

CASE 3329: Application of TENNECO
OIL CO. for directional drilling,
San Juan County, New Mexico.

CASE NO.
3329

Application,
TRANSCRIPTS,
SMALL Exhibits
ETC.

MAIN

255 OCT 14 1965

GILBERT, WHITE AND GILBERT
ATTORNEYS AT LAW
SANTA FE, NEW MEXICO

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BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION

APPLICATION OF TENNECO OIL COMPANY
TO RECOMPLETE FIVE WELLS LOCATED
IN TOWNSHIP 29 NORTH, RANGE 9 WEST,
TOWNSHIP 30 NORTH, RANGE 8 WEST,
AND TOWNSHIP 30 NORTH, RANGE 9 WEST,
SAN JUAN COUNTY, NEW MEXICO IN THE
MESA VERDE FORMATION BY DIRECTIONAL
DRILLING. APPLICANT FURTHER SEEKS AN
EXCEPTION TO RULE III REQUIRING
DIRECTIONAL SURVEYS.

No. 3329

Comes now Tenneco Oil Company by its Attorneys White, Gilbert, Koch and
Kelly and shows the Commission:

1. That it is the owner of the following described wells located in
San Juan County, New Mexico, to-wit:

Township 29 N. Range 9 West

Florance No. 24 located 790 feet from the North line and 990 feet
from the East line of Section 23. A

Township 30 N. Range 8 West

Florance No. 36 located 1,850 feet from the North line and 990
feet from the East line of Section 3. H

Florance No. 35 located 1,090 feet from the North line and
1,160 feet from the East line Section 18. A

Township 30 North Range 9 West

Florance No. 5 located 990 feet from the North line and
990 feet from the East line Section 22. A

Mansfield No. 1 located 400 feet from the South line and
350 feet from the East line Section 19. D

2. That the wells described in paragraph No. 1 are presently completed
in the Mesa Verde formation. In order to make these wells better gas pro-
ducers applicant proposes to move up structure and recomplete in the Mesa
Verde formation by directional drilling. After recompleting these wells
in the Mesa Verde formation, applicant proposes to duly complete the wells
in the Dakota formation and will apply to this commission for administrative
approval for said dual completions. In order to receive a gas allowable

DOCKET MAILED
Date 10-22-65
h

GILBERT, WHITE AND GILBERT
ATTORNEYS AT LAW
SANTA FE, NEW MEXICO

1 in the Dakota formation, it is necessary to seek permission of the Commission
2 to directionally drill these wells.

3 3. Applicant further proposes to conduct appropriate deviation tests
4 to insure that none of the wells are completed nearer than 200 feet to the
5 outer boundaries of the proration unit, and submits that correlative
6 rights of adjoining operators will not be affected, and that to require
7 applicant to furnish directional surveys for all of the above-referred to
8 wells would be an excessive and unfair burden upon this applicant.

9 4. That the granting of this application will allow the more efficient
10 production of gas from the Mesa Verde and Dakota formations and will prevent
11 waste.

12 WHEREFORE Applicant prays that its Application to recomplete in the
13 Mesa Verde formation the above described wells by directional drilling be
14 approved and that it not be required to furnish directional surveys.

15
16 WHITE, GILBERT, KOCH AND KELLY

17 By W. B. Kelly
18 Attorneys for Tenneco Oil Company
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DUAL COMPLETION SCHEMATIC

San Juan County, New Mexico

TENNECO OIL COMPANY
Durango District

WELL NAME: Florance Federal
WELL NUMBER: 5
LOCATION: 990' ENL. & 990' FEL
Sec. 22 T. 30N R. 9W
ELEVATION: _____
OL: 6150'
OF: 6162'
ZERO: 11' above BH

DUAL COMPLETION
BLANCO MESAVERDE
BASIN DAKOTA

BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
C. J. P. H. EXHIBIT NO. 2
CASE NO. 3329

TUBING: 233 joints 2-3/8" EUE & Seal-Lock
stung into packer at 7210'.

SURFACE: 10-3/4" 32.75# set at 267'
with 200 sacks cement.

