

Entered April 24, 1980
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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. 6865
Order No. R-6088-C

APPLICATION OF GETTY OIL COMPANY
TO REOPEN CASE NO. 6608, LEA
COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on April 9, 1980, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 24th day of April, 1980, 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 by its Orders Nos. R-6088 and R-6088-A, the Division created and defined the Grama Ridge-Wolfcamp Pool effective September 1, 1979, and classified the same as an oil pool pending further study.
- (3) That by its Order No. R-6088-B, the Division reclassified said Grama Ridge-Wolfcamp Pool as a retrograde gas condensate pool effective March 1, 1980, promulgated special rules for said pool, including a production limitation of 1500 MCF of gas per day, and ordered reopening of the case at an examiner hearing during May, 1980, to permit the operators in said pool to appear and present evidence to establish the proper rates of production for wells in the pool.
- (4) That pursuant to the application of Getty Oil Company filed March 6, 1980, this cause came on for hearing on April 9, 1980, and Case No. 6608 was reopened to consider evidence relating to the proper rates of production for wells in the Grama Ridge-Wolfcamp Gas Pool.

(5) That the evidence presented clearly establishes that the Grama Ridge-Wolfcamp Gas Pool is producing from a retrograde gas condensate reservoir.

(6) That the reservoir covers an extremely limited geographic area, perhaps no more than 55 acres, and that the transmissibility of the reservoir is relatively high.

(7) That due to the small reservoir size and its high transmissibility, the reservoir experiences a relatively low pressure drawdown at a production rate of 2200 MCF/day, and appears to be non-rate sensitive at least up to this rate of production.

(8) That analysis of all data available indicates that a maximum production rate of 2500 MCF of gas per day for each well in the Grama Ridge-Wolfcamp Gas Pool will not cause waste nor impair correlative rights, and should be approved.

(9) That Rule 4 of the Special Rules and Regulations for the Grama Ridge-Wolfcamp Gas Pool should be amended to read in its entirety as follows:

"RULE 4. A gas well on a standard unit in the Grama Ridge-Wolfcamp Gas Pool shall be permitted to produce no more than 2,500 MCF of gas per day at standard surface conditions during the effective period of these pool rules. This shall be known as the daily allowable."

(10) That this order should be effective March 1, 1980.

IT IS THEREFORE ORDERED:

(1) That effective March 1, 1980, Rule 4 of the Special Rules and Regulations for the Grama Ridge-Wolfcamp Gas Pool, as promulgated by Division Order No. R-6088-B effective March 1, 1980, is hereby amended to read in its entirety as follows:

"RULE 4. A gas well on a standard unit in the Grama Ridge-Wolfcamp Gas Pool shall be permitted to produce no more than 2,500 MCF of gas per day at standard surface conditions during the effective period of these pool rules. This shall be known as the daily allowable."

(2) That Order No. 4 of "It Is Further Ordered" of said Order No. R-6088-B, which called for Case No. 6608 to be reopened in May, 1980, to hear evidence as to proper rates of production for wells in the subject pool, is hereby stricken.

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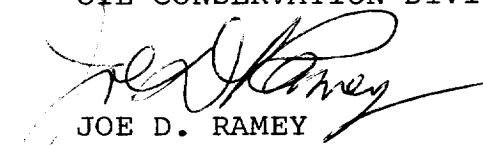
Case No. 6865

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(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 herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



JOE D. RAMEY
Director

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