

BEFORE THE OIL CONSERVATION COMMISSION OF THE
STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF EL PASO NATURAL GAS COMPANY FOR
APPROVAL OF UNORTHODOX SPACING IN
SECTIONS 7 THROUGH 12, BOTH
INCLUSIVE, TOWNSHIP 28 NORTH, RANGE
8 WEST, N.M.P.M., SAN JUAN COUNTY,
NEW MEXICO

)
Case

NO. 611

TO THE HONORABLE COMMISSION:

Your Applicant, EL PASO NATURAL GAS COMPANY, represents that it is a Delaware corporation with a permit to do business in the State of New Mexico, and that it is the present owner and holder of leasehold rights or gas operating rights in and to the hereinafter described sections, to wit:

Township 28 North, Range 8 West, N.M.P.M.
San Juan County, New Mexico

Section 7, containing 298.76 acres
Section 8, containing 302.00 acres
Section 9, containing 297.80 acres
Section 10, containing 293.84 acres
Section 11, containing 291.96 acres
Section 12, containing 294.72 acres.

Your Applicant represents that the township is not a complete township and that each of Sections 7 through 12, both inclusive, is a fractional section and that it is impossible to obtain a drilling unit consisting of 320 acres without splitting subdivisions of the established public land surveys.

Your Applicant represents that, pursuant to the terms and provisions of Order No. R-110 entered by the Commission, 320 acre spacing has been established for drilling gas wells to the Mesa-verde formation in San Juan County, New Mexico, and that 320 acre spacing units are not available in the above described sections, and that an appropriate drilling unit in the above described sections is the entire fractional section which, in each instance, is approximately 300 acres.

Your Applicant represents that, unless spacing units consisting of each fractional section attributable to a Mesaverde gas well be established for the above described sections, your

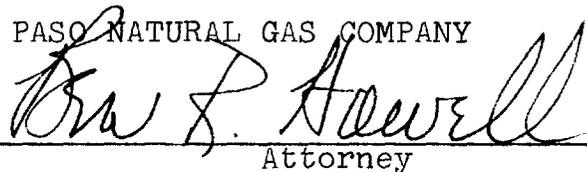
Applicant and other owners of oil and gas leasehold rights will be deprived of their opportunity to recover their just and equitable share of the natural gas in the gas pool lying under said fractional sections.

WHEREFORE, your Applicant respectfully requests than an appropriate order be entered by the Commission establishing each of the fractional sections above described lying in Township 28 North, Range 8 West, N.M.P.M. as an appropriate spacing unit for drilling a gas well to the Mesaverde formation.

Respectfully submitted,

EL PASO NATURAL GAS COMPANY

By



Attorney