STAGE COLLAR: 4091'

LEGEND

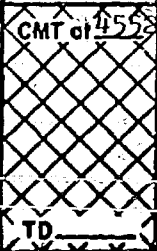
SS - Sliding sleeve
LN - Type F landing nipple
SA - Seal Assembly
PT - Production tube

CEMENTING RECORD

1st stage w/ 350 sacks Class "C" 50-50 Pozmix
Top of 4091'
2nd stage w/ 225 sacks Class "C" 12% gel
Top of surface

7" 20 & 23 # at: 4549'

80TK at: 4552'



FRAC DAKOTA w/ 190,000 gallons 1% KCl
water, 4# FR-8/100 gallons, 80,000#
40-60 sand and 60,000# 20-40 sand.

DAKOTA PERFORATIONS

G. R. DEPTHS
7269-71, 7274-78,
7285-87, 7334-38,
7358-59, 7374-78,
7385-87, 7406-08,
7419-20, 7434-35,
7439-40, 7445-46,
7455-56, 7463-64,
7480-84 and
7498-7501

CASINO SET at 4-1/2" at 7540'

MESAVERDE PERFORATIONS

G. R. DEPTHS
4640-41, 4644-45,
4648-49, 4657-58, FRAC 2nd STAGE w/
4659-60, 4668-69, 102,000 gallons 1
4672-73, 4676-77, KCl wtr. 60,000#
4688-89, 4690-91, 10-20 sand and
4700-01, 4707-08, 20,000# 8-12 sand
4708-09, 4715-16,
4747-48, 4772-73,
4806-07, 4827-28, 4837-38, 4860-61,
4879-80, 4892-93, 4894-95,
4902-03 & 4926-27 FRAC 1st STAGE w/
4971-72, 4990-91 101,000 gals 1%
5033-34, 5097-98 KCl water, 60,000#
5120-21, 5128-29 10-20 sand and
5132-33, 5139-40 20,000# 8-12 sand
5143-44, 5146-47,
5148-49, 5152-53, 5168-69, 5178-79
5183-84, 5196-97, 5200-01, 5220-21,
5227-28, 5234-35 and 5268-69

BAKER MODEL D
SET at 7210'

PBTD 7515'

DATE: September 13, 1965

SIGNED: [Signature]

BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
EXHIBIT NO. 3329
CASE NO. 3329

FLORANCE NO. 36
(1850' FNL, 990' FEL, Sec. 3, T-30-N, R-8-W)

DEPTH	DEVIATION ANGLE	DRIFT	ACCUMULATIVE DRIFT*
3920	---	---	---
3937	7-1/2°	2.24	2.24
4053	6-3/4°	13.71	15.95
4334	3°	14.70	30.65
4590	2-1/2°	11.17	41.82
4710	1°	2.09	43.91
4891	1/2°	1.58	45.49
5110	1°	3.82	49.31
5254	1-3/4°	4.39	53.70
5500	1-1/2°	6.43	60.13
5714	1-3/4°	6.53	66.66
5865	1-1/4°	3.29	69.95
5966	1°	1.76	71.71
6079	3/4°	1.48	73.19
6204	1/2°	1.09	74.28
6354	2-3/4°	7.20	81.48
6450	2-1/4°	3.77	85.25
6594	3-1/2°	8.78	94.03
6683	3°	4.66	98.69
6805	2-1/2°	5.32	104.01
7015	2°	7.33	111.34
7135	3°	6.28	117.62
7265	2-1/2°	5.67	123.29
7510	3°	12.82	136.11

* Assuming all drift in same direction

591

FLORANCE NO. 5
(990' FNL, 990' FEL, Sec. 22, T-30-N, R-9-W)

<u>DEPTH</u>	<u>DEVIATION ANGLE</u>	<u>DRIFT</u>	<u>ACCUMULATIVE DRIFT*</u>
4552	---	---	---
4576	7°	2.93	2.93
4580	7-1/4°	.51	3.44
4610	7-1/2°	3.96	7.40
4680	6-3/4°	8.26	15.66
4896	4-1/2°	17.00	32.66
4914	1°	.31	32.97
5714	1-1/4°	17.52	50.49
5900	3°	9.73	60.22
6053	4-3/4°	12.67	72.89
6206	4°	10.68	83.57
6449	3°	12.71	96.28
6748	3-1/2°	18.22	114.50
6899	4-1/4°	11.20	125.70
7140	4-1/4°	17.85	143.55

* Assuming all drift in same direction

BEFORE EXAMINER UTZ	
OIL CONSERVATION COMMISSION	
<i>Appd</i> EXHIBIT NO. <u>3</u>	
CASE NO. <u>3329</u>	

Docket No. 31-65

DOCKET: EXAMINER HEARING - WEDNESDAY - NOVEMBER 3, 1965

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Elvis A. Utz, Examiner, or Daniel S. Nutter, Alternate Examiner:

CASE 3327: Application of Texaco Inc. for an allowable increase, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to statewide Rule 505 (a) and 505 (b) to increase the 40-acre proportional factor from 1.33 to 1.77 for the Vacuum-Glorieta Pool, Lea County, New Mexico.

