico shall furnish for each calendar month an Operator's Monthly Report of Operations, Form C-109, setting forth complete information and data indicated on said form

respecting crude petroleum oil and natural gas from each proration or operating unit operated by said producer in the State of New Mexico. Such report for each month shall be prepared and filed according to instructions on or before the 25th day of the next succeeding month.

All conflicting rules and regulations in force prior to the effective date of this Order are hereby superseded.

(b) The form of report annexed hereto and designated "Operator's Monthly Report of Operations", Form C-109, and instructions for said report annexed hereto are hereby adopted and made a part of this Order.

#### SECTION V

(a) Rule 35, Request for Permission to Connect with Pipe Line (Form C-106) as provided in Order No. 4 shall be cancelled in its entirety and the following shall be the context of Rule 35 of General Rules and Regulations Governing the Conservation of Oil and Gas in New Mexico:

RULE 35. CERTIFICATE OF COMPLIANCE AND AUTHORIZATION  
TO TRANSPORT OIL.  
(FORM C-110)

Each producer of crude petroleum oil and each producer of liquid hydrocarbons from a gas well, where produced in liquid form at the well head by ordinary production methods in the State of New Mexico, shall execute under oath, in quadruplicate, and file with the Oil Conservation Commission, Santa Fe, New Mexico, a Producer's Certificate of Compliance and Authorization to Transport Oil, Form C-110, setting forth fully therein the data and information indicated by such form covering each proration or operating unit in the State of New Mexico from which the crude petroleum oil or liquid hydrocarbons is produced.

After the effective date hereof, whenever there shall occur a change in operating ownership of any proration or operating unit in the State of New Mexico, or whenever there shall occur a change of transporter from any proration or operating unit within the State of New Mexico, a new Producer's Certificate of Compliance and Authorization to Transport Oil, Form C-110, shall be executed

and filed in accordance with the instructions appearing on such forms; except that in the case of a temporary change in transporter involving less than the allowable for one month, the producer may, in lieu of filing a new certificate, notify the Oil Conservation Commission, Santa Fe, New Mexico, and the transporter then authorized by certificate on file with the Oil Conservation Commission, by letter, of the estimated amount of crude petroleum oil to be moved by temporary transporter and the name of such temporary transporter, and a copy of such notice shall also be furnished such temporary transporter. In no instance shall the temporary transporter move any greater quantity of crude petroleum oil than the estimated amount shown in said notice.

The Producer's Certificate of Compliance and Authorization to Transport Oil, Form C-110, when properly executed and approved by the Oil Conservation Commission, shall constitute authorization to the pipe line or other carrier to transport crude petroleum oil from the proration or operating unit named therein, and shall remain in force and effect until:

- (1) The operating ownership of the proration or operating unit changes, or
- (2) The transporter is changed, or
- (3) The permit is cancelled by the Oil Conservation Commission.

Each producer is prohibited from delivering illegal crude petroleum oil to any transporter, and each transporter is prohibited from removing any illegal crude petroleum oil from producer's lease tanks.

(b) Within thirty (30) days after the adoption of this Order, each producer of crude petroleum oil in the State of New Mexico shall file in quadruplicate, with the Oil Conservation Commission at Santa Fe, New Mexico, Certificate of Compliance and Authorization to Transport Oil, Form C-110, covering each proration or operating unit under the control or operated by each producer in the State of New Mexico.

(c) The form of report annexed hereto and designated "Certificate of Compliance and Authorization to Transport Oil", Form C-110, is hereby adopted and made a part of this Order.

## SECTION VI

(a) Rule 36, Purchaser's Monthly Report, Form C-107, as provided in Order No. 4 shall be cancelled in its entirety and the following shall be the context of Rule 36, new Rule 36A, new Rule 36B, and new Rule 36C of General Rules and Regulations Governing the Conservation of Oil and Gas in New Mexico:

### RULE 36. MONTHLY GAS REPORT (FORM C-111)

All gas produced from oil wells and from gas wells within the State of New Mexico which is taken into a fuel system or other system (except gas taken into a gasoline or other extraction plant gathering system which is required to be reported on Gasoline or Other Extraction Plant Monthly Report, Form C-114, under the provisions of Rule 36-C) shall be reported monthly on said Monthly Gas Report, Form C-111. Where such gas is taken from an oil or gas well by the producer, then the producer shall make such report. In case the gas is taken at the well by any person other than the producer then such person taking the gas shall make said report. The person or producer thus required to make this report shall execute and file in the manner hereinafter directed a Monthly Gas Report, Form C-111, in accordance with instruction on the form on or before the 15th day of the next succeeding month.

(b) The form of report annexed hereto and designated "Monthly Gas Report", Form C-111, is hereby adopted and made a part of this Order.

