BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 4210
Order No. R-3847

APPLICATION OF MOBIL OIL CORPORATION
FOR A SPECIAL GAS-OIL RATIO LIMITATION,
CHAVES COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 10, 1969, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this___14th__day of October, 1969, 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 the applicant, Mobil Oil Corporation, seeks an exception to Rule 506 of the Commission Rules and Regulations to provide for a limiting gas-oil ratio in excess of the existing ratio of 2000 cubic feet of gas per barrel of oil in the Lightcap (Devonian) Pool, Chaves County, New Mexico.

(3)   That the reservoir characteristics of the subject pool presently available justify the establishment of a gas-oil ratio limitation of 5000 cubic feet of gas per barrel of liquid hydro-carbons.

(4)   That in order to afford to the owner of each property in the Lightcap (Devonian) Pool the opportunity to produce his just and equitable share of the oil and gas in the subject pool

and for this purpose to use his just and equitable share of the reservoir energy, a limiting gas-oil ratio of 5000 cubic feet of gas per barrel of liquid hydrocarbons should be established for the subject pool.

(5) That approval of the subject application will prevent waste and protect correlative rights, provided the flaring or venting of gas in the Lightcap (Devonian) Pool is prohibited.

(6) That in order to assure the protection of correlative rights, the operator of each well in the Lightcap (Devonian) Pool should file a new gas-oil ratio test with the Commission's Hobbs District Office on or before November 1, 1969.

IT IS THEREFORE ORDERED:

(1) That, effective November 1, 1969, the limiting gas-oil ratio in the Lightcap (Devonian) Pool, Chaves County, New Mexico, shall be 5000 cubic feet of gas for each barrel of oil produced; that, effective November 1, 1969, each proration unit in the Lightcap (Devonian) Pool shall produce only that volume of gas equivalent to 5000 multiplied by top unit oil allowable for the pool.

(2) That the operator of each well in the Lightcap (Devonian) Pool shall file a new gas-oil ratio test with the Commission's Hobbs District Office on or before November 1, 1969, and shall furnish a schedule of test dates to the Commission's Hobbs District Office in order that the tests may be witnessed.

(3) That no gas shall be flared or vented in the Lightcap (Devonian) Pool more than 60 days after a well begins to produce or 60 days after the date of issuance of this order, whichever is later. Any operator desiring to obtain an exception to this provision shall submit to the Secretary-Director of the Commission an application for such exception with a statement setting forth the facts and circumstances justifying it. The Secretary-Director is hereby authorized to approve such an application if he determines that the exception is necessary to prevent waste. If the Secretary-Director declines to grant administrative approval of the requested exception, the matter shall be set for hearing if the operator so requests.

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(4) 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

DAVID F. CARGO, Chairman
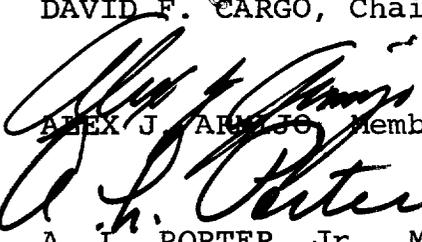
ALEX J. ARMIJO, Member

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

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