

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. 9311
Order No. R-8614-A

IN THE MATTER OF CASE 9311 BEING RE-
OPENED PURSUANT TO THE PROVISIONS OF
DIVISION ORDER NO. R-8614, WHICH ORDER
ESTABLISHED A LIMITING GAS-OIL RATIO
FOR THE MONUMENT-ABO POOL IN LEA COUNTY,
NEW MEXICO OF 10,000 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 April 26, 1989, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 5th day of May, 1989, 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-8614, dated March 15, 1988, the Division, upon the application of Texaco Producing Inc., adopted a limiting gas-oil ratio for the Monument-Abo Pool in Lea County, New Mexico, of 10,000 cubic feet of gas per barrel of oil for a temporary period of one year.

(3) Pursuant to the provisions of said Order No. R-8614, this case was reopened to allow the operators in the subject pool the opportunity to appear and show cause why the limiting gas-oil ratio for the Monument-Abo Pool should not revert back to 2,000 cubic feet of gas per barrel of oil.

(4) Texaco Producing Inc., one of three operators in the subject pool appeared and presented evidence and testimony which indicates that continued production from the subject pool at a gas-oil ratio limitation of 10,000 cubic feet of gas per barrel of oil will likely result in the recovery of an additional 61,000 barrels of oil which otherwise may not be recovered, thereby preventing waste.

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

(6) Continuation of the current gas-oil ratio limitation will allow the operators the opportunity to produce their just and fair 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.

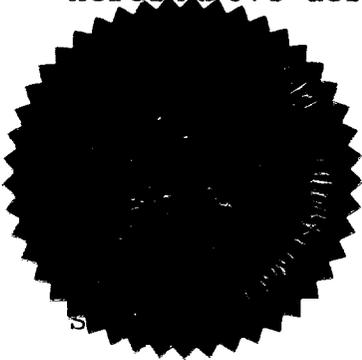
IT IS THEREFORE ORDERED THAT:

(1) The limiting gas-oil ratio for the Monument-Abo Pool in Lea County, New Mexico, established at 10,000 cubic feet of gas per barrel of oil by Division Order No. R-8614, is hereby continued until further order of the Division.

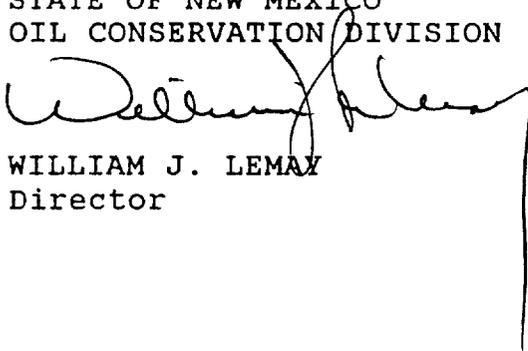
(2) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAX
Director