

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

*Carroll
Mailed
1-4-60
JK*

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



Mobil Oil Company

A Division of Socony Mobil Oil Company, Inc.

P. O. Box 2406
Hobbs, New Mexico

December 24, 1959

Case 1862

*Can't
Shouldn't this go
to Energy?
8/16*

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-Tc	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,

SOCCNY MOBIL OIL COMPANY, INC.

Handwritten notes:
L...
M...
1.4.60

C. H. Samples
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)

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 commingling 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 commingling 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 commingling; and provided further that the actual commercial value of such commingled 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 commingle 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 commingled 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 commingle and furnished a complete copy of the application.

The Secretary-Director may approve the commingling 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.

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

SIMMS BUILDING

P. O. BOX 466

ALBUQUERQUE, NEW MEXICO

TELEPHONE CHAPEL 3-4514

December 29, 1959

JOHN F. SIMMS (1885-1954)

J. R. MODRALL
AUGUSTUS T. SEYMOUR
JAMES E. SPERLING
JOSEPH E. ROEHL
GEORGE T. HARRIS
DANIEL A. SISK
DEAN P. KIMBALL
LELAND S. SEDBERRY
BURNS H. ERREBO
ALLEN C. DEWEY

*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

BHE/b
enclosures

Handwritten notes:
BHE/b
1-4-60
[Signature]

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