Q.L.P.

## 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. 2164 Order No. R-1868

APPLICATION OF HUDSON AND HUDSON FOR AN EXCEPTION TO RULE 506 (A) OF THE COMMISSION RULES AND REGULATIONS AND FOR PERMISSION TO TRANSFER ALLOW-ABLES IN THE WEST TONTO YATES-SEVEN RIVERS POOL, LEA COUNTY, NEW MEXICO.

## ORDER OF THE COMMISSION

## BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on January 25, 1961, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this <u>9th</u> day of February, 1961, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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, Hudson and Hudson, seeks an exception to Rule 506 (A) by increasing the limiting gas-oil ratio for the West Tonto Yates-Seven Rivers Pool, Lea County, New Mexico, from 2,000 to 6,000 cubic feet of gas per barrel of oil, and further seeks permission to shut-in its Federal 18 Well No. 3 producing from said pool and transfer its allowable to its Federal 18 Well No. 2.

(3) That approval of the subject application would not be in the best interests of conservation.

## IT IS THEREFORE ORDERED:

That the subject application is hereby denied.

-2-CASE No. 2164 Order No. R-1868

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

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EDWIN L. MECHEM, Chairman

WALKER, Member E. s Parten, 1

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

SEAL

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