

OIL CONSERVATION COMMISSION

P. O. BOX 871  
SANTA FE, NEW MEXICO

December 30, 1959

Mr. C. H. Samples  
Mobil Oil Company  
P. O. Box 2406  
Hobbs, New Mexico

Dear Mr. Samples:

Reference is made to your request for administrative approval of an exception to the no-flare provision of Order No. R-1427 for seven oil wells in the Bisti-Lower Gallup Oil Pool, San Juan County, New Mexico.

After studying your application, the Commission has determined that administrative approval cannot be granted. Accordingly, the case has been set for hearing before the Commission on January 13, 1960. It would be helpful if your witness in this case is prepared to testify concerning the present casinghead gas production from these wells and the disposition thereof.

Very truly yours,

A. L. PORTER, Jr.  
Secretary-Director

ALP/OEP/ir

cc: Mr. Burns Errebo  
Modrall, Seymour, Sperling, Roehl and Harris  
Albuquerque, New Mexico



## Mobil Oil Company

A Division of Socony Mobil Oil Company, Inc.

P. O. Box 2406  
Hobbs, New Mexico

December 24, 1959

New Mexico Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico

Attn: Mr. A. L. Porter, Jr.

Dear Mr. Porter:

The following tabulation shows the disposition of all produced casing-head gas from all wells operated by Socony Mobil Oil Company, Inc. in the Bisti Lower Gallup Field, San Juan County, New Mexico.

<u>Lease</u>	<u>Well No.</u>	<u>Disposition</u>
Ah-Nus-Bah	1	Shut in, high pressure gas well
Sadie Canuto	1, 2	Connected to El Paso Natural Gas low pressure field gathering system
Deet-So-Sa	1, 2	" " "
Ken-No-To	1	" " "
<del>Sanda Wall</del>	1, 2	To be connected to El Paso Natural Gas system by December 31, 1959

It is our understanding that the El Paso system will be in operation by December 31, 1959.

This report is submitted to comply with Order No. R-1427, regarding flare gas in the Bisti Lower Gallup.

Yours very truly,

SOCCNY MOBIL OIL COMPANY, INC.

*C. H. Samples*  
C. H. Samples  
District Superintendent  
Mobil Oil Company

A Division of Socony Mobil Oil Company, Inc.

nrh

cc: New Mexico Oil Conservation Commission (2)  
El Paso Natural Gas (1)

*Core 186 ~*  
*Can't this go to Energy?*  
*8/11*

C O P Y

NEW MEXICO OIL CONSERVATION COMMISSION

PROPOSED RULE

PROPOSED RULE

PROPOSED RULE

RULE 303. SEGREGATION OF PRODUCTION FROM POOLS

(a) Each pool shall be produced as a single common source of supply and the wells therein shall be completed, cased, maintained, and operated so as to prevent communication within the well bore with any other specific pool, and the production therefrom shall at all times be actually segregated and the commingling or confusion of such production, before marketing, with the production from any other pool or pools is strictly prohibited.

(b) The Secretary-Director of the Commission shall have the authority to grant an exception to Rule 303 (a) to permit the commingling in common facilities of the commonly owned production from two or more common sources of supply, provided that the production from each common source of supply shall be accurately measured and determined prior to such commingling; and provided further that the actual commercial value of such commingled production will not be less than the sum of the values of the production from each separate common source of supply.

Applications for administrative approval to so commingle the production from two or more common sources of supply shall be filed in triplicate with the Santa Fe office of the Commission. Applicant shall furnish the Commission with detailed data as to the gravities of the hydrocarbons, the values thereof, and the volumes of the hydrocarbons from each pool, as well as the expected gravity and value of the commingled production; a schematic diagram of the installation; a plat showing the location of all wells on the applicant's lease and the pool from which they are producing. Applicant shall also furnish evidence that all offsetting operators as well as those persons owning royalty interests in the subject acreage have been notified of the application to commingle and furnished a complete copy of the application.

The Secretary-Director may approve the commingling if, after a period of 20 days following receipt of the application, no person owning a royalty interest in the subject acreage or offset operators has objected.

NOTE: Underlined portions represent Socony Mobil Company's recommended additions to the proposed rule.

