

CASE 6091: OCC TO CONSIDER THE
AMENDMENT OF RULE 405 OF THE COMMISSION
RULES, ADOPTION OF NEW RULE 1131 AND
A NEW FORM C-131

R-5635

Case Number

6091

Application

Transcripts.

Small Exhibits

FTR



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 2088 - SANTA FE
87501



DIRECTOR
JOE D. RAMEY

LAND COMMISSIONER
PHIL R. LUCERO
February 2, 1978

STATE GEOLOGIST
EMERY C. ARNOLD

Mr. Ken Bateman
White, Koch, Kelly & McCarthy
Attorneys at Law
Post Office Box 787
Santa Fe, New Mexico

Re: CASE NO. 6091
ORDER NO. R-5635

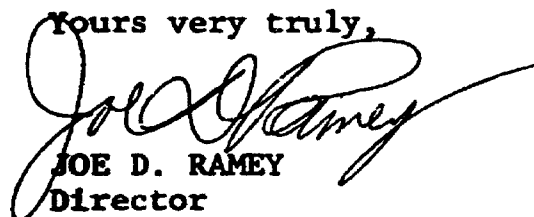
Applicant:

Oil Conservation Commission

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Yours very truly,


JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCC X
Artesia OCC X
Aztec OCC X

Other Vic Lyon, Rick Tully

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

CASE NO. 6091
Order No. R-5635

IN THE MATTER OF THE HEARING CALLED BY
THE OIL CONSERVATION COMMISSION ON ITS
OWN MOTION TO CONSIDER THE AMENDMENT OF
RULE 405 OF THE COMMISSION RULES, THE
ADOPTION OF A NEW RULE 1131, AND A NEW
FORM C-131, ALL FOR THE PURPOSE OF
REPORTING GAS INJECTIONS AND WITHDRAWALS
IN UNDERGROUND NATURAL GAS STORAGE PROJECTS.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 30, 1977,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 31st day of January, 1978, the Commission,
a quorum being present, having considered the testimony, the
record, and the recommendations of the Examiner, 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 the Commission has heretofore authorized the
construction and use of facilities for the underground storage
of natural gas in this State.
- (3) That there is need to know the volume of gas injected
each month into such underground storage projects, the volume of
gas withdrawn each month from them, and the volume of gas in
storage and the pressure thereof at the end of each month.
- (4) That in order for the Commission to receive the above-
described data concerning underground gas storage projects from
the operators thereof, the Commission should adopt a form for
the reporting of such data.
- (5) That the data form adopted by the Commission should be
as shown by Exhibit "A" attached hereto and by reference made a
part hereof and should be entitled, "Form C-131, Monthly Gas
Storage Report."
- (6) That a new Rule 1131 governing the filing of said Form
C-131 should be adopted by the Commission, and said Rule should
read in its entirety as follows:

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Case No. 6091
Order No. R-5635

"RULE 1131. MONTHLY GAS STORAGE REPORT (Form C-131)

Each operator of an underground natural gas storage project shall report its operation monthly on Form C-131. Form C-131 shall be filed in duplicate (one copy to the Santa Fe Office of the Commission and one copy to the appropriate district office) and shall be postmarked not later than the 24th day of the next succeeding month."

(7) That Rule 405 of the Commission Rules and Regulations, which relates to "Storage Gas" should be amended by the addition thereto of the following phrase:

"(See Rule 1131)"

(8) That an order embodying the above findings and the amendments, rules and forms described herein is in the interest of conservation, will not impair correlative rights nor cause waste, and should be adopted.

IT IS THEREFORE ORDERED:

(1) That Form C-131, Monthly Gas Storage Report, as shown by Exhibit "A" attached hereto and by reference made a part hereof, is hereby adopted for use by operators of underground natural gas storage projects in the State of New Mexico.

(2) That new Rule 1131 of the Commission Rules and Regulations is hereby adopted, to read in its entirety as follows:

"RULE 1131. MONTHLY GAS STORAGE REPORT (Form C-131)

Each operator of an underground natural gas storage project shall report its operation monthly on Form C-131. Form C-131 shall be filed in duplicate (one copy to the Santa Fe Office of the Commission and one copy to the appropriate district office) and shall be postmarked not later than the 24th day of the next succeeding month."