CASE 3328: Application of Texaco Inc. for force pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order force pooling all mineral interests in the Basin-Dakota Pool underlying the N/2 of Section 36, Township 30 North, Range 12 West, San Juan County, New Mexico.

CASE 3329: Application of Tenneco Oil Company for directional drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to recomplete by means of directional drilling the following wells:

Township 29 North, Range 9 West
Florance No. 24, Unit A, Section 23

Township 30 North, Range 8 West
Florance No. 36, Unit H, Section 3
Florance No. 35, Unit A, Section 18

Township 30 North, Range 9 West
Florance No. 5, Unit A, Section 22
~~Mansfield No. 1, Unit B, Section 19~~

All of the above wells are presently completed in the Blanco-Mesaverde Pool. Applicant proposes to set a whipstock above the Mesaverde producing interval and to directionally drill, recompleting said wells in the Mesaverde formation, and in some instances, to further drill to the Dakota producing interval thereby permitting dual completion of the wells to produce gas from the Blanco-Mesaverde and Basin-Dakota Gas Pools. Applicant further proposes to conduct appropriate deviation tests to ensure that none of the wells is completed nearer than 200 feet to the outer boundaries of its proration unit.

CASE 3330: Application of Anadarko Production Company for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in its Grayburg Premier Sand formation through five wells in Sections 25 and 26, Township 17 South, Range 30 East, Grayburg Jackson Pool, Eddy County, New Mexico.

- 2 -

NOVEMBER 3, 1965 EXAMINER HEARING

CASE 3331: Application of Marathon Oil Company for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Paddock-Yeso formation in its Federal Well No. 1 in Unit K of Section 24, Township 21 South, Range 23 East, Eddy County, New Mexico.

CASE 3323: (Continued from the October 19, 1965, Examiner Hearing)
Application of David Fasken for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the dual completion (conventional) of his Felmont-Collier Well No. 1 located in Unit H of Section 9, Township 11 South, Range 33 East, Lea County, New Mexico, to produce oil from the North Bagley Upper and Lower Pennsylvanian Pools through parallel strings of tubing.

Case 3329

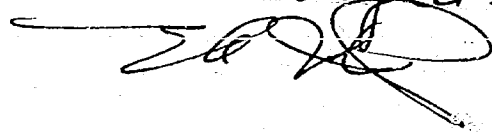
Heard. 11-3-65

Rec. 11-3-65.

Grant approval of # wells of Tennessee-
for deviation drilling in the
Blount M.V. Pool.

The wells are listed in application.
Delete the Mansfield #, which in
application.

Denie request for recommendations
approval until proper application
and hearing is held on subject.



GOVERNOR
JACK M. CAMPBELL
CHAIRMAN

State of New Mexico
Oil Conservation Commission



LAND COMMISSIONER
GUYTON B. HAYS
MEMBER

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

P. O. BOX 2088
SANTA FE

November 9, 1965

Mr. Booker Kelly
White, Gilbert, Koch & Kelly
Attorneys at Law
Post Office Box 787
Santa Fe, New Mexico

Re: Case No. 3328 & 3329
Order No. R-2993 and R-2994
Applicant:
Texaco and Tenneco

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

ALP/ir

Carbon copy of order also sent to:

Hobbs OCC x
Artesia OCC
Aztec OCC x

Other Case 3328 - copies of order mailed to Joseph Seagram & Sons, Inc., and Evko Development Company

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. 3329
Order No. R-2994

APPLICATION OF TENNECO OIL COMPANY
FOR DIRECTIONAL DRILLING, 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 November 3, 1965, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 9th day of November, 1965, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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, Tenneco Oil Company, seeks authority to plug back and directionally drill four wells in Townships 29 and 30 North, Ranges 8 and 9 West, NMPH, San Juan County, New Mexico, and to recompleate said wells in the Mesaverde formation or the Mesaverde and Dakota formations.

