

Entered January 15, 1971

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. 3786
Order No. R-3437-B

THE MATTER OF CASE NO. 3786 BEING REOPENED
PURSUANT TO THE PROVISIONS OF ORDER NO. R-
3437-A, WHICH ORDER CONTINUED THE SPECIAL
RULES FOR THE NORTH PADUCA-DELAWARE POOL,
LEA COUNTY, NEW MEXICO, AS PROMULGATED BY
ORDER NO. R-3437.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 6, 1971,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 15th day of January, 1971, 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-3437, dated June 18, 1968, temporary
Special Rules and Regulations were promulgated for the North Paduca-
Delaware Pool, Lea County, New Mexico.
- (3) That by Order No. R-3437-A, dated July 17, 1969, said
temporary Special Rules and Regulations were continued in full
force and effect for an additional period of 18 months.
- (4) That pursuant to the provisions of Order No. R-3437-A,
this case was reopened to allow the operators in the subject pool
to appear and show cause why the Special Rules and Regulations
should not be discontinued.

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(5) That the evidence establishes that the North Paduca-Delaware Pool has been and will be efficiently and economically drained and developed under the Special Rules and Regulations promulgated by Orders Nos. R-3437 and R-3437-A.

(6) That the Special Rules and Regulations promulgated by Orders Nos. R-3437 and R-3437-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.

(7) 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-3437 and R-3437-A should be continued in full force and effect until further order of the Commission.

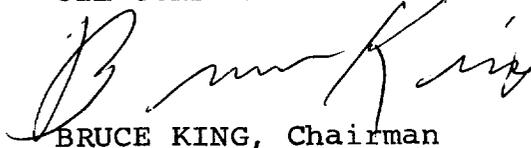
IT IS THEREFORE ORDERED:

(1) That the Special Rules and Regulations governing the North Paduca-Delaware Pool, Lea County, New Mexico, promulgated by Orders Nos. R-3437 and R-3437-A, are hereby continued in full force and effect until further order of the Commission.

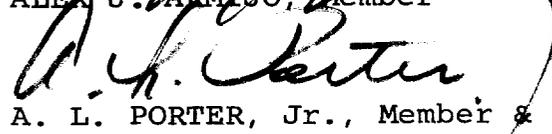
(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


BRUCE KING, Chairman


ALEX J. ARMIJO, Member


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

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