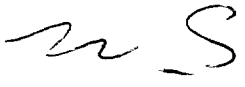


CAMPBELL & BLACK, P.A.  
LAWYERS

JACK M. CAMPBELL  
BRUCE D. BLACK  
MICHAEL B. CAMPBELL  
WILLIAM F. CARR  
BRADFORD C. BERGE  
MARK F. SHERIDAN  
WILLIAM P. SLATTERY  
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SUITE 1 - 110 NORTH GUADALUPE  
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TELEPHONE: (505) 988-4421  
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July 30, 1991

HAND-DELIVERED



William J. LeMay, Director  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
State Land Office Building  
Santa Fe, New Mexico 87503

**RECEIVED**

JUL 30 1991  
OIL CONSERVATION DIV.  
SANTA FE

Re: Oil Conservation Division Case No. 10368:  
In the Matter of the Application of Johnny G. Jones for Compulsory Pooling,  
Lea County, New Mexico

Dear Mr. LeMay:

Johnny G. Jones respectfully requests that this matter which is currently set on the docket for the August 8, 1991 Examiner hearings be continued to the August 22, 1991 Examiner docket.

Your attention to this matter is appreciated.

Very truly yours,

  
WILLIAM F. CARR

WFC:mlh

cc: Mr. Johnny G. Jones

**RECEIVED**

BEFORE THE

JUL 30 1991

OIL CONSERVATION DIVISION

OIL CONSERVATION DIV.  
SANTA FE

NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN THE MATTER OF THE APPLICATION  
OF JOHNNY G. JONES FOR COMPULSORY  
POOLING, LEA COUNTY, NEW MEXICO.

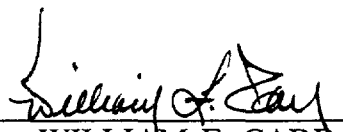
CASE NO. 10368

ENTRY OF APPEARANCE

COMES NOW CAMPBELL & BLACK, P.A., and hereby enters its appearance in  
the above referenced case on behalf of Johnny G. Jones.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By:   
WILLIAM F. CARR  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
Telephone: (505) 988-4421

ATTORNEYS FOR  
JOHNNY G. JONES

CAMPBELL & BLACK, P.A.  
LAWYERS

JACK M. CAMPBELL  
BRUCE D. BLACK  
MICHAEL B. CAMPBELL  
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August 20, 1991

HAND-DELIVERED

William J. LeMay, Director  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
State Land Office Building  
Santa Fe, New Mexico 87503

**RECEIVED**

AUG 21 1991

OIL CONSERVATION DIV.  
SANTA FE

*[Handwritten signature]*  
8-21-91

Re: Oil Conservation Division Case No. 10368  
In the Matter of the Application of Johnny G. Jones for Compulsory Pooling,  
Lea County, New Mexico

Dear Mr. LeMay:

Johnny G. Jones requests that the above-captioned case which is currently scheduled for hearing before a Division Examiner on August 22, 1991 be dismissed.

Your attention to this matter is appreciated.

Very truly yours,

*[Handwritten signature of William F. Carr]*  
WILLIAM F. CARR

WFC:mlh

cc: Mr. Dee Anderson  
8965 Old Southwick Pass  
Alpharetta, Georgia 30202

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

BRUCE KING  
GOVERNOR

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

MEMORANDUM

TO: ALL PRODUCERS, PURCHASERS AND TRANSPORTERS OF  
GAS FROM ALL PRORATED GAS POOLS IN NEW MEXICO

FROM: WILLIAM J. LEMAY, DIRECTOR *WJL*

SUBJECT: COMMISSION HEARING ON AUGUST 29, 1991, CONCERNING  
PRORATED GAS ALLOWABLES FOR OCTOBER 1991 - MARCH 1992

DATE: AUGUST 5, 1991

A Commission Hearing will be scheduled for August 29, 1991 for the purpose of receiving nominations and other testimony and information to assist the Commission in determining prorated gas allowables for the Oct. '91 through Mar. '92 allocation period. The assistance of all segments of the natural gas industry is needed in this process so you are urged to attend the hearing and participate.

