SUMMARY OF NMOGA DOWNHOLE COMMINGLING QUESTIONNAIRE BASED UPON 25 TOTAL RESPONSES

1. Oil Allowables:	
	s are limited to the total combined daily rate of nd then increased by 10 bbls per thousand feet:
4 % () 23 % () 65 % ()	Maintain current rule, or Support triple the current rates, or Support rate equal to the top allowable for the shallowest pool commingled, or Other
2. Economics:	
Currently, DHC requires	evidence that at least on zone is "uneconomic":
0 % () 15 % () 85 % ()	Maintain current rule, or Support substituting "marginal" for "uneconomic", or Support deleting "economic" requirement in its entirety, or Other
3. Water Limit:	
Currently, DHC limits wooil rate:	ater production to twice the applicable combined
4 % () 68 % () 20 % ()	Maintain current rule, or Support deleting the current rule in its entirety, or Support rate equal to twice the top allowable for the shallowest pool commingled, or Other
4. 50 % Pressure Differential	l ("Cross Flow"):
Currently, DHC of gas potentian twice the pressure of the	ools limits the pressure differential to not more e lower pressured zone:
36 % () 20 % () 44 % ()	Maintain current rule, or Support deletion of current rule, or Support relaxing rule to allow cross-flow provided allocation formula is reliable, fluids compatible, nor formation damage and cross-flowed production is ultimately recovered,
O % ()	or Other
5. Notice to Offsetting Part	ies:
shall notify all offsetting of containing the proposed DHC.	vides that applicants for Administrative DHC perators of units around the entire spacing unit NMOGA seeks to have notice limited to the rest owners in the DHC spacing unit:
35 % Support 65 % 88 % Support 12 %	Oppose () NMOGA's proposal to eliminate notice to offset operators, or Oppose () Maintain current rule, or and
2-Res	ponses () Other next page)

Enron requested notice be provided to offset operators in the San Juan Basin, but opposed notice in Southeast New Mexico.

Fasken Oil & Ranch requested that notice be given to operators of $\underline{producinq}$ offset units only.

Oxy USA stated that in the case of different ownership, applicant should be required to submit evidence of agreement among affected working interest owners.

KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW

EL PATIO BUILDING

II7 NORTH GUADALUPE

POST CFFICE BOX 2265

SANTA FECTIVATIVE X20 9964-2265

TELEPHONE (505) 982-4285 TELEFAX (505) 982-2047

*NEW MEXICO BOARD OF LEGAL SPECIALIZATION RECOGNIZED SPECIALIST IN THE AREA OF NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

W THOMAS KELLAHIN*

HAND DELIVERED

Mr. David R. Catanach Oil Conservation Division 2040 South Pacheco Santa Fe. New Mexico 87505

Re: NMOCD Case 11353

Downhole Commingling Rules

Dear David:

Enclosed is a copy of the NMOGA Questionnaire which was sent out of January 8, 1996 and copies of the 25 replies we have received as of this morning. I will compile these and Ruth Andrews of NMOGA will submit them to the OCC at Thursday's hearings.

With the exception of (a) the notice issue; (b) uninformed individuals calling to see how the rule "works"; and (b) comments I have received either by phone or in writing favor relaxing the rules even farther than proposed in the Division draft; I am not aware of any opposition to the Division's Draft Rules.

Please call me if you would like to discuss this before the Thursday hearing. I plan to be there along with Scott Davis and Alan Alexander of Meridian in the event we are called upon to respond to industry questions. My favorite comment received thus far is "I want to be able to DHC without having to spend the money to take bottomhole pressures and establishing rates on individual zones".....

Regards.

W. Thomas Kellahin



New Mexico Oil & Gas Association



P.O. Box 1864 Santa Fe, NM 87501-1864

500 Don Gaspar Santa Fe, NM 87501 Phone 505-982-2568 Fax 505-986-1094

January 8, 1996

TO: NMOGA's Regulatory Practices Committee From: W. Thomas Kellahin, Chairman

Subject: Downhole Commingling ("DHC") (Rule 303)

Action: PLEASE COMPLETE AND FAX THE ATTACHED QUESTIONNAIRE TO NMOGA

The purpose of this questionnaire is to solicit your opinions on Rule 303 and about NMOGA's SubCommittee proposals to the New Mexico Oil Conservation Commission ("OCC")

PURPOSE

On January 18, 1996, NMOGA's Rule 303 SubCommittee will present suggested changes to NMOCD Rule 303 to the New Mexico Oil Conservation Commission ("OCC") in Case No. 11353. The OCC will then continue this case until February 15, 1996 to provide time for additional comments. The purpose of this Questionnaire is to advise you of the proposed changes and to obtain your comments by February 10th so they can be tabulated and presented to the OCC.

Unless you specifically indicate that you desire your response to remain confidential, the actual responses will be made public to the Commission.

BACKGROUND

On February 6, 1995, the OCC held a public hearing to receive comments from industry. This case is a response by the Commission to industry's request to avoid unnecessary Examiner's hearings for cases seeking downhole commingling.

On August 3, 1995, the Commission held its first hearing on this subject at which NMOGA's Rule 303 SubCommittee (Alan Alexander & Scott Daves of Meridian, Jerry Hoover of Conoco and Bill Hawkins and Pam Staley of Amoco) appeared and petitioned the Commission to "relax" the rules by which administrative applications for DHC were governed.

In response to our request, on September 28, 1995, the OCC granted the industry's request to allow for administrative DHC applications even if ownership in the spacing units were different.

Now NMOGA is seeking additional changes: (1) Relax or delete the current rule in which at least one zone must be uneconomic; increase the oil limit for DHC; increase the water limit for DHC; eliminate the 50% pressure differential: delete notice to offset operators; and adopt a standardized DHC application form.

ACTION: By February 10, 1996, Please complete and fax the enclosed questionnaire back to NMOGA.

To:		actices Committee		
Fax	to: (505) 9	86-1094	(deadline: January 10	, 1996)
			combined daily rate of 20 BG	OPD to 5000 feet and ther
()	sed by 10 bbls per thousand Maintain current rule or	reet:		
()	Support triple the current	rates or		
()			hallowest pool commingled; o	ır
	OTHER:		and wood poor commingion, o	•
2. ecc	onomics:			
	Currently, DHC requires	evidence that at least o	one zone is "uneconomic"	
()	Maintain current rule or			
()	Support substituting "marg	-		
()	Support deleting "economic OTHER.	7	entirely; or	
()	OTHER:			
3. wa	ter limit:	and the state of the state of	at the transfer of	
()	Maintain current rule or	ter production to twice	e the applicable combined oil	rate:
()	Support deleting the curre	nt mile in its entirety s	ar.	
()		•	the shallowest pool comming	dade or
	OTHER:		the shallowest poor comming	ica, or
lower () () ()	pressured zone: Maintain current rule or Support deletion of curren Support relaxing rule to allo	t rule or ow cross-flow provided cross-flowed producti	e differential to not more than allocation formula is reliable. on is ultimately recovered; or	fluids compatible,
of uni		nit containing the prop	Administrative DHC shall not posed DHC. NMOGA seeks to pacing unit.	
() St	upport () Oppose: NMOGA upport () Oppose: Maintain THER notice rule changes:	current rule	te notice to offset operators.	
	COMPANY NAME:			
	address:			
	signature:			
	print name			
	phone number			
	fax number			

