

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

*Sent copy to
Docket to
John Woodward
on 10/29/56*

IN THE MATTER OF THE APPLICATION
OF EL PASO NATURAL GAS COMPANY
FOR AN ORDER AMENDING THE WELL
SPACING PROVISIONS OF THE COMMISSION'S ORDER NO. R-639 AND ESTABLISHING GAS PRORATION UNITS AND ALLOCATION OF GAS PRODUCTION IN THE CROSBY-DEVONIAN GAS POOL,
LEA COUNTY, NEW MEXICO.

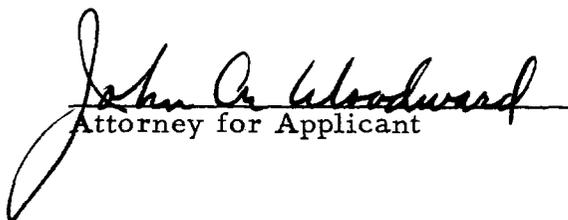
CASE NO. 861
ORDER NO.

APPLICATION

COMES NOW, El Paso Natural Gas Company and alleges and states:

1. That it is the owner of oil and gas leases in the Crosby-Devonian Gas Pool, as delineated by order of this Commission.
2. That one gas well in the Crosby-Devonian Gas Pool will efficiently and economically drain an area of not less than 640 acres in said Pool.
3. That standard gas proration units containing not less than 632 acres nor more than 648 acres, being a governmental section of land, or proration units of such other size and shape as the Commission shall deem necessary and proper, should be established in the Crosby-Devonian Gas Pool.
4. That Section 2 of the Commission's Order No. R-639 should be amended in its entirety to provide that no well hereafter drilled in said Pool shall be located closer than 990' to a section, tract, or lease line nor closer than 330' to a governmental quarter-quarter section line, or such other distances from section, tract, lease, and quarter-quarter lines as the Commission shall deem necessary and proper; and that, except as herein amended, all other provisions of said Order No. R-639 shall remain in force and effect.
5. That all gas wells heretofore drilled at locations other than those authorized under such well spacing rules as the Commission shall adopt should be recognized and permitted as exceptions thereto.
6. That the producing capacity of all gas wells in the Crosby-Devonian Gas Pool is in excess of the market demand for gas in said Pool and that the production of gas should be allocated to the wells and proration units in said Pool in the proportion that the acreage assigned to each well multiplied by its wellhead pressure after 72 hours shut-in bears to the sum of said product for all wells and proration units in the Crosby-Devonian Gas Pool, or in accordance with such other method for allocating production as the Commission shall deem necessary and proper.
7. That amendment of the well spacing provisions of the Commission's Order No. R-639 and establishment of gas proration units and allocation of production in the Crosby-Devonian Gas Pool is necessary for the prevention of waste and the protection of correlative rights.

WHEREFORE, Applicant respectfully requests this matter be set for hearing, as prescribed by law, and that upon notice and hearing the Commission issue its order amending Order No. R-639 and establishing gas proration units and allocation of production in the manner herein described, or in such other manner as the Commission shall deem necessary and proper.


Attorney for Applicant

