

Entered January 5, 1973
A.S.P.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 4873
Order No. R-4459

APPLICATION OF MOUNTAIN STATES
PETROLEUM CORPORATION FOR GAS
PRORATIONING, EDDY COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 29, 1972, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 5th day of January, 1973, the Commission, a quorum being present, 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 Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Mountain States Petroleum Corporation, is the owner-operator of the McCaw Gas Com Well No. 1, located 1650 feet from the North line and 1650 feet from the West line of Section 19, Township 18 South, Range 26 East, NMPM, West Atoka-Morrow Gas Pool, Eddy County, New Mexico.

(3) That there are four wells located in said pool, two of which are capable of only low rates of production while the applicant's well and one other are capable of producing relatively large quantities of gas.

(4) That the applicant's well is not capable of producing at the same rate as the other relatively large well in the pool without experiencing a substantial pressure drop.

(5) That the applicant has voluntarily reduced the producing rate of his well.

(6) That the applicant seeks the institution of gas prorationing in the subject pool to prevent waste caused by premature water encroachment and formation damage resulting from excessive rates of production and to protect correlative rights.

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(7) That there is one pipeline serving said pool and that the transporter is capable of accepting all gas made available to it from the West Atoka-Morrow Gas Pool.

(8) That the preponderance of evidence presented indicates that there is no active water drive in the West Atoka-Morrow Gas Pool and that in the absence of such a water drive, current rates of production in the pool will not result in formation damage nor waste.

(9) That the evidence indicates that the applicant has the opportunity to improve the productivity of his well through mechanical stimulation.

(10) That the preponderance of evidence presented indicates that the applicant's correlative rights are not being violated.

(11) That the application should be denied.

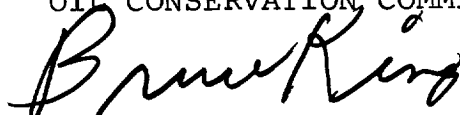
IT IS THEREFORE ORDERED:

(1) That the subject application is hereby denied.

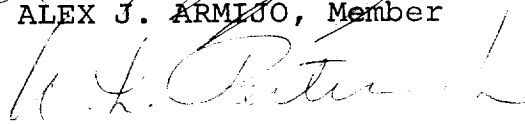
(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


BRUCE KING, Chairman


ALEX J. ARMILLO, Member


A. L. PORTER, Jr., Member & Secretary

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