To: Regulatory	Practices Commit	iee .
	5) 986-1094	(deadline: January 10, 1996)
increased by 10 hbbs per thou (a) Maintain current rate (c) Support triple the cu	eand feet: intrement rates nor this top allowable for	total combined daily rate of 20 BOPD to 5000 feet and then the shallowest pend commingled; or
2. economies:		
Currently, DHC requ () Maintain current rule () Support substituting	eor "margnad" for "uneco unomic" requirement is	sum une zosa ix "unocomunic" nomic" or 1 in entirely; or
3. water limit:		
(I) Maintain current rule (I) Support deleting the	or corrent rule in its cou	twice the applicable combined oil rate. rety or le for the shallowest pool commingled; or
4. 50% pressure differentia	("crnss-flow"):	accurately to not more than their the pressure of the
Inwar pressured zone: () Maintain current rule () Support deletion of () Support relaxing rule	or Surrent rule ne Stabilism cross-flow pro	essure differential to not more than twice the pressure of the vided allocation formula is reliable, fluids compatible, oduction is ultimately recovered; or
5. Notice to Officetting part. Currently, Rule 303 of units around the entire spa working, rayalty and ORR it	provides that applicant unit containing the	a for Administrative DHC shall notify all offsetting operators: proposed DHC. NMOGA seeks to have notice limited to the HC specing unit.
() Support () Oppose: NI () Support () Oppose: M. () OTHER notice rule cha	ulmain current rulc	iminate notice to offset operators.
COMPANY NAME	MERIDIA	W DIL INC
address:	3535 FARMIU	5. 30TH ST STON, NM 37401
k ignat ure:	Han 1	ugradu
priot nume phono num fax mumber		-9757 -973

RESPONSE TO NMOGA QUESTIONNAIRE

To:	Regulatory Practi	ices Committee		
Fax to:	(505) 986		(deadline: January 10, 1996)	
I. vil allowa	hles:			
		limited to the terai	combined daily rate of 20 BOPO to 5000 test and	eh
increased by	10 hhis per thurshad feet		eautilities servit 1440 At St. 1000 O 10 2000 (25) 212	*****
	main curred rule or			
() Տարլ	port triple the current rate	s ne		
OC) Supr	ort rate expeal to the top i		ellowest peol commingled; or	
() OTHE	K:		, ,	
2. economic	32			
Curt	ently. DHC requires evid	ence that at least on	è zone is "unoconomic"	
() Maii	tain current rule or			
(Ac) 2 of the	ore substituting "marginal	" for "pheconomic"	ur	
() Տարբ	iort deluting "economic" r	requirement in its en	itirely; or	
() OTHER	R:	•		
3. water limi	**			
Curr	ontly. DHC limits water p	production to twice	the applicable combined oil rate:	
	thin current rule or		,	
() Supp	use deleting the current ru	he in its courety ar		
Supp	ort rate equal to twice the	top allowable for t	he shallowest pool commingled; or	
() OTHER				
4 50% nous	ere differential ("cross-f	h#1.		
			hillerential to not more than twice the pressure of	
liwer pressure	el zone	many me biessme i	interesting to sex more than twice the pressign in	the
•	tain current rely or			
• •	ort deletion of current rule	e ar		
			location formula is reliable, fluids compatible,	
nor to	remation damage and cres	s-flowed production	is ultimately recovered; or	
	1		·	
5. Notice to (Offsetting parties:			
		hat applicants for A	iministrative DHC shall notify all offsetting operat	iore
of units aroun	d the entire spacing unit of	pathining the propos	ed DHC. NMOGA seeks to have notice funited to	the
working, roya	ity and ORR interest own	ers in the DHC spa	េតម្ត មនុវេ	
Auf Connect /	1 Comment NAIOGAN =	يرفين والمراجع والمراجعين	notice to offset operators.	
) Oppose: Maintain curr		notice to other therethy's:	
	otice rule changes: (des			
, , , , , , , , , , , , , , , , , , , ,	The state of the s	J		
COM	PANY NAME: 9	parathox	Olla	
Ç.OM	PANT NAME:			
addre	SSC:	.O. 130x	55 7	
	200	ics land	14 19 1,0 1	
wi Measure	print name 1918 phone number 1915 fax number 1915	· E. 67	oclored	
	orat asim 12.4	based 5	Pallaril	
	phone number 1915) 662 62	28	
	far number 1916) 607 57	37	
	The second of the second		~ <i>/</i>	

To Jim CoFER 09 '96 10:43AM APC FILE RM 3.225HL1 Andrews

1-10-96 5:45P.171. 2 of 2

10;	Regulatory Practices Committee	
Fax	to: (505) 986-1094 (deadline: January 10, 1996)	
l_ oil	allowables:	
	Currently, DHC oil rates are limited to the total combined daily rate of 20 BOPD to 5000 feet and the	
irera	used by 10 hhis per thousand feet:	£a
()	Maintain current rule or	
Ω	Support triple the current rates of	
54	Support rate equal to the top allowable for the shallowest pool committigled; or	
,	OTHER:	
2. 000	भारतामंद्रपट	
, ,	Currently. DHC requires avidence that at least one zone in "unoconomic"	
()	Maintain currout rule or	
24	Support substituting "marginal" for "unecommic" or	
	Support deleting "economic" requirement to its entirely; or OTHER:	
3. wa	ter limit:	
. .	Currently, DHC limits water production to twice the applicable combined oil rate: Maintain current rule of	
) >4	Support deleting the current rule in its enursity or	
()	Support rate equal to twice the top allowable for the shallowest pool comming test; or	
	OTHER:	
Imver	Therefore differential ("cross-flow"): Currently, DHC of gas pools limits the pressure differential to not more than twice the pressure of the pressure of the pressure content accept. Maintain current rule or Support deletion of current rule or Support relaxing rule to allow cross-flow provided allocation formula is relating, fluids compatible, not formation damage and cross-flowed production is ultimately recovered; or OTHER:	XZ
of unit	ice to Offsetting parties: Currently, Rule 303 provides that applicants for Administrative DHC shall notify all offsetting operators around the entite spacing finit containing the proposed DHC. NMOGA seeks to have notice funited to thing, royally and ORR interest owners in the DHC spacing polic.	
×4 Su	profit () Oppose: NMOGA's proposal to eliminate notice to offset operators, poort () Oppose: Malutain current rule [HER motice rule charges: (describe)	
	COMPANY NAME: Amoco Production Company	
	#duresa: P.O. BOX 3092 HOUSTON, 78405 77253	
	signaturo: Sameste Collie 12	
	prior marmo Wames W. Collier, Jr.	
	phone number (7)3) 366-337)	
	fax number 7713) 366-7548	

TO:	MCSalistoly	Practices Countity	₩
Far	kor (50)	5) 986-11794	(deadline: lampry 10, 1996)
j. vi	stovable;		
	Concedy, DISC oil r	pies are Espited to the !	utel combined daily rule of 20 BOPU to 5000 feet and thes
inure	used by 10 histo per throne		•
()	Ministra current rate		
οí	Support triple the cut		
()			a shillowest pool commingled; or
	OTHER:		an animonate from altitude military an
1. œ	enquièse		
		nes evidence that at hea	วร์ อกอ Zกฺสง m "แสดงบกเสยโซ"
L)	Our larrest mistrick		
()		mengriment for turocome	uπic" α€
D4		popular requirement iss	
• •	OTHER:		,
5. Year	ter Hruid;		
		water production to h	vice the upplicable combined of rate:
	Maintain parent tole		
X	Support deleting the er		v setel /
			for the skallewast pool commingled; or
1	THER:	-Xe ill nd manner	the time master acted \$ 200, consistent and
war.	presental mac	r panik limitu the press	ure differential to not more than twice the pressure of the
>	Maintain custast sule o	-	
)	Support delaws of our	court mile or	
→	Support extending rate to	allow cross flow provid	lod allocation formula is robable, fleids compatible, 🔧 💎 💎
, (nor formation damage : THER:	and cross-flowed produ	ction is ultimately ecovered; or
. Not	ice to Officially parties.	i.	
			n Administrative OHC shall notify all officially operators
ໃນໜ່	surcound the entire specim	e and committee or	oposed DRC. NMOGA seeks to have notice limited to the
'UI K CH	m, augusty and ORR impar	are numers in the DMC	upuing voit.
) 34	PARIS DE Opposit NMO	GA's programal to object	rate sedicy to offset operaturs.
	Sport () Oppose: Malac		•
	MEN notice rule change		
	COMPANY NAME	Ph.II.ps	Petrolam Co.
	address	5525 H.	. 64
	A COLOR	5525 Hu	NM 87401
	≼lemebyrg:	5221.6	
	AIBORNALA!	70000	
	print name	Ed Hase	//
	LANKS SINGLE	503 599-34	UO .
	fex munice	505 599-34	52