(3) That Rule 405 of the Commission Rules and Regulations is hereby amended to read in its entirety as follows:

"RULE 405. STORAGE GAS

With the exception of the requirement to meter and report monthly the amount of gas injected and the amount of gas withdrawn from storage, in the absence of waste these rules and regulations shall not apply to gas being injected into or removed from storage. (See Rule 1131.)"

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Case No. 6091
Order No. R-5635

(4) That this order and the amendments, rules, and forms described herein shall become effective at 7 o'clock a.m. February 1, 1978.

(5) 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

PHIL R. LUCERO, Chairman



Emery C. Arnold
EMERY C. ARNOLD, Member

Joe D. Ramey
JOE D. RAMEY, Member & Secretary

S E A L

jr/

NEW MEXICO OIL CONSERVATION COMMISSION
P.O. BOX 2088, SANTA FE, NEW MEXICO 87501

MONTHLY GAS STORAGE REPORT

(COMPANY) _____ (ADDRESS) _____
NAME OF STORAGE PROJECT: _____ COUNTY _____ REPORT MONTH _____

WELL NAME AND NUMBER	LOCATION				INJECTION (MCF)	WITH- DRAWAL (MCF)
	UNIT	SEC.	TWP.	RANGE		

LLANO, INC.

PHONE 393-2153

P. O. DRAWER 1320

HOBBS, NEW MEXICO 88240

December 14, 1977

010 1977

Oil Conservation Commission
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Written Comments Relative to
Case No. 6091

Gentlemen:

Llano, Inc., offers the following comments relative to Case No. 6091 currently before the Commission upon its own motion.

Rule 405. Gas Storage.
No Comments.

Rule 1131.

1. Form C-131 - Postmark Requirement.

Llano requests that the proposed Form C-131 be required a postmark date not later than the 20th day of the first succeeding month. At least twenty days are required for the handling of Llano's gas measurement charts including transportation to and from Dallas, Texas, for integration by the John P. Squier Company.

2. Form C-131 - Wellhead Pressure.

The rule regarding Form C-131 should specifically state whether or not the requested wellhead pressure should be an injection pressure, a shut-in pressure or a flowing tubing pressure; and whether the reported pressure is to be an average pressure or the maximum pressure during the reporting period. If shut-in pressure is required, should the duration of the shut-in interval also be reported? It should be kept in mind that due to the nature of operation of Llano's storage facility, a well may experience injection, withdrawal and shut-in intervals all within the same reporting period, and the corresponding wellhead pressures may vary from 3600 PSIG to 800 PSIG during that same period.

Very truly yours,

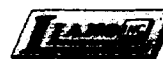
LLANO, INC.



Al Klaar
Manager of Natural Gas and
Petroleum Engineering

SLC:saw
xc: Donald L. Garey
G. W. Edwards

Llano File No. E12.27.77



NEW MEXICO OIL CONSERVATION COMMISSION
P.O. BOX 2088, SANTA FE, NEW MEXICO 87501

MONTHLY GAS STORAGE REPORT

(COMPANY) _____ (ADDRESS) _____
NAME OF STORAGE PROJECT: _____ COUNTY _____ REPORT MONTH _____

WELL NAME AND NUMBER	LOCATION				INJECTION (MCF)	WITH- DRAWAL (MCF)
	UNIT	SEC.	TWP.	RANGE		
TOTALS						

TOTAL CAPACITY (MMCF) _____ CALCULATED RESERVOIR
PRESSURE @ END OF MONTH _____
BEGINNING STORAGE (MMCF) _____ I hereby certify that this report is true and complete to the best of my knowledge and belief.
NET CHANGE (MMCF) _____ By _____
ENDING STORAGE (MMCF) _____ Title _____ Date _____

Dockets Nos. 39-77 and 1-78 are tentatively set for hearing on December 14, 1977 and January 4, 1978. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - NOVEMBER 30, 1977

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

CASE 6089: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider the amendment of Rules 701, 702, 703, 704, and 705 of the Commission Rules governing applications for approval of injection wells and projects, well construction and operations standards, reports and records requirements, and automatic termination of authorization for abandoned wells or projects.

