Chal 15/6

## BEFORE THE OIL CONSERVATION COMMISSION AND CORRECT COC OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF
EL PASO NATURAL GAS COMPANY FOR THE
ESTABLISHMENT OF AN UNORTHODOX LOCATION
FOR THE WELLS NUMBER 11 WELL LOCATED 430 FEET
FROM THE SOUTH LINE AND 2316.6 FEET FROM THE
WEST LINE OF SECTION 4, TOWNSHIP 25 SOUTH,
RANGE 37 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO,
BY DEDICATING TO SAID WELL 200 ACRES COMPRISING
THE NW/4 of SECTION 9 AND THE SE/4 OF THE SW/4
OF SECTION 4, TOWNSHIP 25 SOUTH, RANGE 37 EAST,
N.M.P.M., LEA COUNTY, NEW MEXICO, WITHDRAWING
SAID SE/4 OF THE SW/4 OF SAID SECTION 4 FROM THE
ACREAGE NOW DEDICATED TO EL PASO NATURAL GAS
COMPANY'S WELLS NUMBER 3 WELL

APPLICATION

Comes now El Paso Natural Gas Company mereinafter called "Applicant" and alleges and states:

- 1. Heretofore, Jal Oil Company, Inc., a New Mexico Corporation, nas drilled Wells Number 11 well, the location of which is indicated by a plat which is marked Exhibit 1 and which is attached hereto and made a part hereof, expecting to complete the same as an oil well. Said well was completed as a gas well in the Yates and Seven Rivers Formations.
- 2. Applicant has acquired all interest in said well and it is situated on lands covered by United States of America Oil and Gas Lease number LC-055546 under which Applicant owns the operating rights for the production of gas.
- 3. Heretofore, this Commission has approved a non-standard unit for Applicant's Wells Number 3 well, comprising the SW/4 of Section 4, Township 25 South, Range 37 East, N.M.P.M., Lea County, New Mexico. The SE/4 of said SW/4 of said Section 4 should be withdrawn from said non-standard unit and should be dedicated to said Wells Number 11 well together with the NW/4 of Section 9, Township 25 South, Range 37 East, N.M.P.M., Lea County, New Mexico, so that the resulting non-standard unit for said Wells Number 11 well will comprise 200 acres.

- 4. Applicant owns the gas operating rights on all acreage surrounding said proposed non-standard unit.
- 5. Applicant seeks an order from this Commission approving said proposed non-standard unit and said well for the production of gas.
- 6. If said order is granted, it will prevent waste and will not prejudice correlative rights.
  - 7. No other interested party is known to Applicant.

WHEREFORE, Applicant respectfully requests that this matter be set down for hearing before an Examiner at the soonest possible date, that notice thereof be given as required by law and that upon final hearing an order be issued approving said non-standard unit and withdrawing the SE/4 of SW/4 of said Section 4 from the acreage now dedicated to Applicant's Wells Number 3 well.

Attorney for

EL PASO NATURAL GAS COMPANY