BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

Entered actor da, 1459 af.P.

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION OF NEW MEXICO FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 1767 Order No. R-1454-A

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 IN SAN JUAN COUNTY, NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on September 30, 1959, at Santa Fe, New Mexico, before Daniel S. Nutter, 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 19th day of October, 1959, the Commission, a quorum being present, having considered the application the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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-1454, the applicant was authorized to produce a maximum of 21 Horseshoe-Gallup oil wells located on its Horseshoe Ute Lease comprising portions of Sections 27, 28, 33, and 34, Township 31 North, Range 16 West, NMPM, San Juan County, New Mexico, into a common tank battery.

(3) That additional Horseshoe-Gallup oil wells have been completed on said Horseshoe Ute Lease and the applicant seeks an amendment of Order No. R-1454 to allow the production of a maximum of 35 Horseshoe-Gallup oil wells into said common tank battery. -2-Case No. 1767 Order No. R-1454-A

(4) That Order No. R-1454 should be amended as requested.

IT IS THEREFORE ORDERED:

That Order No. R-1454 be and the same is hereby amended to authorize El Paso Natural Gas Products Company to produce into a common tank battery a maximum of 35 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 hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

JOHN BURROUGHS, Chairman

MURRAY E. MORGAN, Member

Jr., Member & Secretary PORTER,

SEAL

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