

STATE OF NEW MEXICO  
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE  
APPLICATION OF EL PASO  
NATURAL GAS COMPANY FOR  
AMENDMENT OF DIVISION  
ORDER R-6175, EDDY COUNTY,  
NEW MEXICO.

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OIL CONSERVATION DIVISION

Case No. 9798

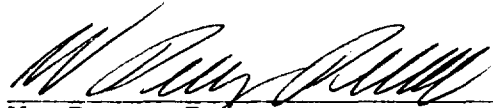
ENTRY OF APPEARANCE

COMES NOW Montgomery & Andrews, P.A., attorneys for the  
applicant, and enters its appearance in this case in association  
with John F. Nance, in-house counsel for El Paso Natural Gas  
Company, an attorney admitted in the State of Texas.

Respectfully submitted,

MONTGOMERY & ANDREWS, P.A.

By



W. Perry Pearce  
Post Office Box 2307  
Santa Fe, New Mexico 87504-2307  
(505) 982-3873

Attorneys for El Paso Natural  
Gas Company

November 15, 1989

State of New Mexico  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Subject: Case No. 9798  
Volume Reporting, Washington Ranch  
Gas Storage Project,  
Eddy County, New Mexico

Gentlemen:

El Paso Natural Gas Company ("El Paso") sought to amend NMOCD Order No. R-6175 in the above referenced Case in an Examiner Hearing on November 1, 1989. This Case was heard by Examiner Victor T. Lyon.

During this Examiner hearing, we learned that a communication gap existed between El Paso and the NMOCD and that the NMOCD was not duly notified of the NMOCD Order Number or Rule Number from which El Paso was seeking an exception. With an understanding now in place, El Paso is asking the NMOCD to DISMISS the application that was submitted by El Paso in creating Case No. 9798.

With the dismissal of Case No. 9798, El Paso seeks administrative approval from the Division to permit the volume of gas injected into and the volume of gas withdrawn from the Washington Ranch Gas Storage Project to be reported as a total volume from the Project on a monthly basis on Form C-131-A without listing any volume for each of the existing wells.

Your cooperation in this matter will be greatly appreciated.

Sincerely,



H. L. Kendrick, P.E.  
Conservation Engineer

/je



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS  
GOVERNOR

November 15, 1989

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STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

Mr. H. L. Kendrick  
El Paso Natural Gas Company  
P. O. Box 1492  
El Paso, Texas 79978

Re: Case No. 9798  
Volume Reporting, Washington Ranch  
Gas Storage Project, Eddy County, N.M.

Dear Mr. Kendrick:

Prior to hearing date November 1 on subject case, Order R-6175 was reviewed. Following the hearing Form C-131-A was inspected and the filings of other gas storage projects reviewed.

It is our conclusion that Order R-6175 does not require reporting of injection/withdrawal on a well basis. It is further concluded that amendment of Form C-131 as provided in Order R-6702 to provide space for well no. and location does not of itself require reporting under Order R-6175 to be on a well basis.

Based on your letter of November 15, 1989, the testimony and record in Case 9798 and our review of the facts of the case, it is our decision that El Paso may report injection/withdrawal for the Washington Ranch Gas Storage Project on a unit basis with totals shown at the bottom of the columns together with explanatory remarks deemed necessary to show the current status and changes from the status for the prior month.

This interpretation shall remain in effect until changed by subsequent administrative notice, if circumstances so require.

Sincerely,

A handwritten signature in dark ink, appearing to read "William J. Lemay", written over the typed name and title.

WILLIAM J. LEMAY  
Director

WJL/VTL/dr

cc: Mike Williams  
Cathy Meyer  
Case File 9798

