Entered april 2, 1951

### 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. 6822 Order No. R-6293-B

APPLICATION OF MESA PETROLEUM COMPANY FOR A GAS WELL CLASSIFICATION AND UNORTHODOX LOCATION, LEA COUNTY, NEW MEXICO.

#### ORDER OF THE DIVISION

#### BY THE DIVISION:

This cause came on for hearing at 9 a.m. on October 29, 1980, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 7th day of April, 1981, 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 on application of Mesa Petroleum Company, Case No. 6822 originally came on for hearing on February 27, 1980, whereupon Orders Nos. R-6293 and R-6293-A were entered, creating the West Double X-Wolfcamp Gas Pool and promulgating temporary special rules therefor, including a limitation on production and prescribing that the case be reopened after the well(s) in the pool had been connected to a pipeline and additional information regarding the reservoir characteristics became available.

(3) That pursuant to said orders, the case was reopened and additional data presented by the original applicant, Mesa Petroleum Company.

(4) That the data presently available appears to confirm the original belief that the West Double X-Wolfcamp Gas Pool is in fact producing from a retrograde gas condensate reservoir. -2-Case No. 6822 Order No. R-6293-B

(5) That analysis of a recombined fluid sample from the reservoir indicates a retrograde dew point pressure of 4540 psig.

(6) That to achieve maximum production from the reservoir, production levels should continue to be restricted, but the removal of the previously imposed wellhead flowing pressure will not impair ultimate recovery.

(7) That production from each well in the pool should be limited to a reasonable amount, and 500 MCF per day per well is such a reasonable amount.

(8) That Rule 4 of the Special Rules and Regulations for the West Double X-Wolfcamp Gas Pool should be amended to read in its entirety as follows:

"<u>Rule 4</u>. A gas well on a standard unit in the West Double X-Wolfcamp Gas Pool shall be permitted to produce no more than 500 MCF of gas per day at standard surface conditions. This shall be known as the daily allowable."

(9) That an order embodying the above findings will not impair correlative rights and will not cause but will prevent waste and should be approved.

# IT IS THEREFORE ORDERED:

(1) That Rule 4 of the Special Rules and Regulations for the West Double X-Wolfcamp Gas Pool, as promulgated by Division Order No. R-6293, is hereby amended to read in its entirety as follows:

"Rule 4. A gas well on a standard unit in the West Double X-Wolfcamp Gas Pool shall be permitted to produce no more than 500 MCF of gas per day at standard surface conditions. This shall be known as the daily allowable."

(2) That subject to the above amendment, the Rules and Regulations for the West Double X-Wolfcamp Gas Pool, as promulgated by Order No. R-6293, shall remain in full force and effect until further order of the Division.

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

-3-Case No. 6822 Order No. R-6293-B

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

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