BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

Fred Strand 24 1967

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION UPON ITS OWN MOTION TO CONSIDER EXEMPTING CERTAIN OIL POOLS IN LEA, CHAVES, ROOSEVELT AND EDDY COUNTIES, NEW MEXICO, FROM THE GAS-OIL RATIO TESTING REQUIREMENTS OF RULE 301 OF THE COMMISSION RULES AND REGULATIONS.

> CASE No. 3138 Order No. R-2813

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 12, 1964, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this <u>24th</u> day of November, 1964, the Commission, a quorum being present, 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 Commission has jurisdiction of this cause and the subject matter thereof.

(2) That in certain oil pools in Lea, Chaves, Roosevelt, and Eddy Counties, New Mexico, the necessity for required gas-oil ratio testing no longer exists due to the low productivity of the wells in these pools.

(3) That each operator in said pools will be afforded an opportunity to produce his just and equitable share of the oil in the pool and to use his just and equitable share of the reservoir energy without required gas-oil ratio testing.

(4) That the gas-oil ratio testing requirements of Rule 301 should continue to apply to all wells that are not metered and are producing into a commingled gas gathering system. Further, that any wells which are commingled with other production, and the

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allocation of production is to be on the basis of periodic well tests, shall continue to be so tested.

(5) That the Secretary-Director of the Commission should be authorized to require gas-oil ratio tests on any well in any exempt pool when he determines that such tests may be necessary to prevent waste or protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the following pools are hereby exempted from the gas-oil ratio testing requirements of Rule 301 of the Commission Rules and Regulations:

DISTRICT 1 (Hobbs District)

Chaves County, New Mexico

Lone-Wolfcamp

Lea County, New Mexico

Baish-Wolfcamp, North Baum-Wolfcamp Bishop Canyon-Queen Bowers-Seven Rivers Caprock-Wolfcamp, East Corbin-Queen, South Corbin-Yates Crossroads-Mississippian Dollarhide-Queen Dublin-Devonian Echols-Devonian, East Echols-Devonian, North Eidson-Pennsylvanian Elliott-Abo Field Ranch-Wolfcamp Gladiola-Wolfcamp, South Hume-Queen Hume-Queen, West

Jenkins-Devonian Jenkins-San Andres King-Wolfcamp Lea-Yates Littman-San Andres Lovington-San Andres Lovington-San Andres, West Lynch-Yates, Middle Pearl-Pennsylvanian Querecho Plains-Bone Springs Querecho Plains-Delaware Querecho Plains-Yates Teague-Devonian Teague-Ellenburger Teague-Simpson Warren-Abo Williams-Pennsylvanian, North Young-San Andres

Roosevelt County, New Mexico

CLR-San Andres

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DISTRICT 2 (Artesia District)

Chaves County, New Mexico

Bitter Lake-San Andres, South Bitter Lake-San Andres, West Brown (Queen-Grayburg) Chisum-Devonian Coyote-Queen Diablo-San Andres L. E. Ranch-San Andres

Eddy County, New Mexico

Atoka-San Andres Atoka-Grayburg Benson-Yates, East Brushy Draw-Delaware Canyon-Wolfcamp Carlsbad-Delaware Cass Draw-Delaware Cave (Grayburg) Cave-San Andres, West Cedar Lake-Cisco Corral Canyon-Delaware Cotton Draw-Brushy Canyon Dark Canyon-Delaware Dayton-Abo Dayton-Grayburg, East Dayton-San Andres, West Dog Canyon-Grayburg Dos Hermanos, Yates-Seven Rivers Eagle Creek-San Andres Empire-Paddock Empire Yates-Seven Rivers, East Four Mile Draw-San Andres Fren-Paddock Hackberry-Seven Rivers Hackberry-Yates, North

Leslie Spring-San Andres Linda-San Andres Pecos-San Andres Round Tank-San Andres Twin Lakes-Devonian White Ranch Siluro-Devonian White Ranch-Devonian, West Windmill-San Andres

Leo Queen-Grayburg, South Loco Hills-San Andres, South Logan Draw-San Andres Malaga-Delaware McMillan Seven Rivers-Queen, East Millman-Seven Rivers, East Palmillo-Seven Rivers Parallel-Delaware Pecos-Delaware Penasco-San Andres Penasco-Wolfcamp Quahada Ridge-Delaware Red Hills-Yates Red Lake Queen-Grayburg, East Red Lake Seven Rivers, South Remuda-Wolfcamp Saladar-Yates Sand Tank-Queen Shugart-Bone Springs Shugart-Wolfcamp Square Lake Grayburg-San Andres, North Sulphate Draw-Delaware U. S. Delaware Welch-Delaware

PROVIDED HOWEVER, that the gas-oil ratio testing requirements of Rule 301 shall continue to apply in the above pools to -4-CASE No. 3138 Order No. R-2813

all wells that are not metered and are producing into a commingled gas gathering system; further, that all wells from which the oil production is commingled with the production of another lease or pool by authority of any commingling order of the Commission, and said production is to be allocated to the proper pool or lease from which it came on the basis of periodic well tests, shall continue to be tested;

<u>PROVIDED FURTHER</u>, that the Secretary-Director of the Commission is hereby authorized to require gas-oil ratio tests on any well in any exempt pool when he determines that such tests may be necessary to prevent waste or protect correlative rights.

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

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

Chairman

Member

eiter,

A. L. PORTER, Jr., Member & Secretary

SEAL

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