

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 231
ORDER NO. . .

IN THE MATTER OF THE APPLICATION OF THE
OIL CONSERVATION COMMISSION TO MODIFY,
AMEND AND RESTATE RULE 404 PROMULGATED
BY ORDER NO. 850 RELATING TO NATURAL
GAS UTILIZATION.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This matter came on for hearing at Santa Fe, New Mexico on July 25, 1950
on the application of the Oil Conservation Commission.

The Commission having heard the evidence and being duly advised,

FINDS:

1. It has jurisdiction of this case and the parties interested therein,
due notice of the hearing having been given.

2. It is in the interests of conservation that Rule 404 promulgated by
Order No. 850 be amended to read as follows:

"RULE 404. NATURAL GAS UTILIZATION

After the completion of a natural gas well, no gas from such
well shall be (1) permitted to escape to the air, (2) used expan-
sively 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 the
manufacture of carbon black.

Provided however, sub-section (3) above shall not apply to
oil wells on which gas lift operations were commenced and put into
use prior to January 1, 1950 and the operators of such oil wells may
continue such gas lift operations without an order of the Commission.

IT IS THEREFORE ORDERED:

That Rule 404 promulgated by Order No. 850 be amended as above set forth.

DONE this _____ day of _____, 1950 at Santa Fe, New Mexico.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

THOMAS J. MABRY, CHAIRMAN

GUY SHEPARD, MEMBER

R. R. SPURRIER, SECRETARY