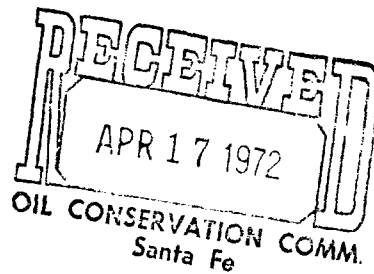


AtlanticRichfieldCompany

North American Producing Division
Permian District
Post Office Box 1610
Midland, Texas 79701
Telephone 915 682 8631

W. P. Tomlinson
District Engineer - West Area



April 11, 1972

New Mexico Oil Conservation Commission
Santa Fe
New Mexico

Jno

Attn: Mr. A. L. Porter

Re: Case 4691 - Amendment of General Rules and
Regulations Concerning Prorating Gas Pools in
New Mexico

Gentlemen:

Atlantic Richfield Company is in agreement with the
proposal to amend Rule 9 and Rule 13 of Order No.
R-1670 to permit the establishment of one-year pro-
ration periods for gas wells beginning January 1.
We think that one-year balancing periods would help
many of our wells to make up underproduction result-
ing from normal producing and operational problems.

Very truly yours,

A handwritten signature in cursive script, appearing to read "W. P. Tomlinson".

W. P. Tomlinson

WPT/agp

REVISION OF ORDER NO. R-1670

RULES AND REGULATIONS GOVERNING PRORATED GAS POOLS IN NEW MEXICO

GENERAL RULES, NORTHWEST NEW MEXICO

RULE 9(D): SUBSTITUTE THE UNDERLINED WORDING IN THIS RULE:

"RULE 9(D): Annual deliverability tests taken each year shall be used in calculating allowables for wells in the gas pools regulated by this order for the twelve-month period beginning January 1 of the following year."

RULE 11: DELETE THIS RULE AND SUBSTITUTE RULE 11 OF SPECIAL RULES AS FOLLOWS:

"RULE 11: A minimum allowable of 1000 MCF per month per proration unit will be assigned in order to prevent the premature abandonment of wells."

RULE 13: DELETE THIS RULE AND SUBSTITUTE THE FOLLOWING:

"RULE 13: The date 7:00 a.m. January 1 of each year shall be known as the balancing date, and the twelve-months following this date shall be known as the gas proration period."

RULE 21(D): DELETE THIS RULE AND SUBSTITUTE THE FOLLOWING:

"RULE 21(D): Form C-111 referred to herein shall be submitted in triplicate, the original being sent to the Commission at Box 2088, Santa Fe, New Mexico 87501, the remaining copies being sent to 1000 Rio Brazos Road, Aztec, New Mexico 87410, and Box 1980, Hobbs, New Mexico 88240, respectively."

REVISION OF ORDER NO. R-1670

RULES AND REGULATIONS GOVERNING PRORATED GAS POOLS IN NEW MEXICO

GENERAL RULES, SOUTHEAST NEW MEXICO

RULE 13: DELETE THIS RULE AND SUBSTITUTE THE FOLLOWING:

"RULE 13: The date 7:00 a.m. January 1 of each year shall be known as the balancing date, and the twelve-months following this date shall be known as the gas proration period."

RULE 21(D): DELETE THIS RULE AND SUBSTITUTE THE FOLLOWING:

"RULE 21(D): Form C-111 referred to herein shall be submitted in duplicate, the original being sent to the Commission at Box 2088, Santa Fe, New Mexico 87501, the other copy being sent to Box 1980, Hobbs, New Mexico 88240."

4691

TC
620192

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. 2373
Order No. R-2086

APPLICATION OF EL PASO NATURAL GAS
COMPANY FOR AN AMENDMENT OF THE
GENERAL RULES AND REGULATIONS FOR
THE PRORATED GAS POOLS OF NORTH-
WESTERN NEW MEXICO, AS CONTAINED
IN ORDER NO. R-1670.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on
September 13, 1961, at Santa Fe, New Mexico, before the Oil
Conservation Commission of New Mexico, hereinafter referred
to as the "Commission."

