

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF SOUTHERN
UNION GAS COMPANY FOR APPROVAL OF AN UNORTHO-
DOX WELL LOCATION AND FOR AN EXCEPTION TO ORDER
NO. 799, AS AMENDED BY ORDER NO. R-110, OF THE
NEW MEXICO OIL CONSERVATION COMMISSION.

CASE NO. _____

APPLICATION

Comes now Southern Union Gas Company and respectfully petitions the Commission for the issuance of an order:

1. Approving an unorthodox well location in the Northeast Quarter of Section 18, Township 31 North, Range 10 West, N.M.P.M., such proposed location being 1910' South and 1650' East of the Northwest corner of the Northeast Quarter of said Section 18, and
2. Granting an exception to the spacing order for the Blanco-La Plata gas field, designated as Order No. 799, as amended by Order No. R-110, to permit the drilling of a well to test the Mesa Verde formation on a unit embracing 267.76 acres, more or less.

In support of the above, Applicant alleges and states:

1. That due to topographical conditions of the NE $\frac{1}{4}$ of Section 18, Township 31 North, Range 10 West, N.M.P.M., it is imperative that the well be drilled at the location proposed above and any other location would make the drilling of such well unduly burdensome. There is attached hereto as Exhibit "A" a plat indicating the proposed location of Applicant's well, as well as indicating the owners of oil and gas leases within a radius of 660' thereof. It is Applicant's belief that Basilio Larcher's mailing address is Aztec, New Mexico.
2. That Applicant, Beaver Lodge Corporation and Stanolind Oil and Gas Company have entered into a pooling agreement providing for the pooling of their respective oil and gas leases embracing lands in the North One-half of Section 18, Township 31 North, Range 10 West, N.M.P.M., San Juan County, New Mexico, for the purpose of forming a drilling unit embracing approximately 267.76 acres to drill a well thereon testing the Mesa Verde formation.
3. That Applicant has been designated as operator of the aforesaid drilling unit.
4. That in the Northeast Quarter of said Section 18 are approximately 55 acres of land owned by Basilio Larcher which, to the best of Applicant's knowledge and belief, are not under an oil and gas lease.
5. That representatives of Applicant and Beaver Lodge Corporation have made repeated efforts within the last sixty days to obtain an oil and gas lease from Basilio Larcher for the purpose of including said 55-acre tract in the drilling unit and that Basilio Larcher has refused to lease said land or join with the parties to the pooling agreement as a working interest owner.
6. That unless Applicant is permitted to drill on a unit embracing less than 320 acres, property of Applicant and the other parties holding oil and gas leases in the NE $\frac{1}{4}$ of Section 18 will be deprived of an opportunity to produce gas from the pool.

Wherefore, Applicant prays that this matter be set down for hearing; that notice thereof be given as required by law and the regulations of the Commission; and that upon final hearing this Commission enter an order approving the proposed unorthodox well location in the Southeast Quarter of the Northeast Quarter of Section 18 and granting Applicant an exception to Order No. 799, as amended by Order No. R-110.

Respectfully submitted,

SOUTHERN UNION GAS COMPANY

By Quilman B. Davis
Its Attorney

STATE OF TEXAS)
) SS
COUNTY OF DALLAS)

Subscribed and sworn to before me by Quilman B. Davis, Attorney of Southern Union Gas Company, the above named applicant, this 12th day of April, 1952.

Naomi D. Langman
Notary Public in and for
Dallas County, Texas

My Commission Expires:

June 1, 1953