Entered January 7, 1780

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

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

> CASE NO. 6357 Order No. R-5853-A

IN THE MATTER OF CASE 6357 BEING REOPENED PURSUANT TO THE PROVISIONS OF ORDER NO. R-5853, WHICH ORDER ESTABLISHED SPECIAL RULES AND REGULATIONS FOR THE SOUTH PETERSON-PENNSYLVANIAN POOL, ROOSEVELT COUNTY, NEW MEXICO, INCLUDING A PROVISION FOR 80-ACRE PRORATION UNITS.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on November 28, 1979, and January 3, 1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>9th</u> day of January, 1980, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That by Order No. R-5853, dated November 14, 1978, temporary special rules and regulations were promulgated for the South Peterson-Pennsylvanian Pool, Roosevelt County, New Mexico, establishing temporary 80-acre spacing units.

(3) That pursuant to the provisions of Order No. R-5853, this case was reopened to allow the operators in the subject pool to appear and show cause why the South Peterson-Pennsylvanian Pool should not be developed on 40-acre spacing units.

(4) That the evidence establishes that one well in the South Peterson-Pennsylvanian Pool will not efficiently and economically drain and develop 80 acres.

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(5) That in order to prevent waste and protect correlative rights, the Special Rules and Regulations promulgated by Order No. R-5853 should be rescinded effective March 1, 1980.

IT IS THEREFORE ORDERED:

(1) That effective March 1, 1980, the Special Rules and Regulations governing the South Peterson-Pennsylvanian Pool, Roosevelt County, New Mexico, promulgated by Order No. R-5853, are hereby rescinded.

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

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

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

JOE D. RAMEY Director

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