Entered October 13, 1971 aft.

# BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION UPON ITS OWN MOTION TO CONSIDER THE CONSOLIDA-TION OF THE EUNICE AND MONUMENT AREAS OF THE EUNICE MONUMENT POOL (GRAYBURG-SAN ANDRES), LEA COUNTY, NEW MEXICO, AND THE ASCERTAINMENT OF A COMMON EFFICIENT GAS-OIL RATIO LIMITATION FOR THE CONSOLIDATED AREA.

> CASE NO. 4604 Order No. R-4206

#### ORDER OF THE COMMISSION

## BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 29, 1971, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this <u>13th</u> day of October, 1971, 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 horizontal limits of the Eunice-Monument (Grayburg-San Andres) Pool, Lea County, New Mexico, embraces what has been designated as the Eunice and Monument portions.

(3) That the Eunice portion has a gas-oil ratio limitation of 6,000 cubic feet of gas per barrel of oil.

(4) That the Monument portion has a gas-oil ratio limitation of 3,000 cubic feet of gas per barrel of oil.

(5) That the reservoir information available establishes that there is communication between the Eunice portion and the Monument portion of the subject pool. -2-CASE NO. 4604 Order No. R-4206

(6) That the reservoir information available establishes that the Eunice portion and Monument portion constitute a common source of supply.

(7) That a common efficient gas-oil ratio limitation should be established for the entire area constituting the Eunice-Monument (Grayburg-San Andres) Pool.

(8) That the reservoir characteristics of the subject pool justify the establishment of a common efficient gas-oil ratio limitation for the entire Eunice-Monument (Grayburg-San Andres) Pool of 4,500 cubic feet of gas per barrel of oil.

(9) That in order to afford to the owner of each property in the Eunice-Monument (Grayburg-San Andres) 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 4,500 cubic feet of gas per barrel of oil should be established for the subject pool.

# IT IS THEREFORE ORDERED:

(1) That, effective November 1, 1971, a common efficient gas-oil ratio limitation of 4,500 cubic feet of gas per barrel of oil is hereby established for the entire Eunice-Monument (Grayburg-San Andres) Pool, Lea County, New Mexico; that effective November 1, 1971, each proration unit in the Eunice-Monument (Grayburg-San Andres) Pool shall produce only that volume of gas equivalent to 4,500 multiplied by top unit oil allowable for the pool.

(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 QLL CONSERVATION COMMISSION BRUCE KING, Chairman ARMEJO, Member L. PORTER, Jr., Member & Secretary

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