

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION ON ITS OWN MOTION TO CONSIDER THE PROMULGATION OF AN ORDER PROHIBITING THE FLARING OR VENTING OF CASINGHEAD GAS IN THE STATE OF NEW MEXICO ON OR AFTER DECEMBER 31, 1970, WHEN CERTAIN CONDITIONS EXIST.

CASE No. 4453
Order No. R-4070

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 18, 1970, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 1st day of December, 1970, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, 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 substantial amounts of casinghead gas produced from oil wells in the State of New Mexico are presently being flared or vented to the atmosphere.

(3) That the flaring or venting to the atmosphere of substantial amounts of casinghead gas results in the unnecessary or excessive surface loss or destruction without beneficial use of much of such natural gas.

(4) That in order to prevent the unnecessary or excessive surface loss of a valuable natural resource, the wasteful flaring or venting of casinghead gas should be prohibited.

(5) That in order to prevent waste, the flaring or venting of casinghead gas, except as provided in this order, produced by

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oil wells located in pools having gas gathering facilities should be prohibited on or after January 1, 1971, or 60 days from the date such well is completed, whichever is later.

(6) That in order to prevent waste, the flaring or venting of casinghead gas, except as provided in this order, produced by oil wells completed on or after January 1, 1971, for more than 60 days following completion of said wells should be prohibited.

IT IS THEREFORE ORDERED:

(1) That, except as provided in this order, no casinghead gas produced from any well in this state located in a pool having a gas gathering facility shall be flared or vented on or after January 1, 1971, or 60 days from the date such well is completed, whichever is later.

(2) That, except as provided in this order, no casinghead gas produced from any well in this state completed after January 1, 1971, shall be flared or vented after 60 days following completion of the well.

(3) That any operator who desires to obtain an exception to the foregoing provisions shall file an application in triplicate with the appropriate district office of the Oil Conservation Commission upon a form designated by the Commission. The district supervisors are hereby authorized to grant such exception whenever the granting of the exception is reasonably necessary to protect correlative rights, prevent waste or prevent undue hardship on the applicant. The district supervisor shall either grant the exception within 10 days after receipt of the application or refer it to the Secretary-Director of the Commission who will advertise the matter for public hearing if a hearing is desired by the applicant.

(4) That the flaring or venting by an operator of gas from any well in violation of this order will result in suspension of the allowable of the affected well or wells.

(5) That no extraction plant processing any gas in the State of New Mexico shall flare or vent such gas unless such flaring or venting is made necessary by mechanical difficulty

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of a very limited temporary nature or unless the gas flared or vented is of no commercial value.

In the event of more prolonged mechanical difficulty or in the event of plant shut-downs or curtailment because of scheduled or non-scheduled maintenance or testing operations or other reasons, or in the event a plant is unable to accept, process, and market all of the casinghead gas produced by wells connected to its system, the plant operator shall notify the Commission as soon as possible of the full details of such shut-down or curtailment, following which the Commission will take such action as is necessary to reduce the total flow of casinghead gas to such plant.

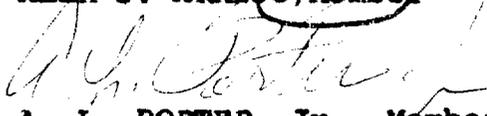
(6) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

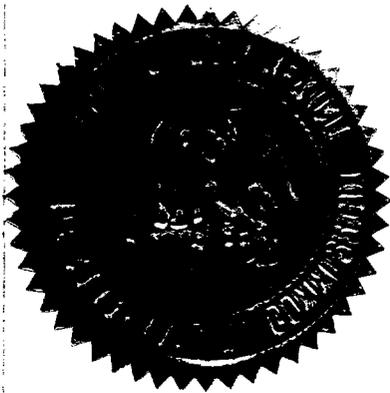
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


DAVID F. CARGO, Chairman


ALEX J. ARMIJO, Member


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



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