

**BACKGROUND ON EXEMPTION FROM
DELIVERABILITY TESTING RULES**

- April, 1953 - Order R-333, Gas Well Testing Rules and Procedures for San Juan Basin Area, provided for annual deliverability testing.
- March, 1973 - Order R-333-F-1 provided for biennial deliverability testing and first exemptions from deliverability tests at 12,000 MCF/year for Pictured Cliffs and 24,000 MCF/year for deeper formations.
- October, 1979 - Order R-333-F-2A provided revised criteria for exemptions from deliverability tests for wells with at least 3 months production history and an average of 1,000 MCF/month for Pictured Cliffs and 2,000 MCF/month for deeper formations during month produced within the preceding 12-month period. Also provides exemption criteria for gas wells on multiple well proration units.
- November, 1983 - Order R-1670X and R-333-F-2-B reclassified all Pictured Cliffs wells producing 250 MCF/month as non-marginal and provided revised criteria for exemptions from deliverability tests at average of 250 MCF/month for Pictured Cliffs wells.
- September, 1987 - Order R-333-I superseded all previous orders and created current "Rules of Procedures for Northwest New Mexico".