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BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

ORDER NO. AG-40

GAS PRORATION ORDER FOR THE PERIOD APRIL 1, 1975 THROUGH MARCH 31, 1976

This cause came on for public hearing by the Commission's Examiner Daniel S. Nutter, at Santa Fe, New Mexico, on February 19, 1975, at 9 a.m., pursuant to legal notice for the purpose of setting the allowable production of gas from the following seventeen gas pools in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico, for the one-year period April 1, 1975, through March 31, 1976.

Atoka-Pennsylvanian, Blinebry, Bluitt-San Andres, Buffalo Valley-Pennsylvanian, Burton Flats-Morrow, Burton Flats-Strawn, Carlsbad-Morrow, South, Catclaw Draw-Morrow, Crosby-Devonian, Eumont, Indian Basin-Morrow, Indian Basin-Upper Pennsylvanian, Jalmat, Justis, Monument McKee-Ellenburger, Todd-Lower San Andres, and Tubb.

NOW, on this 25th day of February, 1975, the Commission, a quorum being present, having considered the supplemental nominations of purchasers, the capacity of producing wells, and the recommendations of the Examiner, and being otherwise fully advised in the premises,

FINDS:

(1) That the total nomination of purchasers of gas produced from the above listed seventeen gas pools for the period April 1, 1975, through March 31, 1976 is 297,012,914 Mcf. The individual pool nominations are as follows:

Atoka-Pennsylvanian Blinebry	6,130,000 38,977,913	
Bluitt-San Andres	447,840	
Buffalo Valley-Pennsylvanian	5 , 733, 75 0	
Burton Flats-Morrow	6,007,400	
Burton Flats-Strawn	1,009,200	
Carlsbad-Morrow, South	19,573,400	Mcf
Catclaw Draw-Morrow	12,517,300	
Crosby-Devonian	575 , 900	Mcf
Eumont	70,168,400	
Indian Basin-Morrow	6,598,555	
Indian Basin-Upper Pennsylvanian	70,540,996	
Jalmat	33,061,700	
Justis	2,364,000	Mcf
Monument McKee-Ellenburger	3,529,100	
Todd-Lower San Andres	384,000	
Tubb	19,393,460	Mcf

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(2) That the potential producing capacity of all gas wells in the seventeen gas pools listed above is in excess of the nominations of purchasers of gas, and in order to prevent waste and protect correlative rights, the production of gas from the listed seventeen gas pools should be limited, allocated, and distributed during the one-year proration period commencing April 1, 1975.

(3) That all the producing gas wells, together with the expected completed or recompleted wells in the seventeen gas pools listed above, can produce a total of 297,012,914 Mcf without causing waste within the one-year proration period commencing April 1, 1975, and an allocation based upon such production would be reasonable and would protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That for the one-year proration period commencing April 1, 1975, the total allowable production to be assigned the seventeen allocated gas pools in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico, is as follows:

Atoka-Pennsylvanian Blinebry Bluitt-San Andres	6,130,000 Mcf 38,977,913 Mcf 447,840 Mcf
Buffalo Valley-Pennsylvanian	5,733,750 Mcf
Burton Flats-Morrow	6,007,400 Mcf
Burton Flats-Strawn	1,009,200 Mcf
Carlsbad-Morrow, South	19,573,400 Mcf
Catclaw Draw-Morrow	12,517,300 Mcf
Crosby-Devonian	575,900 Mcf
Eumont	70,168,400 Mcf
Indian Basin-Morrow	6,598,555 Mcf
Indian Basin-Upper Pennsylvanian	70,540,996 Mcf
Jalmat	33,061,700 Mcf
Justis	2,364,000 Mcf
Monument McKee-Ellenburger	3,529,100 Mcf
Todd-Lower San Andres	384,000 Mcf
Tubb	19,393,600 Mcf

(2) That the allocation hereby set for said one-year proration period in the seventeen allocated pools in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico, shall be in accordance with the Commission Rules, Regulations, and Orders.

(3) That the total allowable production for each pool as set forth shall be allocated on a monthly basis and shall be adjusted monthly to meet changes in market conditions as reflected by purchasers' supplemental nominations and actual gas production, in accordance with the Commission Rules, Regulations, and Orders. -3-

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The foregoing order shall remain effective until further order of the Commission.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

I. R. TRUJILLO, Chairman Hel Ź Luce

PHIL R. LUCERO, Member A. L. PORTER, Jr., Member & Secretary

SEAL