

CASE 2008: Application of TENNESSEE
FOR AN amendment of R-1785 to designa-
te the application as operator of the
unit located in said order

Dismissed

Case No.

2088

Application, Transcript,

and Exhibits, Etc.

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. 2088
Order No. R-1782

APPLICATION OF TENNESSEE GAS
TRANSMISSION COMPANY FOR AN
AMENDMENT OF ORDER NO. R-1755.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on September 21, 1960, at Santa Fe, New Mexico, before Daniel S. Hutter, 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 3rd day of October, 1960, the Commission, a quorum being present, having considered the application, and the recommendations of the Examiner, Daniel S. Hutter, and being fully advised in the premises,

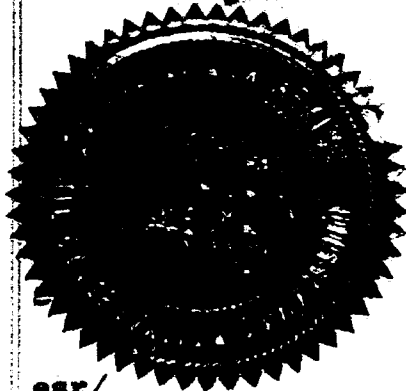
FINDS:

- (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, Tennessee Gas Transmission Company, has requested that Case No. 2088 be dismissed.

IT IS THEREFORE ORDERED:

That Case No. 2088 be and the same is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

John Burroughs
JOHN BURROUGHS, Chairman

Murray E. Morgan
MURRAY E. MORGAN, Member

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

esr/

GOVERNOR
JOHN BURROUGHS
CHAIRMAN

State of New Mexico
Oil Conservation Commission

LAND COMMISSIONER
MURRAY E. MORGAN
MEMBER



P. O. BOX 871
SANTA FE

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

Mr. Oliver Seth
Box 828
Santa Fe, New Mexico

Re: Case No. 2088
Order No. B-1783
Applicant:

Tennessee Gas Transmission Co.

Dear Sir:

Enclosed herewith are two copies of the above-referenced
Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, Jr.,
Secretary-Director

ir/

Carbon copy of order also sent to:

Hobbs OCC x
Artesia OCC
Aztec OCC x

Other

DOCKET: EXAMINER HEARING, WEDNESDAY, SEPTEMBER 21, 1960

The following cases will be heard before Daniel S. Nutter, Examiner, or Oliver E. Payne, Attorney, as Alternate Examiner:

* Case Nos. 2083 through 2089 will not be heard before 1 p.m.

CASE 2055: (Continued)

Application of Aztec Oil & Gas Company for a gas-gas dual completion utilizing two strings of casing. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Hanks Well No. 12-D, located in Unit H, Section 7, Township 27 North, Range 9 West, San Juan County, New Mexico, in such a manner as to permit the production of gas from the Fulcher Kutz-Pictured Cliffs Pool and the production of gas from the Dakota Producing Interval through parallel strings of 2 7/8-inch and 4 1/2-inch casing cemented in a common well bore. Applicant proposes to install 2 3/8-inch tubing to produce the Dakota gas.

NEW CASESCASE 2073:

Application of Aztec Oil & Gas Company for a gas-gas dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Hanks Well No. 18-D, located in Unit B, Section 5, Township 27 North, Range 9 West, San Juan County, New Mexico, in such a manner as to permit the production of gas from the Fulcher Kutz-Pictured Cliffs Pool and the production of gas from the Dakota Producing Interval through parallel strings of 2 7/8-inch and 4 1/2-inch casing cemented in a common well bore. Applicant also proposes to install 2 3/8-inch tubing to produce the Dakota gas.

CASE 2074:

Application of Aztec Oil & Gas Company for a gas-gas dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Hanks Well No. 16-D, located in Unit K, Section 6, Township 27 North, Range 9 West, San Juan County, New Mexico, in such a manner as to permit the production of gas from the Fulcher Kutz-Pictured Cliffs Pool and the production of gas from the Dakota Producing Interval through parallel strings of 2 7/8-inch and 4 1/2-inch casing cemented in a common well bore. Applicant also proposes to install 2 3/8-inch tubing to produce the Dakota gas.

CASE 2075: Application of Aztec Oil & Gas Company for a gas-gas dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Hanks Well No. 15-D, located in Unit B, Section 6, Township 27 North, Range 9 West, San Juan County, New Mexico, in such a manner as to permit the production of gas from the Fulcher Kutz-Pictured Cliffs Pool and the production of gas from the Dakota Producing Interval through parallel strings of 2 7/8-inch and 4 1/2-inch casing cemented in a common well bore. Applicant also proposes to install 2 3/8-inch tubing to produce the Dakota gas.

