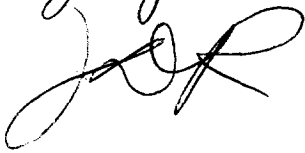


Entered July 6, 1976


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-B

IN THE MATTER OF CASE 4843 BEING
REOPENED PURSUANT TO THE PROVISIONS
OF ORDER NO. R-4435 WHICH ORDER
ESTABLISHED SPECIAL RULES AND REGULATIONS
FOR THE SOUTHEAST CHAVES QUEEN GAS AREA,
CHAVES COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 23, 1976,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 6th day of July, 1976, 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,
establishing temporary 320-acre spacing units and proration
units.

(3) That by Order No. R-4435-A, dated December 3, 1976,
the temporary special rules and regulations for said Southeast
Chaves-Queen Gas Area were extended for an additional 18 months.

(4) That pursuant to the provisions of Order No. R-4435-A,
this case was reopened to allow the operators in the subject
pool to appear and show cause why the Special Rules and
Regulations for the Southeast Chaves Queen Gas Area should
not be rescinded.

(5) That the evidence establishes that one well in the
Southeast Chaves Queen Gas Area can efficiently and economically
drain and develop 320 acres.

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(6) That the Special Rules and Regulations promulgated by Order No. R-4435 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 oil and gas in the pool.

(7) That the Special Rules and Regulations for the Southeast Chaves Queen Gas Area should be made permanent.

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 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

PHIL R. LUCERO, Chairman


EMERY C. ARNOLD, Member


JOE D. RAMEY, Member & Secretary

S E A L

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