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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. 4497 Order No. R-4102-D

IN THE MATTER OF CASE 4497 BEING REOPENED TO RECONSIDER SPECIAL RULES AND REGULATIONS FOR THE TWIN LAKES-SAN ANDRES POOL, CHAVES COUNTY, NEW MEXICO, WHICH WERE ORIGINALLY PROMULGATED BY ORDER NO. R-4102.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 11, 1973, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 17th day of May, 1973, 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-4102-A, dated February 8, 1972, the temporary Special Rules and Regulations promulgated by Order No. R-4102, dated February 10, 1971, for the Twin Lakes-San Andres Pool, Chaves County, New Mexico, designating the pool as an "associated" reservoir with a gas well-oil well classification gas-oil ratio of 30,000 to one and a limiting gas-oil ratio of 4,000 to one, were extended for an additional period of one year.
- (3) That pursuant to the provisions of Order No. R-4102-A, this case was reopened in February, 1973, to allow the operators in the subject pool to appear and show cause why the Twin Lakes-San Andres Pool Rules should not be abolished and why the limiting gas-oil ratio should not be reduced to 2,000 to one.
- (4) That no operator in the subject pool appeared at the February, 1973, hearing to show cause why the special rules for the subject pool should be continued in effect.

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- (5) That as a result of said hearing, Orders No. R-4102-B and R-4102-C were issued which abolished the temporary special rules and regulations promulgated by Order No. R-4102 and extended by Order No. R-4102-A.
- (6) That the applicant, Twinlakes Oil Company, seeks the reinstatement of special pool rules and regulations for the Twin Lakes-San Andres Pool, Chaves County, New Mexico, as promulgated in Order No. R-4102, but with a limiting gas-oil ratio of 2,000 to one.
- (7) That the reservoir characteristics of the subject pool presently justify the establishment of a gas-oil ratio of 2,000 cubic feet of gas per barrel of liquid hydrocarbons.
- (8) That the special rules and regulations promulgated in Order No. R-4102 should be reinstated for the subject pool with a limiting gas-oil ratio of 2,000 to one in order to prevent economic loss and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

- (1) That the Special Rules and Regulations for the Twin Lakes-San Andres Pool, promulgated by Orders No. R-4102, and R-4102-A are hereby reinstated in full force and effect until further order of the Commission.
- (2) That Rule 6 of said Rules shall be amended to read as follows:
 - RULE 6. That the limiting gas-oil ratio shall be $\overline{2,000}$ cubic feet of gas for each barrel of oil produced.
- (3) 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

I. R. TRUJILLO, Chairman

ALEX J ARMITO, Member

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

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