Entered Alecember 29, 19>8

# STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 6374 Order No. R-5889

APPLICATION OF MESA PETROLEUM COMPANY FOR A SPECIAL ALLOWABLE, LEA COUNTY, NEW MEXICO.

# ORDER OF THE DIVISION

# BY THE DIVISION:

This cause came on for hearing at 9 a.m. on November 8, 1978, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 29th day of December, 1978, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Mesa Petroleum Company, seeks a temporary increase in the oil allowable for its West Knowles Well No. 5 located in Unit H of Section 34, Township 16 South, Range 37 East, West Knowles-Drinkard Pool, Lea County, New Mexico, from 310 barrels to 500 barrels for the 90-day period extending from October 1, 1978 to December 31, 1978.

(3) That the applicant seeks said special allowable for the purpose of obtaining scientific data.

(4) That the evidence presented indicates that such special allowable may be produced without waste.

(5) That the applicant should submit data resulting from production at such special allowable to the Hobbs district office of the Division.

-2-Case No. 6374 Order No. R-5889

(6) That the overproduction from said West Knowles Well No. 5, that volume produced in excess of 310 barrels per day during the period from October 1, 1978, to December 31, 1978, should be made up by underproduction before July 1, 1979.

(7) That approval of the subject application will not violate correlative rights or cause waste.

### IT IS THEREFORE ORDERED:

(1) That a temporary special oil allowable of 500 barrels per day is hereby authorized for the Mesa Petroleum Company West Knowles Well No. 5 located in Unit H of Section 34, Township 16 South, Range 37 East, West Knowles-Drinkard Pool, Lea County, New Mexico, for the period from October 1, 1978, through December 31, 1978.

(2) That the applicant shall submit production, GOR, and other significant test data obtained during the special allowable period to the supervisor of the Division's district office at Hobbs.

(3) That the applicant shall underproduce said West Knowles Well No. 5 during the period from January 1, 1979, to July 1, 1979, by an amount sufficient to offset the overproduction accrued during the special allowable period (all production in excess of 310 barrels per day).

(4) That on or before July 31, 1979, the applicant shall furnish the Director of the Division an accounting of production from said West Knowles Well No. 5 for the period from October 1, 1978, through June 30, 1979.

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

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

STATE OF NEW MEXICO OIL CONSERVATION DIVISION JOE D. RAMEY Director

SEAL fd/