

MAIN OFFICE OCC

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Case #1305

August 14, 1957

Oil Conservation Commission
State of New Mexico
P. O. Box 871
Santa Fe, New Mexico

Re: Application for an
Unorthodox Gas Well
Location

Gentlemen:

Northwest Production Corporation hereby requests approval of an unorthodox gas well location for the NW/4 of Section 7, T26N, R4W, Rio Arriba County, New Mexico, in exception to paragraph (4) of the Special Rules and Regulations for the Tapacito-Pictured Cliffs Gas Pool, as set forth in Order R-794. The proposed location is within the horizontal and vertical limits of the Tapacito-Pictured Cliffs Gas Pool.

Northwest Production Corporation is the owner and operator of a federal oil and gas lease covering all of Section 5, 6, 7 and 8, T26N, R4W, Rio Arriba County, New Mexico. Wells have been completed in the Pictured Cliffs sand in the SW/4 of Section 5, the NE/4 and SW/4 of Section 6, the NE/4 of Section 7 and the NE/4 and SW/4 of Section 8. It is planned to dedicate the W/2 of Section 7, containing 320 acres, as the gas proration unit for the NW/4 location. Although the entire W/2 of said Section 7 may be expected to be productive of gas, from available geological data it is reasonable to presume that a well drilled in the NW/4 of Section 7, T26N, R4W, would be likely to recover more of the gas in place than would a well drilled in the SW/4 thereof. It is also thought that the well so located in the NW/4 of the section will prevent waste and will protect correlative rights.

According to our records, Southern Union Gas Company, 1001 Burt Building, Dallas, Texas, is the owner of an oil and gas lease covering Sections 1 and 12, T26N, R5W, which offsets the proposed unorthodox location.

It is requested that this application be scheduled for hearing before an examiner of the New Mexico Oil Conservation Commission during the first half of September, 1957, if possible, with the hearing held in the Farmington area.

Yours very truly,

NORTHWEST PRODUCTION CORPORATION
ORIGINAL SIGNED BY
W. R. JOHNSTON
W. R. Johnston, Manager
Production Operations

RP/nw

In triplicate

cc: N.M. Oil Conservation Commission, Aztec
Southern Union Gas Company, Dallas

