

**BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO**

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

CASE NO. 1388
Order No. R-1134

**APPLICATION OF EL PASO NATURAL GAS
PRODUCTS COMPANY FOR APPROVAL OF AN
UNORTHODOX GAS WELL LOCATION IN AN
UNDESIGNATED GALLUP GAS POOL 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. on February 26, 1958, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the New Mexico Oil Conservation Commission, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 13th day of March, 1958, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner Elvis A. Utz, 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 the applicant, El Paso Natural Gas Products Company, is the owner and operator of the Chimney Rock No. 1 Well, which was drilled to and completed as a gas well in the Gallup formation at a point 1880 feet from the South line and 340 feet from the East line of Section 23, Township 31 North, Range 17 West, NMPM, San Juan County, New Mexico.

(3) That under the terms of Rule 104 (b) of the Commission Rules and Regulations, the location of the said Chimney Rock No. 1 Well is orthodox for an oil well completion, but unorthodox for a gas well completion.

(4) That the applicant expected to discover oil in the Gallup formation underlying the NE/4 SE/4 of said Section 23 and that the said Chimney Rock No. 1 Well was therefore projected as an oil well.

(5) That upon completion the said Chimney Rock No. 1 Well proved to be a gas well rather than an oil well.

(6) That the applicant, by its application in this case requests approval of the unorthodox gas well location for its said Chimney Rock No. 1 Well.

-2-

Case No. 1388
Order No. R-1134

(7) That approval of the subject application will not cause waste nor impair the correlative rights of any other operator in the area.

(8) That unless the subject application is approved, the applicant will be denied the opportunity to recover its just and equitable share of the gas in place in the Gallup formation underlying the NE/4 SE/4 of said Section 23.

(9) That the subject application should be approved.

IT IS THEREFORE ORDERED:

That the unorthodox gas well location of the El Paso Natural Gas Products Company Chimney Rock No. 1 Well in an undesignated Gallup gas pool at a point 1880 feet from the South line and 340 feet from the East line of Section 23, Township 31 North, Range 17 West, NMPM, San Juan County, New Mexico, be and the same is hereby approved.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman



MURRAY E. MORGAN, Member



A. L. PORTER, Jr., Member & Secretary

