Entered May 28,1974 Q. J.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. 4790 Order No. R-4370-A

IN THE MATTER OF CASE NO. 4790
BEING REOPENED PURSUANT TO THE
PROVISIONS OF ORDER NO. R-4370,
WHICH ORDER ESTABLISHED SPECIAL
RULES AND REGULATIONS FOR THE
DUBLIN-ELLENBURGER GAS POOL, LEA
COUNTY, NEW MEXICO, INCLUDING A
PROVISION FOR 640-ACRE PRORATION UNITS.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 8, 1974, at Santa Fe, New Mexico, before Examiner, Richard L. Stamets.

NOW, on this <u>28th</u> day of May, 1974, 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-4370, dated August 22, 1972, temporary special rules and regulations were promulgated for the Dublin-Ellenburger Gas Pool, Lea County, New Mexico, establishing temporary 640-acre spacing units.
- (3) That pursuant to the provisions of Order No. R-4370, this case was reopened to allow operators in the subject pool to appear and show cause why the Dublin-Ellenburger Gas Pool should not be developed on 320-acre spacing units.
- (4) That the evidence establishes that one well in the Dublin-Ellenburger Gas Pool can efficiently and economically drain and develop 640 acres.
- (5) That the Special Rules and Regulations promulgated by Order No. R-4370 have afforded and will afford to the owner of each property in the pool the opportunity to produce his just and equitable share of the gas in the pool.

-2-Case No. 4790 Order No. R-4370-A

(6) That in order 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-4370 should be made permanent.

IT IS THEREFORE ORDERED:

- (1) That the Special Rules and Regulations promulgated by Order No. R-4370 are hereby made permanent.
- (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 herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

I.R. TRUJILLO, Chairman

ALMX J. ARMIJO, Member

L. PORTER, Jr., Member & Secretary

SEAL