

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

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

CASE No. 523  
Order No. R-313

THE APPLICATION OF THE NEW MEXICO  
OIL CONSERVATION COMMISSION, UPON  
ITS OWN MOTION, FOR AN ORDER RE-  
VISING RULE 701 OF THE OIL CONSERVATION  
COMMISSION'S RULES AND REGULATIONS TO  
ALLOW THE SECRETARY OF THE COMMISSION  
TO APPROVE THE DRILLING OF LPG STORAGE  
WELLS PROVIDED CERTAIN CONDITIONS ARE MET  
BY THE OPERATOR.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on March 17, 1953, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on the 10<sup>th</sup> day of April, 1953, the Commission, a quorum being present, having considered the testimony adduced and the exhibits received at the hearing, and being fully advised in the premises,

FINDS:

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

(2) That there is need for a revision of Section I - Secondary Recovery and Pressure Maintenance, of the Commission's Rules and Regulations, in order to provide for the approval by the Secretary of the Commission of wells to be drilled for the purpose of storing liquefied petroleum gases.

IT IS THEREFORE ORDERED:

(1) That the application of the Oil Conservation Commission be and the same hereby is approved as follows.

(2) That Section I - Secondary Recovery and Pressure Maintenance, should be amended to provide for the addition of Rule 705, as follows:

RULE 705: LPG (STORAGE WELLS)

Applications to drill storage wells for the purpose of storing liquefied petroleum gases shall be submitted to the Director of the Commission for approval. In addition to Form C-101 (Notice of Intention to Drill), the operator shall submit the following information:

1. Certified plat of area within 1/2 mile of proposed well showing thereon the location of the proposed well and the location of any oil or gas wells and dry holes, and lease ownership.

2. Upon completion of the proposed well, operator shall submit Form C-105, Well Log, plus a diagrammatic sketch of the finished installation, together with an estimate of the storage capacity of the cavity.

Applicants shall furnish all operators within a half-mile radius of the proposed well with a copy of the application to the Commission, and applicant shall include with his application a written stipulation that all operators within a half-mile radius of the proposed well have been properly notified. The Secretary of the Commission shall wait at least ten (10) days before approving any such application, and shall approve any such application only in the absence of objection from any notified operator. In the event that an operator objects to the application, the Commission shall consider the matter only after proper notice and hearing.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

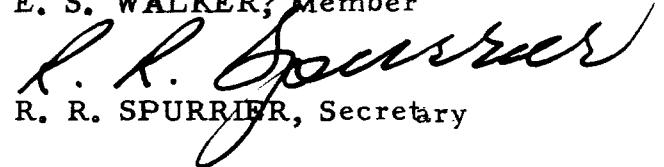
STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman



E. S. WALKER, Member



R. R. SPURRIER, Secretary

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