To: Fax 10:		acticas Committes 186-1094	(deadline: January 10, 1996)	
inumised by it is Main () Main () Suph	ently, DHC toll rates to this per throughout tain current rule its	ing kliowskie fist the s residentst	t combined daily rate of 20 BOPD to 5000 that the state of 20 BOPD to 5000 to) feet und (ber
t 1 Main t 1 Supp (X) Supp	ently, DHC requires ruin current rule of ort substitutité "ma	evidence that it feat i rgmuif the functionin we'r requirement fu la	one Zake ik "greconombo" o" off entirely: dP	
⟨→ Main ⟨X⟩ Supp (→ Supp	eatly, DHC times w gen current rate or not determs the curr	ent fulle in its sources i	द the applicable combined oil rate: iir r the shalkiwest pool sommingfalt df	
Curre hower pressure () Main () Supp (X) Supp	nd sources the column service of the	senta firmio illa presser ni rida or luw protestioni primida	e differential to not more than balls the p distlocation formula is reliable, fluids compa- ion is ultimately recovered; or	
Curn of unth acoust working, max 1 2 Support (X) Support	d the entire apacing dity and ORR interes	umi consuming the ore a numeri in the DRC o A's proposal to elimic a current rule	Administrative DHC shall bottly all offse posed DHC, NMOGA seeks to have notice specing duit.	alog aperators templed to the
GOM	PANY NAME:	Yates Petroleu	m Corporation	
ૠતીહેદર વ્યક્સિસ		105 South 4th Artesis, XM 8	Street 8210,	
•	print name plante number fax number	Pinson McWhort 505-748-4189 505-748-4585	er	

02/08/96 14:35 2713 877 7541

. -- To: Harty Allday

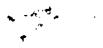
JOINT INTEREST

Ø002

From: Ruth Androus

1-15-96 5:32pm 9- 2 of 2

To:	Regul	atory Practices Committee	e '
Fax	_	(505) 986-1094	(deadline: January 10, 1996)
t. uf	i ailovables:		
	Currently, DHC	oil rules are limited to the tur	tal combined daily rate of 20 BOPD to 5000 feet and thes
incre	used by 10 hilds per		
()	Maintein curren	t rale or	•
(1	Support Iniple (as suggest rates or	
	Support rate equ	ul to the top allowable for the	shallowest pixal commingled; or
×	OTHER: Da./e	tion of current i	rule
2. ec	vnomies:		
	Currently, DHC	requires evidence that at least	use tode is "unicodumic"
()	Maintain curren	t rule or	
()	Support substitu	ting "marginal" for "unoconon	nic" ne 🦷
×		"economic" requirement in it	
$^{\circ}$	OTHER:		· · · · · · · · · · · · · · · · · · ·
` '	,		
3. W	nter Ilmit:		
		fimits water production to twi	ice the applicable combined oil rate:
()	Maintain correct		••
X		the current rule in its entirety	vr
Ö			for the shallowest pool committyled; or
	OTHER:	·	•
Inver () ()	Currently, DHC pressured zone: Maintain current Support deletion Support relaxing	trule or of carront rule or rule to allow cross flow provide	are differential to not more than twice the pressure of the edulocation formula is reliable. Suide compatible, stimula is reliable, fluide compatible.
5. No	tice to Offsetting	oarties:	
	Currently, Rule	303 provides that applicants for	or Administrative DHC shall notify all offsetting operators
เสียต	is around the entire	spacing unit containing the pr	oposed DHC. NMOOA sweks to have notice limited to the
work	ing, regulty and OR	R interest owners in the DHC	spacing unit.
			note nation to offset operators.
() S	Special Company	: Maintain current rulo	•
110	ITHER notice rule	changes: (describe)	
• , •	7 (<u>1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 </u>	want (but on any	•
	COMPANY NA	ME COOSTAL	Dil & Gas Corps
		0 5 8 4	19
	adviress:	P. D. 15.00	710
	,	Mellaire	X 11/4/2011
		Sala	Ispmid .
	elymeture:	The state of the s	
			A Tommal
	butut us		G. Jammal
	banne i		7.
	fax mus	phor <u>877-784</u>	<u></u>



To:	•	ractices Committee 986-1094	(deadline: January 10, 1	996)
inurca () ()	sed by 10 his per thansan Maintain current rule or Suppart triple the current	il feet: t takes for top allowable for the ste	combined didly rate of 20 BOPC	I to 5000 feat and then
	numics: Currently, DHC requires Maintain current rule or Support substituting "ma Support deleting "econor OTHER:	rgimi" for "uneconomic" nic it in the manufacture	(H ^e	
X	Maintain current rule or Support deleting the curr	ent rule m is equirely or	the applicable combined of rates he shallowest pool commingled;	
Iniver:	pressured zonet Maintain current rule or Support deletion of curre Support relaxing rule to al	exals limits the pressure a for cross-flow provided a d cross-flow provided a	Differential to not more than twi liceation formula is reliable, flute a is ultimately recovered; or lities.	
of unit	ice to Offsetting parties: Currently, Rule 303 proving a around the entire spacing og, mysity and ORR latered	unit containing the propos	dministrative DHC shall notify a sed DHC, NMOGA spoks to have eing unit.	all offsetting operators re notics limited to the
O4 Su	pport (>1 Oppose: NMOG pport (-) Oppose: Mainta THER notice rule changes	n current rule	nutice to offset operators.	
	COMPANY NAME:	Chevron USI		-
	address:	P.O. Box 1150 Midland, TX	or 15 Smith Road	
	signature:	alan In A	3 olling	
	print hims phine numbel An number G		ling	

WED, JAN-31-96 8:22AM SIANT EXPLORATION & PROD. 505 326 0205

To: Fax to:	• •	actices Committe 986-1094	(deadline: January 10, 1996)
increased by t () Maint (4) Suppo	ently. DHC oil rates O table per thousand tain current rule or set triple the current per rate equal to the	fact: rates for	ntal combined daily rate of 20 BOPU to 5000 feet and then w shallowest pend commingled; or
() Maint () Suppo		ginal" for "unecond	
() Maint (4) Suppor	ndy, DHC limits we ain current rule or art deleting the curre ort rate equal to twice	ent rule in its catical	orice the applicable combined oil rate: by or for the shallowest pool commingled; or
Currel lower possitivo () Muint () Suppo () Suppo	d somet ain current rule or ain current rule or at delution of curre ar relaxing rule to all armation damage are	ools limits the presi of rule or over-flow provi	sure differential to not more than twice the pressure of the del allocation formula is reliable, fluids compatible, action is ultimately recovered; or
Curre of units around working, royal	the entire specing (ity and ORR interes	tait containing the p newsers in the DHI	
() Support () Oppose: NMOG.) Oppose: Maintai tolice rule changes	n current rule	ninate notice to offset operators.
СОМ	PANY NAME:	GIANT A	PLMATION & PRODUCTION CO
adulre	Rei;	Do Box Francisco	2810 TON, NM 3749
elignat	ture:	OP	
	prior name phone number	505-326	MUGITAN -3325 -7937

