

Order No. R-4435-A

A. 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. 4843 (Reopened)
Order No. R-4435-A

IN THE MATTER OF CASE NO. 4843
BEING REOPENED PURSUANT TO THE
PROVISIONS OF ORDER NO. R-4435,
WHICH ORDER ESTABLISHED THE
SOUTHEAST CHAVES QUEEN GAS AREA,
CHAVES COUNTY, NEW MEXICO, AND
PROMULGATED SPECIAL RULES AND
REGULATIONS THEREFOR, INCLUDING A
PROVISION FOR 320-ACRE SPACING
UNITS FOR GAS WELLS.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 26, 1974, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 3rd day of December, 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-4435, dated November 13, 1972, temporary special rules and regulations were promulgated for the Southeast Chaves Queen Gas Area, Chaves County, New Mexico, including a provision for 320-acre spacing and proration units for gas wells.

(3) That this case was reopened pursuant to Order No. R-4435 to allow all interested parties to show cause why said Order No. R-4435 should not be rescinded.

(4) That development of the Southeast Chaves Queen Gas Area since the entry of Order No. R-4435 has not been sufficient to yield substantial additional information concerning the reservoir characteristics of the area.

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(5) That the temporary special rules and regulations promulgated by Order No. R-4435 should be extended for an additional 18-months period in order to prevent the possibility of economic loss resulting from the drilling of unnecessary wells, and in order to allow the operators in the subject area additional time in which to gather information concerning the reservoir characteristics of the area.

(6) That this case should be reopened at an examiner hearing in June, 1976, at which time the operators in the subject area should appear and show cause why Order No. R-4435 should not be rescinded.

IT IS THEREFORE ORDERED:

(1) That the Special Rules and Regulations governing the Southeast Chaves Queen Gas Area, promulgated by Order No. R-4435, shall remain in full force and effect for an additional period of 18 months.

(2) That this case shall be reopened at an examiner hearing in June, 1976, at which time the operators in the subject area shall appear and show cause why Order No. R-4435 should not be rescinded.


(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. ARMIJO, Member


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

S E A L

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