CASE 2076: Application of Aztec Oil & Gas Company for a gas-gas dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Hare Well No. 15-D located in Unit D, Section 10, Township 29 North, Range 10 West, San Juan County, New Mexico, in such a manner as to permit the production of gas from the Aztec-Pictured Cliffs Pool and the production of gas from the Dakota Producing Interval through parallel strings of 2 7/8-inch and 4 1/2-inch cemented in a common well bore. Applicant also proposes to install 2 3/8-inch tubing to produce the Dakota gas.

CASE 2077: Application of El Paso Natural Gas Company and Sinclair Oil & Gas Company for two non-standard gas proration units. Applicants, in the above-styled cause, seek an order establishing two 191-acre non-standard gas proration units in the South Blanco-Pictured Cliffs Gas Pool, Rio Arriba County, New Mexico, one comprising the NE/4 and lots 1 and 2 of Section 18, the other comprising the SE/4 and lots 3 and 4 of said Section 18, both in Township 24 North, Range 3 West. Said units are to be dedicated respectively to the Tonkin Federal Well No. 3, located 1470 feet from the North line and 1750 feet from the East line of said Section 18 and to the Tonkin Federal Well No. 4, located 1500 feet from the South line and 990 feet from the East line of said Section 18.

CASE 2078: Application of Chambers & Kennedy for an oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its Monterey State Well No. 2, Unit D, Section 32, Township 18 South, Range 31 East, Eddy County, New Mexico, in such a manner as to permit the production of oil from an undesignated Yates oil pool and the production of oil from the North Shugard Queen-Grayburg Pool through parallel strings of 1 1/2-inch and 2 3/8-inch tubing respectively.

CASE 2079: Application of Socony Mobil Oil Company for a "slim-hole" oil-oil dual completion. Applicant, in the above-styled cause, seeks an order authorizing the dual completion of its E. O. Carson Well No. 23, located 760 feet from the South line and

860 feet from the West line of Section 28, Township 21 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Paddock Pool and the production of oil from the Wantz-Abo Pool using parallel stings of 2 7/8-inch tubing cemented in a common well bore.

CASE 2080:

Application of W. H. Swearingen for an amendment of Order No. R-1748. Applicant, in the above-styled cause, seeks an amendment of Order No. R-1748 to include the SE/4 NW/4 of Section 21 with the remainder of the N/2 of said Section 21, both in Township 18 South, Range 26 East, Eddy County, New Mexico, to form a standard 320-acre gas unit in the Atoka-Pennsylvanian Gas Pool. Applicant further seeks a determination of the well costs which are to be paid by the parties.

CASE 2081:

Application of Phillips Petroleum Company and Phillips Chemical Company for permission to commingle the production from three separate leases. Applicant, in the above-styled cause, seeks permission to commingle the production from the Vacuum Pool from all wells on the following-described portions of three State leases:

State Lease No. B-2073, SE/4 NE/4 of Section 19

State Lease No. B-2388, NW/4 SE/4 of Section 20

State Lease No. B-1501, NE/4 NW/4 of Section 29

all in Township 17 South, Range 35 East, Lea County, New Mexico.

CASE 2082:

Application of Pan American Petroleum Corporation for off-lease storage of oil. Applicant, in the above-styled cause, seeks an order authorizing it to store the Empire-Abo Pool production from its Malco "N" Lease (NW/4 and N/2 SW/4 of Section 15) in a separate tank battery to be located on its State "BR" Lease (NE/4 NE/4 of Section 16), both in Township 18 South, Range 27 East, Eddy County, New Mexico.

The following cases will not be heard before 1 p.m. on September 21, 1960.

CASE 2083:

Application of Gulf Oil Corporation for a 160-acre non-standard gas proration unit and for an order force-pooling the mineral interests therein. Applicant, in the above-styled cause, seeks an order force-pooling all mineral interests within the vertical limits of the Tubb Gas Pool in a 160-acre

non-standard gas proration unit consisting of the W/2 E/2 of Section 14, Township 21 South, Range 37 East, Lea County, New Mexico, including the following non-consenting interest owners: J. M. Newton, Ronald J. Byers, Robert E. Byers, and Constance E. Byers. Said unit is to be dedicated to the Naomi Keenum Well No. 2, located 660 feet from the South line and 1980 feet from the East line of said Section 14.

CASE 2084:

Application of Gulf Oil Corporation for permission to commingle the production from several separate pools and for permission to install two automatic custody transfer systems. Applicant, in the above-styled cause, seeks permission to commingle the production from the Brunson-Ellenburger Pool with production from the Hare Pool, and to commingle the production from the Terry-Blinbry Pool with the production from the North Paddock Pool, on its Harry Leonard "F" Lease, consisting of the E/2 of Section 2, Township 21 South, Range 37 East, Lea County, New Mexico. Applicant further seeks permission to install two automatic custody transfer systems to handle the aforesaid commingled production.

