BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

Entered Much 16, 1966 U.J.P.

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

> CASE No. 3381 Order No. R-3049

APPLICATION OF TENNECO OIL COMPANY FOR AN EXCEPTION TO RULE 15, ORDER NO. R-2397, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

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

NOW, on this <u>l6th</u> day of March, 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 an exception to the shut-in provisions of Rule 15 of Order No. R-2397 to produce up to one-half the monthly allowable assigned to its U.S. Smelting USA Well No. 2 located in Unit E of Section 22, Township 24 South, Range 32 East, NMPM, Double-X Delaware Pool, Lea County, New Mexico.

(3) That the applicant proposes to utilize said gas to gas lift its U.S. Smelting USA Well No. 5 located in Unit P of said Section 22.

(4) That approval of the subject application will permit the recovery of otherwise unrecoverable oil, thereby preventing waste. -2-CASE No. 3381 Order No. R-3049

IT IS THEREFORE ORDERED:

(1) That the applicant, Tenneco Oil Company, is hereby granted an exception to the shut-in provisions of Rule 15 of Order No. R-2397 to produce up to one-half the monthly allowable assigned to its U.S. Smelting USA Well No. 2 located in Unit E of Section 22, Township 24 South, Range 32 East, NMPM, Double-X Delaware Pool, Lea County, New Mexico.

(2) That the gas production authorized by this order shall be utilized to gas lift the applicant's U.S. Smelting USA Well No. 5 located in Unit P of said Section 22.

(3) That the authority granted under this order shall be effective as of March 1, 1966, and shall terminate when a Notice of Release of Shut In for the U.S. Smelting USA Well No. 2 is issued by the Commission.

(4) 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

K M. CAMPBELL, Chairman

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

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