NOTICE FOR PUBLICATION STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

The State of New Mexico by its Oil Conservation Commission hereby gives notice pursuant to law and the rules and regulations of said Commission promulgated thereunder, of the following public hearing to be held July 25, 1950, beginning at 10:00 o'clock A.M. on that day in the City of Santa Fe, New Mexico, in the Capitol (Hall of Representatives).

STATE OF NEW MEXICO TO: All named parties in the following cases and notice to the public: Case 231

In the matter of the application of the New Mexico Oil Conservation Commission upon its own motion to modify, amend and restate Rule 404 of the Commission's Rules and Regulations promulgated by Order No. 850, effective January 1, 1950, and relating to natural gas utilization. Case 232

In the matter of the application of the New Mexico Oil Conservation Commission upon its own motion to amend, modify and restate Rules 1204 and 1206, of the Commission's Rules and Regulations promulgated by Order No. 850, effective January 1, 1950, and relating to methods of giving notice for hearing and service thereof.

Given under the seal of the Oil Conservation Commission of New Mexico, at Santa Fe, New Mexico, on June 29, 1950.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

R. R. SPURRIER, SECRETARY. (SEAL)

Affidavit of Publication

STATE OF NEW MEXICO,		
COUNTY OF McKINLEY ss:		
That he is. General		
proper, and not in a supplement thereof, for One time weeks		
consecutively, the first publication being on the thirdday of		
July		
on the, 19,		
the third publication being on theday of		
, 19		
•••••••••••••••••••••••••••••••••••••••		
and the last publication being on the day of		
, 19		
That such newspaper, in which such notice or advertisement was published, is now and has been at all times material hereto, duly qualified for such purpose, and to publish legal notices and advertisements within the meaning of Chapter 167 of the 1937 laws of the State of New		
Mexico. M. L. Shadal Affiant.		
Sworn and subscribed to before me thisthirdday of		
Sworn and subscribed to before me thisthirdday ofJuly, A. D., 19.50 Notary Public.		
Matter sugner ours		
My commission expires (Notary Public.		

Lar 1, 1953

The application of Gulf Oil Corporation for permanent exceptions on certain wells from Rule 404, which was included in Case No. 219 came on for consideration.

On motion of Gulf Oil Corporation, it was ordered that the hearing on this application as to exceptions to Rule 404 be continued for six months and until further notice pending completion of plant construction now in progress, which will eliminate the necessity for exceptions as to a substantial number of the wells which are the subject of the application in Case No. 219.

Case 231

Rule 404:

NATURAL GAS UTILIZATION

After completion of a natural gas well, no gas from such well shall be (1) permitted to escape to the air, (2) used expansively in engines or pumps and then vented, (3) used to gas lift oil wells unless all gas produced is processed in a gasoline plant, or beneficially used without waste or (4) used for the manufacture of carbon black.

Provided that any use not specified herein and considered not to be waste by the Commission will be permitted without hearing after written application to the Commission and written notice to all offset operators. Should any offset operator object to such proposed use, a hearing to consider the application will be held.

Affidavit of Publication

STATE OF NEW MEXICO,

COUNTY OF HARDING

The undersigned, being first duly sworn according to law, on his oath deposes and says that he is the Business Manager of the newspaper named THE ROY RECORD: and that he has personal knowledge of the facts stated herein: that the said THE ROY RECORD is a weekly newspaper published in the County of Harding and State of New Mexico; and entered under the second class privilege at the U. S. postoffice at Roy, Harding County, New Mexico, and having been uninterruptedly and continuously so printed and published during the period of more than six months next to date of the printing of the first publication concerning which this affidavit is made and a copy of which is hereto attached and made a part of this affidavit.

was published in said newspaper once each week for successive week, and that payment for said publication has been made or assessed as part of the court costs in the case to which it relates: said publications being made on the following dates, to-wit:

