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# OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO  
1000 RIO BRAZOS ROAD - AZTEC

87410

August 10, 1973

I. R. TRUJILLO  
CHAIRMAN

LAND COMMISSIONER  
ALEX J. ARMIJO  
MEMBER

STATE GEOLOGIST  
A. L. PORTER, JR.  
SECRETARY - DIRECTOR

Mr. R. H. Denman  
Tesoro Petroleum Corporation  
8520 Crownhill Blvd.  
San Antonio, Texas 78209

Re: Shut-in Order  
Hanson #22 E-~~18~~-17N-8W  
Lone Pine Dakota D Pool  
Prevent Gas Flaring

Dear Mr. Denman,

By way of review, NFO Exception #3-52 was issued by this office on July 31, 1972 approving the flaring of gas from Hanson #22 well until September 30, 1972. Upon expiration of this exception I contacted you and you responded by letter dated October 24, 1972 stating that gas from the Hanson #22 had been connected to the Hospah and South Hospah fuel systems and that no gas was being flared from the well. From recent communication with you it is my understanding that you now have excess gas going into this fuel system and the Hanson #22 well is the source of the excess gas which is being flared.

It is also my understanding that negotiations have been in progress for several months between Tesoro and Tenneco Oil Company toward the end of taking this well into Tenneco's Lone Pine Dakota D Unit. This would enable Tenneco to gather gas from this well and reinject it in their pressure maintenance project in the unit.

The New Mexico Oil Conservation Commission does not currently recognize delays in negotiations as a justifiable reason for flaring of gas.

I am therefore directing that this well be shut in immediately and be left shut in until such time as beneficial use can be made of the produced gas or until it can be reinjected and saved.

Yours very truly,

*Emery C. Arnold*  
Emery C. Arnold  
Supervisor, District #3

cc: Mr. Dave Collis, Tesoro Oil Corp., Hospah  
Mr. Don Meyers, Tenneco Oil Co., Denver, Colo.  
Mr. A. L. Porter, Jr., OCC, Santa Fe, N.M.  
Mr. Carl Traywick, U.S.G.S., Roswell, N.M.  
Shell Pipeline Corporation, Farmington, N.M.

ECA/bk