

Entered November 14, 1978
JLR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6318
Order No. R-5845

APPLICATION OF COQUINA OIL
CORPORATION FOR AN INCREASE IN
CASINGHEAD GAS ALLOWABLE, LEA
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on September 13, 1978, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 14th day of November, 1978, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Coquina Oil Corporation, seeks an exception to Rule 303-C-4 to increase the casinghead gas allowable for its Vivian Well No. 1, located in Unit F of Section 30, Township 22 South, Range 38 East, Lea County, New Mexico, the Drinkard and Granite Wash zones in said well being commingled pursuant to Order No. DHC-255 and subject to the GOR limit for the Wantz-Granite Wash Pool.

(3) That the daily casinghead allowables for said Drinkard and Granite Wash zones are 852 MCF and 374 MCF, respectively.

(4) That the applicant proposes a casinghead allowable for the subject well of 984 MCF of gas per day, based upon an allowable of 374 MCF per day for the Granite Wash zone and 610 MCF per day for the Drinkard zone.

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(5) That based upon the division of gas production set out in Order No. DHC-255 the proposed special casinghead gas allowable of 984 MCF per day can be produced by said Vivian Well No. 1 without causing over production of casinghead gas from either the Drinkard zone or the Granite Wash zone.

(6) That the assignment of such special casinghead gas allowable will better permit the applicant to recover its share of the oil and gas production in each of said zones, will not cause waste, and will not violate correlative rights.

(7) That the application should be approved.

IT IS THEREFORE ORDERED:

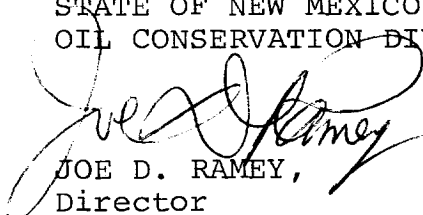
(1) That Coquina Oil Corporation is hereby granted a special commingled casinghead gas allowable of 984 MCF per day (610 MCF for the Drinkard zone and 374 MCF for the Granite Wash zone) for its Vivian Well No. 1 located in Unit F of Section 30, Township 22 South, Range 38 East, Lea County, New Mexico.

(2) That any provisions of the Division's Order No. DHC-255 dated August 14, 1978, not in conflict herewith are hereby continued in full force and effect.

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

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY,
Director

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