

**STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

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

**(Reopened)
CASE NOS. 10869 and 10881
Order No. R-10050-A**

**IN THE MATTER OF CASE NOS. 10869 AND 10881
BEING REOPENED PURSUANT TO THE PROVISIONS
OF DIVISION ORDER NO. R-10050, WHICH ORDER
AUTHORIZED THE SIMULTANEOUS DEDICATION
OF ACREAGE TO BOTH OIL AND GAS WELLS AND
REDUCED THE GAS-OIL RATIO LIMITATION TO
7,000:1 FOR THE SOUTH DAGGER DRAW-UPPER
PENNSYLVANIAN ASSOCIATED POOL, EDDY COUNTY,
NEW MEXICO.**

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on September 21, 1995, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 17th day of October, 1995, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) By Order No. R-10050 entered in Case Nos. 10869 and 10881 on January 26, 1994, the Division, upon application of Yates Petroleum Corporation and Conoco Inc., amended the Special Rules and Regulations for the South Dagger Draw-Upper Pennsylvanian Associated Pool, as promulgated by Division Order No. R-5353, as amended, by deleting Rule No. 5(b) of the General Rules and Regulations for the Associated Oil and Gas Pools of Northwest and Southeast New Mexico, thereby allowing the simultaneous dedication of acreage to both oil and gas wells, and reduced the gas-oil ratio limitation from 10,000 cubic feet of gas per barrel of oil to 7,000 cubic feet of gas per barrel of oil.