• Please see proposed rules enclosed.

CASE 6090: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider the amendment of Rule 107 of the Commission Rules to provide a requirement for the determination of cement tops outside all casing strings by means of temperature or mechanical surveys.

Please see proposed rule enclosed.

CASE 6091: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider the amendment of Rule 405 of the Commission Rules, the adoption of a new Rule 1131, and a new Form C-131, all for the purpose of reporting gas injections and withdrawals in underground natural gas storage projects.

Please see proposed rule and amended form enclosed.

CASE 6092: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider the reclassification of the following pressure maintenance projects as secondary recovery projects: The Amoco Baskett and Wasley Projects, and the Union Texas Baskett Project, all in Cato-San Andres Pool, Chaves County, New Mexico. The Amoco Horton Project, Milnesand-San Andres Pool, Roosevelt County, New Mexico. The Midwest Project, Nonombre-Pennsylvanian Pool, the Coastal States Flying "M" Project, Flying M-San Andres Pool, and the Mobil Vacuum Middle Penn Project, Vacuum-Middle Pennsylvanian Pool, all in Lea County, New Mexico. Also to be considered will be the amendment of the orders authorizing said projects to reflect the aforesaid reclassification.

CASE 6093: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider the reclassification of the following pressure maintenance projects as secondary recovery projects: The Atlantic Richfield Horseshoe Gallup Unit Project, the Energy Reserves Group Horseshoe Gallup Project No. 3 and Northeast Hogback Unit Project, and the Engineering and Production Services Horseshoe Gallup Project No. 2, all in Horseshoe Gallup Oil Pool, the Engineering and Production Services Many Rocks Gallup Project No. 1, Getty Many Rocks Gallup Project No. 3, and the J. P. Woosley Many Rocks Gallup Project No. 4, all in the Many Rocks-Gallup Oil Pool; the Dugan Central Cha Cha Project and the Suburban Propane Northwest Cha Cha Unit Project, both in Cha Cha-Gallup Oil Pool; and the Shell Carson Unit Project, Bisti-Gallup Oil Pool, all in San Juan County, New Mexico. The Tenneco Lower Hospah Project, South Hospah-Lower Sand Oil Pool; South Upper Hospah Project, South Hospah-Upper Sand Oil Pool; and Lone Pine Dakota D Unit Project, Lone Pine Dakota D Oil Pool, all in McKinley County, New Mexico. Also to be considered will be the amendment of the orders authorizing said projects to reflect the aforesaid reclassification.

CASE 6094: In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider the repeal of Commission Order No. 67 and the amendment of Rule 406 of the Commission Rules, both of which relate to carbon dioxide gas. The repeal of said Order 67 and the amendment of Rule 406 would be for the purpose of abolishing the existing special rules for carbon dioxide exploration, development, and processing, and placing such activities under the general rules of the Commission.

**INJECTION WELL
CONSTRUCTION AND OPERATION STANDARDS
RULE 702.**

A. Casing and Cementing Requirements

Wells used for injection of gas, air, water, or other fluids shall be cased with safe and adequate casing or tubing so as to prevent leakage and such casing or tubing shall be so set and cemented that damage will not be caused to oil, gas, or fresh water resources.

B. Tubing and Packer Requirements

Wells used for injection of gas, air, water or other fluids shall be equipped with a string of tubing set in a packer set within 100 feet of the uppermost perforations, or in the case of open-hole completions within 100 feet of the casing shoe. If the gas or fluid to be injected is corrosive, the tubing shall be protected by a non-reactive internal coating, addition of corrosion control chemicals to the injected stream, or both.

The annular space between the tubing and casing shall be equipped in such a manner as to permit the detection of the failure of the tubing or packer.

