

Entered December 2, 1974
A.H.D.

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. 5082 (Reopened)
Order No. R-4658-B

IN THE MATTER OF CASE NO. 5082 BEING
REOPENED PURSUANT TO THE PROVISIONS OF
ORDER NO. R-4658, WHICH ORDER ESTABLISHED
TEMPORARY SPECIAL RULES FOR THE NORTH SHOE
BAR-STRAWN POOL, LEA COUNTY, NEW MEXICO,
INCLUDING A PROVISION FOR 160-ACRE SPACING
AND PRORATION UNITS.

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-4658, dated November 16, 1973, temporary special rules and regulations were promulgated for the North Shoe Bar-Strawn Pool, Lea County, New Mexico, establishing temporary 160-acre spacing and proration units.

(3) That pursuant to the provisions of Orders Nos. R-4658 and R-4658-A this case was reopened to allow the operators in the subject pool to appear and show cause why the North Shoe Bar-Strawn Pool should not be developed on less than 160-acre spacing units and why the gas-oil ratio limitation should not be 2000 cubic feet of gas per barrel of oil produced.

(4) That the evidence establishes that one well in the North Shoe Bar-Strawn Pool can efficiently and economically drain and develop 160 acres.

(5) That the evidence establishes that the reservoir is being efficiently produced with a gas-oil ratio of 4000 cubic feet of gas per barrel.

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(6) That the Special Rules and Regulations promulgated by Order No. R-4658, as amended by Order No. R-4658-A, 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.

(7) 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-4658, as amended, 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 North Shoe Bar-Strawn Pool, Lea County, New Mexico, promulgated by Order No. R-4658, as amended by Order No. R-4658-A, 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 CONSERVATION COMMISSION


I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member


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

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