Entered July 11, 1968 2 LP.

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

ORDER NO. AG-N-27-A

SUPPLEMENTARY GAS PRORATION ORDER FOR THE MONTH OF AUGUST, 1968

The Commission held public hearing at Santa Fe, New Mexico, on July 17, 1968, at 9 o'clock a.m., pursuant to legal notice, for the purpose of setting the allowable production of gas from the following nine gas pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for the month of August, 1968.

Basin-Dakota, Blanco-Mesaverde, Aztec-Pictured Cliffs, Ballard-Pictured Cliffs, Fulcher Kutz-Pictured Cliffs, South Blanco-Pictured Cliffs, Tapacito-Pictured Cliffs, West Kutz-Pictured Cliffs, and Devils Fork-Gallup.

NOW, on this <u>17th</u> day of July, 1968, the Commission, a quorum being present, having considered the supplementary nominations of purchasers, the capacity of producing wells, and being otherwise fully advised in the premises,

FINDS:

(1) That the total nomination of purchasers of gas produced from the above-listed nine gas pools for the month of August, 1968, is 44,867,180 Mcf. The individual pool nominations are as follows:

Basin-Dakota	20,776,000 Mcf
Blanco-Mesaverde	17,421,100 Mcf
Aztec-Pictured Cliffs	874,000 Mcf
Ballard-Pictured Cliffs	1,079,100 Mcf
Fulcher Kutz-Pictured Cliffs	410,700 Mcf
South Blanco-Pictured Cliffs	3,093,800 Mcf
Tapacito-Pictured Cliffs	770,600 Mcf
West Kutz-Pictured Cliffs	253,000 Mcf
Devils Fork-Gallup	188,880 Mcf

(2) That the potential producing capacity of all gas wells in the nine gas pools listed above is in excess of the nominations of purchasers of gas, and in order to prevent waste and protect correlative rights, the production of gas from the above-listed nine gas pools should be limited, allocated, and distributed during the month of August, 1968.

(3) That all the producing gas wells, together with the expected completed or recompleted wells in the nine gas pools listed above, can produce the above stated volumes without causing waste during the month of August, 1968, and an allocation based upon such production would be reasonable and protect correlative rights.

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IT IS THEREFORE ORDERED:

(1) That for the month of August, 1968, the allowable production to be assigned the nine allocated gas pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, is as follows:

Basin-Dakota	20,776,000 Mcf
Blanco-Mesaverde	17,421,100 Mcf
Aztec-Pictured Cliffs	874 , 000 Mcf
Ballard-Pictured Cliffs	1,079,100 Mcf
Fulcher Kutz-Pictured Cliffs	410,700 Mcf
South Blanco-Pictured Cliffs	3,093,800 Mcf
Tapacito-Pictured Cliffs	770,600 Mcf
West Kutz-Pictured Cliffs	253,000 Mcf
Devils Fork-Gallup	188,880 Mcf

(2) That the allocation hereby set for the month of August, 1968, in the nine allocated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, shall be in accordance with the Commission Rules, Regulations, and Orders.

(3) That a proration schedule, duly prepared by the Commission and thereafter adopted for the month of August, 1968, is hereto attached and made a part hereof; it distributes and allocates the allowable production among the gas wells in the nine gas pools listed above for the period stated, in accordance with the Commission Rules, Regulations, and Orders.

The foregoing order shall remain effective until further order of the Commission.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman HAYS Member

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

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