The following information is being distributed along with this memo:

- o PRELIMINARY ALLOWABLE ESTIMATES FOR EACH POOL.
- o EXPLANATIONS FOR POOL ALLOWABLE ADJUSTMENTS
- o COMPARISON OF MONTHLY AVERAGE POOL ALLOWABLES, SALES, F1 AND F2 FACTORS.
- o COMPARISON OF APRIL AND MAY, 1991 SALES VOLUMES TO ALLOWABLES.
- o REQUESTED FORMAT FOR NOMINATIONS - FORM C-121-A.

Nominations may be submitted prior to or at the August 29 Hearing. Nominations and other information presented at the hearing will be used to revise the preliminary allowables and assign final allowables for the allocation period.

dr/

PRELIMINARY ALLOWABLE ESTIMATES  
 MARKET DEMAND AND ALLOWABLE DETERMINATION SCHEDULE  
 FOR OCT 91 THRU MAR 92  
 PRORATED GAS POOLS - SOUTHEAST NEW MEXICO

ATOKA PENN RLINEBRY BUFFALO BURTON FLAT CARLSBAD CATELAN ELDONHT INDIAN BASIN INDIAN BASIN JALMHT JUSTIS RL TUBB  
 VALLEY PENN MORROW MORROW DRAW MORROW MORROW MORROW UPPER PENN

(1) AVERAGE MONTHLY POOL SALES  
 OCT 90-MAR 91  
 ALL VOL.S ARE IN MCF

113,402	409,780	203,184	424,072	221,417	136,500	2,315,225	204,393	3,372,080	905,099	39,437	213,916
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(2) TOTAL NOMINATIONS  
 AVERAGE MONTHLY VOLUMES

(3) ADJUSTMENTS

27,000	73,000			72,000	14,000	96,253	27,000	188,000	340,391	6,000	60,000
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(4) MONTHLY POOL ALLOWABLE  
 OCT 91-MAR 92  
 (LINE 1 + LINE 3)

140,402	482,780	203,184	424,072	293,417	150,500	2,411,478	231,393	3,560,080	1,245,490	45,437	273,916
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(5) MONTHLY MARGINAL  
 POOL ALLOWABLE FOR  
 OCT 91-MAR 92

30,622	160,459	118,747	183,646	213,958	92,289	1,373,502	75,247	2,542,065	842,890	14,065	162,954
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(6) MONTHLY NON-MARGINAL  
 POOL ALLOWABLE  
 OCT 91-MAR 92  
 (LINE 4 MINUS LINE 5)

109,780	322,321	84,437	240,376	79,459	58,211	1,037,976	156,146	1,018,015	402,600	31,372	110,962
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(7) NUMBER OF NON-MARGINAL  
 AVERAGE FACTORS

3.42	10.75	2.00	6.88	3.97	2.00	56.72	0.86	5.49	22.00	9.00	11.00
------	-------	------	------	------	------	-------	------	------	-------	------	-------

(8) MONTHLY AVERAGE  
 ALLOCATION FACTOR:  
 OCT 91-MAR 92 FI  
 (LINE 6 DIVIDED BY LINE 7)

32,099	29,985	42,219	34,938	20,015	29,106	18,300	181,565	185,431	18,300	3,486	10,087
--------	--------	--------	--------	--------	--------	--------	---------	---------	--------	-------	--------

OCT 91-MAR 92 FI FACTORS FOR OTHER POOLS  
 BURTON FLAT STRAWN FI=10,000  
 MONUMENT MCKEE ELLEN FI=25,000

PRELIMINARY ALLOWABLE ESTIMATES  
 MARKET DEMAND AND ALLOWABLE DETERMINATION SCHEDULE  
 FOR OCT 91 THRU MAR 92  
 PRORATED GAS POOLS - NORTHWEST NEW MEXICO

