BEFORE THE OIL CONSERVATION COMMISSION Santa Fe, New Mexico January 13, 1960

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IN THE MATTER OF:)	
Application of Southern Union Gas)	Case 1852
Company for an exception to the)	
"no-flare" provision of Order)	
R-1427.)	

DEARNLEY - MEIER & ASSOCIATES
GENERAL LAW REPORTERS
ALBUQUERQUE NEW MEXICO
Phone CHapel 3-6691

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Application of Southern Union Gas Company for an exception to the "no-flare" provision of Order R-1427. Applicant, in the above-styled cause, seeks a 120-day exception to the "no-flare" provision of Order R-1427 for its Whitley Well No. 1, located in the NW/4 of Section 17, Township 24 North, Range 9 West, Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico.

Case 1852

BEFORE:

Honorable John Burroughs Mr. A. L. Porter Mr. Murray Morgan

TRANSCRIPT OF HEARING

MR. PAYNE: Application of Southern Union Gas Company for an exception to the "no-flare" provision of Order R-1427.

MR. VERITY: George Verity appearing for the Applicant with Mr. A. S. Grenier of the Texas Bar. We should like to advise the Commission of the fact that as late as this morning at 8:30 A.M. we learned that the well that is involved in this application would not be hooked into the El Paso system because it falls within that category already testified about as not being economical to tie in. For this reason we would like to amend our

application from one calling for temporary relief from the no-flare order to one calling for a permanent exception thereto. With that amendment I would like to call Mr. Wiediekehr to the stand.

MR. PAYNE: Mr. Verity, you are asking for administrative approval because the well is not economically feasible to connect?

MR. VERITY: We are asking for any kind of approval that this Commission seeks to give at this time. If you care to call that administrative rather than after hearing and notice, that's fine with us. We just want to get the exception.

MR. PAYNE: If the Commission granted you an administrative exception and put a six months, time limit on, would you have any objection?

MR. VERITY: Well, we have no objection. My suggestion would be that instead of doing it in that method, that a clause be placed in the order granting us an exception which provides that any time in the future it becomes economically feasible, that we be required upon motion by the Commission for show cause order and then we would hook it up, we would be very glad and we would be glad to have that clause inserted.

MR. PAYNE: All right.

MR. PORTER: Mr. Verity, the Commission attorney advises me that if Southern Union will give us a letter to the
effect or from El Paso to the effect that it is not economically

feasible to connect this well, that we can grant administrative approval and dispense with the case.

MR. VERITY: Would you like testimony at this time to that effect? We'll give you the letter if you want it.

MR. PAYNE: That's all we do need, Mr. Verity.

MR. VERITY: Is the letter, very well.

MR. PORTER: In that case, the Commission will dismiss Case 1852.

MR. GRENIER: It may take us a day or two to get the letter to you. May we continue to operate during that period of time?

MR. PORTER: Through the 15th.

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial seal this 25.7 day of January, 1960.

Notary Public-Court Reporter

My commission expires: June 19, 1963.