Entered February 20, 1727

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

ORDER NO. AG-44

GAS PRORATION ORDER FOR THE PERIOD APRIL 1, 1979 THROUGH MARCH 31, 1980

This cause came on for public hearing by the Division's Examiner, Daniel S. Nutter, at Santa Fe, New Mexico, on February 14, 1979, 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, 1979 through March 31, 1980.

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 20th day of February, 1979, the Division Director, 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, 1979, through March 31, 1980 is 237,240,415 Mcf. The individual pool nominations are as follows:

Atoka-Pennsylvanian Blinebry Buffalo Valley-Pennsylvanian Burton Flats-Morrow Burton Flats-Strawn Carlsbad-Morrow, South Catclaw Draw-Morrow Crosby-Devonian	6,828,000 26,981,895 4,198,800 15,922,425 662,600 12,492,400 3,143,000 415,100	Mcf Mcf Mcf Mcf Mcf Mcf Mcf
Eumont Indian Basin-Morrow	60,738,200 2,411,216	
Indian Basin-Upper		
Pennsylvanian	65,740,829	Mcf
Jalmat	21,185,100	Mcf
Justis	1,307,900	Mcf
Monument McKee-Ellenburger	2,597,400	Mcf
Tubb	12,615,550	Mcf

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(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, 1979.

(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 237,240,415 Mcf without causing waste within the one-year proration period commencing April 1, 1979, 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, 1979, 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 Blinebry	6,828,000 26,981,895	Mcf
Buffalo Valley-Pennsylvanian	4,198,800	
Burton Flats-Morrow	15,922,425	
Burton Flats-Strawn	662,600	Mcf
Carlsbad-Morrow, South	12,492,400	Mcf
Catclaw Draw-Morrow	3,143,000	Mcf
Crosby-Devonian	415,100	Mcf
Eumont	60,738,200	Mcf
Indian Basin-Morrow	2,411,216	Mcf
Indian Basin-Upper Pennsylvanian	65,740,829	Mcf
Jalmat	21,185,100	Mcf
Justis	1,307,900	Mcf
Monument McKee-Ellenburger	2,597,400	Mcf
Tubb	12,615,550	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 Division 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 Division Rules, Regulations, and Orders. -3-Order No. AG-44

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

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

STATE OF NEW MEXICO QIL CONSERVATION DIVISION NSERVALLAND JOE D. Director

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