C. Injection Pressure Requirements

Wells used for injection of gas, air, water, or other fluids shall be equipped in such a manner as to limit the injection pressure. The pressure limitation shall be such as to prevent the fracturing of the strata confining the injected fluid.

D. Reporting of Leaks or Mechanical Failures

The operator of any injection project, storage project, salt water disposal well or special purpose injection well shall report the failure of the casing, tubing, or packer in any injection well, or the leakage of air, gas, water, liquid hydrocarbons or any other fluid from or around any injection well or any producing or plugged well offsetting such injection well or within such project. Such notice shall be given in accordance with the provisions of Rule 116.

RULE 703. COMMENCEMENT, DISCONTINUANCE, AND ABANDONMENT OF INJECTION OPERATIONS

The following provisions shall apply to all injection projects, storage projects, salt water disposal wells and special purpose injection wells:

A. Notice of Commencement and Discontinuance

- (1) Immediately upon the commencement of injection operations in any well, the operator shall notify the Commission of the injection date.
- (2) Within 30 days after the discontinuance of injection operations in any well the operator shall notify the Commission of the date of such discontinuance and the reasons therefor.
- (3) Before any intake well shall be plugged, notice shall be served on the Commission by the owner of said well, and the same procedure shall be followed in the plugging of such well as provided for the plugging of oil and gas wells.

B. Abandonment of Injection Operations

- (1) Whenever there shall be a continuous 6 months period of non injection into any injection project, storage project, salt water disposal well, or special purpose injection well such project or well shall be considered abandoned and approval for injection shall be terminated.
- (2) The Secretary-Director, may for good cause shown, administratively grant an extension or extensions of injection authority as an exception to Paragraph (1) above.

RULE 704. RECORDS AND REPORTS

The operator of an injection well or project for secondary recovery or pressure maintenance, gas or petroleum storage, salt water disposal, or injection of any other fluids shall keep accurate records and shall report monthly to the Commission gas or fluid volumes injected, stored,

and/or produced as required on the appropriate form listed below:

- (1) Secondary Recovery on Form C-115;
- (2) Pressure Maintenance on a form approved by the Commission;
- (3) Salt Water Disposal on Form C-120-A;
- (4) Gas or Liquefied Petroleum Gas Storage on Form C-131; and
- (5) Injection of other fluids on a form approved by the Commission.

RULE 705. STORAGE WELLS

The Secretary-Director of the Oil Conservation Commission shall have authority to grant an exception to the requirements of Rule 701-A for the underground storage of liquefied petroleum gas or liquid hydrocarbons in secure caverns within massive salt beds.

Applicants shall furnish all operators within a half-mile radius of the proposed well with a copy of the application to the Commission, and applicant shall include with his application a written stipulation that all operators within a half-mile radius of the proposed well have been properly notified. The Secretary-Director of the Commission shall wait at least ten days before approving any such application, and shall approve any such application only in the absence of objection from any notified operator. In the event that an operator objects to the application the Commission shall consider the matter only after proper notice and hearing.

In addition to the filing requirements of Rule 701 B, the applicant for approval of a storage well under this rule shall file the following:

A. With the Secretary-Director:

- (1) a plugging bond in accordance with the provisions of Rule 101;

B. With the appropriate district office of the Commission in TRIPLICATE:

- (1) Form C-101, Application for Permit to Drill, Deepen, or Plug Back;
- (2) Form C-102, Well Location and Acreage Dedication Plat; and,
- (3) Form C-105, Well Completion or Recompletion Report and Log.

RULE 1131.

Each operator of an underground gas storage project, including projects for the storage of liquefied natural gas or liquefied petroleum gas, shall report such operations on Form C-131. Form C-131 shall be filed in DUPLICATE (one copy with the Santa Fe office and one copy with the appropriate district office) and shall be postmarked not later than the 15th day of the first succeeding month.

RULE 107. CASING AND TUBING REQUIREMENTS

(The following paragraph will be proposed to be added to Rule 107 (a).)

The cement top outside all strings of casing shall be determined by means of a temperature survey or other wireline survey whenever cement is not circulated to the surface.

