STATE OF NEW MEY TO ENERGY AND MINERALS DELARTMENT OIL CONSERVATION DIVISION

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

O. C. D. ARTÉSIA, OFFICE

CASE NO. 7074 Order No. R-6565-C

IN THE MATTER OF CASE 7074 BEING REOPENED PURSUANT TO THE PROVISIONS OF ORDER NO. R-6565 AND R-6565-B WHICH CREATED THE SOUTH ELKINS-FUSSELMAN GAS POOL, CHAVES COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

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This cause came on for hearing at 9 a.m. on March 3, 1982, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>22nd</u> day of March, 1982, 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-6565 and R-6565-B, dated January 22, 1981 and July 28, 1981, respectively, temporary special rules and regulations were promulgated for the South Elkins-Fusselman Gas Pool, Chaves County, New Mexico.

(3) That pursuant to the provisions of Order No. R-6565 and R-6565-B, this case was reopened to allow all interested parties to present evidence as to the exact nature of the reservoir, and more particularly, as to the proper rate of withdrawal from the reservoir if it is determined that said pool is producing from a retrograde gas condensate reservoir.

(4) That the evidence presented at this hearing establishes that said South Elkins-Fusselman is a retrograde gas condensate reservoir.