Entered Pebruary 13, 1980

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

ORDER NO. AG-45

GAS PRORATION ORDER FOR THE PERIOD APRIL 1, 1980 THROUGH MARCH 31, 1981

This cause came on for public hearing by the Division's Examiner, Daniel S. Nutter, at Santa Fe, New Mexico, on February 13, 1980, at 9 a.m., pursuant to legal notice for the purpose of setting the allowable production of gas from the following fifteen gas pools in Lea, Eddy, and Chaves Counties, New Mexico, for the one-year period, April 1, 1980, through March 31, 1981.

Atoka-Pennsylvanian, Blinebry, 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, and Tubb.

NOW, on this <u>13th</u> day of February, 1980, the Division Director, having considered the preliminary 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 fifteen gas pools for the period April 1, 1980, through March 1, 1981, is 196,987,257 Mcf. The individual pool nominations are as follows:

Atoka-Pennsylvanian Blinebry	5,245,400 Mcf 23,895,878 Mcf	
Buffalo Valley-Pennsylvanian	5,094,600 Mcf	-
Burton Flats-Morrow	11,489,789 Mcf	-
Burton Flats-Strawn	995,480 Mcf	-
Carlsbad-Morrow, South	9,917,090 Mcf	:
Catclaw Draw-Morrow	3,138,000 Mcf	:
Crosby-Devonian	352,800 Mcf	-
Eumont	59,446,300 Mcf	-
Indian Basin-Morrow	2,600,716 Mcf	:
Indian Basin-Upper Pennsylvanian	42,306,904 Mcf	:
Jalmat	18,922,700 Mcf	2
Justis	1,202,700 Mcf	2
Monument McKee-Ellenburger	1,540,700 Mcf	:
Tubb	10,838,200 Mcf	:

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(2) That the potential producing capacity of all gas wells in the fifteen 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 fifteen gas pools should be limited, allocated, and distributed during the one-year proration period commencing April 1, 1980.

(3) That all the producing gas wells, together with the expected completed or recompleted wells in the fifteen gas pools listed above, can produce a total of 196,987,257 Mcf without causing waste within the one-year proration period commencing April 1, 1980, 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, 1980, the total allowable production to be assigned the fifteen allocated gas pools in Lea, Eddy, and Chaves Counties, New Mexico, is as follows:

Atoka-Pennsylvanian Blinebry	5,245,400 23,895,878	
Buffalo Valley-Pennsylvanian	5,094,600	
Burton Flats-Morrow	11,489,789	Mcf
Burton Flats-Strawn	995 , 480	Mcf
Carlsbad-Morrow, South	9,917,090	Mcf
Catclaw Draw-Morrow	3,138,000	Mcf
Crosby-Devonian	352,800	Mcf
Eumont	59,446,300	Mcf
Indian Basin-Morrow	2,600,716	Mcf
Indian Basin-Upper Pennsylvanian	42,306,904	Mcf
Jalmat	18,922,700	Mcf
Justis	1,202,700	Mcf
Monument McKee-Ellenburger	1,540,700	Mcf
Tubb	10,838,200	Mcf

(2) That the allocation hereby set for said one-year proration period in the fifteen allocated pools in Lea, Eddy, and Chaves Counties, New Mexico, shall be in accordance with the Division 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 Division Rules, Regulations, and Orders. -3-Order No. AG-45

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

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

STATE OF NEW MEXICO Anen γ¢ JOE D. RAMEY Director

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