	BASIN	BLANCO	BLANCO	BLANCO	TAPACITTO
	DALOTA	MESAVERDE	P.C. SOUTH		
(1) AVERAGE MONTHLY POOL SALES OCT 90-MAR 91 ALL VOL.S ARE IN MCF	8,039,435	14,122,492	1,204,658	207,577	
(2) TOTAL MONTHLY SALES AVERAGE MONTHLY VOLUMES					
(3) ADJUSTMENTS		46,000			
(4) MONTHLY POOL ALLOWABLE OCT 91-MAR 92 (LINE 1 + LINE 3)	8,039,435	14,168,492	1,204,658	207,577	
(5) MONTHLY MARGINAL POOL ALLOWABLE FOR OCT 91-MAR 92	4,228,404	6,687,524	515,461	82,453	
(6) MONTHLY NON-MARGINAL POOL ALLOWABLE OCT 91-MAR 92 (LINE 4 MINUS LINE 5)	3,811,031	7,480,968	725,197	125,124	
(7) NUMBER OF NON-MARGINAL ACREAGE FACTORS	433.65	599.93	456.61	91.74	
(8) NUMBER OF NON-MARGINAL ACREAGE & DELIVERABILITY FACTORS	205,993	434,101	27,355	9,277	
(9) MONTHLY ACREAGE ALLOCATION FACTOR FOR OCT 91-MAR 92, F1	5,273	3,117	397	341	
(10) MONTHLY ACREAGE & DELIV ALLOCATION FACTOR FOR OCT 91-MAR 92, F2	7.40	12.92	19.88	10.12	

## EXPLANATION FOR POOL ALLOWABLE ADJUSTMENTS

Prorated Gas Pools - Oct '91-Mar '92

<u>POOL</u>	<u>ADJUSTMENT MCF PER MONTH</u>	<u>REASON FOR ADJUSTMENT</u>
Atoka Penn	27,000	Overproduction
Blinebry	73,000	"
Carlsbad Morrow	72,000	Overproduction and Recent Production Volumes
Catclaw Draw	14,000	Overproduction
Eumont	98,253	Minimum Allowable
Indian Basin Morrow	27,000	Overproduction
Indian Basin Upper Penn	188,000	"
Jalmat	340,391	Minimum Allowable
Justis	6,000	Recent Production
Tubb	60,000	" "
Blanco Mesaverde	46,000	Overproduction

Monthly Marginal Pool Allowables for Oct '91-Mar '92 are estimated based on Apr and May, 1991 Pool Sales Volumes.

COMPARISON OF MONTHLY AVERAGE  
FOUL ALLOWABLES, SALES, F1 AND F2 FACTORS

PERIOD	ATOKA PENN	CLINEBRY	RUFFALO VALLEY PENN	HUNTON FLAT MURKUM	CARLSTAD MURKUM	CATLAW DRUM
OCT 89-MAR 90	90,502	584,153	226,422	507,581	333,609	231,865
FOUL ALLOWABLE;MCF PER MU	88,473	445,221	207,501	392,388	256,256	126,029
F1	10,193	234,78	33,519	18,931	34,790	31,079
OCT 90-MAR 91	100,273	441,816	239,674	544,365	200,077	146,514
FOUL ALLOWABLE;MCF PER MU	113,402	409,780	203,184	424,022	221,417	156,500
F1	17,180	21,879	33,489	39,884	10,517	21,757
OCT 91-MAR 92	140,402	482,780	203,184	424,022	293,417	150,500
FOUL ALLOWABLE;MCF PER MU	32,099	29,983	42,219	34,938	20,015	29,106
F1						