CASE 2085:

Application of Gulf Oil Corporation for permission to commingle the production from several separate pools and for permission to install two automatic custody transfer systems. Applicant, in the above-styled cause, seeks permission to commingle the production from the Brunson-Ellenburger Pool with production from the Hare Pool, and to commingle the production from the Wantz-Abo Pool, Paddock Pool, Penrose-Skelly Pool and Drinkard Pool with the gas condensate production from the Tubb Gas Pool and the Blinbry Gas Pool, from all wells on its Eunice King Lease consisting of the N/2 of Section 28, Township 21 South, Range 37 East, Lea County, New Mexico. Applicant further seeks permission to install two automatic custody transfer systems to handle the aforesaid commingled production.

CASE 2086:

Application of Gulf Oil Corporation for an automatic custody transfer system. Applicant, in the above-styled cause, seeks an order authorizing the installation of an automatic custody transfer system to handle the Gladiola (Devonian) Pool production from all wells presently completed or hereafter drilled on the M. M. Harris Lease comprising the NW/4 of Section 8, Township 12 South, Range 38 East, Lea County, New Mexico.

CASE 2087:

Application of Gulf Oil Corporation for an automatic custody transfer system. Applicant, in the above-styled cause seeks an order authorizing the installation of an automatic custody transfer system to handle the Gladiola (Devonian) Pool production from all wells presently completed or hereafter drilled

Docket No. 27-60

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on the Lea-State "AV" Lease comprising the NW/4 of Section 19, Township 12 South, Range 38 East, Lea County, New Mexico.

CASE 2088:

Application of Tennessee Gas Transmission Company for an amendment of Order No. R-1755. Applicant, in the above-styled cause, seeks an order amending Order No. R-1755 to expressly designate the applicant as operator of the unit pooled in said order with all powers incidental to the proper operation of the unit including the power and authority to market the production from the unit well.

CASE 2089:

Application of Val R. Reese & Associates, Inc. for the promulgation of special rules and regulations governing the Escrito-Gallup Oil Pool. Applicant, in the above-styled cause, seeks an order promulgating special rules and regulations governing the drilling, spacing and production of oil and gas wells in the Escrito-Gallup Oil Pool, Rio Arriba County, New Mexico and further, to extend said pool to include all of Section 25, Township 25 North, Range 7 West.

I told Oliver about
his dismissal.

Pan American, per
my Buell - also
knows - Pan Am. I
believe is the only other
interested party - Oliver Smith

J. O. SETH
A. K. MONTGOMERY
OLIVER SETH
WM. FEDERICI
FRANK ANDREWS
FRED C. HANNAHS
GEORGE A. GRAHAM, JR.

SETH, MONTGOMERY, FEDERICI & ANDREWS
ATTORNEYS AND COUNSELORS AT LAW
301 DON GASPAR AVENUE
SANTA FE, NEW MEXICO

MAIN OFFICE OCC
1960 SEP 19 PM 4:08
POST OFFICE BOX 828
TELEPHONE YU 3-7315

September 19, 1960

Oil Conservation Commission
State Capitol
Santa Fe, New Mexico

Re: Case No. 2088
Application by Tennessee
Gas Transmission Company
to Amend Order No. R-1755

Gentlemen:

This letter will constitute a dismissal of the application previously filed by Tennessee Gas Transmission Company for a hearing to amend Order No. R-1755 which was entered in Case No. 2047.

Very truly yours,

TENNESSEE GAS TRANSMISSION COMPANY

By:



OS:lb

J. O. SETH
A. K. MONTGOMERY
OLIVER SETH
WM. FEDERICI
FRANK ANDREWS
FRED C. HANNAHS
GEORGE A. GRAHAM, JR.

SETH, MONTGOMERY, FEDERICI & ANDREWS

ATTORNEYS AND COUNSELORS AT LAW

301 DON GASPAR AVENUE
SANTA FE, NEW MEXICO

POST OFFICE BOX 828
TELEPHONE YU 3-7315

September 2, 1960

Oil Conservation Commission
State of New Mexico
Post Office Box 871
Santa Fe, New Mexico

Gentlemen:

Please consider this letter as an application for hearing to amend Order R-1755 which was entered by the Commission on August 10, 1960 in Case No. 2047.

The applicant would like to amend the Order to have Tennessee Gas Transmission Company designated as operator of the unit created by the Order, and to further expressly give the operator the power to dispose of the gas which is produced on the unit, and further to have the operator responsible for making reports to the Commission, and for such other matters as the Commission may deem advisable.

