BEFORE THE OIL CONSERVATION COMMISSION FOR THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF EL PASO NATURAL GAS COMPANY, A DELAWARE CORPORATION, FOR APPROVAL OF THE SAN JUAN 32-9 UNIT AGREEMENT EMBRACING 34,654.41 ACRES OF LAND, MORE OR LESS, IN TOWNSHIPS 31 AND 32 NORTH, RANGES 9 AND 10 WEST, SAN JUAN COUNTY, NEW MEXICO

NO. Case 498

EL PASO NATURAL GAS COMPANY, a Delaware corporation, would show the Commission as follows:

- 1. That the Oil Conservation Commission of the State of New Mexico is authorized by an Act of Legislature of the State of New Mexico (Chapter 72, Laws of 1935 as amended) to approve the operation and development of lands lying within the State of New Mexico in accordance with a unit plan of development and operation;
- 2. That the unit area, approval of which is here sought, comprises the following land situated in San Juan County, New Mexico, to wit:

New Mexico Principal Meridian:

Township 31 North, Range 9 West Sections 2 through 10, All Sections 15 through 18, All Township 32 North, Range 9 West Sections 7 through 36, All

Township 31 North, Range 10 West Sections 1 and 2 All Sections 11 through 14, All Township 32 North, Range 10 West Sections 11 through 14, All Sections 23 through 26, All Sections 35 and 36, All

Containing 34,654.41 acres, more or less;

- 3. That a preliminary approval of the proposed Unit Agreement, a copy of which is attached hereto and made a part of this application for all purposes, and approval of the unit area and of the drilling program contained therein, has been given by the United States Geological Survey of the United States Department of the Interior;
- 4. That Applicant is the owner and holder of a substantial portion of the working interest in and under the lands sought to be embraced by the proposed Unit Agreement and is the operator named in the Unit Agreement;
- 5. That the proposed unit plan will, in principle, tend to promote the conservation of oil and gas and the prevention of waste.

Premises considered, Applicant requests that notice issue in compliance with the rules of the Commission and that this Petition be set down for hearing and approval at the convenience of the Commission.

EL PASONATURAL GAS, COMPANY

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Dated February 11, 1953