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Entered February 8, 1753

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. 7321 Order No. R-6764-A

IN THE MATTER OF CASE 7321 BEING REOPENED PURSUANT TO THE PROVISIONS OF ORDER NO. R-6764, WHICH ORDER PROMULGATED TEMPORARY SPECIAL RULES AND REGULATIONS FOR THE PETERSON-MISSISSIPPIAN 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 February 2, 1983, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this <u>8th</u> day of February, 1983, 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-6764, dated August 26, 1981, temporary Special Rules and Regulations were promulgated for the Peterson-Mississippian Pool, Roosevelt County, New Mexico, establishing temporary 80-acre spacing units.

(3) That pursuant to the provisions of Order No. R-6764, this case was reopened to allow the operators in the subject pool to appear and show cause why the Peterson-Mississippian Pool should not be developed on 40-acre spacing units.

(4) That no operator in the subject pool appeared to show cause why the Peterson-Mississippian Pool should not be developed on 40-acre spacing units.

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(5) That it is not known at this time whether additional wells will be completed in the subject pool.

(6) That the operators in the subject pool have not established that one well can efficiently and economically drain and develop 80 acres.

(7) That the Special Rules and Regulations promulgated by Order No. R-6764 should be rescinded.

IT IS THEREFORE ORDERED:

(1) That the Special Rules and Regulations governing the Peterson-Mississippian Pool, Roosevelt County, New Mexico, promulgated by Order No. R-6764, are hereby rescinded.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 min RAMEY . JOE D. Director

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