Entered May 18, 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. 5443 (Reopened) Order No. R-4994-B

IN THE MATTER OF CASE 5443 BEING REOPENED PURSUANT TO THE PROVISIONS OF ORDER NO. R-4994, WHICH ORDER ESTABLISHED SPECIAL RULES AND REGULATIONS FOR THE EAST LUSK-BONE SPRING OIL 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 April 14 and April 28, 1976, at Santa Fe, New Mexico, before Examiners, Daniel S. Nutter and Richard L. Stamets, respectively.

NOW, on this <u>18th</u> day of May, 1976, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiners, 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-4994, dated April 1, 1975, temporary special rules and regulations were promulgated for the East Lusk-Bone Spring Oil Pool, Lea County, New Mexico, establishing temporary 160-acre spacing units and proration units.

(3) That pursuant to the provision of Order No. R-4994, this case was reopened to allow the operators in the subject pool to appear and show cause why the East Lusk-Bone Spring Oil Pool should not be developed on less than 160-acre spacing units.

(4) That the evidence establishes that one well in the East Lusk-Bone Spring Oil Pool can efficiently and economically drain and develop 160 acres.

(5) That the Special Rules and Regulations promulgated by Order No. R-4994 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. -2-Case No. 5443 (Reopened) Order No. R-4994-B

(6) That the Special Rules and Regulations for the East Lusk-Bone Spring Oil Pool should be made permanent.

IT IS THEREFORE ORDERED:

(1) That the Special Rules and Regulations governing the East Lusk-Bone Spring Oil Pool, promulgated by Order No. R-4994, 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

1°K Tucció PHIL R. LUCERO, Chairman IIM EMERY ARNOLD Member NÉ í JOE D. RAMEY, Member & Secretary

SEAL