First publication: The 7th	day of July	· 19 5 Q ·
Second publication: The	day of	
Third publication: The		. 194
Fourth publication: The	day of .	, 19
I L	Business Manager	
Subscribed and sworn to be	fore me this 8	th
day of July	1950 Fridis Notary Public	·
My commission expires:		
PUBLISH	ER'S BILL	
52 Iines, 8-point type,	One . times, \$. 5	.20
Sales Tax @ 2%		
TOTAL	<i>.</i> \$	
Received payment:		
By: Fally	RECORD Linuau Manager	

NOTICE FOR PUBLICATION STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

The State of New Mexico by its Oil Cosservation Commission hereby gives notice pursuant to law and the rules and regulations of said Commission promulgated thereunder, of the following public hearing to be held July 25, 1950, beginning at 10:00 o'clock A. M. on that day in the City of Santa Fe, New Mexico, in the Capitol (Hall of Representatives).

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Given under the seal of the Oil Conservation Commission of New Mexico, at Santa Fe, New Mexico, on June 29, 1950.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

R. R. SPURRIER, Secretary.

Published July 7, 1950

NOTICE FOR PUBLICATION STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

The State of New Mexico by its Oil Conservation Commission hereby gives notice pursuant to law and the rules and regulations of said Commission promulgated thereunder, of the following public hearing to be held July 25, 1950, beginning at 10:00 o'clock A.M. on that day in the City of Santa Fe, New Mexico, in the Capitol (Hall of Representatives).

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Case 232

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In the matter of the application of the New Mexico Oil Conservation Commission upon its own motion to amend, modify and restate Rules 1204 and 1206, of the Commission's Rules and Regulations promulgated by Order No. 850, effective January 1, 1950, and relating to methods of giving notice for hearing and service thereof.

Given under the seal of the Oil Conservation Commission of New Mexico, at Santa Fe, New Mexico, on June 29, 1950.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

R. R. SPURRIER, SECRETARY. (SEAL)

Case no 22 28 231

In the matter of the Ophication of the Mexico Oil Conservation refron its own notion to modify, amuel and restates rule 40 4 of the Commission Pules and Regulations from egated by Oider no 850, effective January 1, 1950, and rutoling to historic Jan Wellyoting.

curs.

CONTINENTAL OIL COMPANY

1710 Fair Building Fort Worth 2, Texas June 20, 1950

IN THE MATTER OF THE AP LICATION OF CONTINENTAL OIL COMPANY FOR AN ORDER GRANTING TEMPORARY EXCEPTION TO RULE 404 IN THAT PERMISION BE GRANTED TO GAS LIFT SIX WELLS LOCATED IN THE SOUTH EURICE AND COOPER-JAL POOLS, LEA COUNTY, NEW MEXICO

APPLICATION

tion operating in the State of New Mexico from a field office in Hobbs, New Mexico, and respectfully represents to the Oil Conservation Commission of the State of New Mexico that it is the operator of the following wells located within the defined limits of the Cooper-Jal and South Eunice Pools:

Cooper-Jal Pool

- (1) Gates A-27 No. 1, located in the Southeast Quarter of the Southeast Quarter (SE/4 SE/4) of Section 27, Township 24 South, Range 36 East, Lea County, New Mexico.
- (2) Vaughan A-14 No. 2, located in the Southeast Quarter of the Southwest Quarter (SE/4 SW/4) of Section 14, Township 24 South, Range 36 East, Lea County, New Mexico.

Cooper-Jal Pool (Continued)

- (3) Vaughan A-14 No.), located in the Southwest Quarter of the Horthwest Quarter (SW/4 NW/4) of Section 14, Township 24 South, Range 36 East, Lea County, New Mexico.
- (4) Farney A-5 No. 4, located in the Northwest Quarter of the Northeast Quarter (NW/4 NE/4) of Section 5, Township 23 South, Range 36 East, Lea County, New Mexico.

