

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

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

REOPENED

CASE NO. 9078  
ORDER NO. R-8450-A

IN THE MATTER OF CASE 9078 BEING  
REOPENED PURSUANT TO THE PROVISIONS  
OF ORDER NO. R-8450, LEA COUNTY,  
NEW MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on November 22, 1988, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 16th day of December, 1988, 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) Division Order No. R-8450, dated May 29, 1987, contracted the horizontal limits of the West Osudo-Wolfcamp Pool, created the Southwest Osudo-Wolfcamp Gas Pool comprising the NE/4 of Section 23, Township 20 South, Range 35 East, NMPM, Lea County, New Mexico, and ordered that said case be reopened in November, 1988, at which time the applicant, BTA Oil Producers, should be prepared to appear and present evidence as to the exact nature of the reservoir, and more particularly, as to the proper rate of withdrawal from the reservoir if it is determined that said pool is producing from a retrograde gas condensate reservoir.

(3) The only well completion in the pool to date is the applicant's Byers 8605 JV-P Well No. 1 located 1830 feet from the North line and 660 feet from the East line (Unit H) of said Section 23.

(4) It is the applicant's contention that the subject pool is a retrograde gas condensate reservoir.

(5) The exact determination of the proper rate of withdrawal from the reservoir cannot be made at this time because the performance of said well is unstable due to water encroachment into the well; however, evidence was presented which demonstrates that although water production from said well is increasing, the gas-oil ratio has remained relatively unchanged.

(6) The provisions of said Order No. R-8450 should be continued for an additional one-year period so that sufficient data may be obtained as to the exact nature of the reservoir, and more particularly, as to the proper rate of withdrawal if it is indeed determined to be a retrograde gas condensate reservoir.

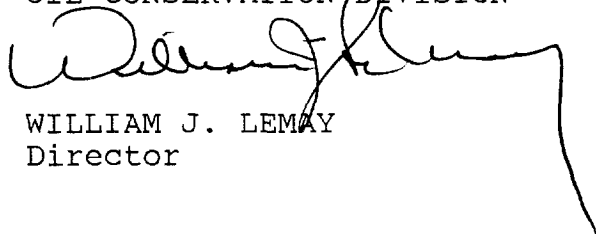
IT IS THEREFORE ORDERED THAT:

(1) Division Order No. R-8450, dated May 29, 1988, shall remain in full force and effect until December, 1989, at which time the applicant shall be prepared to appear and present evidence as to the exact nature of the reservoir and more particularly, as to the proper rate of withdrawal from the Southwest Osudo-Wolfcamp Gas Pool if it is indeed determined to be a retrograde gas condensate reservoir.

(2) 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



WILLIAM J. LEMAY  
Director

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