To:	Regulatory P	tractices Committ	tt en
Fax to:	(505)	986-1094	(deadline: January 10, 1996)
l. oil allneai	Mar.		
		s are limited to the t	utal combined duity rate of 20 BOPU to 5000 feet and then
	10 hbts per stensen		
	thin current rule of		
	unt triple the curren		
OF Suco	an aleman to the	it ister its Live elleunble hv ti	ar shullowest prof currentingled; or
() OTHE			and distributions beaut passessment from the
1. evagornica	:		
Curre	ently. DHC require	n envidence that at les	at use zose in "unacunumic"
4 -	HAID CUIRCON CUIC OF		
() Supp	unt substituting "mi	unimal" for "anacom	nnic" ne
	ent deleting "econo		
	17		(· · · · · · · · · · · · · · · · · · ·
3. water Hud	4.		
	**	ater andacting to b	wice the applicable combined oil rate.
	this current rule of	processing to t	The same of the sa
	ont deleting the curr	ment make in the empire	le me
			for the shallowest pool commingled; or
			well to minimize crossflow, fluids compatible.
(- A - A - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1		on damage.	The to minimise trossiner, nates compatible,
4 686	ure differential ("c		
			and the second of the second s
		poors names rac bues	were differential to not more than twice the pressure of the
lower premiure			
	rein cattern trie oc		
	and significant of current		
			declaidocation formula is reliable, fluids compatible.
		d crome Annual prod	uction in ultimately recovered; or
() OTHER	l:		
	_		
	Officiality parties:		
Curre	mily. Rule 303 prin	ridus that applicants	for Administrative DHC shall notify all offsoring operators
of units aroun	d the entire appoint	unit containing the p	reposed DHC. NMOUA works to have antice limited to the
working, rayu	illy and ORR interes	d numers in the DRI	C specific work.
•	•		, •
() Suprove (X) Oppose: NMOG	A's promout to align	idate ratics to offset operaturs.
Hodge K) Opposi: Maintai	n current rule	
	relice rule changes		
, , , , , , , , , , , , , , , , , , , ,		,	
0044	# 4 5 5 4 5 4 5 4 5	CANTA EC	ENERGY RECORDERS INC
COM	PANY NAME:	SANTA FE	ENERGY RESOURCES, INC.
ويراطيه	 .	CEA WEST	TEXAS, SUITE 1330
4Q/re:	M.		
		MIDLAND	/ TX //79701
		71 // //	(1/4//
eignet	pru:	$\Delta \lambda \Delta \Delta$	XAM CO
		DON O DE	CARLO
	print name	DON D DE	
	lynnin armpet	915/687-35	
	far mumber	915/ARK-KKI	18

or Gary Thomas

From: Auth Andrews

1-15-98 7:21pm p. 2 of 2

RESPONSE TO NMOGA QUESTIONNAIRE NMOCO proposed Rule 303 Changes (January 18, 1996 Hearing)

To: Fax to:		ry Priettees Committee 05) 986-1094	(descline: January	(0, 1996)	
Increased (X) (X)	I by 10 files per the Maintain current ru Support triple the st	usanul feet: No or		BOPD to 5000 fast and then	
()	Corrently, DHC req Maintain autrest rul			nilling Écompletion cost economic éssessmen	ļ ļ
3. water	limits Currently, DHC lim Maintain current rul Support deleting the	nis water production to twic	is the applicable combined i	sil rate:	
inwer pro	exerced zone: Maintain current rul Support deletion of Support relexing rule nee formation denote HER: Le Officetting part Currently, Rule 303 iround the united spi- ruyally and ORR;	gas pools limits the pressur le or current role or current role or sto allow cross-flow provides go and cross-flowed produces provides that applicants for home and containing the pro- plerest owners in the DHC s	diallocation formula is ralishing in a particular section of the s	notify all offsetting operators to have notice limited to the	
. ,	Art () Oppose: Ni ort (XI Oppose: M UKR notice rule chi	inges: (describa)		e as to Son Juan Basin i	ons.
1	COMPANY NAME	Enron	0,18695		
4	uddress:	4000 No.	AM Big Spring	<u> </u>	
,	klynsture print nume phono min faz number		7)c 1086		
		Post To L Co./C		Prom R. Qualeus Co. NMOGA Phone H 987-7898	

Fax #

RESPONSE TO NMOGA QUESTIONNAIRE

To:	Regulatory Practice				
Fax to:	(505) 986-1	094	(deadline:	January 10, 1996)	
increased!	Currently, DHC oil rates are li by 10 bbls per thousand feet:	mited to the total con	abined daily	rate of 20 BOPD to 5000 feet a	nd then
•	Animain current rule ar				
() S	upport imple the current rates upport rate equal to the top all HER:		o kooq tzawo	ommingled; or	
2. econom					
() N	furrently, DHC requires evider Maintain current rule or			опоте"	
	'upport substituting "marginal" 'upport deleting "economic" re				
	HER:	danement to its com	ery, va		
3. water 1	limit:				
_	Jurrently, DHC limits water pr	roduction to twice the	applicable	combined oil rate:	
, ,	Vaintain current rule or upport deleting the current rul	a in ite antinoti: un			
() S	unnort rate equal to twice the	too allowable for the	shallowest	oool commingled; or	
in oth	HER: Present evide	ressure of	fluid 1	eveling the Annula pressure zone e	is does not
4. 50% pr	ressure différential ("cross-ti-	OM., }1		not more than twice the pressure	
lower pres	ssured zone:	•			
	Isintain current rule or				
	upport deletion of current rule		wation forms	ila is reliable, fluids compatible,	
	or formation damage and cross				
	ER:	•	·		
5. Notice	to Offsetting parties:				
of units ar	Surrently, Rule 303 provides th	intuining the propose	A DHC. NM	DHC shall notify all offsetting of OGA seeks to have notice limite	perators d to the
() Suppo	ort ("Oppose: NMOGA's pr	oposal to eliminate a	notice to offs	et operators.	
14 Suppo	ort () Oppose: Maintain curr ER notice rule changes: (des	ent rule			
	4	1 -1		\mathcal{C}	
C	COMPANY NAME:	1c Elvain	UJ i	LAS	
4	iddress:	D B OX 214 ANTA FE, N	IE M 875	gg-2148	
š	ignature:		Kijn K	Jan	
	print name	LOYAN K	VAN		
	phone number 78 fax number 98	3 <u>1-1733 e</u> x 34-3027	ct. 721		
	140 HMINET				

