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January 27, 1988

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OIL CONSERVATION DIVISION

Ease 9311

William J. LeMay, Director
Oil Conservation Division
New Mexico Department of
Energy, Minerals and Natural Resources
State Land Office Building
Santa Fe, New Mexico 87503

Re: In the Matter of the Application of Texaco Inc. for Promulgation of the Special Pool Rules and Regulations for the Monument-Abo Pool, Including a Special Gas Oil Ratio of 10,000 to 1, Lea County, New Mexico

Dear Mr. LeMay:

Enclosed is the Application of Texaco Inc., in the above-referenced case. Texaco Inc., respectfully requests that this matter be placed on the docket for the Examiner hearings scheduled on February 17, 1988.

WILLIAM F. CARR

Very truly yours

WFC/mlh Enclosures

cc w/enclosure: Dennis Wehmeyer

Texaco Inc.

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS,

AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF TEXACO INC., FOR PROMULGATION OF THE SPECIAL POOL RULES AND REGULATIONS FOR THE MONUMENT-ABO POOL, INCLUDING A SPECIAL GAS OIL RATIO OF 10,000 to 1, LEA COUNTY, NEW MEXICO.

CASE NO. 93//

APPLICATION

attorneys, hereby makes application to the New Mexico Oil Conservation Division for the promulgation of the Special Pool Rules and Regulations for the Monument-Abo Pool, Lea County, New Mexico, including a provision for a special gas oil ratio of 10,000 to 1, and in support thereof would show:

- 1. That the Applicant, Texaco Inc., is the owner of certain producing properties located in portions of Township 19 South, Range 36 East; Township 19 South, Range 37 East; Township 20 South, Range 36 East; and Township 20 South, Range 37 East, N.M.P.M., Lea County, New Mexico, in the Monument-Abo Pool.
- 2. That on January 1, 1950, the Oil Conservation Commission entered Order No. R-850 (subsequently amended by Order R-6657, on May 1, 1981) creating the Monument-Abo Pool.

3. That the Monument-Abo Pool is operated under statewide rules which provide for a limiting gas-oil ratio of 2,000 cubic feet of gas for each barrel of oil produced.

4. That the reservoir characteristics of the subject pool justify the establishment of a limiting gas-oil ratio of 10,000 cubic feet of gas per barrel of oil.

5. That Special Pool Rules for the Monument-Abo Pool should be promulgated providing for a limiting gas-oil ratio of 10,000 to 1.

That granting this application will be in the best 6. interest of conservation and the protection of correlative rights.

WHEREFORE, Applicant prays that this application be set for hearing before a duly appointed examiner of the Oil Conservation Division on February 17, 1988, and that after notice and hearing as required by law, the Division enter its order promulgating Special Rules and Regulations for the Monument-Abo Pool to provide a limiting gas-oil ratio of 10,000 to 1 and granting such other and further relief as the Division deems proper in the premises.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

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87504 Santa Fe, New Mexico

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ATTORNEYS FOR TEXACO INC.