Entered September 27, 1977

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. 4962 (Reopened) Order No. R-5353-C

IN THE MATTER OF CASE 4962 BEING REOPENED PURSUANT TO THE PROVISIONS OF ORDER NO. R-4538, WHICH ORDER ESTABLISHED TEMPORARY SPECIAL POOL RULES FOR THE PETERSON-PENNSYLVANIAN ASSOCIATED POOL, ROOSEVELT COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 22 and August 3, 1977, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>27th</u> day of September, 1977, 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-4538, dated May 22, 1973, temporary special pool rules were promulgated for the Peterson-Pennsylvanian Associated Pool, Roosevelt County, New Mexico.

(3) That by Order No. R-5353, dated January 17, 1977, said temporary special rules were amended and superseded to conform with the General Rules and Regulations for the Associated Oil and Gas Pools of Northwest New Mexico and Southeast New Mexico established thereby.

(4) That pursuant to the provisions of Order No. R-4538, 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to allow the operators in the subject pool to appear and show cause why said temporary special pool rules should not be rescinded.

(5) That the Special Rules and Regulations promulgated by Order No. R-4538, as amended and superseded by Order No. R-5353, have afforded and will afford to the owner of each property in the pool the opportunity to produce his just and equitable share of the oil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.

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(6) 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waste and protect correlative rights, the Special Rules and Regulations promulgated by Order No. R-4538, as amended and superseded by Order No. R-5353, should be continued in full force and effect until further order of the Commission.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 Peterson-Pennsylvanian Associated Pool, Roosevelt County, New Mexico, promulgated by Order No. R-4538, as amended and superseded by Order No. R-5353, 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

PHIL R. LUCERO, Chairman 1 IN uus ARNOLD, Member EMERY RAMEY, Member & Secretary Ď. **JOE**

SEAL