Entered October 27, 1716

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. 5262 (REOPENED) Order No. R-4822-C

IN THE MATTER OF CASE NO. 5262 BEING REOPENED PURSUANT TO THE PROVISIONS OF ORDER NO. R-4822-B, WHICH ORDER EXTENDED THE SPECIAL POOL RULES FOR THE SOUTHWEST MEDIA-ENTRADA OIL POOL, SANDOVAL COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 29, 1976, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>27th</u> day of October, 1976, 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-4822-B, dated September 23, 1975, the Commission extended the special pool rules for the Southwest Media-Entrada Oil Pool, Sandoval County, New Mexico, as promulgated by Order No. R-4822-A, dated September 3, 1974.

(3) That pursuant to the provisions of Order No. R-4822-B, this case was reopened to permit all interested parties to appear and show cause why the Southwest Media-Entrada Oil Pool should not be developed on 40-acre spacing with a depth bracket allowable in accordance with the statewide rules.

(4) That the evidence presently available indicates that further continuation of the special rules and regulations for the Southwest Media-Entrada Oil Pool is in the interest of conservation, will not cause waste, and will not impair correlative rights. -2-Case No. 5262 (Reopened) Order No. R-4822-C

(5) That said rules should be continued in full force and effect until further order of the Commission, provided however, that the Secretary-Director of the Commission should have the authority to suspend the special allowable provisions of Order No. R-4822-A without notice and hearing if it appears that waste is resulting therefrom.

IT IS THEREFORE ORDERED:

(1) That the Special Rules and Regulations governing the Southwest Media-Entrada Oil Pool, Sandoval County, New Mexico, extended by Order No. R-4822-B, shall remain in full force and effect until further order of the Commission.

(2) That each operator in the Southwest Media-Entrada Oil Pool shall report monthly to the Aztec district office of the Commission the previous month's water-oil cut for each producing well in the Southwest Media-Entrada Oil Pool.

(3) That the Secretary-Director of the Commission may, at any time that it appears that premature water encroachment or water coning is occurring, or other evidence of reservoir damage is apparent, rescind the special allowable provisions of Order No. R-4822-A and cause the top unit allowable for the Southwest Media-Entrada Oil Pool to revert to 347 barrels of oil per day.

(4) That jurisdiction of this cause is hereby 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

PHIL, R. LUCERO, Chairman Uu uw EMERY C. Member ARNOLD. JOE D. RAMEY, Member & Secretary

SEAL

dr/