

Entered January 7, 1980
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STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6725
Order No. R-6226

APPLICATION OF TENNECO OIL COMPANY
FOR THREE NON-STANDARD GAS PRORATION
UNITS, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on December 12, 1979, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 9th day of January, 1980, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Tenneco Oil Company, seeks approval of a 291.23-acre non-standard gas proration unit comprising the W/2 of Section 6 and the NW/4 of Section 7, a 347.66-acre unit comprising the W/2 of Section 19 and the NW/4 of Section 30, and a 375.09-acre unit comprising the SW/4 of Section 30 and the W/2 of Section 31, all in Township 29 North, Range 8 West, NMPM, Basin-Dakota Pool, San Juan County, New Mexico, each unit to be dedicated to a well to be drilled at a standard location thereon.
- (3) That the non-standard proration units may reasonably be presumed productive of gas from the Basin-Dakota Pool and that the non-standard gas proration units can be efficiently and economically drained and developed by the aforesaid wells.
- (4) That approval of the subject application will afford the applicant the opportunity to produce his just and equitable share of the gas in the Basin-Dakota Pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and

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protect correlative rights.

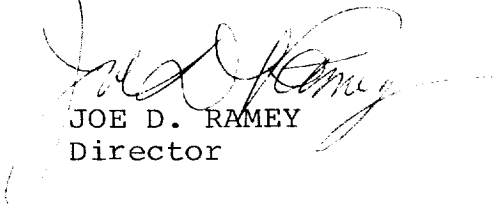
IT IS THEREFORE ORDERED:

(1) That a 291.23-acre non-standard gas proration unit in the Basin-Dakota Pool comprising the W/2 of Section 6 and the NW/4 of Section 7, a 347.66-acre unit comprising the W/2 of Section 19 and the NW/4 of Section 30, and a 375.09-acre unit comprising the SW/4 of Section 30 and the W/2 of Section 31, all in Township 29 North, Range 8 West, NMPM, San Juan County, New Mexico, each unit to be dedicated to a well to be drilled at a standard location thereon.

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

DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



JOE D. RAMEY
Director

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