## STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION COMMISSION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 8286 Order No. R-7746

APPLICATION OF MESA GRANDE RESOURCES, INC. FOR CREATION OF A NEW OIL POOL AND SPECIAL POOL RULES, RIO ARRIBA COUNTY, NEW MEXICO.

## ORDER OF THE COMMISSION

## BY THE COMMISSION:

This cause came on for hearing at 9:00 a.m. on September 20, 1984, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this <u>7th</u> day of December, 1984, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, Mesa Grande Resources, Inc., seeks an order creating a new pool for oil production to be designated as the Gavilan Greenhorn-Graneros-Dakota Oil Pool and the promulgation of special pool rules, including a provision for 160-acre spacing, Rio Arriba County, New Mexico.

(3) In a companion Case 8350, Jerome P. McHugh seeks an order creating a new oil pool for a similar area with similar vertical limits and for the promulgation of special pool rules, including a provision for 320-acre spacing, Rio Arriba County, New Mexico.

(4) Cases 8286 and 8350 were consolidated for the purposes of obtaining testimony.

-2-Case Nc. 8286 Order No. R-7746

(5) The Commission by Order No. R-7745 did grant the application of Jerome P. McHugh in Case 8350 which findings are hereby incorporated by reference herein.

(6) The application in Case 8286 should be denied.

IT IS THEREFORE ORDERED THAT:

(1) The application in Case 8286 is hereby denied.

(2) 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 MEXICC OIL CONSERVATION COMMISSION

JIM BACA, Member

ED KELLEY, Member

R. L. STAMETS, Chairman and Secretary

SEAL