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BEFORE THE OIL AND GAS CONSERVATION COMMISSION

OF THE STATE OF COLORADO

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OIL & GAS
CONSERVATION COMMISSION

IN THE MATTER OF the Petition of
PACIFIC NORTHWEST PIPELINE CORPORATION
for an Order directing the pooling of
Tracts of land located within the
S½ Section 3, Township 33 North,
Range 10 West, NMPM, La Plata County,
Colorado, for the Development of the
Mesa Verde Formation in the Ignacio Field

No. 3

PETITION

Petition is hereby made by Pacific Northwest Pipeline Corporation, a Delaware corporation authorized to do business in the State of Colorado, whose Post Office address is 720 Simms Building, Albuquerque, New Mexico, for the Order of the Commission requiring the pooling of tracts of land lying within the S½ Section 3, Township 33 North, Range 10 West, NMPM, La Plata County, Colorado, for the development of the Mesa Verde Formation lying beneath said lands and within the Ignacio Field as defined by the Commission.

I

Petitioner herein is the owner of 100% of the working interest in oil and gas leases covering the lands within the area sought to be pooled except as hereinafter specifically noted.

II

That the tracts of land within the area sought to be pooled and the owners of mineral interests therein who have refused to voluntarily consent to the pooling of the various interests in said tracts are as follows:

TRACT I - S½S½ Section 3:	Mineral Interest:
Thomas Jacquez ✓ Route 2 Durango, Colorado	undivided 1/2

Petitioner is the lessee under a valid, existing oil and gas lease dated February 19, 1946, which lease is recorded in Book 257 at page 219 of the records of La Plata County, Colorado. The entire mineral interest under said tract of land is

Continued to 1-24-56

subject to said lease and the owners of the entire mineral interest have entered into amendments of said oil and gas lease with petitioner giving the petitioner the right to pool said lease with other leases into a well unit not exceeding 320 acres for the production of natural gas therefrom.

TRACT II - NW$\frac{1}{4}$SW$\frac{1}{4}$ Section 3:

The mineral interest in said tract is owned in its entirety by the Southern Ute Tribe of Indians, said mineral interest having been made available for lease to the highest bidder at a sale conducted on October 3, 1955, at which time Northwest Production Corporation, a wholly owned subsidiary of Petitioner, was the high bidder for an oil and gas lease covering the mineral interest in said tract and that although said lease has not as yet issued, the Petitioner has no reason to believe that said lease will not issue in due course and prior to any hearing upon this Petition. The Petitioner will furnish evidence of the consent of the Southern Ute Tribal Council to the pooling of said lease with other leases and lands within the S$\frac{1}{2}$ Section 3.

TRACT III - N$\frac{1}{2}$SE$\frac{1}{4}$, NE$\frac{1}{4}$SW$\frac{1}{4}$ Section 3:

Mineral interest owners under said tract who have refused to voluntarily consent to the pooling of their interests in said tracts are as follows:

	Mineral Interest:
J. G. McMillian P. O. Box 1787 Midland, Texas	undivided 1/16
W. Dave Henderson P. O. Box 1638 Midland, Texas	undivided 1/16
George F. McQueen First National Bank Building Fort Worth, Texas	undivided 1/8

The Estate of Arch Clevenger, deceased, First National Bank of Fort Worth, Texas, Executor of the estate of Arch Clevenger, deceased, Fort Worth, Texas	undivided 1/8
Total	3/8

The owners of the remaining undivided 5/8 mineral interest in said tract have entered into lease amendments to the lease owned by Petitioner giving the lessee the right to pool said lands with other lands and leases in the immediate vacinity thereof, such pooling to be in units not exceeding the minimum size tract on which a well may be drilled under regulations in force at the time of such pooling.

Petitioner is the lessee under a valid, existing oil and gas lease dated February 19, 1946, recorded in Book 259 at page 244 of the records of La Plata County, Colorado, to which lease the entire mineral interest in said tract is subject.

III

That this Commission, by its Order No. 3-14, has established drilling and spacing units for the Mesa Verde Formation of the Ignacio Field, within which the above described tracts of land are located, and prohibiting the drilling of wells to a density greater than one well for each 320 acres.

IV

That Petitioner, pursuant to its rights under the oil and gas leases hereinabove referred to, proposes to drill a well on the S½ Section 3 for the purpose of producing natural gas from the Mesa Verde Formation, but is presently prevented from drilling such well.

V

That reasonable effort has been made to obtain consent to the pooling of all interests within the S½ Section 3 but Petitioner has been unsuccessful in obtaining voluntary pooling agreements as to the interests hereinabove specifically set out.

VI

That the Order of this Commission requiring the pooling of the tracts within the S½ Section 3 is sought in order to prevent waste or confiscation of property and to conform with the currently applicable well spacing regulations as issued by this Commission within the area wherein said tracts of land are located. That the pooling of the lands herein described is in all respects to the best interests of the owners of the mineral interest in said lands and the owners of the leasehold interests therein and will tend to promote the conservation of oil and/or gas and elimination of the waste of natural resources of the State of Colorado.

VII

That Petitioner requests that this Petition be set for hearing before the Commission on January ____, 1956, and that due notice thereof be given to the owners of interests who have refused to enter into a voluntary pooling agreement, all in accordance with the rules and regulations of this Commission.

VIII

That the Commission is requested, following said hearing, to issue its Order pooling said interests pursuant to the provisions of the Oil and Gas Conservation Act of the State of Colorado.

Respectfully submitted,

PACIFIC NORTHWEST PIPELINE CORPORATION

By J. M. Clark
J. M. Clark, Vice-President

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Denver 2, Colorado

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By James E. Sperling
Attorneys for Petitioner

STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

J. M. CLARK, Vice-President of Pacific Northwest Pipeline Corporation, being first duly sworn upon his oath states that he has read the above and

foregoing Petition and knows the contents thereof and that the matters of fact therein set forth are true and correct to the best of his knowledge and belief.

J. M. Clark

J. M. Clark

SUBSCRIBED and sworn to before me this 19th day of December, 1955.

Grace Mace

Notary Public

My commission expires:

6/4/58