

Entered October 20, 1978
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STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6040
Order No. R-5552-A

IN THE MATTER OF CASE 6040 BEING
REOPENED PURSUANT TO THE PROVISIONS OF
ORDER NO. R-5552, WHICH ORDER ESTABLISHED
SPECIAL RULES AND REGULATIONS FOR THE
NORTH TEAGUE-DEVONIAN POOL, LEA COUNTY,
NEW MEXICO, INCLUDING A PROVISION FOR
A 4000 TO 1 GAS-OIL RATIO LIMITATION.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on October 11, 1978,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 20th day of October, 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-5552, dated October 25, 1977,
temporary special rules and regulations were promulgated for the
North Teague-Devonian Pool, Lea County, New Mexico, establishing
a temporary gas-oil ratio limitation of 4000 to 1.

(3) That pursuant to the provisions of Order No. R-5552,
this case was reopened to allow the operators in the subject pool
to appear and show cause why the limiting gas-oil ratio of the
North Teague-Devonian Pool should not revert to 2000 to 1.

(4) That the evidence establishes that the limiting gas-oil
ratio of the North Teague-Devonian Pool should remain at 4000 to 1.

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(5) That the Special Rules and Regulations promulgated by Order No. R-5552 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.

(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-5552 should be continued in full force and effect until further order of the Division.

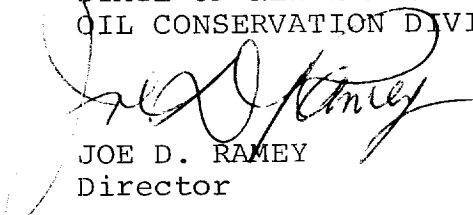
IT IS THEREFORE ORDERED:

(1) That the Special Rules and Regulations governing the North Teague-Devonian Pool, Lea County, New Mexico, promulgated by Order No. R-5552, are hereby continued in full force and effect 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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