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. 2844 Order No. R-2627-A

APPLICATION OF SINCLAIR OIL & GAS COMPANY FOR THE CREATION OF THE TEAS-PENNSYLVANIAN GAS POOL AND FOR SPECIAL TEMPORARY POOL RULES, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 3, 1966, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 15th day of June, 1966, 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-2627, dated December 27, 1963, Special Rules and Regulations were promulgated for the Teas-Pennsylvanian Gas Pool, Lea County, New Mexico, for a period of one year from the date of first pipeline connection.
- (3) That pursuant to the provisions of Order No. R-2627, this case was reopened to consider indefinite extension of Order No. R-2627 in the absence of evidence to the contrary.
- (4) That since the issuance of Order No. R-2627, the Commission has amended Rule 104 of the Statewide Rules and Regulations to permit the dedication of 320 acres to a gas well in Lea. Chaves, Eddy, and Roosevelt Counties, New Mexico, projected to

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or completed in the Pennsylvanian formation or a deeper formation.

(5) That in order to prevent the economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of risk arising from the drilling of an excessive number of wells, to prevent reduced recovery which might result from the drilling of too few wells, and to otherwise prevent waste and protect correlative rights, the Special Rules and Regulations promulgated by Order No. R-2627 should be continued in full force and effect until further order of the Commission.

IT IS THEREFORE ORDERED:

- (1) That the Special Rules and Regulations governing the Teas-Pennsylvanian Gas Pool, promulgated by Order No. R-2627, are hereby continued in full force and effect until further order of the Commission.
- (2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

JACK M. CAMPBELL, Chairman

A. L. PORTER, Jr., Member & Secretary