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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. 4789 Order No. R-4375-A

IN THE MATTER OF CASE NO. 4789 BEING REOPENED PURSUANT TO THE PROVISIONS OF ORDER NO. R-4375, WHICH ORDER ESTABLISHED SPECIAL RULES AND REGULATIONS FOR THE MANY GATES-ABO POOL, CHAVES COUNTY, NEW MEXICO, INCLUDING A PROVISION FOR 80-ACRE PRORATION UNITS.

ORDER OF THE COMMISSION

BY THE COMMISSION:

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

NOW, on this 24th day of August, 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-4375, dated August 28, 1972, temporary special rules and regulations were established for the Many Gates-Abo Pool, Chaves County, New Mexico, including a provision for temporary 80-acre spacing and a provision for wells to be located in the approximate center of the NE/4 or the SW/4 of each quarter section.
- (3) That pursuant to the provisions of Order No. R-4375 this case was reopened to allow the operators in the subject pool to appear and show cause why the Many Gates-Abo Pool should not be developed on 40-acre spacing units.
- (4) That the evidence establishes that one well in the Many Gates-Abo Pool can efficiently and economically drain and develop 80 acres.

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(5) 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-4375 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 Many Gates-Abo Pool, Chaves County, New Mexico, promulgated by Order No. R-4375, 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 CONFERVATION COMMISSION

I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member

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

SEAL