NOW, on this 13th day of October, 1961, the Commission,
a quorum being present, having considered the testimony presented
and the exhibits received at said 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 the applicant, El Paso Natural Gas Company, seeks
an amendment of the General Rules and Regulations for the Prorated
Gas Pools of Northwestern New Mexico, as contained in Commission
Order No. R-1670, to provide for the reporting of gas production
on a chart-period basis as an alternative to reporting on a
calendar month basis as presently required.

(3) That the evidence presented establishes that the pro-
posed chart-period basis method of reporting may, in some in-
stances, tend to increase the efficiency of reporting gas production;
therefore the applicant's proposed amendment of the General Rules
for the Prorated Gas Pools of Northwestern New Mexico should be
adopted.

IT IS THEREFORE ORDERED:

(1) That the General Rules and Regulations for the Prorated
Gas Pools of Northwestern New Mexico, as set forth in Order

-2-

CASE No. 2373
Order No. R-2086

No. R-1670, are hereby amended by the inclusion of Rule 21(E) which reads in its entirety as follows:

RULE 21(E): Upon approval by the Secretary-Director as to the specific program to be used, any producer or purchaser of gas may be permitted to report metered production of gas on a chart-period basis; provided the following provisions shall be applicable to each gas well:

1. Reports for a month shall include not less than 24 nor more than 32 reported days.
2. Reported days may include as many as the last 7 days of the previous month but no days of the succeeding month.
3. The total of the monthly reports for a six-month proration period shall include not less than 176 nor more than 184 reported days.
4. The total of the monthly reports for a year shall include not less than 360 nor more than 368 reported days.

For purposes of these General Rules and Regulations, the term "month" shall mean "calendar month" for those reporting on a calendar month basis, and shall mean "reporting month" for those reporting on a chart-period basis in accordance with the exception provided in this rule.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

S E A L

A. L. PORTER, Jr., Member & Secretary

esr/

UNDER-PRODUCTION

	Begin Underage 1-31-70	Underage Made-Up 2-1-70 1-31-71	% Underage Made-Up	Begin Underage 1-31-71	Underage Made-Up 2-1-71	% Underage Made-Up	Amount Cancelled 1-31-72	% Cancelled
BASIN DAKOTA	11,401,890	9,665,859	84.7	1,736,031	873,673	7.7	862,358	7.6
BLANCO MESA VERDE	3,365,574	2,943,233	87.5	422,342	217,886	6.5	204,456	6.0
AZTEC P.C.	420,379	405,578	96.4	14,801	14,787	3.5	14	0.1
BALLARD P.C.	247,676	162,653	65.7	99,810	99,810	34.3	-0-	-0-
BLANCO P.C. SOUTH	1,396,040	1,141,081	81.7	254,959	64,765	4.6	190,194	13.7
FULCHER KUTZ P.C.	147,351	119,540	81.1	27,811	7,974	5.4	19,837	13.5
WEST KUTZ P.C.	106,540	85,764	80.5	20,776	11,200	10.5	9,576	9.0
TAPACITO P.C.	452,005	396,308	87.7	55,697	38,031	8.4	17,666	3.9

OVER-PRODUCTION

	Begin Over-Production 1-31-70	Over-Production Made-Up 2-1-70 - 1-31-71	% Overage Made-Up	Begin Over-Production 1-31-71	Over-Production Made-Up 2-1-71-1-31-72	% Overage Made-Up
BASIN DAKOTA	5,305,724	5,304,130	99.9	1,594	1,594	0.1
BLANCO MESA VERDE	2,168,898	2,152,311	99.2	16,587	16,587	0.8
AZTEC P.C.	227,972	227,972	100.0			
BALLARD P.C.	324,080	324,080	100.0			
BLANCO P.C. SOUTH	671,697	671,697	100.0			
FUCHER KUTZ P.C.	149,277	149,277	100.0			
WEST KUTZ P.C.	155,460	155,460	100.0			
TAPACITO P.C.	249,495	249,495	100.0			