

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

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

CASE NO. 8106
Order No. R-7748

APPLICATION OF CAULKINS OIL
COMPANY FOR EXEMPTION FROM
THE NEW MEXICO NATURAL GAS
PRICING ACT.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing on March 7 and November 7, 1984, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 12th day of December, 1984, the Commission, a quorum being present, having considered the testimony and the exhibits received at said hearing, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, Caulkins Oil Company, is the operator of certain wells located in Rio Arriba County, New Mexico, which are subject to the New Mexico Natural Gas Pricing Act, hereinafter referred to as the "Act" and on November 30, 1983, filed applications seeking exemptions from the pricing provisions of the Act for said wells, all as listed on Exhibit "A" attached to this order.

(3) Said Act applies to any well drilled after January 1, 1975, if it was drilled on an established proration unit which was producing gas or was capable of producing gas from the same reservoir prior to January 1, 1975, unless the Oil Conservation Division exempts such well upon a finding that the drilling of the well was justified for reasons other than avoiding the application of the Act.

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(4) Commission Orders Nos. R-1670-T and R-1670-V authorized a second well on an established gas proration and drilling unit in the Blanco-Mesaverde and Basin-Dakota Pools, respectively, with findings that infill wells were necessary to recover additional gas from those pools.

(5) Each of the wells listed on said Exhibit "A" was completed as an infill well under the terms of one or the other of said orders.

(6) Since the drilling of the second well on each respective proration unit for those wells listed on said Exhibit "A", the applicant has done nothing to restrict the ability of the original well on each of the gas proration and drilling units to produce into the pipeline.

(7) Granting a prospective exemption from the date of application for the wells described in Exhibit "A" attached hereto will not impair correlative rights nor cause waste.

IT IS THEREFORE ORDERED THAT:

(1) Commencing on November 30, 1983, a prospective exemption from the provisions of the New Mexico Natural Gas Pricing Act is hereby granted to those wells operated by Caulkins Oil Company described on Exhibit "A" attached to this order.

(2) 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

JIM BACA, Member

Ed Keldey

ED KELDEY, Member

J. L. Stamets

R. L. STAMETS, Chairman and
Secretary

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WELL NAME AND NO.	LOCATION		POOL NAME(S)
	UL	SEC-TWP-RGE	
Breech A 132 E	D	9-26N-6W	Basin-Dakota
Breech A 136 E	O	10-26N-6W	Basin-Dakota
Breech A 175 E	B	8-26N-6W	Basin-Dakota
Breech A 182 A	C	10-26N-6W	Blanco-Mesaverde
Breech A 204 M	L	9-26N-6W	Blanco-Mesaverde and Basin-Dakota
Breech A 224 A	D	13-26N-7W	Blanco-Mesaverde
Breech A 682 E	E	10-26N-6W	Basin-Dakota
Breech B 123 E	D	7-26N-6W	Basin-Dakota
Breech B 172 E	M	7-26N-6W	Basin-Dakota
Breech C 248	A	13-26N-6W	Blanco-Mesaverde
Breech C 248 E	D	13-26N-6W	Basin-Dakota
Breech C 323 E	P	14-26N-6W	Basin-Dakota
Breech C 389 E	P	13-26N-6W	Basin-Dakota
Breech C 689	L	12-26N-6W	Blanco-Mesaverde
Breech C 689 M	P	12-26N-6W	Basin-Dakota
Breech D 685 E	P	11-26N-6W	Basin-Dakota
Breech E 54 E	P	4-26N-6W	Basin-Dakota
Breech E 64 M	J	1-26N-6W	Blanco-Mesaverde and Basin-Dakota
Breech E 68 E	L	4-26N-6W	Basin-Dakota
Breech E 583 M	L	5-26N-6W	Blanco-Mesaverde and Basin-Dakota
Breech F 4 M	I	33-27N-6W	Blanco-Mesaverde and Basin-Dakota
Breech F 11 M	P	35-27N-6W	Blanco-Mesaverde and Basin-Dakota
State A 113 E	P	2-26N-6W	Basin-Dakota
State A 268 E	P	16-26N-6W	Basin-Dakota
State B 233 E	K	16-26N-6W	Basin-Dakota

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EXHIBIT "A"