

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. 3468  
Order No. R-3127

APPLICATION OF TENNECO OIL COMPANY  
FOR APPROVAL OF THE GRAYBURG-JACKSON  
WEST COOPERATIVE UNIT AGREEMENT, EDDY  
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 28, 1966,  
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 4th day of October, 1966, 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 approval  
of the Grayburg-Jackson West Cooperative Unit Agreement covering  
2000 acres, more or less, of State and fee lands described as  
follows:

EDDY COUNTY, NEW MEXICO  
TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM  
Section 15: W/2 SW/4  
Section 16: S/2 SW/4 and SE/4  
Section 21: All  
Section 22: W/2 W/2, E/2 NW/4, NE/4 SW/4,  
and NW/4 NE/4  
Section 27: W/2 SW/4  
Section 28: All

(3) That approval of the proposed unit agreement should  
promote the prevention of waste and the protection of correlative  
rights within the unit area.

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CASE No. 2632  
Order No. R-3127

IT IS THEREFORE ORDERED:

(1) That the Grayburg-Jackson West Cooperative Unit Agreement is hereby approved.

(2) That the plan contained in said unit agreement for the development and operation of the unit area is hereby approved in principle as a proper conservation measure; provided, however, that notwithstanding any of the provisions contained in said unit agreement, this approval shall not be considered as waiving or relinquishing, in any manner, any right, duty, or obligation which is now, or may hereafter be, vested in the Commission to supervise and control operations for the exploration and development of any lands committed to the unit and production of oil or gas therefrom.

(3) That the unit operator shall file with the Commission an executed original or executed counterpart of the unit agreement within 30 days after the effective date thereof; that in the event of subsequent joinder by any party or expansion or contraction of the unit area, the unit operator shall file with the Commission within 30 days thereafter counterparts of the unit agreement reflecting the subscription of those interests having joined or ratified.

(4) That this order shall become effective upon the approval of said unit agreement by the Commissioner of Public Lands for the State of New Mexico; that this order shall terminate ipso facto upon the termination of said unit agreement; and that the last unit operator shall notify the Commission immediately in writing of such termination.

(5) 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.



STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*Jack M. Campbell*  
JACK M. CAMPBELL, Chairman

*Geoffrey B. Hays*  
GEOFFREY B. HAYS, Member

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

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE  
OF NEW MEXICO

26 SEP 26 PM

1 APPLICATION OF TENNECO OIL COMPANY  
2 FOR THE APPROVAL OF THE GREYBURG-JACKSON  
3 WEST COOPERATIVE UNIT IN EDDY COUNTY, No. 3468  
NEW MEXICO

4 Comes now the applicant, Tenneco Oil Company, and hereby makes  
5 application for the approval of the proposed Greyburg-Jackson West  
6 Cooperative Unit, Eddy County, New Mexico, and in support thereof states:

7 1. That the proposed unit area covers 2000 acres more or less in  
8 Township 17 South, Range 29 East, Eddy County New Mexico which is more  
9 particularly described as follows:

10 Section 15,  $W\frac{1}{2}SW\frac{1}{4}$   
11 Section 16,  $S\frac{1}{2}SW\frac{1}{4}$  and the  $SE\frac{1}{4}$   
12 Section 21, All  
13 Section 22,  $W\frac{1}{2}W\frac{1}{2}$ ;  $E\frac{1}{2}NW\frac{1}{4}$ ;  $NE\frac{1}{4}SW\frac{1}{4}$  and the  
14  $NW\frac{1}{4}NE\frac{1}{4}$   
15 Section 27,  $W\frac{1}{2}SW\frac{1}{4}$   
16 Section 28, All  
17 Containing 2000 acres more or less.

18 2. The purpose of the forming of the unit is to conduct secondary  
19 recovery operations in that portion of the Greyburg-San Andres formation  
20 encountered between the depths of 2200 feet and 3600 feet. This Commission  
21 has by prior Order No. R-3069 granted after public hearing given its consent  
22 to the secondary recovery project.

23 3. That the Applicant, Tenneco Oil Company is designated as Unit  
24 Operator in the Unit Agreement and as such is given the authority under the  
25 terms thereof to carry on the secondary recovery operations for the production  
26 of unitized substances.

27 4. The lands involved in the Unit Agreement are comprised exclusively  
28 of state and fee land and all parties owning any interest in the tracts  
29 other than the State of New Mexico have now executed the proposed Unit  
Agreement.

5. The proposed form of Unit Agreement is substantially the same as  
that heretofore used and approved by the Oil Conservation Commission and

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SANTA FE, NEW MEXICO

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the Commissioner of Public Lands where State Lands are involved.

6. That hydrocarbons will be produced more economically and efficiently under the terms of said Unit Agreement to the end that the maximum of unitized substances will be obtained and that said Unit Agreement is in the interest of conservation and the prevention of waste.

7. That upon an Order being entered by the New Mexico Oil Conservation Commission approving said unit after the approval thereof by the Commissioner of Public Lands an approved copy will be filed with the Commission.

WHEREFORE Applicant requests that the Commission set this matter down for hearing and that upon said hearing said Unit Agreement be approved by the Commission as being in the interest of conservation and the prevention of waste.

Respectfully submitted,

TENNECO OIL COMPANY

By J. D. Moon  
Division Attorney  
Tenneco Oil Company

WHITE, GILBERT, KOCH & KELLY

By *W. B. Kelly*  
Attorneys for Tenneco Oil Company