Entered October 12, 1979

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

CASE NO. 6672 Order No. R-6140

APPLICATION OF COQUINA OIL CORPORATION FOR AN EXCEPTION TO RULE 303C, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on September 19, 1979, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 12th day of October, 1979, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Coquina Oil Corporation, seeks an exception to the Division's Rule 303C to permit its Vivian Well No. 1 located in Unit F of Section 30, Township 22 South, Range 38 East, in which Drinkard and Wantz-Granite Wash production is commingled in the wellbore pursuant to the provisions of Order No. DHC-255, to produce in excess of the 50-barrel limit imposed by said rule.
- (3) That said well has experienced an increase in productivity since being placed on pump.
- (4) That the mechanical condition of the well renders it impracticable at this time to install dual completion equipment and produce the two zones in the well on a separate basis.
- (5) That the top unit allowable for a well in the Drinkard zone is 142 barrels per day and the top unit allowable for a well in the Granite Wash zone is 187 barrels per day.

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- (6) That a special casinghead gas allowable for said well of 984 MCF per day has been previously approved by Division Order No. R-5845.
- (7) That a top allowable of 100 barrels of oil per day and 984 MCF of gas per day for the subject well will not cause waste nor impair correlative rights and should be approved.

IT IS THEREFORE ORDERED:

- (1) That the Coquina Oil Corporation Vivian Well No. 1, located in Unit F of Section 30, Township 22 South, Range 38 East, NMPM, Lea County, New Mexico, is hereby authorized a combined oil allowable for the Drinkard and Wantz-Granite Wash Pools of 100 barrels per day and a combined casinghead gas allowable of 984 MCF per day.
 - (2) That Division Order No. R-5845 is hereby rescinded.
- (3) That any provisions of Division Order No. DHC-255 dated August 14, 1978, not in conflict herewith are hereby continued in full force and effect.
- (4) That 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

JOE D. RAMEY

Director

SEAL