Entered Hannany 5, 1973

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. 4880 Order No. R-638-D

APPLICATION OF JAKE L. HAMON FOR THE AMENDMENT OF ORDER NO. R-638-C, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on December 19, 1972, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this <u>5th</u> day of January, 1973, 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 Commission Order No. R-638-C, dated September 13, 1956, provided for the drilling of wells in the South Knowles-Devonian Pool, Lea County, New Mexico, on 80-acre spacing and proration units and fixed the maximum allowable to be assigned to any well on an 80-acre proration unit in said pool at 150 barrels per day subject to gas-oil ratio limitations and adjustment.

(3) That the applicant, Jake L. Hamon, as owner and operator of certain wells in said South Knowles-Devonian Pool, seeks the amendment of Order No. R-638-C to establish for the South Knowles-Devonian Pool the regular 80-acre depth bracket allowable as set forth in Rule 505 of the Commission Rules and Regulations.

(4) That the evidence presented indicates that the establishment of said 80-acre depth bracket allowable as the basic allowable for the South Knowles-Devonian Pool, subject to the Commission's market demand percentage factor, will not cause waste nor violate correlative rights.

(5) That the application should be approved.

-2-Case No. 4869 Order No. R-638-D

IT IS THEREFORE ORDERED:

(1) That Order No. (4) of the South Knowles-Devonian Special Pool Rules as set forth in Commission Order No. R-638-C is hereby amended to read in its entirety as follows:

"(4) That the maximum allowable assigned to any well on an 80-acre proration unit in the South Knowles-Devonian Pool shall be determined in accordance with the 80-acre depth bracket allowable set forth in Rule 505 of the Commission Rules and Regulations for pools in the 12,000-12,999 foot depth range, subject to the Commission's market demand percentage factor."

(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 10 · Charles ALEX J. ARMIJO, Member 11 % J.L. A. L. PORTER, Jr., Member & Secretary

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