

Entered July 13, 1978
JLR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

CASE NO. 5911 (Reopened)
Order No. R-5353-B-1

IN THE MATTER OF CASE 5911 BEING REOPENED
PURSUANT TO THE PROVISIONS OF ORDER NO.
R-5353-B, WHICH ORDER ESTABLISHED TEMPORARY
SPECIAL POOL RULES FOR THE CHACON-DAKOTA
ASSOCIATED POOL, RIO ARRIBA AND SANDOVAL
COUNTIES, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on June 21, 1978, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 17th day of July, 1978, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That by Order No. R-5353-B, dated May 24, 1977, the Chacon-Dakota Oil Pool in Rio Arriba and Sandoval Counties, New Mexico, was reclassified as an associated pool to be governed by the General Rules and Regulations for associated pools, with Special Rule 2(a) fixing the size of spacing and proration units in said pool.

(3) That pursuant to the provisions of Order No. R-5353-B, this case was reopened to allow the operators in the subject pool to appear and show cause why said temporary special pool rules should not be rescinded.

(4) That the Special Rules and Regulations adopted by Order No. R-5353-B 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.

(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,

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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 adopted by Order No. R-5353-B should be continued in full force and effect until further order of the Division.

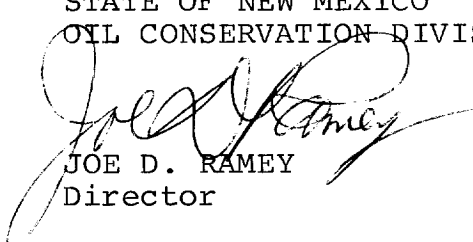
IT IS THEREFORE ORDERED:

(1) That the Chacon-Dakota Associated Pool in Rio Arriba and Sandoval Counties, New Mexico, shall continue to be governed by the General Rules and Regulations for Associated Pools promulgated by Division Order No. R-5353, and by Special Rule 2(a) promulgated by Division Order No. R-5353-B, all until further order of the Division.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director

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