RULE 405. STORAGE GAS

With the exception of the requirement to meter and report monthly the amount of gas injected and the amount of gas withdrawn from storage in the absence of waste these rules and regulations shall not apply to gas being injected into or removed from storage. (See Rule 1131.)

I- SECONDARY RECOVERY, PRESSURE MAINTENANCE, SALT WATER DISPOSAL, AND HYDROCARBON STORAGE

RULE 701. INJECTION OF FLUIDS INTO RESERVOIRS

A. Permit for Injection Required

The injection of gas, liquefied petroleum gas, air, water, or any other medium into any reservoir for the purpose of hydrocarbon storage, maintaining reservoir pressure, secondary recovery, or the injection of water into any formation for the purpose of water disposal shall be permitted only by order of the Commission after notice and hearing, unless otherwise provided herein.

B. Method of Making Application

Application for original authority for the injection of gas, liquefied petroleum gas, air, water, or any other medium into any formation for any reason, including salt water disposal, or for the expansion of any such injection project by the completion or conversion of additional well(s) shall include the following:

1. A plat showing the location of the proposed injection well(s) and the location of all other wells within a radius of two miles from said proposed injection well(s) and the formation from which said wells are producing or have produced. The plat shall also indicate the lessees, if any there be, within said two-mile radius.
2. A tabular summary of all wells located within one-half mile of the injection well(s) which wells penetrate the injection zone showing all casing strings, setting depths, sacks of cement used, cement tops, total depth, producing interval, well identification, and location. Applications for expansion of projects need not include the tabulation if the same is on file and no additional wells are included.
3. The log of the proposed injection well(s) if same is available.
4. A diagrammatic sketch of the proposed injection well(s) showing all casing strings, including diameters and setting depths, quantities used and tops of cement, perforated or open hole intervals, tubing strings, including diameters and setting depths, and the type and location of packers, if any.

5. A diagrammatic sketch of all plugged and abandoned wells within the one-half mile radius and which have penetrated the injection zone showing all information required under (2) above plus the size and location of all plugs and the date of abandonment. Applications for expansion of projects need not include the schematics if the same are on file and no additional wells are included.
6. Other pertinent information including the name and depth of the zone or formation into which the injection will be made, the kind of fluid to be injected, an analysis of the formation water and water to be injected if any, any calculations of the formation fracture gradient made including data upon which such calculations were based, anticipated injection pressure and volume, and the source of the injection fluid.
7. The depth of any source of potable water and any water having a total dissolved solids concentration of 10,000 mg/l or less above the injection zone within the area set out in 2 above.

C. Salt Water Disposal Wells

The Secretary-Director of the Oil Conservation Commission shall have authority to grant an exception to the requirements of Rule 701-A for water disposal wells only, without notice and hearing, when the waters to be disposed of are mineralized to such a degree as to be unfit for domestic, stock, irrigation, or other general use, and when said waters are to be disposed of into a formation older than Triassic (Lea County only) which is non-productive of oil or gas within a radius of two miles from the proposed injection well, providing that any water occurring naturally within said disposal formation has a total dissolved solids concentration in excess of 10,000 mg/l or has a total dissolved solids concentration in excess of the fluid to be injected and that such injection will not render unfit for such use underground waters which are sources or potential sources for domestic, stock, irrigation, and/or other general use.

To obtain such administrative approval, operator shall submit in TRIPPLICATE Commission Form C-108, Application to Dispose of Salt Water by Injection Into a Porous Formation, said application to be filed in accordance with Rule 701-B above. Copies of the application shall also be sent to all offset operators and to the surface owner of the land upon which the well is located.

If no objection is received within 15 days from the date of receipt of the application, and the Secretary-Director is satisfied that all of the above requirements have been complied with, and that the well is to be cased and cemented in such a manner that there will be no danger to oil, gas, or usable water reservoirs, an administrative order approving the disposal may be issued. In the event that the application is not granted administratively, it shall be set for public hearing, if the operator so requests.

The Commission may dispense with the 15-day waiting period if waivers of objection are received from all offset operators and the surface owner.

