

# El Paso Natural Gas Company

El Paso, Texas 79999

July 22, 1968

*Hearing*

*Case  
3834*

New Mexico Oil Conservation Commission  
Post Office Box 2088  
Santa Fe, New Mexico 87501

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

RE: Suspension Balancing Provision Rule 14-A, Underproduction  
and 15-A, Overproduction, of Order R-1670

Gentlemen:

El Paso Natural Gas Company hereby requests a hearing ~~on~~ *see*  
~~an examiner~~ to consider suspension for a period of one year from  
August 1, 1968 of the balancing provision of Rule 14-A (underproduction)  
and Rule 15-A (overproduction) of order No. R-1670 as amended.

Because of past high market demand from this area and the  
assignment of the allowables in some months to wells that were incapable  
of producing it, El Paso has had to overproduce capable wells to the  
extent that a number of wells representing substantial deliverability  
may be shut-in for unbalanced overproduction effective August 1, 1968.  
It appears that sufficient deliverability will be shut-in to create a  
hardship on El Paso in meeting its market demand for gas from the San  
Juan Basin area during certain periods of the winter of 1968-1969.

As these rules and this order pertain to wells in the pro-  
rated gas pools of northwest New Mexico in San Juan, Rio Arriba, and  
Sandoval Counties, we, therefore, request an August hearing date so  
that this matter can be heard prior to the time normal cancellation  
and redistribution of prorated pools in the San Juan Basin takes place  
in order to avoid the burden of reinstating underages and releasing  
for production wells that have been ordered shut-in for overproduction.

Yours very truly,

*Robert A. Meyer*

Robert A. Meyer  
Attorney, Office of  
General Counsel

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RAM/am

cc: F. M. Woodruff  
H. P. Logan  
A. M. Derrick  
D. E. Rainey

DOCKET MAILED

Date 8-1-68  
*M*