

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. 9137
ORDER NO. R-8113-A

APPLICATION OF ANADARKO PETROLEUM
CORPORATION TO AMEND THE SPECIAL
RULES AND REGULATIONS FOR THE
FOSTER-SAN ANDRES POOL, LEA COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 am on May 20, 1987,
at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 1st day of June, 1987, the Division
Director, having considered the testimony, the record, and the
recommendations of the Examiner, and being fully advised in the
premises,

FINDS THAT:

(1) Due public notice having been given as required by
law, the Division has jurisdiction of this cause and the
subject matter thereof.

(2) By Division Order No. R-1059, dated September 30,
1957, the Division created, defined, and designated the
Foster-San Andres Pool for the production of oil from the San
Andres formation. Currently the horizontal limits for the pool
consist of the following described area in Lea County, New
Mexico:

TOWNSHIP 18 SOUTH, RANGE 39 EAST, NMPM

Section 31: SE/4

TOWNSHIP 19 SOUTH, RANGE 39 EAST, NMPM

Section 5: NW/4

Irregular Section 6: NE/4

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(3) Said pool was governed by the Division Statewide Rules until Special Pool Rules were instituted by Division Order No. R-8113, dated January 6, 1986, and made effective July 1, 1985, which established a limiting gas/oil ratio (GOR) of 5000 cubic feet of gas per barrel of oil.

(4) The applicant, Anadarko Petroleum Corporation, now seeks to increase the gas/oil ratio limitation to 10,000 cubic feet of gas per barrel of oil for said pool.

(5) Applicant further seeks to have this amendment made effective retroactive to September 1, 1986.

(6) The Foster-San Andres Pool is a solution gas drive reservoir in its final stages of production and according to the testimony presented, the establishment of the requested higher gas/oil ratio will not result in waste.

(7) An effective date of September 1, 1986, for changing the gas/oil ratio will result in eliminating current casinghead gas overproduction for Anadarko's Harvard Well No. 1 located 330 feet from the South line and 2310 feet from the East line (Unit O) of Section 31, Township 18 South, Range 39 East, NMPM, Lea County, New Mexico.

(8) Based on testimony presented at the hearing, the proposed retroactive date will not violate the correlative rights of other operators in the pool.

(9) No interested party objected to the proposed change in GOR or the retroactivity thereof.

(10) This application should therefore be approved.

IT IS THEREFORE ORDERED THAT:

(1) Effective September 1, 1986, the limiting gas/oil ratio for the Foster-San Andres Pool, Lea County, New Mexico, is hereby established at 10,000 cubic feet of gas per barrel of oil.

(2) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

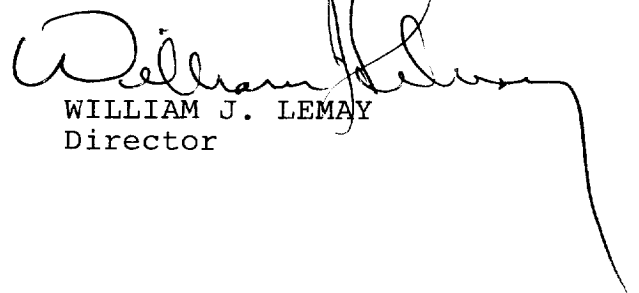
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DONE at Santa Fe, New Mexico on the day and year herein-
above designated.

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OIL CONSERVATION DIVISION

A handwritten signature in dark ink, appearing to read 'William J. Lemay', is written over the typed name. The signature is fluid and cursive, with a long, sweeping tail that extends downwards and to the right.

WILLIAM J. LEMAY
Director

S E A L