Saturd July

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. 7074 (Reopened) Order No. R-6565-B

IN THE MATTER OF CASE 7074 BEING REOPENED PURSUANT TO THE PROVISIONS OF ORDER NO. R-6565, CHAVES COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on July 15, 1981, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>28th</u> day of July, 1981, 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 Order No. R-6565, dated January 22, 1981, created the South Elkins-Fusselman Gas Pool comprising the W/2 of Section 30, Township 7 South, Range 29 East, NMPM, Chaves County, New Mexico, and ordered that said case be reopened in July, 1981, at which time the applicant, Enserch Exploration, Inc., should be prepared to appear and present evidence as to the exact nature of the reservoir, and more particularly, as to the proper rate of withdrawal from the reservoir if it is determined that said pool is producing from a retrograde gas condensate reservoir.

(3) That the only well completed in the pool to date has not been connected to a pipeline and no reservoir production data is yet available.

(4) That the applicant, Enserch Exploration, Inc., should notify the Division of the date of connection of said well and a hearing should be scheduled approximately six months later to review the reservoir. -2-Case No. 7074 (Reopened) Order No. R-6565-B

IT IS THEREFORE ORDERED:

(1) That the applicant, Enserch Exploration, Inc., shall notify the Division Director of the date of first connection to a gas pipeline of a well in the South Elkins-Fusselman Gas Pool, and a hearing shall be scheduled approximately six months later, at which time all interested parties may appear and present evidence as to the exact nature of the reservoir, and more particularly, as to the proper rate of withdrawal from the reservoir if it is determined that said pool is producing from a retrograde gas condensate reservoir.

(2) 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

(Khu) -101 JOE D. RAMEN Director

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