Intered april 20, 1984 Jack

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. 8130 Order No. R-7511

APPLICATION OF MARTINDALE PETROLEUM CORPORATION FOR SPECIAL POOL RULES, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on April 11, 1984, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>20th</u> day of April, 1984, 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, Martindale Petroleum Corporation, seeks the promulgation of special pool rules for the East Hobbs-San Andres Pool in Township 18 South, Range 39 East, NMPM, Lea County, New Mexico, including a gas-oil ratio (GOR) limitation of 5,000 cubic feet of gas per barrel of oil.

(3) Applicant also seeks a retroactive effective date for such special pool rules to remedy current overproduction in this pool.

(4) That said East Hobbs-San Andres Pool is a solution gas drive pool discovered in 1951.

(5) That at this stage of pool development, wells in said pool may now be operated at a limiting gas-oil ratio of 5,000 cubic feet per barrel without waste.

(6) That an effective date of May 1, 1983, for the change in gas-oil ratio will result in elimination of current casinghead gas overproduction. -2-Case No. 8130 Order No. R-7511

(7) That no operator in said pool appeared and objected to the proposed change in GOR or the retroactivity thereof.

(8) That the application should be approved.

IT IS THEREFORE ORDERED:

(1) That effective May 1, 1983, the limiting gas-oil ratio for the East Hobbs-San Andres Pool is established at 5,000 cubic feet of gas per barrel of oil.

(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 OUL CONSERVATION DIVISION

ł

Eming-JOE D. KAMEY, Director

SEAL