(3) That the applicant proposes to conduct deviation tests to assure that each well is bottomed no nearer than 200 feet to the outer boundary of the proration unit.

(4) That due to the method originally utilized to complete the subject wells in the Mesaverde formation, conventional recompletion methods are impracticable.

(5) That the proposed method of recompletion will prevent the drilling of unnecessary wells, result in more efficient

-2-

CASE No. 3329

Order No. R-2994

completions, and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Tenreco Oil Company, is hereby authorized to directionally drill to the Mesaverde formation or to the Mesaverde and Dakota formations the following-described wells:

SAN JUAN COUNTY, NEW MEXICO

TOWNSHIP 29 NORTH, RANGE 9 WEST, NMPM
Florance No. 24, Unit A, Section 23

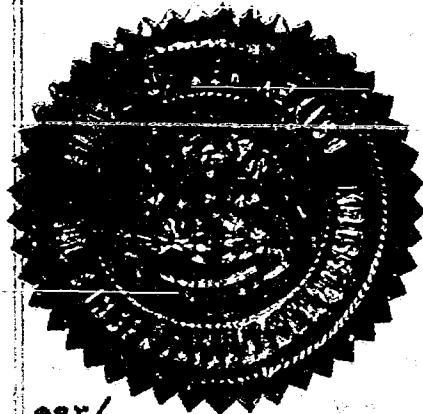
TOWNSHIP 30 NORTH, RANGE 8 WEST, NMPM
Florance No. 36, Unit H, Section 3
Florance No. 35, Unit A, Section 18

TOWNSHIP 30 NORTH, RANGE 9 WEST, NMPM
Florance No. 5, Unit A, Section 22

PROVIDED HOWEVER, That the applicant shall conduct a deviation test on each well and shall conduct a directional survey on any well that could be bottomed nearer than 200 feet to the outer boundary of the proration unit.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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



esr/

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Jack M. Campbell
JACK M. CAMPBELL, Chairman

Guyton B. Hays
GUYTON B. HAYS, Member

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

dearnley-meier reporting service, inc.

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BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
November 3, 1965

EXAMINER HEARING

IN THE MATTER OF:

Application of Tenneco Oil Company for
directional drilling, San Juan County,
New Mexico.

Case No. 3329

BEFORE: Elvis A. Utz, Examiner

TRANSCRIPT OF HEARING





MR. UTZ: Case 3329.

MR. DURRETT: Application of Tenneco Oil Company
for directional drilling, San Juan County, New Mexico.

MR. KELLY: Booker Kelly of White, Gilbert, Koch
and Kelly, appearing on behalf of Applicant.

(Whereupon, Applicant's Exhibits
Nos. 1 through 4, both inclusive,
marked for identification.)

(Witness sworn.)

L. E. LITTLE

called as a witness, having been first duly sworn on oath,
was examined and testified as follows:

DIRECT EXAMINATION

BY MR. KELLY:

Q Would you state your name, position, and employer?

A L. E. Little, Petroleum Engineer, Tenneco Oil Company,
Durango, Colorado.

Q Have you previously qualified as a witness before
this Commission?

A Yes.

Q What does Tenneco seek from this application?

A It seeks authority to recomplete the wells listed
on the application by directional drilling, allowing recompletion
in the Mesaverde and in some cases in the Dakota. This
directional drilling will be done in a random manner, not

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specifically locating the bottom of the hole or trying to improve or move upstructure in any way.

MR. KELLY: Mr. Examiner, the application shows five wells. The Mansfield No. 1, Unit P, Section 19, we ask that that particular well be dropped from this application. We'll submit it possibly at a later date.

Q (By Mr. Kelly) Referring to Exhibit 1, locate the four wells and give their present status.

A Okay. In the far upper right-hand portion, you notice the dots on the paper, the Florance No. 36, Unit H, Section 3, Township 30 North, Range 8 West. The middle well in the upper portion of the map is the Florance No. 35, Unit A, Section 18, Township 30 North, Range 8 West. The well furthest to the west is the Florance No. 5, Unit A, Section 22, Township 30 North, Range 9 West. Down on the lower portion colored in red is the Florance No. 24, Unit A, Section 23, Township 29, Range 9 West.

No. 36 and No. 5 have been dually completed. We have a rig on 35 at the present time, and 24 is still in the planning stage. We have not moved onto it.

MR. UTZ: You'd be in kind of bad shape if we denied this.

