Entered Zebruary 21, 1928

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

ORDER NO. AG-43

GAS PRORATION ORDER FOR THE PERIOD ARPIL 1, THROUGH MARCH 31,

This cause came on for public hearing by the Commission's Examiner Richard L. Stamets, at Santa Fe, New Mexico, on February 15, 1978, at 9 a.m., pursuant to legal notice for the purpose of setting the allowable production of gas from the following fifteen gas pools in Lea, Eddy and Chaves Counties, New Mexico, for the one-year period April 1, 1978 through March 31, 1979.

Atoka-Pennsylvanian, Blinebry, Buffalo Valley-Pennsylvanian, Burton Flats-Morrow, Burton Flats-Strawn, Carlsbad-Morrow, South, Catclaw Draw-Morrow, Crosby-Devonian, Eumont, Indian Basin-Morrow, Indian Basin-Upper Pennsylvanian, Jalmat, Justis, Monument McKee-Ellenburger, and Tubb.

NOW, on this <u>21st</u> day of February, 1978, the Commission, a quorum being present, having considered the preliminary nominations of purchasers, the capacity of producing wells, and the recommendations of the Examiner, and being otherwise fully advised in the premises,

FINDS:

(1) That the total nomination of purchasers of gas produced from the above listed fifteen gas pools for the period April 1, 1978 through March 31, 1979 is 263,808,629 Mcf. The individual pool nominations are as follow:

Atoka-Pennsylvanian	8,475,750 Mcf
Blinebry Buffalo Mallow-Donnowlwanian	29,700,270 Mcf 4,475,450 Mcf
Buffalo Valley-Pennsylvanian	
Burton Flats-Morrow	26,798,900 Mcf
Burton Flats-Strawn	1,947,265 Mcf
Carlsbad-Morrow, South	14,193,050 Mcf
Catclaw Draw-Morrow	4,466,300 Mcf
Crosby-Devonian	428,000 Mcf
Eumont	61,735,800 Mcf
Indian Basin-Morrow	2,592,554 Mcf
Indian Basin-Upper Pennsylvanian	67,597,889 Mcf
Jalmat	23,226,900 Mcf
Justis	1,172,100 Mcf
Monument McKee-Ellenburger	2,617,500 Mcf
Tubb	14,380,901 Mcf

(2) That the potential producing capacity of all gas wells in the fifteen gas pools listed above is in excess of the nominations of purchasers of gas, and in order to prevent waste and protect correlative rights, the production of gas from the listed fifteen gas pools should be limited, allocated, and distributed during the one-year proration period commencing April 1, 1978. -2-Order No. AG-43

(3) That all the producing gas wells, together with the expected completed or recompleted wells in the fifteen gas pools listed above, can produce a total of 263,808,629 Mcf without causing waste within the one-year proration period commencing April 1, 1978, and an allocation based upon such production would be reasonable and would protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That for the one-year proration period commencing April 1, 1978, the total allowable production to be assigned the fifteen allocated gas pools in Lea, Eddy, and Chaves Counties, New Mexico, is as follows:

Atoka-Pennsylvanian	8,475,750 Mcf
Blinebry	29,700,270 Mcf
Buffalo Valley-Pennsylvanian	4,475,450 Mcf
Burton Flats-Morrow	26,798,900 Mcf
Burton Flats-Strawn	1,947,265 Mcf
Carlsbad-Morrow, South	14,193,050 Mcf
Catclaw Draw-Morrow	4,466,300 Mcf
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Jalmat	23,226,900 Mcf
Justis	1,172,100 Mcf
Monument McKee-Ellenburger	2,617,500 Mcf
Tubb	14,380,901 Mcf

(2) That the allocation hereby set for said one-year proration period in the fifteen allocated pools in Lea, Eddy, and Chaves Counties, New Mexico, shall be in accordance with the Commission Rules, Regulations, and Orders.

(3) That the total allowable production for each pool as set forth shall be allocated on a monthly basis and shall be adjusted monthly to meet changes in market conditions as reflected by purchasers' supplemental nominations and actual gas production, in accordance with the Commission Rules, Regulations, and Orders.

The foregoing order shall remain effective until further order of the Commission.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman

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EMERY R ARNOLD Member

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JOE D. RAMEY, Member & Secretary

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