



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

## 50 YEARS



1935 - 1985

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-5800

January 9, 1986

Ms. Karen Aubrey  
Kellahin & Kellahin  
Attorneys at Law  
Post Office Box 2265  
Santa Fe, New Mexico

Re: CASE NO. 4575  
ORDER NO. R-4193-A

Applicant:

OCB (Anadarko Production Corporation)

Dear Madam:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Sincerely,

R. L. STAMETS  
Director

RLS / fd

Copy of order also sent to:

Hobbs OCD	<u>x</u>
Artesia OCD	<u>x</u>
Aztec OCD	

Other \_\_\_\_\_

STATE ON 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. 4575  
Order No. R-4193-A

IN THE MATTER OF DIVISION CASE  
NO. 4575 BEING REOPENED PURSUANT  
TO THE PROVISIONS OF DIVISION ORDER  
R-4193 WHICH ORDER ESTABLISHED  
A LIMITING GAS-OIL RATIO OF 5000  
CUBIC FEET OF GAS FOR EACH BARREL  
OF OIL PRODUCED IN THE SOUTH EUNICE-  
SAN ANDRES POOL IN LEA COUNTY, NEW  
MEXICO

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on October 9, 1985, at Santa Fe, New Mexico, before Examiner Gilbert P. Quintana.

NOW, on this 6th day of January, 1986, 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-4193, entered September 14, 1971, established a limiting gas-oil ratio of 5000 cubic feet of gas per barrel of oil for the South Eunice-San Andres Pool on a temporary basis.

(3) This case was reopened to permit the operators in said pool to appear and show cause why the gas-oil ratio for said pool should not revert to 2000 to one.

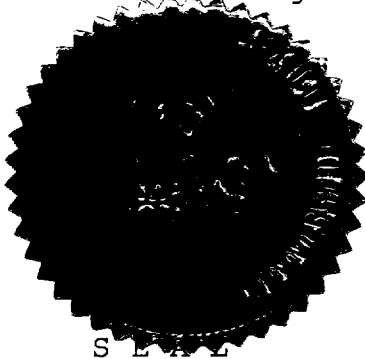
(4) The evidence presented established that said pool can continue to be efficiently and effectively developed and produced with a limiting gas-oil ratio of 5000 to one.

IT IS THEREFORE ORDERED THAT:


(1) The limiting gas-oil ratio for the South Eunice-San Andres Pool, Lea County, New Mexico is hereby continued at 5000 cubic feet of gas per barrel of oil until further order of the Division.

(2) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE in Santa Fe, New Mexico on the day and year herein-  
above designated.



STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
R. L. STAMETS  
Director

IN THE MATTER OF DIVISION CASE NO.  
7936 BEING REOPENED PURSUANT TO THE  
PROVISIONS OF DIVISION ORDER NO.  
R-7364, AS AMENDED, WHICH ORDER  
ESTABLISHED SPECIAL RULES AND REGU-  
LATIONS FOR THE CEDAR POINT-STRAWN  
POOL, CHAVES COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on February 13, 1985, and March 13, 1985, at Santa Fe, New Mexico, before Examiners Michael E. Stogner and Gilbert P. Quintana, respectively.

NOW, on this 15th day of March, 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) By Division Order No. R-7364, dated September 30, 1983, as amended by Division Order No. R-7364-A, dated October 24, 1983, temporary special rules and regulations were promulgated for the Cedar Point-Strawn Pool, Chaves County, New Mexico, establishing, among other things, temporary 80-acre standard spacing and proration units.

(3) Pursuant to the provisions of said Division Order No. R-7364, as amended, this case was reopened to allow the operators in the subject pool to appear and show cause why the Cedar Point-Strawn Pool should not be developed on 40-acre spacing and proration units.

(4) The evidence establishes that one well in the Cedar Point-Strawn Pool can efficiently and economically drain and develop 80 acres.

(5) The Special Rules and Regulations promulgated by said Division Order No. R-7364, as amended, have afforded and will afford to the owner of each property in the pool the opportunity to produce his just and equitable share of the oil in the pool.

(6) In order to prevent the economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of risk arising from the drilling of an excessive number of wells, to prevent reduced recovery which might result from the drilling of too few wells, and to otherwise prevent waste and protect correlative rights, the Special Rules and Regulations promulgated by said Division Order No. R-7364, as amended, should be continued in full force and effect until further order of the Division.

IT IS THEREFORE ORDERED THAT:

(1) The Special Rules and Regulations governing the Cedar Point-Strawn Pool, Chaves County, New Mexico, promulgated by Division Order No. R-7364, dated September 30, 1983, as amended by Division Order No. R-7364-A, dated October 24, 1983, are hereby continued in full force and effect until further order of the Division.

(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

S E A L

fd/

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE NO. 4575  
Order No. R-4193

APPLICATION OF ANADARKO PRODUCTION  
COMPANY FOR THE AMENDMENT OF THE  
SPECIAL POOL RULES FOR AN EXISTING  
POOL, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 11, 1971, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 14th day of September, 1971, the Commission, a quorum being present, 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 Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Anadarko Production Company, has completed in the San Andres formation its Lou Wortham Well No. 6 in Unit E of Section 11, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico, and within the horizontal boundaries of the South Eunice-San Andres Pool.

(3) That the applicant seeks the amendment of the Special Rules and Regulations governing the South Eunice-San Andres Pool to provide for the classification of oil and gas wells, spacing and well location requirements, an allocation formula for withdrawals by oil and gas wells, and the classification of its Lou Wortham Well No. 6 as a gas well in the South Eunice-San Andres Pool.

(4) That the evidence presented to establish that said Lou Wortham Well No. 6 is a gas well is inconclusive.

(5) That the evidence presented to establish that the South Eunice-San Andres Pool is an associated pool is inconclusive.

(6) That the applicant's request for the amendment of the Special Rules and Regulations governing the South Eunice-San Andres Pool to provide for the classification of oil and gas wells, spacing and well location requirements, an allocation formula for withdrawals by oil and gas wells and the classification of its Lou Wortham Well No. 6 as a gas well should be denied.

(7) That the reservoir characteristics of the subject pool are such that a gas-oil ratio limitation of 5,000 cubic feet of gas per barrel of oil should be established on a temporary basis for one year in order to allow the operators in the subject pool to gather additional information as to whether or not the Lou Wortham Well No. 6 is indeed a gas well and whether or not the South Eunice-San Andres Pool is indeed an associated pool.

IT IS THEREFORE ORDERED:

(1) That the applicant's request for the amendment of the Special Rules and Regulations governing the South Eunice-San Andres Pool to provide for the classification of oil and gas wells, spacing and well location requirements, an allocation formula for withdrawals by oil and gas wells, and the classification of its Lou Wortham Well No. 6 as a gas well in said pool is hereby denied.

(2) That effective, October 1, 1971, the limiting gas-oil ratio of the South Eunice-San Andres Pool, Lea County, New Mexico, shall be 5,000 cubic feet of gas for each barrel of oil produced.

(3) That this case shall be reopened at an examiner hearing in September, 1972, at which time the operators in the subject pool may appear and present evidence as to whether or not the Anadarko Production Company Lou Wortham Well No. 6 located in Unit E of Section 11, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico, is in fact a gas well; whether or not

-3-

CASE NO. 4575

Order No. R-4193

the South Eunice San Andres Pool is in fact an associated reservoir; and whether or not the limiting gas-oil ratio should revert to 2000 cubic feet of gas for each barrel of oil produced.

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

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

BRUCE KING, Chairman

ALEX J. ARMIJO, Member

A. L. PORTER, Jr., Member & Secretary

S E A L

dr/