Very truly yours,

TENNESSEE GAS TRANSMISSION COMPANY

By

Oliver Seth
SETH, MONTGOMERY, FEDERICI & ANDREWS
Their Attorneys

OS/dd

1960 SEP 7 AM 8:23
MAIN OFFICE 000

*Booked
Mailed
9-9-60
JH*

Case 2088

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. 2047
Order No. 8 1755

APPLICATION OF TENNESSEE GAS
TRANSMISSION COMPANY FOR AN
ORDER FORCE-POOLING ALL
MINERAL INTERESTS IN A 320-
ACRE GAS UNIT IN THE WEST
KUTZ-DAKOTA 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 August 10, 1960, at Santa Fe, New Mexico, before Elvis A. Utz, 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 _____ day of August, 1960, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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, Tennessee Gas Transmission Company, is the owner of an oil and gas lease comprising the SW/4, W/2 NW/4, and the SE/4 NW/4 of Section 27, Township 29 North, Range 13 West, BHPN, San Juan County, New Mexico.
- (3) That the applicant seeks an order force-pooling all interests in the W/2 of said Section 27, including that of Pan American Petroleum Corporation in an oil and gas lease comprising the NE/4 NW/4 of said Section 27 in order to form a standard 320-acre gas proration unit in the West Kutz-Dakota Pool comprising the W/2 of Section 27, Township 29 North, Range 13 West, BHPN, San Juan County, New Mexico.
- (4) That the applicant has made diligent effort to secure the consent of all non-consenting interest owners to the establishment of this standard unit.

Handwritten signatures and initials:
9-9-60
[Signature]
[Signature]

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CASE No. 2047
Order No. R-1788

(5) That Pan American Petroleum Corporation has expressed its consent to the inclusion of its above-mentioned lease in the standard unit with the provision that its share of the oil and gas in place is not to be produced.

(6) That from an administrative and engineering standpoint, it is neither feasible nor practicable to provide that a certain share of oil and gas in place is not to be produced from a particular production unit.

(7) That this case was duly advertised as provided by law, and, other than the aforesaid expression of Pan American Petroleum Corporation in a letter to the Commission, no objection was received to the application from any non-consenting interest owner.

(8) That denial of the subject application would deprive both the applicant, Tennessee Gas Transmission Company, and all non-consenting interest owners in the proposed unit of the opportunity to recover their just and equitable share of the production from the West Nuts-Dakota Pool.

(9) That approval of the subject application will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

That the interests of all persons having the right to drill for, produce, or share in the production of dry gas and associated liquid hydrocarbons, or either of them, from the West Nuts-Dakota Pool underlying the W/2 of Section 27, Township 29 North, Range 11 West, NEM, San Juan County, New Mexico, be and the same are hereby force-pooled to form a standard 320-acre gas production unit in the West Nuts-Dakota Pool comprising all of said acreage.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

JOHN BURROUGHS, Chairman

MURRAY E. MORGAN, Member

S H A L

A. L. FOSTER, JR., Member & Secretary

002/

BEFORE THE
OIL CONSERVATION COMMISSION
September 21, 1960

Examiner Hearing

IN THE MATTER OF:

Application of Tennessee Gas Transmission
Company for an amendment of Order No.
R-1755. Applicant, in the above-styled
cause, seeks an order amending Order No.
R-1755 to expressly designate the
applicant as operator of the unit pooled
in said order with all powers incidental
to the proper operation of the unit
including the power and authority to
market the production from the unit well.

CASE NO.
2088

BEFORE:

Daniel S. Nutter, Examiner
Oliver E. Payne

TRANSCRIPT OF PROCEEDINGS

MR. PAYNE: The next Case 2088 will be dismissed.

MR. NUTTER: 2088 will be dismissed.

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO



STATE OF NEW MEXICO)
 : ss
 COUNTY OF BERNALILLO)

I, LEW NELSON, Notary Public in and for the County of Bernalillo, State of New Mexico, do hereby certify that the foregoing and attached transcript of proceedings before the Oil Conservation Commission was reported by me in stenotype and reduced to typewritten transcript by me and/or under my personal supervision and that the same is a true and correct record to the best of my knowledge, skill and ability.

Witness my hand and seal this the *7th* day of October, 1960, in the City of Albuquerque, County of Bernalillo, State of New Mexico.

Lew Nelson
 NOTARY PUBLIC

My Commission Expires:
 June 14, 1964

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No *2088*, heard by me on *9/21*, 19*60*.

[Signature], Examiner
 New Mexico Oil Conservation Commission

DEARNLEY-MEIER REPORTING SERVICE, Inc.

PHONE CH 3-6691

ALBUQUERQUE, NEW MEXICO

