

DOCKET: REGULAR HEARING - WEDNESDAY - AUGUST 15, 1962

OIL CONSERVATION COMMISSION - 9 A.M. - MORGAN HALL, STATE LAND OFFICE
BUILDING, SANTA FE, NEW MEXICO

- ALLOWABLE:**
- (1) Consideration of the oil allowable for September, 1962.
 - (2) Consideration of the allowable production of gas for September, 1962, from ten prorated pools in Lea and Eddy Counties, New Mexico, also consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico, for September, 1962.

CASE 2504:

(REHEARING)

Application of Consolidated Oil & Gas, Inc. for an amendment of Order No. R-1670-C, changing the allocation formula for the Basin-Dakota Gas Pool, San Juan, Rio Arriba and Sandoval Counties, New Mexico.

NOTICE

CASE 2504 has been continued by the Commission to the September 13, 1962 regular hearing, at 9 o'clock a.m., Morgan Hall, State Land Office Building, Santa Fe, New Mexico. All parties who entered a formal appearance have been notified of the continuation by certified mail.

CASE 2561:

(Continued)

In the matter of the hearing called on the motion of the Oil Conservation Commission to consider revising Rule 111, Deviation Tests and Whipstocking. The Commission will consider the report and recommended rule of the Industry Committee appointed by the Commission after the May, 1962 hearing. The proposed rule, as stated in the Committee Report, reads in its entirety as follows:

Rule 111. Deviation Tests and Directional Drilling

(a) Any well which is drilled or deepened with Rotary Tools shall be tested at reasonably frequent intervals not to exceed 500 feet or at the next subsequent bit change to determine the deviation from the vertical. A sworn notarized tabulation of all tests run shall be filed with Form C-105, Well Record. When such deviation averages more than five degrees in any 500 foot interval, the Commission may request that a directional survey be run to establish the location of the producing interval(s).

Rule 111. Deviation Tests and Directional Drilling (Cont.)

The Commission, at the request of an offset operator, may require any operator to make a directional survey of any well. Said directional survey and all associated costs shall be at the expense of the requesting party and shall be secured in advance by a \$5,000 indemnity bond posted with and approved by the Commission. The requesting party may designate the well survey company, and said survey shall be witnessed by the Commission.

(b) No well shall be intentionally deviated in a predetermined direction without special permission from the Commission. Permission to deviate toward the vertical to straighten an excessively deviated well bore as defined in (a) above; or to sidetrack junk in the hole in an indeterminate direction or toward the vertical; or to drill a relief well to control a blow-out shall be obtained from the appropriate District Office of the Commission on Commission Form C-102 with copies of said Form C-102 being furnished to all offset operators. Permission to deviate a well in any other manner or for any other reason will be granted only after notice and hearing. Upon completion of any well that was deviated in a predetermined direction, except toward the vertical, a directional survey of the entire well bore must be run and filed with the Commission. In addition, all directional surveys run on any well that was intentionally deviated in any manner for any reason must be filed by the operator with the Commission upon completion of the well. Prior to the assignment of an allowable, operator shall submit a sworn notarized statement to the effect that all directional surveys run on the well have been filed.

CASE 2618:

Application of El Paso Natural Gas Company for a revision of Rule 314. Applicant, in the above-styled cause, seeks the revision of Rule 314 pertaining to the gathering, transporting and sale of drip to provide for the redefinition of drip also to include condensate; to further regulate the transportation of drip, as redefined; and to require the reporting of such transportation on Forms C-110-A and C-110-B.

CASE 2503:

Application of the Oil Conservation Commission, on its own motion, to consider the establishment of minimum gas allowables in the Blanco-Mesaverde, Aztec-Pictured Cliffs, Ballard-Pictured Cliffs, Fulcher Kutz-Pictured Cliffs, South Blanco-Pictured Cliffs, and West Kutz-Pictured Cliffs Gas Pools, San Juan, Rio Arriba and Sandoval Counties, New Mexico.