To: Fax to:	•	metices Committee 986-1094	(deadline: la	nuary 10, 1996)	
1. oil allowa	hlue			•	
Cure nurvased by () Main () Supp	rently, DHC oil rate 10 bbls per thousan ntain current rule or nort triple the current port rate equal to the	d feet: it rates or top allowable for the sh		e of 20 BOPD to 5000 fe	et and then
() CINE	K:				
Mair Supp	ently, DHC require main current rule or port substituting "ma	s evidence that at least of rginal' for "uneconomic nic" requirement in its e	a ur	omic"	
. water limi	it:				
		rater production to twice	the applicable com	hined oil rate:	
_	utain current rule or not deleting the curr	ent rule in its entirety of	•		
		ce the top allowable for		commingled; or	
) OTHER	₹:				
OWET PRESSUR Main Supp Supp nor f OTHER	ed zone: nain current rule or out deletion of curre out relaxing rule to a ormation damage an	ent rule or low cross-flow provided a d cross-flowed production	allocation formula is	more than twice the pres reliable, fluids compatible evered; or	
Curre of units second	id the entire spacing		ged DHC. NMOG/	shall notify all offsetting A seeks to have notice lin	
Support (Oppose: NMOO Oppose: Mainta nutice rule change		e notice to offset of	nerators.	
СОМ	IPANY NAME:	Devon Energy	Corporation (Nevada)	
addre	2581	20 N. Broadwa: Oklahoma City			
ន ុំគឺបច	ture:	Diru	wee	<u>/</u>	
	print name phone number	Steve Cromwel (405) 235-361 (405) 552-455			

o: Manual Jimonoz

From: Ruth Andrews

1-18-95 4:54pm p. 2 of 2

RESPONSE TO NMOGA QUESTIONNAIRE

To:	Regulatory Practices Committee
Fax	· · · · · · · · · · · · · · · · · · ·
	Allacophian
), QI	silowables:
	Currently, DHC oil rates are limited to the total combined daily rate of 20 BOPD to 5000 feet and then
	asod by 10 hhis per thousand feet:
()	Maintain current rule or
() NA	Support Iripic the current rates or
X	Support rate equal to the top allowable for the shallowest pool commingled; or OTHER:
. ,	
2. cc	onomics:
	Currently, DHC requires evidence that at least one zone is "unoconomic"
()	Maintain current rule or
()	Support substituting "marginal" for "uneconomic" or
W	Support deleting "oconomic" requirement in its entirely; or
()	OTHER:
3. w	ter limit:
	Currently, DHC limits water production to twice the applicable combined oil rate:
()	Maintain current rule or
×	Support deleting the current rule in its entirety or
()	Support rate equal to twice the top allowable for the shallowest pool commingled; or
()	()THER:
4, 5D	% pressure differential ("cross-flow");
	Currently, DHC of gas pools limits the pressure differential to not more than twice the pressure of the
lower	browanted zone;
M	Maintain current rule or
()	Support deletion of current rule or
()	Support relaxing rule to allow cross-flow provided allocation formula is reliable, fluids compatible,
	nor formation damage and cross-flowed production is ultimately recovered; or
()	OTHER:
5. No	tice to Officetting parties:
	Currently, Rule 303 provides that applicants for Administrative DHC shall notify all offsetting operators
of un	is around the entire spacing unit containing the proposed DHC. NMOGA seeks to have sortes limited to the
	ng, royalty and ORR interest owners in the DHC spacing unit.
, , e	apport 🚫 Oppose; NMOGA's proposal to climinate notice to offset operators.
	sport () Oppose: Maintain current rule THER notice rule changes; (describe)
	AA .
	COMPANY NAME: //obil E + U.S.
	COMPANY NAME: [100.] E TP U.S.
	uddress: P.O. Box 6.33
	address;
	14/3/200
	signature: /anuel time me
	MATIN
	print name (anuel I menez, dr.
	phone number 7/5- 688-1486
	fax number 7/5-688-2034

To: Steve Tischer

From: Ruth Andrews

1-19-95 11:29am p. 2 of 2

RESPONSE TO NMOGA QUESTIONNAIRE

To:	Regulatory Pract				1000	
Fax to	o: (505) 986	5-10 9 4	(deadline: J	lanuary 10,	1996)	
1. vil :	allowables: Currently, DHC oil rates are	limited to the total	combined daily i	rate of 20 BO	PD to 5000 fee	et and then
in: pas	sed by 10 hibls per thousand for	BC:				
()	Maintain current rule or					
()	Support triple the current ra	tes or				
5	Support rate equal to the top	allowable for the x	incog teswollad	mmingled; or		
	OTHER:		•			
2. eco	nomies:					
	Currently, DHC requires ev	idence that at least o	ine zone is "unoci	onomic"		
()	Maintain current rule or					
()	Support substituting "margin	ral" für "uneconomi	c" or			
33	Support deleting "economic OTHER:		entifely; or			
3. wat	œr Imit:					
	Currently, DHC limits water	r production to twic	e the applicable of	n tio bearidano:	ite:	
()	Maintain current rule or					
×	Support deleting the current	rule in its entirety	ж			
\ddot{O}	Support rate equal to twice	the top allowable fo	r the shallowest p	gnimmos 1000	ed; or	
	OTHER:	-				
lower	% pressure differential ("cross Currently, DHC of gas poor pressured zone: Maintain current rule or Support deletion of current Support relaxing rule to allow nor formation damage and of OTHER:	Is limits the pressur rule or victoss-flow provide	i allocation formu	da is reliable, f		
of uni worki	ctice to Offsetting parties: Currently, Rule 303 provide its around the entire spacing un- ing, royalty and ORR interest of	it containing the pro- wners in the DHC	posed DHC, NM spacing unit.	OCA seeks to	ify all offsettin have notice li	g operators nited to the
Si 💢	upport (**) Oppose: NMOGA' upport (**) Oppose: Maintain OTHER notice rule changes: (**)	current rule	ate notice to offse	el operators.		
	COMPANY NAME: _	PARKER &	PARSLEY!	PETROLEVI	y USA,	Zyr.
	address:	P.O. BO)	3/78 TEXAS	79702-	-3178	
	signature:	C M	to for	*		
	print name	ALAN	KOBERTS			
	phone number	9/5/683-	<i>4168</i>			
	fax number	915/571-	· <i>55</i> 27			

01/25/96 14:06

RESPONSE TO NMOGA QUESTIONNAIRE

To:	Regulatory Practices Committee	
Fax to:	And the Andread Control of the Contr	ine: January 10, 1996)
L oil all	illowahles:	
	Currently, DHC oil rates are limited to the total combined	duity enter of 20 ROPD to 5000 fact and then
	ed by 10 hbls par thousand fact:	daily faic of 20 BOFD to 3000 feet and then
	Maintain current rule or	•
	Support triple the current rates or	
27	Support rate equal to the top allowable for the shallowest po	t
*	THER:	an committeet or
2. econor	nomics:	
(Currently, DHC requires evidence that at least one zone is '	"uneconomic"
	Maintain current rule or	
! ر ()	Support substituting "marginal" for "oneconomic" or	
	Support deleting "economic" requirement in its entirely; or	
	THER:	
. water		M
	Currently, DHC limits water production to twice the applica	inle combined off rate:
	Maintain current rule or	
	Support deleting the current rule in its engrety or	on seed the field and
	Support rate equal to twice the top allowable for the shallow THER:	est boot communities; at
, 01.	, I I I I I	
. 50% n	pressure differential ("cross-flow"):	
-	Currently, DHC of gas pools limits the pressure differential	to not more than brice the peaceure of the
	ressured zone:	to her more than twice the pressure of the
	Maintain current rule or	
	Support deletion of current rule or	In the Allaha Of the community is
	Support relaxing rule to allow cross-flow provided allocation for	-
	nor formation damage and cross-flowed production is ultima THER:	teta teconsusot ut
, 011		
. Notice	te to Offsetting parties:	
	Currently, Rule 303 provides that applicants for Administrati	ive DHC shall notify all offsetting operators
<u> </u>	. DitC becagaig with grindways that grissy with read-barrees.	attended in the second second to the control of the
vorking.	royalty and ORP interest the possibility one DHC speciog-dails.	···
1 511000	port () Oppose: NMOGA's proposal to eliminate notice to	affead companies
	port () Oppose: Maintain current rule	Officer oberators:
	HER notice rule changes: (describe)	
JOIN	TER HOUSE THE CIMINES: (DESCRIBE)	
	4.0	*
	COMPANY NAME: Merit Energy	(Canada nil
	COMPANY NAME: TO COMPANY NAME:	Surparity
1	address: (1222 Ment &	Drive. Suite 1500
20	20dress:	750±5
	<u> </u>	7500
	Oll Giller	•
81	signature:	
	neine name Talley	
	print name 3/15/16/16/9	
	tax number 2/4-960 452	