## SECTION VII

### RULE 36-A. TRANSPORTER'S AND STORER'S MONTHLY REPORT. (FORM C-112)

(a) Each transporter of crude petroleum oil within the State of New Mexico shall furnish for each calendar month a Transporter's and Storer's Monthly Report, Form C-112, containing complete information and data indicated by such form respecting stocks of crude petroleum oil on hand and all movements of crude petroleum oil by pipe line within the State of New Mexico and all movements of crude petroleum oil by trucks or other

conveyances including railroads, from leases to storers or refiners; between transporters within the State; between storers within the State; between refiners within the State; and between storers and refiners within the State.

(b) Each storer of crude petroleum oil within the State of New Mexico shall furnish for each calendar month a Transporter's and Storer's Monthly Report, Form C-112, containing complete information and data indicated by such form respecting the storage of crude petroleum oil within the State of New Mexico.

(c) The transporters and storers reports for each month shall be prepared and filed in accordance with instructions on the form on or before the 15th day of the next succeeding month.

(d) The form of report annexed hereto and designated "Transporter's and Storer's Monthly Report", Form C-112, is hereby adopted and made a part of this Order.

#### SECTION VIII

##### RULE 36-B. REFINER'S MONTHLY REPORT. (FORM C-113)

Every refiner of crude petroleum oil within the State of New Mexico shall furnish for each calendar month a Refiner's Monthly Report, Form C-113, containing the information and data indicated by such form respecting crude petroleum oil and products involved in such refiner's operations during each month. Such report for each month shall be prepared and filed according to instructions on the form, on or before the 15th day of the next succeeding month.

(b) The form of report annexed hereto and designated "Refiner's Monthly Report", Form C-113, is hereby adopted and made a part of this Order.

#### SECTION IX

##### RULE 36-C. GASOLINE OR OTHER EXTRACTION PLANT MONTHLY REPORT (FORM C-114)

Each operator of a gasoline plant, cycling plant or any other plant at which gasoline, butane, propane, condensate, kerosene, oil, or other liquid products are extracted from

natural gas within the State of New Mexico, shall furnish for each calendar month a Gasoline or Other Extraction Plant Monthly Report, Form C-114, containing the information indicated by such form respecting natural gas and products involved in the operation of each such plant during each month. Such report for each month shall be prepared and filed according to instructions on the form, on or before the 15th day of the next succeeding month.

(b) The form of report annexed hereto and designated "Gasoline or Other Extraction Plant Monthly Report", Form C-114, is hereby adopted and made a part of this Order.

#### SECTION X

All quantities of crude petroleum oil and products included in the reports provided for in this Order shall be reported in barrels of 42 United States gallons, computed from 100% tank tables and based upon actual physical gauges.

All volumes of gas shall be reported in M.C.F. at 14.4 pounds plus 10 oz. pressure.

#### SECTION XI

All producers, transporters, storers, refiners, gasoline or extraction plant operators and initial takers of natural gas within the State of New Mexico shall make and keep appropriate books and records covering their operations in New Mexico from which they may be able to make and substantiate the reports required by this Order.

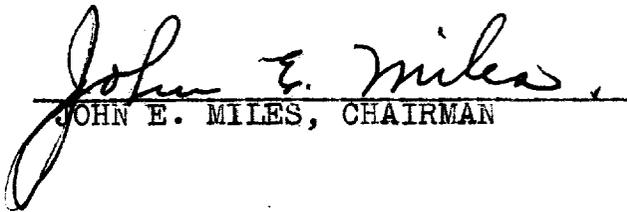
#### SECTION XII

This Order shall not be taken or construed to limit or restrict the authority of the Oil Conservation Commission to require the furnishing of such additional reports, data or other information relative to production, transportation, storing, refining, processing or handling of crude petroleum oil, natural gas or products in the State of New Mexico as may appear to it to be necessary or desirable, either generally or specially,

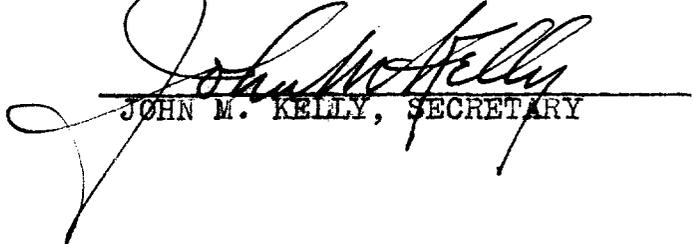
for the prevention of waste and the conservation of natural resources of the State of New Mexico .

IT IS FURTHER ORDERED that this docket shall be and it is hereby held open for the ascertaining of such additional factual data or the issuance of such further supplemental orders as in the judgment of the Commission may from time to time be deemed necessary for the conservation of natural resources of the State of New Mexico.

OIL CONSERVATION COMMISSION OF NEW MEXICO

  
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JOHN E. MILES, CHAIRMAN

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H. R. RODGERS, MEMBER

  
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JOHN M. KELLY, SECRETARY