

Entered June 14, 1984
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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. 8143
Order No. R-7564

APPLICATION OF MARLINE PETROLEUM
CORPORATION FOR SPECIAL POOL RULES,
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on May 9, 1984,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 15th day of June, 1984, 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, Marline Petroleum Corporation,
seeks the promulgation of special pool rules for the Bishop
Canyon-San Andres Pool in Township 18 South, Range 38 East,
NMPM, Lea County, New Mexico, including a gas-oil ratio (GOR)
limitation of 7,000 cubic feet of gas per barrel of oil.

(3) That the applicant also seeks cancellation of
casinghead gas overproduction accumulated by wells in said
pool.

(4) That the evidence presented in this case demon-
strated that the Bishop Canyon-San Andres Pool was in fact
two separate pools.

(5) That subsequent to the hearing, the Division, on
its own motion, separated said pool into two pools being
the East Bishop Canyon-San Andres Pool and the West Bishop
Canyon-San Andres Pool.

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(6) That the East Bishop Canyon-San Andres Pool contains all wells owned by the applicant.

(7) That said pool contains only two wells both of which produce gas at a rate in excess of that permitted by the pool rules.

(8) That adoption of a limiting gas-oil ratio of 7,000 cubic feet of gas per barrel of oil for said pool will permit the wells therein to be more efficiently produced.

(9) That as there are no other operators in said pool, cancellation of cumulative casinghead gas production for wells therein will not violate correlative rights.

(10) That the application should be approved.

IT IS THEREFORE ORDERED:

(1) That effective July 1, 1984, the limiting gas-oil ratio for the East Bishop Canyon-San Andres Pool is hereby established at 7,000 cubic feet of gas per barrel of oil.

(2) That further effective July 1, 1984, any cumulative casinghead gas overproduction for wells in said pool is hereby cancelled.

(3) 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

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