

Entered March 15, 1977
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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. 5850
Order No. R-5389

APPLICATION OF PENNZOIL COMPANY
FOR ADOPTION OF POOL RULES, LEA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 2, 1977, at Santa Fe, New Mexico, before Examiner, Daniel S. Nutter.

NOW, on this 15th day of March, 1977, 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, Pennzoil Company, seeks, as an exception to Rule 506 of the Commission Rules and Regulations, a limiting gas-oil ratio of 4,500 cubic feet of gas per barrel of oil in the North Mescalero-Cisco Pool, Lea County, New Mexico.

(3) That the reservoir characteristics of the subject pool justify the establishment of a gas-oil limitation of 4,500 cubic feet of gas per barrel of liquid hydrocarbons.

(4) That in order to afford to the owner of each property in the North Mescalero-Cisco Pool the opportunity to produce its just and equitable share of the oil and gas in the subject pool and for this purpose to use its just and equitable share of the reservoir energy, a limiting gas-oil ratio of 4,500 cubic feet of gas per barrel of liquid hydrocarbons should be established for the pool.

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IT IS THEREFORE ORDERED:

(1) That effective March 1, 1977, the limiting gas-oil ratio in the North Mescalero-Cisco Pool, Lea County, New Mexico, shall be 4,500 cubic feet of gas for each barrel of liquid hydrocarbons produced; that, effective March 1, 1977, each proration unit in the North Mescalero-Cisco Pool shall produce only that volume of gas equivalent to 4,500 multiplied by the top unit 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
OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman


EMERY C. ARNOLD, Member


JOE D. RAMEY, Member & Secretary

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