

Case 72

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 40

ORDER NO. 541.

THE APPLICATION OF THE SOUTHERN UNION
PRODUCTION COMPANY FOR 160 ACRE SPACING
FOR GAS WELLS IN THE FULCHER BASIN FIELD
DEFINED FOR THE PURPOSE OF SAID APPLICATION
TO CONSIST OF THE FOLLOWING LANDS: SECTIONS
34 and 35, TOWNSHIP 30 NORTH, RANGE 12 WEST
N.M.P.M., SECTIONS 1, 2, 3, E $\frac{1}{2}$ 10, 11, 12 & 13,
TOWNSHIP 29 NORTH, RANGE 12 WEST, N.M.P.M.,
SECTIONS 7, 17, 18, 19, 20 and 21, TOWNSHIP
29 NORTH, RANGE 11 WEST, N.M.P.M.

MOTION FOR CONTINUANCE

Comes now Southern Union Production Company by its attorney Manuel
A. Sanchez and respectfully requests that the hearing on the matter of the
spacing of the wells in the Fulcher Basin Field be deferred for a period of
sixty days, and as grounds therefor states that the period of sixty days is
necessary to further study the problem of the spacing of wells.

That at the present time the cost of a well is about \$15,000.00,
and that a 40 acre well spacing might not be economical or for the best
interests of conservation.

That the questions presented that companies who have developed
their leases on the 160 acre pattern will have to redrill their leases on
the 40 acre pattern to protect themselves and the royalty owners from drainage
from wells drilled on 40 acre spacing.

That the matter of the economical spacing of wells, economic
development of the field and the matter of the interest of conservation
are involved in the determination of the spacing of said wells, and that
a study of this matter is required in order that a proper solution of the
problem may be arrived at, and that the 60 day time for the study of said
problem is necessary.

Respectfully submitted,

Manuel A. Sanchez
Attorney for Southern Union
Production Company