

RECOMMENDATION FOR A GAS DISPLACEMENT
FACTOR FOR WELLS IN LEA COUNTY.

1. Any well producing with a net gas-oil ratio in excess of ten thousand (10,000) cubic feet per barrel of oil produced, shall be allowed to produce daily a total volume of gas equivalent to that quantity obtained by multiplying the average unit allowable for Lea County by 10,000. The displacement volume will vary from time to time as the allowable production for units is changed.

In applying the displacement factor to the unit allowable in a field, the wells penalized in daily allowable shall first be set up on the schedule and the remaining oil distributed to the remaining units of the field.

There are some fields with high ratio wells producing large volumes of water which may warrant a temporary exception to this rule. ^P Net gas is defined as gas coming from the formation with the oil produced from the well and not returned to the reservoir.

2. Within sixty (60) days after the inauguration of this temporary order, a study of all fields shall be made and evidence presented at an open hearing; such evidence to be used as a basis for establishing a proper gas-oil ratio limit for each field, after which an order shall be prepared and enforced. *made effective immediately*

3. That a committee of field engineers be appointed by Mr. Staley to determine a standard method of taking gas measurements for the calculation of gas-oil ratios.

4. That a quarterly gas-oil **ratio** survey shall be made and reported on all wells in all fields in Lea County.

	Cooper		Eunice		Eaves Area		Hardy		Hobbs Field		Jal Field		Langlie	
	Over 10,000	Over 5,000	Over 10,000	Over 5,000	Over 10,000	Over 5,000	Over 10,000	Over 5,000	Over 10,000	Over 5,000	Over 10,000	Over 5,000	Over 10,000	Over 5,000
Colorado Petroleum Corp.	1	2	1	2	0	0	0	0	0	2	0	0	0	0
Anderson Pritchard	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Atlantic Refining Co.	0	0	2	6	0	0	0	0	0	0	0	0	0	0
Bradley Oil Company	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utilities Service Oil Company	0	0	4	5	0	0	0	0	0	0	0	0	0	0
Continental Oil Company	0	0	3	15	0	0	0	0	0	1	0	0	0	0
Langlade and Clower	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Evoniam Oil Company	0	0	0	3	0	0	0	0	0	0	0	0	0	0
Gulf Oil Corporation	2	3	14	32	0	1	0	8	0	1	0	0	1	2
Hirschback Drilling Company	0	0	0	0	0	0	0	1	0	0	0	0	1	2
Umbles Oil Company	3	3	3	4	0	0	0	0	0	0	2	0	0	0
Agnoia Pet. Company	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Midcontinent Oil Corporation	0	0	2	3	0	0	0	0	0	0	0	0	0	0
Ohio Oil Company	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Oil Well Drilling Company	0	9	9	0	0	0	0	0	0	0	0	0	0	0
Arkner Drilling Company	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Benrose and Rowan	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Hillips Petroleum	0	0	0	3	0	0	0	0	0	0	0	0	0	0
Hillips Pure	11	11	0	0	0	0	0	0	0	0	0	0	0	0
Leppollo Oil Company	0	0	4	6	0	0	0	1	0	0	0	0	1	1
Republic Production Company	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Samadan Oil Corporation	0	0	0	0	0	0	0	0	0	1	0	0	0	0
Shell Oil Company	0	0	8	13	0	0	0	0	0	3	0	0	0	0
Kelly Oil Company	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Southern Petroleum Company	0	0	0	0	0	0	0	0	0	0	1	0	0	0
Standard Oil of Texas	0	0	0	0	0	0	0	0	0	1	0	0	0	0
Standard Oil Company	0	0	4	6	0	2	0	1	0	1	0	0	0	0
Hum Oil Company	0	0	0	0	0	0	1	1	0	1	0	0	2	4
Texas Company	0	0	1	4	0	0	1	1	0	0	0	0	0	1
Texas Pacific Coal and Oil Co.	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Texas-Richmond Drilling Co.	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Midwater Associated Oil Co.	1	1	0	3	0	0	0	0	0	0	0	0	0	0
Two States Oil Company	0	0	0	0	0	0	0	0	0	0	0	0	0	0

TOTALS

21 20 46 105 0 3 2 13 1 11 3 6 5 10

	Lynn		Mattix		Monument		Penrose		Skaggs		Skelly		S. Eunice	
	Over	5,000	Over	5,000	Over	5,000	Over	5,000	Over	5,000	Over	5,000	Over	5,000
Amerada Petroleum Corp.	0	0	0	0	7	15	0	2	0	0	0	0	0	0
Anderson Pritchard	0	0	0	0	1	2	0	0	0	0	0	0	0	0
Atlantic Refining Co.	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bradley Oil Company	0	0	0	0	0	0	1	1	0	0	0	0	0	0
Cities Service Oil Company	0	0	0	0	1	4	0	2	0	0	0	0	0	0
Continental Oil Company	0	0	0	2	0	6	3	5	0	1	0	0	0	1
Danglade and Clower	0	0	0	0	0	0	0	1	0	0	0	0	0	0
Devonian Oil Company	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Gulf Oil Corporation	0	0	0	0	9	9	4	7	0	0	3	0	0	4
Hirschback Drilling Company	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Humble Oil Company	0	0	0	0	0	0	1	1	0	0	0	0	0	0
Magnolia Pet. Company	0	0	0	0	0	0	0	2	0	0	0	0	0	0
Midcontinent Oil Corporation	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ohio Oil Company	0	0	0	0	0	0	2	3	0	0	0	0	0	0
Oil Well Drilling Company	0	0	0	0	1	1	0	0	0	0	0	0	0	1
Parker Drilling Company	0	0	2	3	0	0	0	1	0	0	0	0	0	0
Penrose and Rowan	0	0	0	0	0	0	1	5	0	0	0	0	0	0
Phillips Petroleum	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Phillips Pure	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Repollo Oil Company	0	0	1	2	2	5	1	3	0	0	1	1	0	1
Republic Production Co.	0	0	0	0	2	2	0	0	0	0	0	0	0	0
Samedan Oil Company	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Shell Oil Company	0	1	1	1	0	3	0	0	0	0	0	0	0	0
Skelly Oil Company	0	0	0	0	0	0	1	1	0	0	1	0	0	0
Southern Petroleum Co.	0	0	0	0	0	0	0	1	0	0	0	0	0	0
Standard Oil of Texas	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Standard Oil Company	0	0	0	1	1	3	0	0	0	0	0	0	0	0
Sun Oil Company	0	0	0	0	3	5	0	0	0	0	0	0	0	0
Texas Company	0	0	2	5	1	5	4	0	0	0	0	1	0	1
Texas Pacific Coal and Oil Co.	0	3	0	0	0	0	0	0	0	0	0	0	0	0
Texas Richmond Drilling Co.	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tidewater Associated Oil Co.	0	0	0	0	0	1	3	0	0	0	0	0	0	0
Two States Oil Company	0	0	0	0	1	2	0	0	0	0	0	0	0	0
TOTALS	0	4	6	14	30	63	14	42	0	1	2	5	5	19