

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION COMMISSION

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APR 23 2004

Oil Conservation Division
1220 S. Francis Drive
Santa Fe, NM 87505

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION
THROUGH THE ENGINEERING BUREAU CHIEF, FOR THE AMENDMENT
OF RULE 307

CASE NO. 13268

APPLICATION FOR RULE AMENDMENT

1. The current version of Rule 307 [19.15.14.307 NMAC] provides: "Vacuum pumps or other devices shall not be used for the purpose of creating a partial vacuum in any stratum containing oil or gas."
2. In practice, Rule 307 has prevented the operation of wells and gathering systems at below atmospheric pressure.
3. The Division proposes to amend Rule 307 to allow the operation of wells and gathering systems at below atmospheric pressure if the downstream operators of gathering systems and pipelines agree.
4. Allowing wells and gathering systems to operate at below atmospheric pressure will enhance recovery and further the Division's statutory directive to prohibit underground waste. See NMSA 1978, Sections 70-2-2 and 70-2-3.
5. Requiring operators to secure the agreement of downstream operators prior to operating at below atmospheric pressure will allow the downstream operators to set the standards they believe necessary to protect their gathering system or pipeline from damage.
6. A copy of the proposed amendment to Rule 307 is attached as Exhibit A.

7. A copy of the draft advertisement is attached as Exhibit B.

WHEREFORE, the Engineering Bureau Chief of the Division hereby applies to the Commission to enter an order:

- A. Adopting the amendment to Rule 307 as set forth in Exhibit A hereto.
- ~~4.4.7~~B. Granting such other and further relief as the Commission deems appropriate.

RESPECTFULLY SUBMITTED,



Gail MacQuesten
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19.15.5.307 [~~USE OF VACUUM PUMPS: Vacuum pumps or other devices shall not be used for the purpose of creating a partial vacuum in any stratum containing oil or gas.~~] **OPERATION AT BELOW**

ATMOSPHERIC PRESSURE:

A. A well operator may use vacuum pumps, gathering system compressors or other devices to operate a well or gathering system at below atmospheric pressure only if that operator has:

(1) executed a written agreement with the operator of the downstream gathering system or pipeline to which the well or gathering system so operated is immediately connected allowing operation of the well or gathering system at below atmospheric pressure; and

(2) filed a sundry notice (form C-103) in the appropriate district office of the division for each well operated at below atmospheric pressure or served by a gathering system operated at below atmospheric pressure, notifying the division that the well or gathering system serving the well is being operated at below atmospheric pressure.

B. A gathering system operator may use vacuum pumps, gathering system compressors or other devices to operate the gathering system at below atmospheric pressure, or may accept gas originating from a well operated at below atmospheric pressure or that has been carried by any upstream gathering system operated at below atmospheric pressure, only if that operator has executed a written agreement with the operator of the downstream gathering system or pipeline to which the gathering system is immediately connected allowing operation of upstream wells or gathering systems at below atmospheric pressure.

[1-1-50...2-1-96; 19.15.5.307 NMAC - Rn, 19 NMAC 15.E.307, 5-15-00]

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
EXHIBIT TO A
CASE _____

Draft Advertisement

The Oil Conservation Commission will consider a proposed amendment to 19.15.5.307 NMAC allowing the operation of wells and gathering systems at below atmospheric pressure. The amendment will have state-wide application.

BEFORE THE
OIL CONSERVATION COMMISSION
SANTA FE, NEW MEXICO
EXHIBIT NO. B
CASE _____