PERIOD	EUMONT	IND. BASIN MURKUM	IND. BASIN WFER PENN	JALPAT	JUSTIS GLORIETA	TURR
OCT 89-MAR 90	2,279,715	90,717	3,187,359	775,942	57,744	338,032
FOUL ALLOWABLE;MCF PER MU	1,779,169	78,348	3,052,361	855,488	60,222	289,732
F1	13,965	47,191	132,760	7,184	3,575	8,383
OCT 90-MAR 91	2,234,375	209,172	3,431,660	973,904	46,147	236,501
FOUL ALLOWABLE;MCF PER MU	2,315,225	204,393	3,372,080	905,099	39,437	213,916
F1	16,991	159,687	173,285	13,912	3,541	10,127
OCT 91-MAR 92	2,411,178	231,393	3,560,080	1,245,490	45,437	273,916
FOUL ALLOWABLE;MCF PER MU	18,300	181,565	185,431	18,300	3,486	10,087
F1						

PERIOD	BASIN DAKOTA	BLANCO MESAVARDE	BLANCO P.C. SOUTH	TAPACITO
OCT 89-MAR 90	12,242,569	16,894,172	1,797,464	449,567
FOUL ALLOWABLE;MCF PER MU	10,302,401	14,990,087	1,115,864	318,270
F1	4,528	2,629	375	488
F2	8.14	13.44	17.16	19.14
OCT 90-MAR 91	9,416,739	15,731,709	1,508,811	332,221
FOUL ALLOWABLE;MCF PER MU	8,039,435	14,122,492	1,204,658	207,577
F1	5,676	3,690	483	546
F2	7.83	15.78	23.18	17.07
OCT 91-MAR 92	8,039,435	14,168,492	1,204,658	207,577
FOUL ALLOWABLE;MCF PER MU	5,273	3,117	397	341
F1	7.40	12.92	19.88	10.12
F2				



**COMPARISON OF APRIL AND MAY 1991 SALES VOLUMES  
AND ALLOWABLES; MCF PER MONTH**

**NEW MEXICO PRORATED GAS SALES**

<u>POOL</u>	<u>APR-SEP 1991 MONTHLY ALLOWABLE</u>	<u>AVG. MONTHLY SALES APR.-MAY, 1991</u>
Atoka Penn	107,414	101,987
Blinebry	368,926	423,780
Buffalo Valley Penn	221,054	151,296
Burton Flat Morrow	481,903	303,122
Carlsbad Morrow	252,148	252,452
Catclaw Draw Morrow	161,064	102,195
Eumont	2,278,783	2,112,369
Indian Basin Morrow	144,974	167,651
Indian Basin Upper Penn	3,166,406	3,231,461
Jalmat	1,148,663	1,091,336
Justis Glorieta	43,021	44,499
Tubb	266,658	245,611
Basin Dakota	8,552,554	6,359,286
Blanco Mesaverde	13,546,300	13,862,223
Blanco P.C. South	1,242,564	991,596
Tapacito	234,518	177,580

**OIL CONSERVATION DIVISION**

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

**PURCHASER'S GAS NOMINATIONS**

<b>COMPANY</b> Name of Purchaser or Transporter	<b>ADDRESS</b> Address of Purchaser or Transporter
--	---

In accordance with the Rules and Regulations of the Oil Conservation Division of the State of New Mexico, the above named company herewith submits its nominations for the purchase of gas from the Pool Name\*

Pool for the month shown below: (insert in appropriate month)

MONTH	YEAR	NOMINATION, MCF
APRIL		
MAY		
JUNE		
JULY		
AUGUST		
SEPTEMBER		
OCTOBER	1991	30,000
NOVEMBER	1991	30,000
DECEMBER	1991	40,000
JANUARY	1992	40,000
FEBRUARY	1992	30,000
MARCH	1992	30,000

NOTE: All Volumes are to be MCF at 15.025 psia and 60° F.

Signature \_\_\_\_\_ Printed Name & Title \_\_\_\_\_ Date \_\_\_\_\_ Telephone No. \_\_\_\_\_

**FILING INSTRUCTIONS:** One copy of this form must be filed with the Santa Fe Office of the Division by the first day of the month during which the nominations are to be considered at public hearing.

\*Please file a separate form for each pool for which a nomination is made.

