

*Entered January 22, 1968
A.L.P.*

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE No. 3246
Order No. R-2935-B

THE MATTER OF CASE NO. 3246 BEING REOPENED
PURSUANT TO THE PROVISIONS OF ORDER NO. R-
2935, WHICH ORDER ESTABLISHED SPECIAL RULES
FOR THE MESA-QUEEN POOL, LEA COUNTY, NEW
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 10, 1968, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 22nd day of January, 1968, the Commission, a quorum being present, 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 Commission has jurisdiction of this cause and the subject matter thereof.

(2) That by Order No. R-2935, dated July 13, 1965, temporary Special Rules and Regulations were promulgated for the Mesa-Queen Pool, Lea County, New Mexico.

(3) That by Order No. R-2935-A, dated January 13, 1966, said temporary Special Rules and Regulations were continued in full force and effect for an additional two-year period.

(4) That pursuant to the provisions of Order No. R-2935-A, this case was reopened to allow all interested parties in the subject pool to appear and show cause why the gas-liquid ratio limitation of 5,000 cubic feet of gas per barrel of liquid hydrocarbons should not be reduced and why the special rules and regulations should not be discontinued.

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(5) That the reservoir characteristics of the Mesa-Queen Pool presently available justify the establishment of a gas-liquid ratio limitation of 5,000 cubic feet of gas per barrel of liquid hydrocarbons until further order of the Commission.

(6) That the evidence establishes that the Mesa-Queen Pool has been and will be efficiently and economically drained and developed under the Special Rules and Regulations promulgated by Orders Nos. R-2935 and R-2935-A.

(7) That the Special Rules and Regulations promulgated by Orders Nos. R-2935 and R-2935-A 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 oil and gas in the pool.

(8) 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 Orders Nos. R-2935 and R-2935-A should be continued in full force and effect until further order of the Commission.

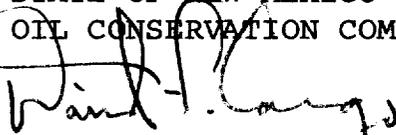
IT IS THEREFORE ORDERED:

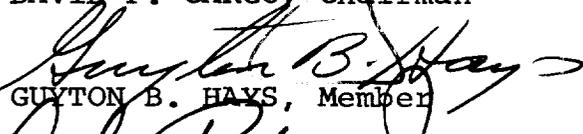
(1) That the Special Rules and Regulations governing the Mesa-Queen Pool, promulgated by Orders Nos. R-2935 and R-2935-A, are hereby continued in full force and effect until further order of the Commission.

(2) That 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 MEXICO
OIL CONSERVATION COMMISSION


DAVID F. CARGO, Chairman


GUYTON B. HAYS, Member


A. L. PORTER, Jr., Member & Secretary

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