From: Ruth Andrews

o: Manual Jimonaz

1-18-96 4:54pm p. 2 of 2

To: Fax	Regulatory Practices Committee to: (505) 986-1094 (deadline: January 10, 1996)
J. at	allowables;
·	Currendy, DHC off rates are limited to the total combined daily rate of 20 BOPD to 5000 feet and then
	and by 10 hhis per thousand feet:
()	Maintain current rule or Support Triple the current rates or
()	Support rate equal to the top allowable for the shallowest post commingled; or
X	OTHER:
` ,	OTABA.
2. ec	mornies:
	Currently, DHC requires evidence that at least one zone is "unoconomic"
()	Maintain current rule or
()	Support substituting "marginal" for "uneconomic" or
×	Support deleting "oconomic" requirement in its entirely; or
()	OTHER:
3. 101	ter limit:
	Currently, DHC limits water production to twice the applicable combined oil rate:
()	Maintain current rule or
	Support doleting the current rule in its entirety or
×	Support rate equal to twice the mp allowable for the shallowest pool commingled; or
()	OTHER:
	Foresture differential ("cross-flow"); Currently, DHC of gas pools limits the pressure differential to not more than twice the pressure of the prossured zone; Mandain current rule or Support deletion of current rule or Support relaxing rule to allow cross-flow provided allocation formula is reliable, fluids compatible, nor formation damage and cross-flowed production is ultimately recovered; or OTHER:
of uni work:	Lice to Offsetting parties: Currently, Rule 303 provides that applicants for Administrative DHC shall notify all offsetting operators is around the entire specing unit containing the proposed DHC. NMOGA seeks to have notice limited to the ing, royalty and ORR interest owners in the DHC specing unit. IPPORT **Oppose: NMOGA's proposal to eliminate notice to offset operators.
od s	pport () Oppose: Maintain current rule THER notice rule changes; (describe)
	COMPANY NAME: Mobil E # P U.S.
	Midlend Tx
	signature: Manuel Jimene Sa
	print nums Manuel Timenez, Jr.
	phone number 7/5- 688-1686
	fax number 7/5-688-2074

To: Mark Merritt يتعيد الم

From: Ruth Andrews

1-15-36 5:34pm p. 2 of

RESPONSE TO NMOGA QUESTIONNAIRE

To: Fax to	Regulatory Practices Committee (505) 986-1094 (deadline: January 10, 1996)
I. oil a	lowables:
	Currently, DHC oil rates are limited to the total combined daily rate of 20 BOPD to 5000 feet and then
increase	d by 10 hhls per thousand feet:
()	Maintain current rule or
	Support triple the current rates or
\$	Support rate equal to the top allowable for the shallowest pool commingled; or
	THER:
2. econ	
	Currently, DHC requires evidence that at least one zone is "uncoordinate"
()	Maintain current rule or
()	Support substituting "marginal" for "uneconomic" or
04	Support deleting "economic" requirement in its entirely; or
() 0	THER:
3. wate	r limit:
	Currently, DHC limits water production to twice the applicable combined oil rate:
()	Maintain current rule or
()	Support deleting the current rule in its entirety or
\bowtie	Support rate equal to twice the top allowable for the shallowest pool commingled; or
() 0	THER:
lower p () () (×)	pressure differential ("cross-flow"): Currently, DHC of gas pools limits the pressure differential to not more than twice the pressure of the ressured zone: Maintain current rule or Support deletion of current rule or Support relaxing rule to allow cross-flow provided allocation formula is reliable, fluids compatible, nor formation damage and cross-flowed production is ultimately recovered; or THER:
	A Company of the section
5. Nou	ce to Offsetting parties: Currently, Rule 303 provides that applicants for Administrative DHC shall notify all offsetting operators
	around the entire spacing unit containing the proposed DHC. NMOGA seeks to have notice limited to the
or umis	roughly and ORR interest owners in the DHC spacing unit.
	port (X) Oppose: NMOGA's proposal to eliminate notice to offset operators.
() 2mb	port () Oppose: Maintain current rule
	TETTE Line make abanaman (distribut)
(X) OF	ALC and by a financial offset units
	Notify operators of producing offset units
	COMPANY NAME: Fasken Oil and Ranch, Ltd.
	address: 303 W. Wall Suite 1900
	midland. Tt 79701-9116
	signature: \tag{\tau_m_m} \tau_m \tau_m
	print name Jimmy Navis, Jr.
	phone number $\frac{9.5 - 6.97 - 17.27}{9.5 - 6.87 - 15.70}$
	I MARK TIMES THE TAX THE TAX

To:

RESPONSE TO NMOGA NMOCD proposed Rule 303 Chang	QUESTIONNAIRE ges (January 18, 1996 Hearing)	JAN 2 2 1996	! !
Regulatory Practices Committee (505) 986-1094	(deadline: January 10, 1996)	<u> </u>	<u></u>

Fax to: 1. oil allowables: Currently, DHC oil rates are limited to the total combined daily rate of 20 BOPD to 5000 feet and then increased by 10 bbls per thousand feet: Maintain current rule or () Support inple the current rates or () Support rate equal to the top allowable for the shallowest pool commingled; or X () OTHER: 2. economics: Currently, DHC requires evidence that at least one zone is "uneconomic" Maintain current rule or () () Support substituting "marginal" for "uneconomic" or Support deleting "economic" requirement in its entirely; or OTHER: 3. water limit: Currently, DHC limits water production to twice the applicable combined oil rate: () Maintain current rule or \sim Support doleting the current rule in its entirety or Support rate equal to twice the top allowable for the shallowest pool commingled; or 1) () OTHER:_ 4, 50% pressure differential ("cross-flow"): Currently, DHC of gas pools limits the pressure differential to not more than twice the pressure of the lower pressured zone: \bowtie Maintain current rule or () Support deletion of current rule or Support relaxing rule to allow cross-flow provided allocation formula is reliable, fluids compatible, () nor formation damage and cross-flowed production is ultimately recovered; or () OTHER: 5. Notice to Offsetting parties: Currently, Rule 303 provides that applicants for Administrative DHC shall notify all offsetting operators of units around the entire spacing unit containing the proposed DHC. NMOGA seeks to have notice limited to the working, royalty and ORR interest owners in the DHC spacing unit, () Support () Oppose: NMOGA's proposal to eliminate notice to offset operators. Support () Oppose: Maintain current rule () OTHER notice rule changes: (describe) COMPANY NAME: address: signature JAMES BRUCE

print name phone number fax number

218 MONTEZUMA SANTA FE, NM 87501

nixone number

fax number

(915)

688-5389

F.02

To: Elizabeth S. Bush

From: Ruth Andrews

1-15-96 7:39pm p. Z of 2

RESPONSE TO NMOGA QUESTIONNAIRE NMOCD proposed Rule 303 Changes (January 18, 1996 Hearing)

