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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. 2654 Order No. R-2349-A

APPLICATION OF CARPER DRILLING COMPANY, INC., FOR THE CREATION OF A NEW GAS POOL AND FOR TEMPO-RARY SPECIAL RULES AND REGULA-TIONS, CHAVES COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on October 13, 1964, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this <u>21st</u> day of October, 1964, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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 by Order No. R-2349, dated October 31, 1962, temporary Special Rules and Regulations were promulgated for the Buffalo Valley-Pennsylvanian Gas Pool.

(3) That pursuant to the provisions of Order No. R-2349, this case was reopened to allow the operators in the subject pool to appear and show cause why the Buffalo Valley-Pennsylvanian Gas Pool should not be developed on 160-acre spacing units.

(4) That since the issuance of Order No. R-2349, the Commission has amended Rule 104 of the Statewide Rules and Regulations to permit the dedication of 320 acres to a gas well in Lea, Chaves, -2-CASE No. 2654 Order No. R-2349-A

Eddy, and Roosevelt Counties, New Mexico, projected to or completed in the Pennsylvanian formation or a deeper formation.

(5) That to prevent the economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of risk arising from the drilling of an excessive number of wells, to prevent reduced recovery which might result from the drilling of too few wells, and to otherwise prevent waste and protect correlative rights, the Special Rules and Regulations promulgated by Order No. R-2349 should be continued in full force and effect until further order of the Commission.

IT IS THEREFORE ORDERED:

 (1) That the Special Rules and Regulations governing the Buffalo Valley-Pennsylvanian Gas Pool promulgated by Order No.
R-2349 are hereby continued in full force and effect until further order of the Commission.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

CK M. CAMPBELL, Chairman

SEAL

WALKER, Member s. du.

and day

À. L. PORTER, Jr., Member & Secretary

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