

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION



GARREY CARRUTHERS
GOVERNOR

June 30, 1987

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

Tenneco Oil Exploration & Production
P.O. Box 3249
Englewood, CO 80155

Attention: Mike McCredie

Administrative Order TX-180

Gentlemen:

Reference is made to your request for an exception to the tubing setting requirements as contained in Division Rule 107(d)(3) for the below-named well.

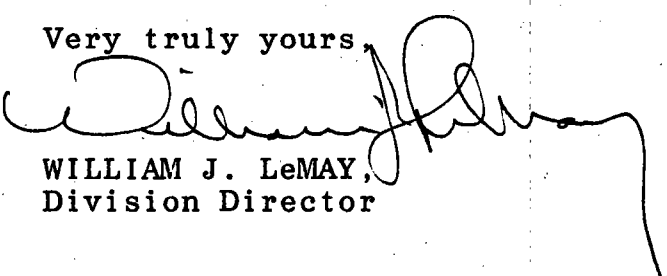
Pursuant to the authority granted me by Rule 107(d)(4), you are hereby authorized to set 3 1/2 inch casing with no tubing in the following well:

Well Name and Number: Davis Well No. 1

Location: Sec. 23, T-32-N, R-11-W, NMPM San Juan County,
New Mexico

The Division reserves the right to rescind this authority in the event that waste appears to be resulting therefrom.

Very truly yours,


WILLIAM J. LeMAY,
Division Director

WJL/REJ/dr

cc: Oil Conservation Division - Aztec

PV4V2005139592

Tenneco Oil Exploration and Production

A Tenneco Company

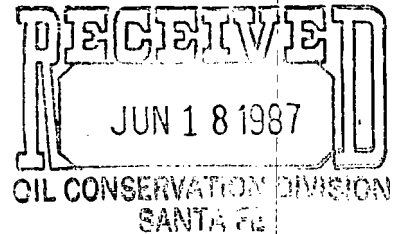
Rocky Mountain Division

P.O. Box 3249
Englewood, Colorado 80155
(303) 740-4800

Delivery Address:
6162 South Willow Drive
Englewood, Colorado 80111



June 16, 1987



State of New Mexico
Oil & Gas Conservation Commission
Mr. William J. LeMay
P.O. Box 2088
Santa Fe, New Mexico 87501

Re: Davis #1
Sec. 23, T32N, R11W
San Juan County, New Mexico

Dear Mr. LeMay:

Tenneco Oil Company plans to drill the referenced well during the 2nd or 3rd quarter of 1987. According to the State requirements, "all gas wells equipped with casing larger in size than 2 7/8-inch OD shall be tubed" (Rule 107-D2). Tenneco has proposed a slimhole completion in the Pictured Cliffs formation using 3 1/2-inch casing.

Tenneco Oil Company respectfully requests administrative approval for a tubingless completion as stated in Rule 107-D4.

Very truly yours,

TENNECO OIL COMPANY

Mike McCredie

Mike McCredie
Administrative Analyst

MMc/cc:2148P