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. 1586
Order No. R-1331

APPLICATION OF EL PASO NATURAL GAS
PRODUCTS COMPANY FOR TWO NON-STANDARD
OIL PRORATION UNITS AND FOR TWO UNORTHODOX
WELL LOCATIONS IN THE HORSESHOE GALLUP OIL
POOL, 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 January 22, 1959, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 2nd day of February, 1959, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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, proposes the establishment of the two following-described non-standard oil proration units in the Horseshoe Gallup Oil Pool, San Juan County, New Mexico:

> (a) A 36.92-acre non-standard oil proration unit consisting of that portion of the W/2 NW/4 of Section 33, Township 31 North, Range 16 West, lying within the Ute Mountain Indian Reservation.

> (b) A 38.25-acre non-standard oil proration unit consisting of that portion of the W/2 SW/4 of said Section 33 lying within the Ute Mountain Indian Reservation.

(3)   That the applicant proposes to dedicate the above-described units respectively to the following-described wells:

> Horseshoe Ute Well No. 5, to be located
> 1980 feet from the North line and 4470
> feet from the East line of said Section
> 33.

> Horseshoe Ute Well No. 3, to be located
> 650 feet from the South line and 4500
> feet from the East line of said Section
> 33.

(4)   That the applicant further seeks approval of these unorthodox oil well locations.

(5)   That the only affected offset operator, Atlantic Refining Company, as well as the United States Geological Survey, waived objection to these well locations and the formation of the proposed non-standard oil proration units.

(6)   That approval of the subject application will not cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1)   That a 36.92-acre non-standard oil proration unit in the Horseshoe Gallup Oil Pool consisting of that portion of the W/2 NW/4 of Section 33, Township 31 North, Range 16 West, NMPM, San Juan County, New Mexico, lying within the Ute Mountain Indian Reservation be and the same is hereby established. Said unit is to be dedicated to the applicant's Horseshoe Ute Well No. 5, to be located 1980 feet from the North line and 4470 feet from the East line of said Section 33.

(2)   That a 38.25-acre non-standard oil proration unit in the Horseshoe Gallup Oil Pool consisting of that portion of the W/2 SW/4 of said Section 33 lying within the Ute Mountain Indian Reservation be and the same is hereby established. Said unit is to be dedicated to the applicant's Horseshoe Ute Well No. 3, to be located 650 feet from the South line and 4500 feet from the East line of said Section 33.

(3)   That the above-described unorthodox oil well locations be and the same are hereby approved.

(4)   That the said unit wells shall be granted an allowable in the proportion that the acreage in said units bears to the

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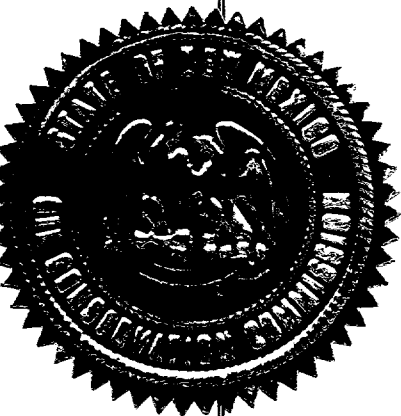acreage in a standard oil proration unit for the Horseshoe Gallup
Oil Pool.

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

JOHN BURROUGHS, Chairman

MURRAY E. MORGAN, Member

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

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