

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:

THE APPLICATION OF EL PASO
NATURAL GAS COMPANY FOR
COMPULSORY COMMUNITIZATION
OF E/2 OF SECTION 27, TOWNSHIP
31 NORTH, RANGE 11 WEST, NMPM,
SAN JUAN COUNTY, NEW MEXICO.

CASE NO. 709) Consolidated
CASE NO. 849)

THE APPLICATION OF EL PASO
NATURAL GAS COMPANY FOR
DETERMINATION AND RATIFICATION
OF COMMUNITIZATION OF E/2 OF
SECTION 27, TOWNSHIP 31 NORTH,
RANGE 11 WEST, NMPM, SAN JUAN
COUNTY, NEW MEXICO, CONTAINING
320 ACRES.

APPLICATION FOR REHEARING

Come now Saul A. Yager, Marian Yager, M. E. Gimp,
Morris Mizel and wife, Flora Mizel, and Sam Mizel, by their
attorneys, Campbell & Russell, and make application to the
Commission for rehearing upon Order No. R-548-B, and as a basis
for the application state:

(a) Applicants are the owners of interests in the
NW/4 SE/4, S/2 NW/4, and NE/4 SW/4 of Section 27, Township 31
North, Range 11 West, N.M.P.M., San Juan County, New Mexico
and are parties affected by Order No. R-548-B entered by the
Commission on January 12, 1956.

(b) Order No. R-548-B is erroneous in the following
respects:

1. Finding No. 10 is erroneous in that Order
No. R-110 was not complied with in the establishment of the
drilling unit.

2. Finding No. 11 is erroneous in that all interests within said unit were not consolidated by pooling agreement or otherwise as required by Order No. R-110.

3. Order No. R-548-B is contrary to Section 1(a) of Order No. R-110 of the Commission.

4. Order No. R-548-B is contrary to Section 13(b) of Chapter 168, Laws of 1949, as amended.

5. Order No. R-548-B is an unreasonable and arbitrary interpretation of the Commission's rules and regulations and deprives Applicants of their correlative rights.

6. Order No. R-548-B deprives Applicants of their property without due process of law.

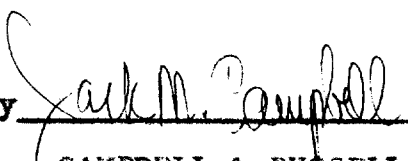
7. Order No. R-548-B impairs the obligations of a valid lease contract between Applicants and El Paso Natural Gas Company.

WHEREFORE, Applicants request a rehearing in Case No. 709 - 849 Consolidated on Order No. R-548-B.

Respectfully submitted,

Saul A. Yager, Marian Yager,
M. E. Gimp, Morris Mizel and
wife, Flora Mizel, and Sam
Mizel

By


for CAMPBELL & RUSSELL
their attorneys

MAIN OFFICE 000

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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IN THE MATTER OF THE APPLICATION)
OF EL PASO NATURAL GAS COMPANY)
FOR DETERMINATION AND RATIFICATION)
OF COMMUNITIZATION OF E/2)

OF SECTION 27, TOWNSHIP 31 NORTH,)
RANGE 11 WEST, N.M.P.M., SAN JUAN)
COUNTY, NEW MEXICO, CONTAINING 320)
ACRES)

NO. 849

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 was on June 29, 1953 and at all times thereafter and now is the owner of leasehold rights or gas operating rights to the base of the Mesaverde formation under the following described oil and gas leases:

- a. **Oil and Gas Lease dated June 3, 1947, executed by James C. Sumruld and Fannie Sumruld, as Lessors, to Wayne Moore, as Lessee, embracing among other lands the following described land in San Juan County, New Mexico:**

Township 31 North, Range 11 West, N.M.P.M.
Section 27: SW/4 SE/4
Containing 40 acres, more or less
- b. **Oil and Gas Lease dated December 29, 1949, from Carl G. Calloway, Zella Calloway, J. R. Calloway, Mary Margaret Calloway, Wiley R. Calloway, Finette Calloway, Ann L. Dunning, Harold L. Dunning, Ruth Vandever and E. L. Vandever, Lessors, to H. F. Pettigrew, Lessee, embracing among other lands the following described land in San Juan County, New Mexico:**

Township 31 North, Range 11 West, N.M.P.M.
Section 27: NE/4 NE/4
Containing 40 acres, more or less
- c. **Oil and Gas Lease dated May 26, 1953, from Sarah Meyers Hedges, Lessor, to El Paso Natural Gas Company, Lessee, embracing the following described land in San Juan County, New Mexico:**

Township 31 North, Range 11 West, N.M.P.M.
Section 27: SW/4 NE/4
Containing 40 acres, more or less
- d. **Oil and Gas Lease dated January 7, 1952, from Marion Vance, Betty D. Vance, Lothair Payne and Marguerite Payne, Lessors, to Primo Oil Company, Lessee, embracing among other lands the following described land in San Juan County, New Mexico:**

Township 31 North, Range 11 West, N.M.P.M.
Section 27: SE/4 NE/4, also 35 acres out of the NE/4 SE/4 and 5 acres out of the SE/4 SE/4, being those portions of said subdivisions lying west of the middle of the channel of the Animas River,
Containing 80 acres, more or less
- e. **Oil and Gas Leases dated August 29, 1949, one from Elinor Periman and one from Neal Willmuth and Nellie Willmuth, as Lessors, to C. H. Nye, as Lessee, embracing among other lands the following described land in San Juan County, New Mexico:**

Township 31 North, Range 11 West, N.M.P.M.
Section 27: S/2 SE/4 SE/4, also that part of the N/2 SE/4 SE/4 and the NE/4 SE/4 lying east of the middle of the Animas River as the same ran in its bed and course on March 11, 1911,
Containing 40 acres, more or less

Your Applicant represents that in Case 709 on the docket of the Commission an application for compulsory communitization of the lands is pending on rehearing, and this application is supplemental to that made in Case 709 .

Your Applicant represents that the royalty interest on the NW/4 SE/4 Sec. 27, T-31-N, R-11-W is now claimed by the following named persons: