STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

Case No. 11853 (Reopened) ORDER NO. R-10909-A

IN THE MATTER OF CASE NO. 11853 BEING REOPENED PURSUANT TO THE PROVISIONS OF DIVISION ORDER NO. R-10909, WHICH SET FORTH TEMPORARY SPECIAL RULES FOR THE SOUTHEAST MONUMENT-ABO POOL, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on October 21, 1999, at Santa Fe, New Mexico, before Examiner Mark W. Ashley.

NOW, on this <u>5</u>Hday of November, 1999 the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

FINDS THAT:

(1) Due public notice has been given and the Division has jurisdiction of this case and its subject matter.

(2) By Order No. R-10909 dated October 31, 1997, the Division, upon application of Marathon Oil Company, created the Southeast Monument-Abo Pool, which currently comprises the following described area in Lea County, New Mexico:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM	
Section 8:	N/2 and SE/4
Section 9:	NW/4 and S/2
Section 16:	N/2 and $SE/4$
Section 17:	NE/4

Order No. R-10909 also set forth Temporary Special Rules for the Southeast Monument-Abo Pool, including provisions for a limiting gas-oil ratio of 10,000 cubic feet of gas per barrel of oil.

(3) Pursuant to the provisions of Order No. R-10909, this case was reopened to allow the operators in the Southeast Monument-Abo Pool to appear and show cause why the temporary special rules should remain in effect.

(4) No operator or mineral interest owner in the subject pool or other interested party appeared at the time of the hearing to present evidence to support a limiting gas-oil ratio of 10,000 cubic feet of gas per barrel of oil or to defend the continuation of the special pool rules.

(5) In the absence of supporting testimony, the Temporary Special Rules for the Southeast Monument-Abo Pool should therefore be rescinded and the pool should be governed by Division Rule No. 506.A.

IT IS THEREFORE ORDERED THAT:

(1) The Temporary Special Rules for the Southeast Monument-Abo Pool, as set forth in Division Order No. R-10909 dated October 31, 1997, are hereby rescinded.

(2) Any future or existing oil wells within the Southeast Monument-Abo Pool shall have a limiting gas-oil ratio of 2,000 cubic feet of gas per barrel of oil in accordance with Division Rule No. 506.A.

IT IS FURTHER ORDERED THAT:

(3) The operator of any well in the Southeast Monument-Abo Pool shall file a new Form C-116 with the Division within 60 days from the date of this order. In accordance with Division Rule No. 301, an annual gas-oil ratio test of each producing oil well is required. Failure to file a new Form C-116 with the Division shall subject any existing oil well within the Southeast Monument-Abo Pool to cancellation of allowable.

(4) 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

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Director