South Eunice Pool

- (1) Meyer A-29 No. 2, located in the Southwest Quarter of the Southwest Quarter (SW/4 SW/4) of Section 29, Township 22 South, Range 36 East, Lea County, New Mexico.
- (2) Meyer A-29 No. 4, located in the Northwest Quarter of the Southwest Quarter (NW/4 SW/4) of Section 29, Township 22 South, Range 36 East, Lea County, New Mexico.

Applicant further represents that the above named wells are being produced by gas lift with the aid of high pressure dry gas and, at the present time, no market is available for the produced gas.

Gil Conservation Commission Rule No. 404 is stated as follows:

"After the completion of a natural gas well, no gat from such well shall be (1) permitted to escape to the air, (2) used expansively in engines or pumps and then vented, (3) used to gas lift oil wells unless all gas produced is processed in a gasoline plant or beneficially used thereafter without waste, or (4) used for manufacturing of carbon black". Application Page 3

ception to that portion of the rule numbered 3 for a period of six months in order to provide sufficient time to obtain market facilities for flared gas projuced from the above named wells.

Done at Fort Worth, Texas, on this 20th day of June 1950.

Respectfully sublitted, CONTRIBUTAL OIL COMPACY

HLJ-DF

231

July 13, 1950

Or. ... o. ochnson Outlinental wil ocupany 1710 Pair wilding Port worth 2, Texas

lear ir. Johnson:

To have an applicables dated from 20, esting for relief for certain wells to a Cooper-Jal pool and for a wall broken pool, under the Mil Conservation Joseph and 4.4.

The while twice The Gardsstan has called an open hearing on line 404 and the companies from the movessity of thing application for hearing in this regard.

Very truly yours.

R. M. Sparrier Secretary-Director

Harm cc: Mr. Shafer

Affidavit of Publication

LEGAL ABVESTISEMENT NOTICE FOR PUBLICATION STATE OF NEW MEXICO OIL CONSERVATION COMMISSION The State of New Mexico by its Oil Conservation Commission hereby gives notice pursuant to law and the rules and regulations of said Commission promulgated thereunder, of the following public hearing to be held July 25, 1950, beginning at 10:00 o'clock A.M. on that day in the City of Santa Fe, New Mexico, in the Capitol (Hall of Representatives). STATE OF NEW MEXICO TO: All named parties in the following cases and notice to the public:	I, Mathrya Chattan , being first duly sworn. declare and say that I am the (Business Manager) (Editor) of the Espanda County of Rio Arriba, a weekly newspaper, published in the English and Spanish language, and having a general circulation in the City of Espanola and County of Rio Arriba, State of New Mexico, and being a newspaper duly qualified to publish
In the matter of the application of the New Mexico Oil Conservation Commission upon its own motion to modify, amend and restate Rule 404 of the Commission's Rules and Regulations promulgated by Grader No. 850, effective January 1, 1950, and relating to natural gas utilization. In the matter of the application of the New Mexico Oil Conservation Commission upon its own motion to amend, modify and restate Rules 1204 and 1206, of the Commission's Rules and Regulations promulgated by Order No. 850, effective January 1, 1950, and relating to methods of giving notice for hearing and service thereof. Given under the seal of the Oil Conservation Commission on New Mexico, at Santa Fe, New Mexico, on June 29, 1950. STATE OF NEW MEXICO OIL CONSERVATION COMMISSION R. R. Spurrier R. R. SPURRIER, SECRETARY (SEAL) Pub. July 6, 1950.	legal notices and advertisements under the provisions of Chapter 167 of the Session Laws of 1937; that the publication, a copy of which is hereto attached, was published in said paper once each week for
PUBLISHER'S BILL	Kathreyn & hellene Manager
lines, one time at \$ 4.	Subscribed and sworn to before me this
Tax \$	day of
Total S4	Notary Public
Received payment,	My Commission expire.

