

*Entered August 14, 1959
A.L.P.*

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. 1729
Order No. R-1454

APPLICATION OF EL PASO NATURAL
GAS PRODUCTS COMPANY FOR PER-
MISSION TO PRODUCE MORE THAN
16 WELLS IN A COMMON TANK
BATTERY IN THE HORSESHOE-GALLUP
OIL POOL, SAN JUAN COUNTY,
NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 o'clock a.m. on July 28, 1959, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 30th. day of July, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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 the applicant, The El Paso Natural Gas Products Company, is the owner and operator of the Horseshoe Ute Lease No. 14-20-604-1951 comprising portions of Sections 27, 28, 33, and 34, Township 31 North, Range 16 West, NMPM, San Juan County, New Mexico.

(3) That the applicant proposes to produce into a common tank battery a maximum of 21 oil wells presently or hereafter completed in the Horseshoe-Gallup Oil Pool on the above-mentioned Horseshoe Ute Lease.

(4) That approval of the subject application will neither cause waste nor impair correlative rights provided adequate testing equipment and storage facilities are installed.

-2-

Case No. 1729

Order No. R-1454

IT IS THEREFORE ORDERED:

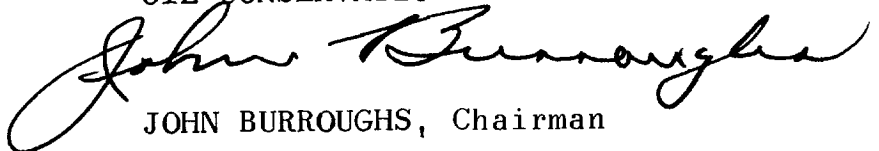
That the applicant, El Paso Natural Gas Products Company, be and the same is hereby authorized to produce into a common tank battery a maximum of 21 oil wells presently or hereafter completed in the Horseshoe-Gallup Oil Pool on the applicant's Horseshoe Ute Lease No. 14-20-604-1951 comprising portions of Sections 27, 28, 33, and 34, Township 31 North, Range 16 West, NMPM, San Juan County, New Mexico.

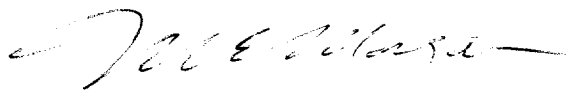
PROVIDED HOWEVER, That the applicant shall install adequate facilities to permit the testing of each well at least once each month.

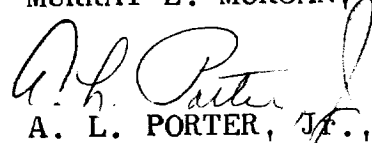
PROVIDED FURTHER, That the applicant shall install sufficient storage tanks to prevent the overflow and wasting of oil produced into said common tank battery.

DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JOHN BURROUGHS, Chairman


MURRAY E. MORGAN, Member


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

S E A L

vem/