Entered February 21, 1974 all.

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. 5130 Order No. R-4658-A

APPLICATION OF MESA PETROLEUM COMPANY FOR AN AMENDMENT TO THE TEMPORARY SPECIAL POOL RULES, NORTH SHOE BAR-STRAWN POOL, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 13, 1974, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>21st</u> day of February, 1974, 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 jursidiction of this cause and the subject matter thereof.

(2) That the applicant, Mesa Petroleum Company, seeks the amendment of the temporary special pool rules, North Shoe Bar-Strawn Pool, Lea County, New Mexico, to provide for a limiting gas-oil ratio of 4,000 cubic feet of gas per barrel of oil produced.

(3) That the applicant has completed two wells in the subject pool.

(4) That neither well has been produced, except for testing, pending the completion of casinghead gas gathering facilities to serve the wells.

(5) That the test information available indicates that wells completed in said pool will produce with gas-oil ratios in excess of 2000 to 1.

(6) That the evidence currently available indicates that wells in said pool may be produced without waste under a limiting gas oil ratio of 4000 to 1.

(7) That the applicant has made no determination of ultimate recovery of hydrocarbons from the subject pool to the economic limit at limiting gas-oil ratios of 2000 to 1 and 4000 to 1 or under conditions of gas reinjection or pressure maintenance.

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(8)That such estimates of recovery should be made and presented at an examiner hearing in November, 1974, at which time the operators in the North Shoe Bar-Strawn Pool are to appear and show cause why said pool should not be developed and produced in accordance with statewide oil well spacing and production rules.

That applicant's request for an amendment to the tem-(9) porary special pool rules for the North Shoe Bar-Strawn Pool to provide for a limiting gas-oil ratio of 4000 to 1 should be approved.

IT IS THEREFORE ORDERED:

(1) That the Order R-4658 is hereby amended by the addition of Rule No. 7 to the special pool rules of the North Shoe Bar-Strawn Pool as set out below:

SPECIAL RULES AND REGULATIONS FOR THE NORTH SHOE BAR-STRAWN POOL

RULE 7. A limiting gas-oil ratio of 4000 cubic feet of gas per barrel of oil produced is hereby established for the pool.

IT IS FURTHER ORDERED:

(1)The applicant shall prepare estimates of recovery from the North Shoe Bar-Strawn Pool under the gas-oil ratios and conditions set out in Finding (7) of this order for presentation at the examiner hearing to be held in November, 1974, as required by Commission Order No. R-4658.

(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

I. R. TRUJILLO, Chairman here Member PORTER, JR., Member & Secretary

SEAL

jr/