January 16, 1951

Mr. E. L. Shafer Continental Oil Company Drawer CC Hobbs, New Mexico

Dear Smoke:

404-8

This is to let you know that the hearing and any action on Rule 104 has been continued to the regular April hearing, which will be held April 24.

Continental does not therefore need an exception for its gas lift operations at least until after April 24.

Very truly yours,

R. R. Spurrier Secretary-Director

RRS:bw

GENERAL OFFICES 120 BROADWAY, NEW YORK BEACON BLDG., TULSA

AMERADA PETROLEUM CORPORATION

W. T. WAGGONER BUILDING

Cauc 281

1124 New Mexico Oil Conservation Commission Santa Fe, N.M.

Attention: Mr. R. R. Spurrier, Secretary & Director

Gentlemen:

application is hereby made for an exception to Rule 404 of the General Rules and Regulations, effective January 1, 1950, to our Birdie Roach No. 1, located in Section 26, T.125, R.333, Hightower Pennsylvania Field, Lea County, New Mexico.

Due to the encroachment of water and because of extremely low gas-oil ratios it has been necessary to equip several wells in the Bagley and Hightower Pools with artificial lift. It has been more expedient and economical to install gas-lift equipment for this purpose.

At the present time the only legal use for the gas from our Roach No. 1 has been for development purposes. There is no gasoline plant in the field, nor is there an interstate or intrastate gas line in the area.

Until recently all gas produced from the subject well was legally utilized but with the retardation of drilling operations it is, and will be necessary to flare a portion of the gas after being used for gas lift.

We therefore respectfully request the case be set for hearing at your earliest convenience.

Very truly yours,

AMERADA PETROLEUM CORPORATION

J. O. Hathaway

RSC/VR

CC: Roy O. Yarbrough Oil & Gas Inspector Hobbs, N.M.

PHILLIPS PETROLEUM COMPANY

BARTLESVILLE, OKLAHOMA

PRODUCTION DEPARTMENT
C. P. DIMIT
VICE PRESIDENT

July 23, 1951

L. E. FITZJARRALD
MANAGER
H. H. KAVELER
ASSISTANT MANAGER
J. M. HOUCHIN
GENERAL SUPERINTENDENT
H. S. KELLY
CHIEF ENGINEER

In re: Case 231 - Concerning Possible Amendment of Statewide Rule 404

New Mexico Oil Conservation Commission Santa Fe, New Mexico

Attention of Mr. R. R. Spurrier, Secretary

Gentlemen:

The above-mentioned case which has been before the Commission for some time and which has been continued from time to time is now again on the docket for July 24, 1951, and we desire to hereby again register the opposition of Phillips Petroleum Company to any amendment of this rule.

In the opinion of Phillips Petroleum Company, Rule 404 is the only assurance which the Commission and the operators in the State of New Mexico have that natural gas reservoirs will not be depleted unless the gas is used beneficially. We believe that the use of natural gas for gas lifting oil wells, without beneficial use thereafter, is wasteful.

In any event, we see no reason for a blanket exception or amendment to this rule to permit any one group of operators or all operators to waste gas. In cases of individual necessity or hardship, the Commission may be justified after notice of hearing, in granting approval for the use of gas for gas lifting for a limited period of time where it can be shown that the benefits derived from use of this gas to lift oil are such that oil in value greater than the gas thus used would be lost where resort to other methods of lifting were uneconomical.

The period of time for the granting of such exceptions should be limited and the operator seeking an exception should be required within a reasonable time to either arrange for an outlet for the sale of this gas, or show the Commission that it is uneconomical to obtain such outlet.



New Mexico Oil Conservation Commission Case 231 - Rule 404 July 23, 1951 Page No. 2

By requiring hearings in individual cases, others owning interests in the gas reservoirs to be used would be given an opportunity to appear at such hearings and testify as to their views.

Because of our position in this matter, we respectfully move the Commission to close Case 231 and take no action to amend Statewide Rule 404.

It will be appreciated if you will cause this letter to be entered into the record of the hearing on July 24, 1951.

