

El Paso Natural Gas Company

El Paso, Texas 79999

July 22, 1968

Hearing

*Case
3834*

New Mexico Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico 87501

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

RE: Suspension Balancing Provision Rule 14-A, Underproduction
and 15-A, Overproduction, of Order R-1670

Gentlemen:

El Paso Natural Gas Company hereby requests a hearing ~~on an examiner~~ *ASU* to consider suspension for a period of one year from August 1, 1968 of the balancing provision of Rule 14-A (underproduction) and Rule 15-A (overproduction) of order No. R-1670 as amended.

Because of past high market demand from this area and the assignment of the allowables in some months to wells that were incapable of producing it, El Paso has had to overproduce capable wells to the extent that a number of wells representing substantial deliverability may be shut-in for unbalanced overproduction effective August 1, 1968. It appears that sufficient deliverability will be shut-in to create a hardship on El Paso in meeting its market demand for gas from the San Juan Basin area during certain periods of the winter of 1968-1969.

As these rules and this order pertain to wells in the prorated gas pools of northwest New Mexico in San Juan, Rio Arriba, and Sandoval Counties, we, therefore, request an August hearing date so that this matter can be heard prior to the time normal cancellation and redistribution of prorated pools in the San Juan Basin takes place in order to avoid the burden of reinstating underages and releasing for production wells that have been ordered shut-in for overproduction.

Yours very truly,

Robert A. Meyer
Robert A. Meyer
Attorney, Office of
General Counsel

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RAM/am

cc: F. M. Woodruff
H. P. Logan
A. M. Derrick
D. E. Rainey

DOCKET MAILED

Date 8-1-68
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