Regulatory Practices Committee To: (505) 986-1094 (deadline: January 10, 1996) Fax to: 1. oil allowables: Currently, DHC oil rates are limited to the total combined daily rate of 20 BOPD to 5000 feet and then increased by 10 hhis per thousand feet: Maintain current rule or ()Support triple the current rates or (2) Support rate equal to the top allowable for the shallowest peak commingled; or () OTHER: 2. economies: Currently, DHC requires evidence that at least one zone is "uncommunic" () Maintain current rule or Support substituting "marginal" for "uneconomic" or () Support deleting "economic" requirement in its entirely; or (x) OTHER: 1) 3. water limit: Currently, DHC limits water production to twice the applicable combined oil rate: () Maintain current rule or Support deleting the current rule in its enursty or (x)Support rate equal to twice the top allowable for the shallowest pool commingled; or () () OTHER: 4, 50% pressure differential ("cross-fluw"): Currently, DHC of gas pools limits the pressure differential to not more than twice the pressure of the lower pressured zone: Maintain current rule or () Support deletion of current rule or (X)Support relaxing rule to allow cross-flow provided allocation formula is reliable, fluids compatible, () nor formation damage and cross-flowed production is ultimately recovered; or () OTHER: 5. Notice to Offsetting purties: Currently, Rule 303 provides that applicants for Administrative DHC shall notify all offsetting operators of units around the entire spacing unit containing the proposed DHC. NMOGA seeks to have notice limited to the working, rayalty and ORR interest owners in the DHC spacing unit. (X) Support () Oppose: NMOGA's proposal to eliminate auties to offset operaturs. () Support () Oppose: Maintain current rule () OTHER notice rule changes: (describe) COMPANY NAME: ARCO Permian P.Q. Box 1610 address: Midland, 79702 signature: Elizabeth S. Bush print name (915) 688-5338

From: Kuth Andraws

1-15-96 5:53pm p. 2 of 2

To: Fax to:	-	ractices Committee 986-1094	(deadline: Januar	y 10, 1996)
increased by () Mail () Supp	thles: rently, DHC oil rates 10 bbls per thousand intain current rule or port triple the current port rate equal to the	s are limited to the total feet: t Tates Or	combined daily rate of a	20 BOPD to 5000 feet and then
() Mai () Supp () Supp	iently, DHC requires reain current rule or port substituting "ma	evidence that at least or rginal" for "uneconsmic nic" requirement in it: a		
() Maii Maii Maii Maii	rently, DHC limits we ntain current rule or port deleting the curr port rote equal to twi-	ent rule in its optirety or	the applicable combined the shallowest pool com	
Curr lower prensus () Maii () Supr () Supr	red zone: ntain current mile or nort deletton of curre port relaxing rule to al formation damage an	nools limits the pressure on rule or low cross-flow provided i	differential to not more allocation formula is reliant to the second of	-
Curr of units arout	gniones entire eth bn		osed DHC. NMOGA see	l notify all offsetting operators ks to have notice limited to the
() Support	() Oppose: NMOG () Oppose: Mantai notice cule changes	n current tule	e notica to offset operati	ors.
CON	MPANY NAME:	P. C. R. M. C. C.	50 50-67	<u></u>
sign	uture:	France	B MCBO	<u> </u>
	prior name rodinum entidi prior name	915-168 915-68	3 - MEDAMA 2- 8873 7- 0862	(

...---

		RE	SPONSE TO NM	OGA QUESTIONNAIRE
		NMOCD 6	oposed Rule 303 S	hanges (January 18, 1996 Hearing)
		The same of the sa	-,	Anges tourists, 19, 1550 Heating)
~		Dagulatur.	Dungling Committee	J
To:	f		Practices Committee	
Fax	. १०५	(505	986-1094	(deadline: January 10, 1996)
				·
1. 0	il allowable fi	a; ———		
	Curren	dy. DHC oil ra	tes are limited to the te	tal combined daily rate of 20 BOPD to 5000 feet and then
inch,	ased by 10	hhis per thouse	ad feet:	
()		in current rule (
50	Suppor	i inple the curn	ent rates or	
()				shallowest posit commingled; or
()	OTHER:			The state of the s
	_			
2. ec	onomies:			
		ly. DHC requir	es avidence that at less	Lone zone is "unoconomic"
()		n current rule o		. And Total II. Guedali Million
()			- marginal" for "uneconcr	one A the
54)			omie" requirement in it	
()		- detecting score		s entitle is it to be a second of the second
. ,	O.11210			
1 w	ter limit:			
J. 774		to DUC limits	mater againstice to his	ice the applicable combined oil rate:
()		n current rule of		ice me applicante comminea au case:
\bowtie			rrent rule in its entirety	
			ice the min amonable i	r the shallowest pool commingled; or
()	OTHER:_			
4 En	Ø	_1:4Y4!n# ///	man and Manager Manager	
4, 50		differential ("		1 CH
	Currenti	y. DHC of gas	poors rimins the pressu	to differential to not more than twice the pressure of the
	pressured a			
()		current rule or		
04		defenon of curr		
()	Support	telexing rule to a	illow cross-flow provide	d allocation formula is reliable. fluids compatible,
			nd cross-Howed produc	tion is ultimately recovered; or
()	OTHER:_			
5. Not		setting parties:		
	Currently	y, Rule 303 pro	vides that applicants for	Administrative DHC shall notify all offsetting operators
iinu Te	is around th	garakça entire s	unit containing the pro-	posed DHC. NMOGA seeks to have notice limited to the
workii	ng, royalty	and ORR intere	st owners in the DHC	spacing unit.
				ate notice to offset operators.
%) Su	pport ()	Oppose: Mainta	in current rule	
) O	THER noti	ice rule change	i: (describe)	
	COMPA	NY NAME:	Burnett	Cer Co. Auc.
	address;		1500 Bu	nett Plana Blog 801 Charry St.
			Fort Warth	TX 76182
				1
	signature	:	Joen W.	Man
		onine nume	Tha WI	M.4500
	•	none number	8/7/333 5/	
	•	ax number	8/7/ 332 78	
	j	THE PERSON OF	the same of the sa	

۶. 1

To: Fax to:		ractices Committee 986-1094	(deadline: Januar	y 10, 1996)	
increased by () Mai () Sup (⊅ Sup	rently, DHC oil rates 10 bbls per thousand intain current rule or port triple the curren	trates or top allowable for the shi			and then
() Mui () Sup (><) Sup	rently, DHC requires intain current rule or port substituting "ma	evidence that at least on rginal" for "uneconomic" nic" requirement in its er	° or-		
() Mai X Sup () Sup () OTHE 4. 50% pres Cur iower pressu () Sup not () OTHE 5. Notice to Cur of units arou working, ro	rently, DHC limits we intain current rule or port deleting the current rule or port rate equal to twick: issure differential ("corontly, DHC of gas pared zone: intain current rule or port deletion of current relaxing rule to all formation damage and the cutting purtles; rently, Rule 303 provind the entire spacing yalty and ORR interest.	ross-flow"); pools limits the pressure nt rule or low cross-flow provided a d cross-flowed production rides that applicants for A unit containing the propest owners in the DHC sp	the shallowest pool condition differential to not more allocation formula is relied in its ultimately recovered Administrative DHC shallosed DHC. NMOGA sepacing unit.	nmingled; or than twice the pressur table, fluids compatible, ed; or all notify all offsetting or teks to have notice limits	operators
Support	(※) Оррове: NMOC () Оррове: Mainta R notice rule changes		te notice to offset opera	tors.	
CO	MPANY NAME:	HAMAGAM PET	DOLEGEN		
udd	ress:	PO TO 17	31 U 88702		
sigt	nature: print name phone number fax number	1/4 Hours 1/25 - 505 5 025 - 505 5	7A~		

