JUL 5 1986

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Santa Fe, New Mexico 87504-2265

July 29, 1986

OIL CONSERVATION DIVISION one 982-4285

Mr. Richard L. Stamets
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

"Hand Delivered"

Care 8 980

Re: Tenneco Oil Company
Forced Pooling Application
W/2 Section 10, T29N, R13W,
San Juan County, New Mexico

Dear Mr. Stamets:

On behalf of Tenneco Oil Company, please set the enclosed application for hearing at the Examiner Hearing now scheduled for August 20, 1986.

By copy of this letter we are sending a copy of the application by certified mail return receipt to all parties to be pooled. Those interested parties are hereby advised that they have the right to appear at the hearing either in support or opposition to the application.

Very truly yours,

. Thomas Kellahin

WTK:ca Enc.

> Sam Appell, Esq. Tenneco Oil Company P. O. Box 3249 Englewood, Colorado 80155

> Kevin Herringer Tenneco Oil Company P. O. Box 3249 Englewood, Colorado 80155

"Certified Return-Receipt Requested"

To all addressees on Eshibit A of Application

RECEIVED

## STATE OF NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS OIL CONSERVATION DIVISION

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OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF TENNECO OIL COMPANY, FOR COMPULSORY POOLING, SAN JUAN COUNTY, NEW MEXICO.

CASE: 8780

## APPLICATION

Comes now TENNECO OIL COMPANY, and applies to the Oil Conservation Division of New Mexico for an order pooling all mineral interests in the Basin Dakota Pool underlying the W/2 of Section 10, Township 29 North, Range 13 West, NMPM, San Juan County, New Mexico, for the formation of a proration and spacing unit for the said production, and in support thereof would show the Commission.

- 1. Applicant is an owner of the right to drill and develop the W/2 of Section 10, Township 29 North, Range 13 West.
- 2. Applicant proposes to drill a well pursuant to Division Order R-8253 to test the Basin Dakota Pool.
- 3. Applicant has sought to obtain the cooperation of all parties.
- 4. In order to obtain their just and equitable share of the production underlying the above lands, Applicant needs an order pooling the mineral interest involved.

5. Those who have not consented to join in the drilling of the well, with their address, to the best of the applicant's information and belief, are as follows:

<u>Party</u> <u>Interest</u>

See Exhibit "A" Attached and incorporated herein.

6. The parties named in paragraph 5 above have been furnished a copy of this application.

WHEREFORE, applicant prays that this application be set for hearing before the Division's duly appointed examiner, and that after notice and hearing as required by law, the Division enter its order pooling the mineral interest described herein. Applicant further prays that it be named operator of the well, and that the order make provisions for applicant to recover out of production its costs of drilling the subject well, completing and equipping it, costs of operation, including costs of supervision and a risk factor in the amount of 200% for the drilling of the well, for such other and further relief as may be proper.

Respectfully submitted,

Tenneco Oil Company

W. Thomas Kellahin Kellahin & Kellahin

P. O. Box 2265

Santa Fe, NM 87504