Yours very truly,

Tricich

CFD



STATE OF HER PREVIOUS OF HER PROPERTY.

The State of Now Maxico by its Oil Conservation Coordination hereby gives notice pursuant to law and the rules and regulations of said Constants promigated University, of the following public learning to be held July 25, 1950, beginning at 10:00 of clock A.M. on that day in the City of Santa Fo, New Maxico, in the Capital Shill of Exponentatives).

TOTAL TOTAL TOTAL

All neget parties in the following occase and notice to the publics

- AM - 25

The the matter of the application of America Peterslaus Composition to dually explicite its State LHF #2 well, legated in Section 36, Typ. 238, 2. 362, in the length-obstic yeal, Lea County, New Marion.

Gast 229

To the metter of the application of the New Meries Oil Communities Commission appeal the man amideo for an enter commenting order to. R-36, heretofore issued, to exclude from the fulcher Legis-Auts Compan (Pictured Cliffs) can peal the 11/2 Section 14, Top. 201, R. 101, Sen June County, New Members.

Corp. 230

In the retter of the application of the New Mexico Sil Semenvation Consission upon its one motion upon the reconsentation of the Southwestern New Mexico Enganciature Commission, for the creation of new poals in continuatern New Mexico as College:

- l. Create a new pool or all "BECA" for Generality but production to irelate all of lon. 25-2.100-2.262, Charge County, Res Series.
- 2. Ordate a nat pool mored "ENTENDATE" for Vollegop production around Denten good to include Sees, 11, 12, 13 and 14 of 7.158-7.576, Tea County, New Markets.
- 3. Create a new prol recod "FRITE-AGRESTICITY In the Manipulate production to include Seca. 11, 22, 13, and 14, of T.153-A.728, Lea County, New Manipu.
- 4. Or seto a new pool named "MACTON-DATERATOR" for Orinkard production to include all of Sec. 25-4,200-4,300, los Oceany, New Macton.
- 5. Create a new pool named "CLTSEF for Devenien production to include all of Sec. 13-4,213-2,275 and N/2 Sec. 13-4,113-2,275, Chaves County, New Harden.
- include the SE/4 of Sec. 1, SE/4 Sec. 12 of 7,195-5,295 and SE/4 Sec. 5, W/4 Sec. 7, of 8, 195-5,305, Sidy Soundry, New Morins.
- 7. Greate a new pool memod "FULINIA"-PARDOUN" for Raddook production to include all Sec. 19, 1/2 Sec. 20, of 1,175-8, FE, les County, New Maxion.
- 8. Greate a new pool maned "LICENDAP" for Devenies production to include all of Series 5,6,7, and 8, of Section WE, Charles County, New Maximum.

And for the extension of existing pools as follows:

- 9. Extend the "F UED-GAS ARTHUS" pool to include the S/2 Sec. 1 and S/2 Sec. 12, of T.200-R.362, all Secs. 5,6, and N/2 Sec. 7 of T.200-R.395 for the Andres production, Lee County, New Mexico.
- 10. Ordered the TAGO RECOVERY pool for Sen Andres production to include the 1/2 foc. 4-1.120-1.320, Safty County, New Marion.
- 11. Extend the "EXPER" pool for Gover There production to include the SM/4 of Sec. 16, S/2 Sec. 17, N/2 Sec. 20, NM/4 Sec. 21 of T.178-R.225, Midy County, New Hadeo.
- 12. Extend the "ANTECE'S" pool for Desylang-Sen Andres production to Include the "A of Sec. 14, 1/2 Sec. 23 of 1.185-1.285, the SE/4 of Sec. 23 and 1/2 Sec. 26 of C.185-7.275, Salty County, New Nectoo.
- 10. There is a transfer pool for all other production to include the 31/4 of ten. 27, 5/2 Sec. 15, 1/2 and 51/4 Sec. 22 of 7.215-2.375, Lee Script, New Acriso.
- 1/. Internal time "197" and for beard Stoppen to include the 1/2 and 27 of 7.215-2.375, Lea County, New Morder.
- 1). Then' the "Chicare Mar-Manual World for Promerivation productive to nothing the 1/2 Sec. 22 of 7.95-2.7%, Lee County, Bow Nation.
- 16. Persons the "DELYMBED" pool for Drinkmin production to include the SM/4 of Sec. 25 of J. 21 4. FE, Lee Soundy, Now Harden.
- 17. Second to MANUAL WATER pool for lates production to include the The Second 30, 18/1 Sec. 30 of 1.258-5.78, less County, New Mexico.

