

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

APPLICATION OF TENNECO OIL COMPANY
FOR THE APPROVAL OF THE LONE PINE
DAKOTA "D" UNIT AGREEMENT, MCKINLEY
COUNTY, NEW MEXICO, AND FOR A PRESSURE
MAINTENANCE PROJECT COVERING SAID UNIT
WITH SPECIAL UNIT RULES.

No. 4669

APPLICATION

Comes now Tenneco Oil Company by its Attorneys White, Koch,
Kelly & McCarthy, and in support of its Application states:

Application for Unit Agreement

1. That Tenneco Oil Company will be the operator of the proposed unit designated the Lone Pine Dakota "D" Unit comprising 2,598.30 Acres, more or less, of Federal, Indian and Fee land, located in Township 17 North, Range 8 West and Township 17 North, Range 9 West, N.M.P.M., McKinley County, New Mexico. The specific description of the unit is found in Section 2 on pages 2 and 3 of the proposed Unit Agreement, a copy of which is attached to this Application.

2. The unitized formation is defined as that stratigraphic interval commonly known as the Dakota "D" zone and more specifically defined as that interval occurring between 2780 feet and 2872 feet subsurface in Tenneco Oil Company's Don ne pah Well No. 1 located 820 feet from the North line and 500 feet from the West line of Section 18, Township 17 North, Range 8 West, N.M.P.M.

Application for Pressure Maintenance Project

3. Tenneco further seeks approval of a gas pressure maintenance project comprising all the area included within the Lone Pine Dakota "D" Unit.

4. The initial injection wells will be four gas injection wells and one water injection well located as follows:

Gas Injection Wells

Teneco Oil Company Hospah No. 44 located in the SE 1/4 of the SE 1/4 of Section 12, Township 17 North, Range 9 West, McKinley County.

Tenneco Oil Company Santa Fe and Pacific Railroad No. 6, located in the SE 1/4 of the NE 1/4 of Section 13, Township 17 North, Range 9 West, McKinley County.

Tenneco Oil Company Santa Fe Pacific Railroad No. 10 located in the NW 1/4 of the NE 1/4 of Section 13 Township 17 North, Range 9 West, McKinley County.

Tenneco Oil Company Santa Fe Pacific Railroad No. 12 located in the NE 1/4 of the SE 1/4 of Section 7, Township 17 North, Range 8 West, McKinley County.

Water Injection Well

Tenneco Oil Company Lone Pine No. 1 located in the NW 1/4 of the NW 1/4 of Section 19, Township 17 North, Range 8 West, McKinley County.

5. Applicant further seeks special rules governing the pressure maintenance project and attaches to this Application a copy of the proposed rules governing said unit and project.

WHEREFORE Tenneco Oil Company requests that after public hearing the Commission enter its Order granting said application.

WHITE, KOCH, KELLY & McCARTHY

By _____