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. 8675 Order No. R-8034

APPLICATION OF MESA PETROLEUM CO. 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 August 14, 1985, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this <u>27th</u> day of September, 1985, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, Mesa Petroleum Co., seeks the promulgation of special rules for the Northeast Eidson-Mississippian Pool, Lea County, New Mexico, including a special gas-oil limitation of 4,000 cubic feet of gas per barrel of oil.

(3) The reservoir characteristics of the subject pool presently available justify the establishment of a gas-oil ratio limitation of 4,000 cubic feet of gas per barrel of liquid hydrocarbons.

(4) In order to afford the owner of each property in the Northeast Eidson-Mississippian Pool the opportunity to produce his just and equitable share of the oil and gas in the subject pool and for this purpose to use his just and equitable share of the reservoir energy, a limiting gas-oil ratio of 4,000 cubic feet of gas per barrel of liquid hydrocarbons should be established for the subject pool. -2-Case No. 8675 Order No. R-8034

IT IS THEREFORE ORDERED THAT:

(1) Special Rules and Regulations for the Northeast Eidson-Mississippian Pool, Lea County, New Mexico, are hereby promulgated as follows:

> SPECIAL RULES AND REGULATIONS FOR THE NORTHEAST EIDSON-MISSISSIPPIAN POOL

RULE 1. The limiting gas-oil ratio for the Northeast Eidson-Mississippian Pool shall be 4,000 cubic feet of gas for each barrel of oil produced.

(2) 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

R. L. STAMETS Director

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