Project Name _____ Report Month _____

[illegible]

TOTALS: **.....**

TOTAL CAPACITY (150CF/Gallons)	_____
BEGINNING STORAGE (150CF/Gallons)	_____
NET CHANGE (150CF/Gallons)	_____
ENDING STORAGE (150CF/Gallons)	_____

See papers
ind. L.V.

CASE

Case 6091

In the matter of the hearing called by the Oil
Conservation Commission on its own motion
to consider the amendment of Rule 405 of the
Commission Rules, the adoption of a new Rule
1131, and a new Form C-131, all for the purpose
of reporting gas injection and withdrawal in
underground natural gas storage projects

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 6091

Order No. R-5635

IN THE MATTER OF THE HEARING CALLED BY
THE OIL CONSERVATION COMMISSION ON ITS
OWN MOTION TO CONSIDER THE AMENDMENT
OF RULE 405 OF THE COMMISSION RULES, THE
ADOPTION OF A NEW RULE 1131, AND A NEW FORM
C-131, ALL FOR THE PURPOSE OF REPORTING GAS
INJECTIONS AND WITHDRAWALS IN UNDERGROUND
NATURAL GAS STORAGE PROJECTS.
ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 30, 1977
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this _____ day of _____, 1978, the Commission,
a quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, 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 the Commission has heretofore authorized
the construction and use of facilities for the
underground storage of natural gas in this
State.

(3) That there is need to know the volume of
gas injected ^{each month} into such underground storage
projects, the volume of gas withdrawn ^{each month} from
them, and the volume of gas in storage and
the pressure thereof at the end of each month.

(4) That in order for the Commission to receive the above-described data concerning underground gas storage projects ~~with~~ from the operators thereof, the Commission should adopt a form for the reporting of such data.

(5) That the data form adopted by the Commission should be as shown by Exhibit "A" attached hereto and by reference made a part hereof and to; That ~~Rule 405~~ should be entitled, "Form C-131, Monthly Gas Storage Report."

(6) That a new Rule 1131 governing the filing of said Form C-131 should be adopted by the Commission, and said Rule should read in its entirety as follows:

"RULE 1131. MONTHLY GAS STORAGE REPORT (Form C-131)

Each operator of an underground ^{natural} gas storage project shall report its operation monthly on Form C-131. Form C-131 shall be filed in duplicate (one copy to the Santa Fe Office of the Commission and one copy to the appropriate District office) and shall be postmarked not later than the 24th day of the next succeeding month."

(7) That Rule 405 of the Commission Rules and Regulations, which relates to "Storage Fee" should be amended by the addition thereto of the following phrase:

" (See Rule 1131) "

(8) That an order embodying the above findings and the amendments, rules and forms described herein is in the interest of conservation, will not impair consequential rights nor cause waste, and should be adopted.

IT IS THEREFORE ORDERED:

(1) That Form C-131, Monthly Gas Storage Report, as shown by Exhibit "A" attached hereto and ^{by reference} made a part hereof, is hereby adopted for use by operators of underground ~~gas~~ natural gas storage projects in the State of New Mexico.

(2) That, ^{new} Rule 1131 of the Commission Rules and Regulations is hereby adopted, to read in its entirety as follows:

"RULE 1131 MONTHLY GAS STORAGE REPORT (Form C-1131)

Each operator of an underground ^{natural} gas storage project shall report its operation monthly on Form C-131. Form C-131 shall be filed in duplicate (one copy to the Santa Fe Office of the Commission and one copy to the appropriate District Office) and shall be postmarked not later than the 24th day of the next succeeding month."

(3) That Rule 405 of the Commission Rules and Regulations is hereby amended to read in its entirety as follows:

"RULE 405. STORAGE GAS

With the exception of the requirement to meter and report monthly the amount of gas injected and the amount of gas withdrawn from storage, in the absence of waste these rules and regulations shall not apply to gas being injected into or removed from storage. (See Rule 1131.)"

(4) That this order and the ^{amendments,} rules, and forms described herein shall become effective at 7 o'clock a.m. February 1, 1978.

(5) Jurisdiction

DONE at