A Probably would, yes, sir.

Q (By Mr. Kelly) Now this application is similar to

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the application Tenneco had earlier this year in Case 3288, is that correct?

A Yes.

Q In fact, it's just some additional wells that were not included in that hearing?

A Yes.

Q Will there possibly be some other wells coming in at a later time?

A Yes, there will.

Q Will those wells be located in the area shown on Exhibit 1?

A Yes, they'll be in this Township 30 North, Range 8 and 9, and Township 29, Range 8 and 9. They'll be in those four township areas.

Q If it is possible to work out an administrative procedure for approval of this type of situation, will Tenneco be able to make all the information available to the Commission that they now have available in this hearing?

A Yes.

Q Now referring to Exhibit No. 2 of the diagrammatic sketch, is this a typical installation for these wells?

A Yes, this diagram 2 is what actually occurred on Florance No. 5, this is our standard procedure here. The only thing that would change between wells is the various depths,



perforations and so forth. Basically this is the schematic and it would apply to all the wells.

Q Now in the application, Tenneco stated that the bottom hole position would not be closer than 200 feet to the section line. Have you taken surveys to determine on the two completed wells the extent of possible deviation?

A Yes, we have.

Q Referring to those exhibits, would you briefly go through them?

A All right. Exhibit 3 is concerning Florance No. 5. We've taken incremental deviation from where we deviated the hole as shown there, total drift is 143-1/2 feet. In order to be closer than 200 feet from a lease line, we would have to have a ten and a half degree drift up above where our whipstock is set at 4552. This is, we feel this is not -- We don't have this deviation, searched the well files and at 4552 the inclination was four degrees. We have not experienced as high as ten degrees in any well we have done so far, so we feel safe in assuming that we're not within 200 feet of a lease line.

MR. UTZ: These are both -- well, what's the closest distance these wells are from the lease line, the surface location?

A You mean as we are right now?



MR. UTZ: Yes.

A I figure if all this drift went the same direction, we're 530 feet on Florance 5, and on 36 we are 581 feet. This is assuming all the drift is in the same direction, and this normally doesn't occur. Normally this drift we have found to go in a counterclockwise direction.

Q (By Mr. Kelly) Now similar studies will be prepared and made available to the Commission on the yet to be completed wells, is that correct?

A Yes, that's true. As required by the previous -- outcome of the previous hearing, any well that we feel that can be within 200 feet of the lease line, we're to run a directional survey, pinpointing the bottom of the hole. We will submit certified copies, well, for instance, by Sperry and Son or whoever runs the survey.

Q What would be the result if a separate well had to be drilled to the lower formation?

A Well, the economics here, to complete in this manner, to go to the Dakota by means of directional drilling, we anticipate about a \$45,000.00 cost. To drill a separate well, it's going to run close to \$90,000.00 for a separate well to the Dakota.

Q Does Tenneco have any position on whether they would contemplate drilling separate wells on all these locations



if this application were not granted?

A I doubt very seriously if they would.

Q So there would be a chance of causing waste by leaving oil or gas in place, is that correct?

A That's correct.

Q On the possibility of administrative approval for any remaining wells, would Tenneco provide the Commission with properly certified copies of all deviation tests?

A Yes, we sure would.

MR. KELLY: Mr. Examiner, this phase of administrative approval apparently resulted as a misunderstanding between myself and I think Mr. Nutter was the Examiner at the last hearing. I was under the impression that he felt we should not have any type of administrative approval, and apparently he was talking about a statewide rule. He did suggest that he felt it might be possible that the Commission would favor, too, an administrative approval for this particular type of situation in the four townships involved on this plat.

Apparently there will also be some wells that will not be dually completed but will be recompleted and will have to be done under directional drilling; and the interpretation that the Examiner, Mr. Nutter, has taken under that rule, this would also require a hearing, even though we are not going downstructure, just to recomplete in the Mesaverde formation.

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PAGE

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He suggested that we could amend our application at this time to suggest administrative approval for any wells that we're going to be recompleting in this manner in the four townships, with the same safeguards, of course, that if there was a well that could possibly be within 200 feet, that we would have to come in separately on that and have an actual hearing.

MR. UTZ: For dual completions also, or recompletions in the Mesaverde?

MR. KELLY: Dual or recompletions, since the dual phase of this is administratively.

MR. UTZ: Providing you have wells in the area and they are dualled on the same two zones?