232

In the matter of the amplication of the liber Mexico MI is non-mation desidesion more than one will be to mailing among and matter this 404 of the Constanton's Tules and Populations recombined by Order No. 870, effective January 1, 1950, and relating to making an utilization.

Qana 232

In the nation of the application of the New Herion (1) Conservation Constrains upon 10s one notion to examt, modify and restate False 1204 and 1206, of the Gazzianion's Tales and Regulations premigned by Order No. 850, effective Jamery 1, 1950, and relating to definite of giring notice for hearing and correct trained.

Alson under the seed of the All Denservation Considerion of New Mercies, at Smote Po. New Mercies, on Anno 29, 1990.

ITAT COP SON HEADO CONSTRUCTOR OUTSTANDS

June 30, 1950

RECISTERED MAIL

ROY RECORD Roy, New Mexico

> Re: Notice of Publication Gases 231 and 232

Gentlemen:

Please publish the enclosed notice once, immediately. Please proof read the notice carefully and send a copy of the paper carrying such notice to this office.

UTO COMPLETION OF THE PUBLICATION SEED PUBLISHER'S ATTIMATED IN DUPLICATE.

For payment, please submit statement in duplicate, and sign and return the enclosed voucher.

PLEASE PUBLISH NOT LATER THAN JULY 14, 1950.

Very truly yours,

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

R. R. Spurrier Secretary-Director

RS: Ly

June 29, 1950

MIGUITATO MAIL

DEPARTOLA VALLEY SEN'S Espanola, New Yerico

Cases 231 and 232

Contlonen:

Please milish the enclosed pottles once, immediately. Please proof read to a little carefully and sond a only of the paper carrying such notice to this office.

UPOT NECESTATE OF ALL PUBLICATION SE) RUBLISHER'S ANTEDAVET TO DUPLICATE.

For payment, please submit statement in duplicate, and sign and return the enclosed voucher.

MEDAST PUBLISH NOT LARGE THAN JUNE 12, 1950.

Very truly yours,

STATE OF LEAD LEXTON OIL CONSERVATION CONSISSION

A. H. Spurrier Secretary-Director

NE:bu

June 30, 1950

REGISTERED MAIL

GALLUP INDEPENDENT Gallup, New Newico

> Re: Cases 231 and 232 Notice of Publication

Gentlemen:

Please publish the enclosed notice once, immediately. Please proof read the notice carefully and send a copy of the paper carrying such notice to this office.

UPOU COMPLETION OF THE PUBLICATION SEND PUBLISHER'S APPROAVET IN DUPLICATE.

For payment, please submit statement in duplicate, and sign and return the enclosed voucher.

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Very truly yours.

STATE OF NEW MEXICO
OIL CONSERVATION CONSISSION

R. R. Spurrier Secretary-Director

RRS:bw

HUMBLE OIL & REFINING COMPANY MIDLAND, TEXAS

July 13, 1950



Mr. R. R. Spurrier New Mexico Oil Conservation Commission Santa Fe, New Mexico

Dear Mr. Spurrier:

With respect to Case 231, to consider modification, amendment or restatement of Rule 404, it is our opinion that this rule as written is a conservation measure which should not be weakened or materially changed.

Yours very truly,

✓J. W. House

Division Superintendent -

RSD/rs