

**STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

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

*CASE NO. 12347
Order No. R-11350*

**GAS ALLOWABLES FOR THE PRORATED GAS POOLS IN NEW MEXICO FOR
APRIL 2000 THROUGH SEPTEMBER, 2000.**

ORDER OF THE COMMISSION

BY THE COMMISSION:

This case came on for hearing at 9 o'clock a.m. on February 25, 2000, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, (the "Commission").

NOW, on this 24th day of March, 2000, the Commission, a quorum being present, having considered the testimony and the evidence received at the hearing,

FINDS THAT:

(1) Due public notice has been given, and the Commission has jurisdiction of this case and its subject matter.

(2) This hearing was called for the purpose of accepting nominations and other evidence and information to assist in determining April, 2000 through September, 2000 gas allowables for the prorated gas pools in New Mexico. Eight of the prorated gas pools are in Lea, Eddy, and Chaves Counties in southeast New Mexico, and the other four prorated gas pools are in San Juan, Rio Arriba, and Sandoval Counties in northwest New Mexico. All of these prorated gas pools are subject to the General Rules and Regulations for the Prorated Gas Pools of New Mexico, Division Order No. R-8170, as amended.

(3) Since 1991, allowables for the prorated gas pools in New Mexico have been established for six-month allocation periods beginning in April and October of each year.

(4) For the past several allocation periods, the Commission has carried forward the same non-marginal allocation factors from one six-month allocation period to the next in the absence of evidence indicating that these factors should be modified.

(5) By Memorandum dated February 4, 2000, sent out with the docket for the February 25, 2000 hearing, the Oil Conservation Division ("the Division") proposed that the allocation factors used for the October, 1999 through March, 2000 allocation period be continued for the April, 2000 through September, 2000 period unless evidence was received at the February 25, 2000 Commission hearing indicating that these factors should be

modified. The Division also proposed that these factors be used for future allocation periods until such time as it is determined that changes are needed.

(6) Evidence was presented on behalf of Doyle Hartman ("Hartman"), an operator in the Jalmat and Eumont Gas Pools. The evidence supported abolishing prorationing in the Jalmat and Eumont Gas Pools.

(7) SDX Resources, Inc. and Raptor Resources, Inc., operators in the Jalmat Gas Pool, appeared at the hearing in opposition to Hartman's request to terminate gas prorationing for the Eumont and Jalmat Gas Pools.

(8) This hearing was called for the limited purpose of adopting allocation factors for the prorated gas pools in New Mexico for the six-month allocation period from April 1, 2000 to September 30, 2000, not for the purpose of considering whether prorationing should be abolished in any of these pools. If Hartman seeks to abolish prorationing within the Jalmat and Eumont Gas Pools, he should file an application with the Division and provide adequate notice to affected operators.

(9) No evidence was presented at the hearing to support modification of the proposed allocation factors. The allocation factors proposed by OCD should be approved.

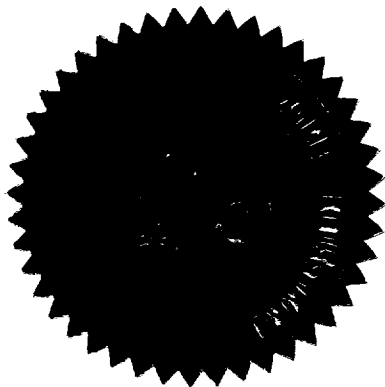
IT IS THEREFORE ORDERED THAT:

(1) The attached Exhibit "A" is adopted for the purpose of making allowable assignments for the prorated gas pools in New Mexico for the months of April, 2000 through September, 2000.

(2) The allowable allocation factors shown in Exhibit "A" shall be used as Division recommended allowables for future allocation periods until such time as it is determined that changes are needed.

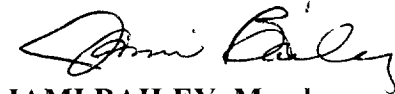
(3) Jurisdiction of this case is retained for the entry of such further orders as the Commission may deem necessary.

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

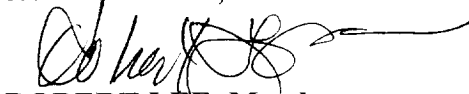


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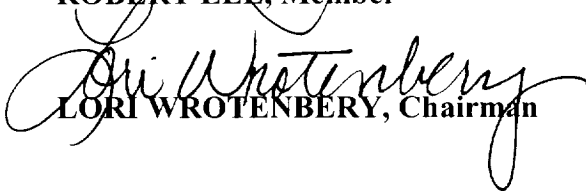
STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



JAMI BAILEY, Member



ROBERT LEE, Member



LORI WROTENBERY, Chairman

EXHIBIT "A"

**CASE NO. 12347
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**Allowable Allocation Factors
New Mexico Prorated Gas Pools
April, 2000 through September, 2000**

SOUTHEAST NEW MEXICO

Pool	Monthly Acreage Allocation Factor (F.)
Atoka Penn	24,000
Blinebry Oil and Gas	70,200
Buffalo Valley Penn	33,000
Eumont Yates 7 River Queen	38,000
Indian Basin Upper Penn	200,000
Jalmat Tansill Yates 7 Rivers	18,300
Justis Glorieta	18,300
Tubb Oil and Gas	18,425

NORTHWEST NEW MEXICO

Pool	Monthly Acreage Allocation Factor (F1)	Monthly Acreage X Deliverability Factor(F2)
Basin Dakota	11,163	14.04
Blanco Mesaverde	5,771	26.14
Blanco P.C. South	440	28.18
Tapacito Pictured Cliffs	467	19.79