

*Entered November 2, 1959
A.P.*

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. 1781
Order No. R-1513

APPLICATION OF TEXACO, INC. FOR
AN ORDER PERMITTING AN OVERPRO-
DUCED JALMAT GAS WELL IN LEA
COUNTY, NEW MEXICO TO COMPENSATE
FOR ITS OVERPRODUCED STATUS AT A
LESSER RATE THAN COMPLETE SHUT-
IN, IN EXCEPTION TO ORDERS NOS.
R-520 AND R-967

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on September 30, 1959, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 26th day of October, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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 applicant is the owner and operator of the C. C. Fristoe "B" Lease comprising the W/2 SW/4 of Section 31, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, which acreage is dedicated to the NCT-4 Well No. 2, a Jalmat gas well located in the SW/4 SW/4 of said Section 31.

(3) That the said NCT-4 Well No. 2 is more than six times overproduced and is therefore subject to complete shut-in under the provisions of Order R-520 as amended by Order R-967.

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(4) That the applicant requests an exception to said orders to permit the overproduction of the said NCT-4 Well No. 2 to be compensated for at a lesser rate than complete shut-in in order to allow production of sufficient quantities of gas from the casinghead connection for normal lease operation on the C. C. Fristoe "B" Lease and, after metering, for normal lease operations on the applicant's Ogg "A" and "B" Leases; provided, however, that in no event would the total production of gas from said well exceed 2500 MCF per month.

(5) That the El Paso Natural Gas Company connection should be shut-in until the overproduction is made up.

(6) That approval of the subject application will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That an exception to Order R-520, as amended by Order R-967, be and the same is hereby granted to permit the applicant to make up the overproduction of the C. C. Fristoe "B" NCT-4 Well No. 2, located in the SW/4 SW/4 of Section 31, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, at a lesser rate than complete shut-in in order to allow the production of sufficient quantities of gas from the casinghead connection for normal lease operation on the C. C. Fristoe "B" Lease and on the applicant's Ogg "A" and "B" Leases; provided, however, that in no event shall the total production of gas from said well exceed 2500 MCF per month.

PROVIDED HOWEVER, That the gas used on the Ogg "A" and "B" Leases shall be metered before removal from the C. C. Fristoe "B" Lease.

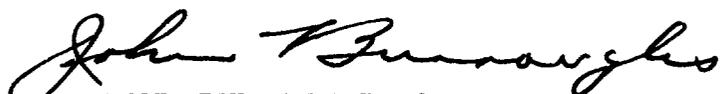
PROVIDED FURTHER, That the El Paso Natural Gas Company connection shall be shut in until the overproduction is made up.

(2) That the effective date of this order is November 1, 1959.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JOHN BURROUGHS, Chairman


MURRAY E. MORGAN Member


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

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