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

APPLICATION OF SOCONY MOBIL OIL  
COMPANY, INC. FOR AN EXCEPTION TO  
ORDER NO. R-1427 INsofar AS IT APPLIES  
TO ITS SADIE CANUTO NOS. 1 AND 2,  
DEET-SO-SA NOS. 1 AND 2, KEN-NO-TO  
NO. 1 AND SANDRA WALL NOS. 1 AND 2,  
BISTI-LOWER GALLUP OIL POOL, SAN JUAN  
COUNTY, NEW MEXICO

CASE NO. 1862

APPLICATION

COMES NOW Socony Mobil Oil Company, Inc. and respectfully  
alleges and states as follows:

1. That it is operator of the Sadie Canuto Nos. 1 and 2,  
Deet-So-Sa Nos. 1 and 2, Ken-No-To No. 1 and Sandra Wall Nos. 1 and  
2 wells which are productive of oil from the Bisti-Lower Gallup  
Oil Pool, the production from which is subject to restriction pursuant  
to Order No. R-1427, dated June 25, 1959, which provides, among  
other things, that no casinghead gas shall be flared or vented from  
any well insaid pool after December 31, 1959.

2. That applicant has arranged with El Paso Natural Gas  
Company for the installation of facilities for the gathering of  
casinghead gas from said wells, and had understood from El Paso Natural  
Gas Company that said facilities would be fully completed so that  
all gas would be gathered prior to December 31, 1959, but that  
applicant is now informed that El Paso Natural Gas Company will not  
complete said facilities prior to January 1, 1960, when Order No.  
R-1427 will become effective.

3. That due to no fault of its own applicant is now faced  
with a delay of some fifteen to thirty days in disposal of its  
produced casinghead gas from said wells in accordance with said  
order, and consequent restriction of production from said wells  
which, under the circumstances and in view of applicants efforts  
to arrange for disposal facilities, will cause undue hardship upon  
applicant, which has attempted to comply with said order.

4. That under the aforesaid circumstances, the threatened  
restriction of production from applicant's wells constitutes an  
emergency.

LAW OFFICES OF  
MODRALL, SEYMOUR, SPERLING, ROEHL & HARRIS

SIMMS BUILDING

P. O. BOX 466

ALBUQUERQUE, NEW MEXICO

TELEPHONE CHAPEL 3-4514

December 29, 1959

JOHN F. SIMMS (1885-1954)

J. R. MODRALL  
AUGUSTUS T. SEYMOUR  
JAMES E. SPERLING  
JOSEPH E. ROEHL  
GEORGE T. HARRIS  
DANIEL A. SISK  
DEAN P. KIMBALL  
LELAND S. SEDBERRY  
BURNS H. ERREBO  
ALLEN C. DEWEY

*Case file  
(Socony Mobil)*

Oil Conservation Commission  
125 Mabry Hall  
Capitol Building  
Santa Fe, New Mexico

Attention: Mr. Oliver Payne

Gentlemen:

Enclosed herewith is application of Socony Mobil Oil Company, Inc. for exception to Order No. R-1427 covering seven of its wells in the Bisti - Lower Gallup Oil Pool, San Juan County, New Mexico.

This application covers the notice which you prepared on December 28, 1959.

Very truly yours,

*Burns H. Errebo*

Burns H. Errebo

BHE/b  
enclosures

*Handwritten notes:*  
BHE/b  
1-4-60  
JH

WHEREFORE, applicant prays for administrative approval of an exception to said order, pursuant to the provisions thereof, until said field facilities of El Paso Natural Gas Company are completed, and in operation as to applicants wells; and in the alternative, should this Commission see fit not to grant such administrative exception, applicant prays for issuance of an emergency order pursuant to Rule 1202 of this Commission, granting an exception to Order No. R-1427, as it applies to applicant's wells named herein; and applicant further prays that this matter be set for hearing before this Commission at an early date, and for such other and further relief as to the Commission may seem proper.

SOCONY MOBIL OIL COMPANY, INC.

By MODRALL, SEYMOUR, SPERLING, ROEHL & HARRIS  
Its Attorneys,

By



Burns H. Errebo  
1200 Simms Building, P. O. Box 466  
Albuquerque, New Mexico