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May 24, 1985

HAND DELIVERED

R. L. Stamets, Director
Oil Conservation Division
New Mexico Department of
Energy and Minerals
Post Office Box 2088
Santa Fe, New Mexico 87501

RE: Case No. 8620: Application of Mesa Petroleum Co., for Amendment of the Special Pool Rules for the Scharb-Bone Springs Oil Pool (R-2589), including a Special Gas-Oil Ratio, Lea County, New Mexico.

Dear Mr. Stamets:

Enclosed in triplicate is the Application of Mesa Petroleum Co. in the above-referenced case. This matter has already been placed on the docket for the June 5, 1985 Examiner hearings.

Very truly yours

William F. Carr

WFC/ba enclosures

cc: Bill R. Miertschin
 Steve C. James, Esq., w/encl.

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN THE MATTER OF THE APPLICATION OF MESA PETROLEUM CO., FOR AMEND-MENT OF THE SPECIAL POOL RULES FOR THE SCHARB-BONE SPRINGS OIL POOL (R-2589), INCLUDING A SPECIAL GAS-OIL RATIO, LEA COUNTY, NEW MEXICO.

Case No. 8620

APPLICATION

Comes now, MESA PETROLEUM CO., by and through its undersigned attorneys and hereby applies to the New Mexico Oil Conservation Commission for an order amending the special pool rules for the Scharb-Bone Springs Oil Pool including a special gas-oil ratio limit of 14,000 cubic feet of gas per barrel of oil produced retroactive to May 1, 1985, and in support thereof would show the Division:

- l. Applicant is the operator of the Vacuum State No. 4 Well located 1,980 feet from the South line and 660 feet from the East line of Section 4, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Said well produces from the Scharb-Bone Springs Oil Pool.
- 2. Special pool rules were established for the Scharb-Bone Springs Oil Pool by Oil Conservation Division Order R-2589 which was entered by the Division in Case No. 2910 on October 30, 1963.

3. Mesa seeks the exemption of the Scharb-Bone Springs Oil Pool from Rule 506(d) of the New Mexico Oil Conservation Division Rules and Regulations retroactive to May 1, 1985, and amendment of the special pool rules for said pool to provide for a special gas-oil ratio.

4. The subject well is capable of effectively and efficiently producing gas and oil at a GOR limit in excess of the statewide 2000 to 1 limitation.

5. Applicant requests that the pool be granted a special gas-oil ratio limitation not to exceed 14,000 to 1.

6. Approval of this application will protect for relative rights, prevent waste and be in the best interest of conservation.

WHEREFORE, applicant requests that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on June 5, 1985, and that after notice and hearing as required by law the application be granted.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

William F. Carr

Post Office Box 2208

Santa Fe, New Mexico 87501

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ATTORNEYS FOR MESA PETROLEUM CO.