

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

Reopened
CASE NO. 10216
ORDER NO. R-6849-B

IN THE MATTER OF CASE 10216 BEING REOPENED PURSUANT TO THE PROVISIONS OF DIVISION ORDER NO. R-6849-A, WHICH ESTABLISHED A LIMITING GAS/OIL RATIO FOR THE WEST NADINE-BLINEBRY POOL IN LEA COUNTY, NEW MEXICO OF 7,000 CUBIC FEET OF GAS PER BARREL OF OIL FOR A TEMPORARY PERIOD OF ONE YEAR.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on February 20, 1992, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 17th day of April, 1992 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) Division Order No. R-6849, issued in Case No. 7419 and dated December 9, 1981, promulgated special rules and regulations for the West Nadine-Blinebry Pool, Lea County, New Mexico, including a special gas/oil ratio limitation of 4,000 cubic feet of gas per barrel of oil.
- (3) By Division Order No. R-6849-A, issued in Case No. 10216 and dated February 11, 1991, the special gas/oil ratio limitation factor for said pool was increased to 7,000 cubic feet of gas per barrel of oil for a temporary period of one year.
- (4) At this time the matter in said Case 10216 is being reopened to allow the operators in the subject pool to appear and show cause why the foregoing rule should remain in effect.

(5) Cross Timbers Oil Company, operator of nine wells in the pool and the applicant in the original Case 10216, appeared at the hearing and presented evidence and testimony in support of the continuation of the special 7,000 to 1 gas/oil ratio limitation for the subject pool.

(6) The reservoir characteristics of the subject pool presently available justify the establishment of the current 7,000 to 1 gas/oil ratio limitation on a permanent basis. Further, the special rules and regulations promulgated by said Order No. R-6849-A have afforded and will afford the owner of each property in the pool the opportunity to produce his just and equitable share of hydrocarbons in the pool.

(7) No other operator in the subject pool appeared at the reopened hearing in opposition to the continuation of the current gas/oil ratio limitation.

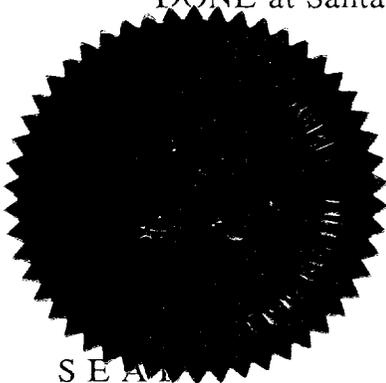
(8) Continuation of the current 7,000 to 1 gas/oil ratio limitation will allow the operators the opportunity to produce their just and equitable share of the oil and gas in the subject pool, should result in the recovery of additional reserves from the subject pool and should protect correlative rights.

IT IS THEREFORE ORDERED THAT:

(1) The limiting gas/oil ratio for the West Nadine-Blinebry Pool in Lea County, New Mexico, established at 7,000 cubic feet of gas per barrel of oil by Division Order No. R-6849-A, is hereby continued in full force and effect until further notice.

(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


WILLIAM J. LEMAY
Director

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