To: Fax	Regulatory Practices Committee to: (505) 986-1094 (deadline: January 10, 1996)
1. ail	allowables:
incres () ()	Currently, DHC oil rates are limited to the total combined daily rate of 20 BOPD to 5000 feet and then sed by 10 bbls per thousand feet: Maintain current rule or Support triple the current rates or Support rate equal to the top allowable for the shallowest pool commingled; or OTHER:
2. ecr	nomics:
() () %	Currently, DHC requires evidence that at least one zone is "uneconomic" Maintain current rule or Support substituting "marginal" for "uneconomic" or Support deleting "economic" requirement in its entirely; or OTHER:
1. wa	ter limit:
() ()	Currently, DHC limits water production to twice the applicable combined oil rate: Maintain current rule or Support deleting the current rule in its entirety or Support rate equal to twice the top allowable for the shallowest pool commingled; or OTHER:
() % ()	Currently, DHC of gas pools limits the pressure differential to not more than twice the pressure of the pressured zone: Maintain current rule or Support deletion of current rule or Support relaxing rule to allow cross-flow provided allocation formula is reliable, fluids compatible, nor formation damage and cross-flowed production is ultimately recovered; or OTHER:
of uni worki X) Si	tice to Offsetting parties: Currently, Rule 303 provides that applicants for Administrative DHC shall notify all offsetting operators is around the entire spacing unit containing the proposed DHC. NMOGA seeks to have notice limited to the ing, royalty and ORR interest owners in the DHC spacing unit. Support () Oppose: NMOGA's proposal to eliminate notice to offset operators. Support () Oppose: Maintain current rule THER notice rule changes: (describe)
	COMPANY NAME: DUGAN PRODUCTION CORP.
	P. O. Box 420 Farmington, NM 87499-0420
	signature: Thomas A. Duga-
	print name Thomas A. Dugan, President phono number (505) 325-1821 fax number (505) 327-4613

1

RESPONSE TO NMOGA QUESTIONNAIRE

To:	Regulatory I	Practices Committ	ee							
Fax		986-1094	(deadline: January 10, 1996)							
1. oil	allowables:									
	Currently, DHC oil rate	es are limited to the	otal combined daily rate of 20 BOPD to 5000 feet and then							
incre	ased by 10 bbls per thousar	id feet:	,							
()	Maintain current rule of	r								
()	Support triple the curre	Support triple the current rates or								
X 0		Support rate equal to the top allowable for the shallowest pool commingled; or								
(7)	OTHER:									
2. ec	onomics:									
	Currently, DHC requires evidence that at least one zone is "uneconomic"									
()	Maintain current rule or									
()	Support substituting "marginal" for "uneconomic" or									
00	Support deleting "economic" requirement in its entirely; or									
% ()) OTHER:									
3. wa	ter limit:									
	Currently, DHC limits	water production to t	wice the applicable combined oil rate:							
()	Maintain current rule or									
()	Support deleting the cur	Support deleting the current rule in its entirety or								
(X 0			for the shallowest pool commingled; or							
	OTHER:									
lower () () () 5. No	pressured zone: Maintain current rule or Support deletion of curr Support relaxing rule to a nor formation damage a OTHER: tice to Offsetting parties: Currently, Rule 303 pro	pools limits the present rule or allow cross-flowed productions that applicants unit containing the productions are the productions.	ded allocation formula is reliable, fluids compatible, uction is ultimately recovered; or for Administrative DHC shall notify all offsetting operators proposed DHC. NMOGA seeks to have notice limited to the							
() Si	upport () Oppose: NMO upport () Oppose: Mainta THER notice rule change	in current rule	ninate notice to offset operators.							
	COMPANY NAME:	DUGAN PRODUC	CTION CORP.							
	address:	P. O. Box 42								
		Farmington,	NM 87499-0420							
	signature:	Thomas	A. Duga-							
	print name	Thomas A. Do	ıgan, Pres∄dent							
	phone number	(505) 325-18	<u> </u>							
	fax number	(505) 327-46								

o: Donald E. Romine

From: Ruth Andrews

1-18-96 7:00pm p. 2 of 2

To:	2000.00	ctices Committee 6-1094	(deadline:	January 10, I	996)	
menas () ()	allowables: Currently, DHC oil rates a sed by 10 bbls per thousand fi Maintain current rule or Support triple the current of Support rate equal to the to DTHER:	apes or) to 5000 feet and	then
() ()	nomics: Currently, DHC requires of Maintain current rule or Support substituting "marg Support deleting "economic OTHER:	inal* for "uneconomic"	DAT .	conomic "		
() **()	cer limit: Currently, DHC limits was Maintain current rule or Support deleting the current Support rate equal to twice OTHER:	t rule in its entirety or				
lower	6 pressure differential ("creative, DHC of gas porposessured zone: Maintain current rule or Support deletion of current Support relaxing rule to allow new formation damage and OTHER:	rule or w cross-flow provided a	llocation form	rula is reliable, flu		f the
of uni	tice to Offsetting parties: Currently, Rule 303 provides around the entire spacing ting, royalty and ORR interest	nit containing the prope	sed DHC. Ni	DHC shall notify MOGA seeks to h	r all offsetting oper gve notice limited t	ators o the
() St () O S	upport (V) Oppose: NMOGA upport () Oppose: Maintain THER notice rule changes: hould be required to	anneant cula			ng ownership among affect	, applicant ted working
**	v terest owners. COMPANY NAME:	P.O. Box 5	INC.	/0	_	
	signature:	Richard E.	Foppia	M D		
	_b b	air. / ac-59	73 '			

o: William T. Duncan, Jr.

From: Ruth Andrews

1-15-96 3:39pm p. 2 of 2

RESPONSE TO NMOGA QUESTIONNAIRE NMOCD proposed Rule 303 Changes (January 18, 1996 Hearing)

Regulatory Practices Committee To: Fax to: (505) 986-1094(deadline: January 10, 1996) 1. vii slinwables: Correctly, DHC oil rates are limited to the total combined delity rate of 20 8OPD to 5000 feet and then increased by 10 hhis ner thousand feet: Maintain current rule or () Support triple the current rates for Support rate equal to the top allowable for the shallowest peopl committigled; or () OTHER: 2. economics: Currently, DHC requires evidence that at least one zone is "unaconomic" : } Maintain current rule of Support substituting "marginal" for "unecommic" or Support deleting "economic" requirement to its entirely; or () OTHER: 3. WALDER HAWKE Currently, DHC limits water production to twice the applicable combined oil rate: Maintain current rule or Support deleting the current rule in its entirety or Support rate equal to review the top allowable for the shallowest pool commitmient; or () OTHER: 4. 50% pressure differential ("cruss-fluw"): Currently, DHC of gas pools limits the pressure differential to not more than twice the pressure of the lower pressured zone: Maintain current rule or 1 1 Support deletion of current rule or ()Support relaxing rule to allow cross-flow provided allocation formula is reliable. Swids compatible. our formation damage and cross-thowed production is ultimately recovered; or () OTHER: 5. Notice to Offsetting parties: Currently, Rule 303 provides that applicance for Administrative DHC shall notify all offsetting operators of units around the entire spacing that commining the proposed DHC. NMOGA needs to have across timited to the working, royalty and ORR interest owners in the DHC spacing unit. () Support (MODA's proposal to dimittate notice to offset operators. (Support () Oppose: Maintain current rule 1) OTHER notice rule changes: (describe) Exxon Co. COMPANY NAME: militers: 77252-2180 signature: Trussell H.H. print name

713-656-0271

713-656-9430

Thore number

fax mumber