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

CASE NO. 606 Order No. R-392

THE APPLICATION OF EL PASO NATURAL GAS COMPANY FOR AN ORDER PERMITTING THE COMMUNITIZATION ON A NORTH-SOUTH BASIS OF THE NARROW SECTIONS LOCATED ON THE WEST SIDE OF TOWNSHIP 31 NORTH, RANGE 8 WEST, NMPM, SUCH UNITS TO APPROXIMATE THE REGULAR 320-ACRE UNITS FOR THE BLANCO-MESAVERDE POOL UNDER-LYING THE ABOVE DESCRIBED AREA 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. November 19, 1953, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission."

NOW, on this 24th day of November, 1953, the Commission, a quorum being present, having considered the application and the testimony adduced at the hearing, 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.

(2) That Sections 6, 7, 18, 19, 30 and 31 of Township 31 North, Range 8 West, are less than normal in size, each containing approximately 540 acres. In order to provide a uniform drilling pattern, special drilling units should be established in said sections as to all wells now drilling or hereafter drilled to the Mesaverde gas horizon.

(3) That in order to prevent waste and protect correlative rights, it is necessary that all lands within each drilling unit be pooled as to production of gas from the Mesaverde gas horizon.

IT IS THEREFORE ORDERED:

1. The following lands shall constitute drilling units for production from the Mesaverde gas horizon:

Unit No. 1: W/2 Sect. 6, NW/4 Sect. 7 in Twp. 31 N, Rge. 8 W Unit No. 2: SW/4 Sect. 7, W/2 Sect. 18 in Twp. 31 N, Rge. 8 W Unit No. 3: W/2 Sect. 19, NW/4 Sect. 30 in Twp. 31 N, Rge. 8 W Unit No. 4: SW/4 Sect. 30, W/2 Sect. 31 in Twp. 31 N, Rge. 8 W

2. All lands within each of the above drilling units are hereby pooled as to production from the Mesaverde gas horizon. Only one well shall be drilled on each drilling unit.

3. Wells shall be located not closer than 660 feet from the outer boundary of any of the above designated drilling units.

4. Wells drilled in the east halves of said sections shall be located in the northeast quarter of said section, and not closer than 990' from the outer boundaries of said quarter section.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

E. S. WALKER, Member

R. R. SPURRIER, Member and Secretary

SEAL