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

CASE NO. 611 Order No. R-401

THE APPLICATION OF EL PASO NATURAL GAS COMPANY FOR AN ORDER PERMITTING THE UNORTHODOX SPACING OF WELLS IN SECTIONS 7 THROUGH 12, INCL., OF TOWN-SHIP 28 NORTH, RANGE 8 WEST, NMPM, SAN JUAN COUNTY, NEW MEXICO, THIS BEING AN INCOMPLETE TOWNSHIP IN WHICH REGULAR SPACING CANNOT BE MAINTAINED.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on December 17, 1953, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 20th day of January, 1954, 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 and the subject matter thereof.

(2) That Sections 7, 8, 9, 10, 11 and 12 in Township 28 North, Range 8 West, NMPM, are less than normal in size, containing acreage as follows:

 Section 7:
 298.76 acres

 Section 8:
 302.00 acres

 Section 9:
 297.80 acres

 Section 10:
 293.84 acres

 Section 11:
 291.96 acres

 Section 12:
 294.72 acres

(3) That in order to provide a uniform drilling pattern in line with the 320acre pattern previously established by the Commission and by operators in the area, special drilling units should be established in said sections as to all wells now drilling or hereafter drilled to the Mesaverde gas horizon. -2-Case No. 611 Order No. R-401

(4) That in order to prevent waste and protect correlative rights, it is necessary that each of the irregular sections considered herein be classified as a drilling unit, and that all lands within each unit be pooled as to production of Mesaverde gas.

IT IS THEREFORE ORDERED:

(1) That the following lands shall constitute drilling units for the production of gas from the Mesaverde horizon:

Township 28 North, Range 8 West, NMPM All of Section 7, containing 298.76 acres All of Section 8, containing 302.00 acres All of Section 9, containing 297.80 acres All of Section 10, containing 293.84 acres All of Section 11, containing 291.96 acres All of Section 12, containing 294.72 acres

(2) That all lands within each of the above drilling units shall be pooled as to production of gas from the Mesaverde horizon, and only one well shall be drilled on each drilling unit.

(3) That wells shall be located not closer than 660 feet from the outer boundary of any of the above-designated drilling units.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

E. S. WALKER, Member

R. R. SPURRIER, Member and Secretary

SEAL