MR. KELLY: Yes. That would only be for those zones.

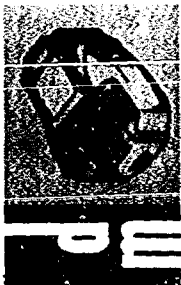
MR. DURRETT: Are you requesting administrative procedure as part of this case?

MR. KELLY: Yes, I am amending my application to request administrative procedure. I don't believe this has any jurisdictional defect.

MR. DURRETT: I feel it may. We'll consider that; you can certainly make remarks on it to the Examiner if you like.

MR. KELLY: I make a formal amendment of the petition, at any rate. If it cannot be done, then we'll have to come in at a subsequent hearing.





Q (By Mr. Kelly) Do you have anything further to add in this case?

A No, I sure don't.

MR. KELLY: That's all we have on direct. I would like to move the introduction of Exhibits 1 through 4.

Q (By Mr. Kelly) Were they prepared by you or under your supervision?

A Yes, they were.

MR. UTZ: Without objection, the Exhibits 1 through 4 will be admitted into evidence in this case.

(Whereupon, Applicant's Exhibits Nos. 1 through 4, both inclusive, were offered and admitted in evidence.)

CROSS EXAMINATION

BY MR. UTZ:

Q Your two wells that you haven't completed yet, your No. 35 and No. 24, are they standard locations?

A Yes, sir. No. 24 is 790 from the North line and 990 from the East line. No. 35 is 1090 from the North line and 1160 from the East line.

Q So if you stay under your ten degree deviation, you'll be all right as far as the 200 foot?

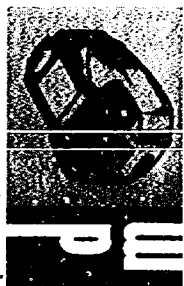
A Yes, sir.

MR. UTZ: Are there any other questions of the witness? The witness may be excused.

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SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

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(Witness excused.)

MR. UTZ: Are there any statements in this case?

The case will be taken under advisement.

* * * *

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO) SS

I, ADA DEARNLEY, Court Reporter - Notary Public, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and that the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

WITNESS my Hand and Seal this 10th day of November, 1965.

Ada Dearnley
Court Reporter-Notary Public

My Commission Expires:

June 19, 1967.

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner Hearing of Case No. 3329,
heard by me on 11-23, 1965.

Thos. L. J. [Signature], Examiner
New Mexico Oil Conservation Commission

DRAFT

JMD/esr

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

CF Subj. _____

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 3329

Order No. R-2994

APPLICATION OF TENNECO OIL COMPANY
FOR DIRECTIONAL DRILLING, 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
November 3, 1965, at Santa Fe, New Mexico, before Examiner
Elvis A. Utz.

NOW, on this _____ day of November, 1965, the Commission, a
quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, 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, Tenneco Oil Company, seeks authority
to plug back and directionally drill five wells in Townships 29 and
30 North, Ranges 8 and 9 West, NMPM, San Juan County, New Mexico,
and to recomplete said wells in the Mesaverde formation or the
Mesaverde and Dakota formations.

(3) That the applicant proposes to conduct deviation tests
to assure that each well is bottomed no nearer than 200 feet to the
outer boundary of the proration unit.

(4) That due to the method originally utilized to complete
the subject wells in the Mesaverde formation, conventional recom-
pletion methods are impracticable.

(5) That the proposed method of recompletion will prevent the drilling of unnecessary wells, result in more efficient completions, and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Tenneco Oil Company, is hereby authorized to directionally drill to the Mesaverde formation or to the Mesaverde and Dakota formations the following-described wells:

SAN JUAN COUNTY, NEW MEXICO

TOWNSHIP 29 NORTH, RANGE 9 WEST, NMPM
Florance No. 24, Unit A, Section 23

TOWNSHIP 30 NORTH, RANGE 8 WEST, NMPM
Florance No. 36, Unit H, Section 3
Florance No. 35, Unit A, Section 18

TOWNSHIP 30 NORTH, RANGE 9 WEST, NMPM
Florance No. 5, Unit A, Section 22
Mansfield No. 1, Unit P, Section 19

PROVIDED HOWEVER, That the applicant shall conduct a deviation test on each well and shall conduct a directional survey on any well that could be bottomed nearer than 200 feet to the outer boundary of the proration unit.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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