

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

**IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:**

**CASE NO. 10984
Order No. R-10128**

**APPLICATION OF TEXACO EXPLORATION
& PRODUCTION INC. FOR AMENDMENT OF
SPECIAL POOL RULES AND REGULATIONS
FOR THE MONUMENT-TUBB POOL, LEA
COUNTY, NEW MEXICO.**

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on May 26, 1994, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 3rd day of June, 1994, 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 Order No. R-1532, issued in Case No. 1809 on November 23, 1959, the Division created and defined the Monument-Tubb Pool, Lea County, New Mexico.

(3) The Monument-Tubb Pool currently comprises the following described area:

TOWNSHIP 19 SOUTH, RANGE 37 EAST, NMPM
Section 34: S/2

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 3: W/2
Section 8: SE/4
Section 9: SW/4, E/2
Section 10: All
Section 11: NW/4, S/2
Section 12: All
Section 13: N/2

Section 14: NW/4, W/2 NE/4, W/2 SW/4
Section 15: All
Section 16: E/2
Section 20: NE/4
Section 21: N/2
Section 22: N/2
Section 23: W/2

(4) The Monument-Tubb Pool is currently governed by Special Rules and Regulations as promulgated by Division Order No. R-2800 on November 10, 1964, which require standard 80-acre oil spacing and proration units, designated well locations, and a limiting gas-oil ratio of 4,000 cubic feet of gas per barrel of oil.

(5) The applicant, Texaco Exploration & Production Inc., seeks to amend Rule No. (7) of the Special Rules and Regulations for the Monument-Tubb Pool, to increase the limiting gas-oil ratio to 10,000 cubic feet of gas per barrel of oil.

(6) According to the Division's Monthly Statistical Report for December, 1993, there are currently thirty-nine wells within the Monument-Tubb Pool operated by eight operators. The applicant currently operates eleven wells within the pool.

(7) The applicant presented engineering evidence and testimony which indicates that of the thirty-five wells currently producing within the pool:

12 produce at a GOR in excess of 20,000:1
10 produce at a GOR between 10,000 and 20,000:1
11 produce at a GOR between 4,000 and 10,000:1
2 produce at a GOR of less than 4,000:1

(8) Further engineering evidence indicates that over the past several years, the Monument-Tubb Pool has produced, poolwide, at a gas-oil ratio in excess of 10,000 cubic feet of gas per barrel of oil.

(9) Applicant's geologic evidence and testimony demonstrated that there is no correlation between a given well's producing gas-oil ratio and its location structurally within the reservoir.

(10) There is no geologic or engineering evidence which would indicate the presence of a gas cap within the reservoir.

(11) The Monument-Tubb Pool appears to be a solution gas drive reservoir in its final stages of primary depletion.

(12) No operator in the pool or offset operator appeared at the hearing in opposition to the application.

(13) The evidence presented indicates that approval of the proposed gas-oil ratio limitation should not result in the excessive dissipation of reservoir energy, should not result in the reduced recovery of oil from the subject reservoir, thereby causing waste, and will not violate correlative rights.

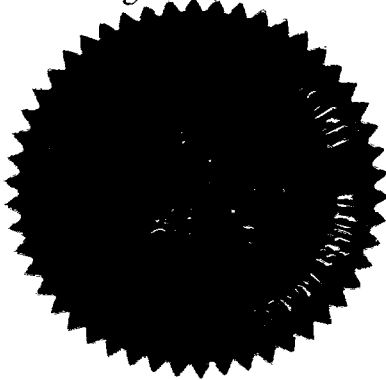
(14) The proposed gas-oil ratio limitation of 10,000 cubic feet of gas per barrel of oil for the Monument-Tubb Pool should be established on a permanent basis.

IT IS THEREFORE ORDERED THAT:

(1) Rule No. (7) of the Special Rules and Regulations for the Monument-Tubb Pool, Lea County, New Mexico, as promulgated by Division Order No. R-2800, is hereby amended by increasing the limiting gas-oil ratio for the subject pool to 10,000 cubic feet of gas per barrel of oil.

(2) Jurisdiction of this cause is hereby 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.



S E A L

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in black ink, appearing to read "William J. Lemay".

WILLIAM J. LEMAY
Director