

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. 2047
Order No. R-1755

APPLICATION OF TENNESSEE GAS
TRANSMISSION COMPANY FOR AN
ORDER FORCE-POOLING ALL
MINERAL INTERESTS IN A 320-
ACRE GAS UNIT IN THE WEST
KUTZ-DAKOTA POOL, SAN JUAN
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on August 10, 1960, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 23rd day of August, 1960, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, 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, Tennessee Gas Transmission Company, is the owner of an oil and gas lease comprising the SW/4, W/2 NW/4, and the SE/4 NW/4 of Section 27, Township 29 North, Range 13 West, NMPM, San Juan County, New Mexico.

(3) That the applicant seeks an order force-pooling all interests in the W/2 of said Section 27, including that of Pan American Petroleum Corporation in an oil and gas lease comprising the NE/4 NW/4 of said Section 27 in order to form a standard 320-acre gas proration unit in the West Kutz-Dakota Pool comprising the W/2 of Section 27, Township 29 North, Range 13 West, NMPM, San Juan County, New Mexico.

(4) That the applicant has made diligent effort to secure the consent of all non-consenting interest owners to the establishment of this standard unit.

(5) That Pan American Petroleum Corporation has expressed its consent to the inclusion of its above-mentioned lease in the standard unit with the provision that its share of the oil and gas in place is not to be produced.

(6) That from an administrative and engineering standpoint, it is neither feasible nor practicable to provide that a certain share of oil and gas in place is not to be produced from a particular proration unit.

(7) That this case was duly advertised as provided by law, and, other than the aforesaid expression of Pan American Petroleum Corporation in a letter to the Commission, no objection was received to the application from any non-consenting interest owner.

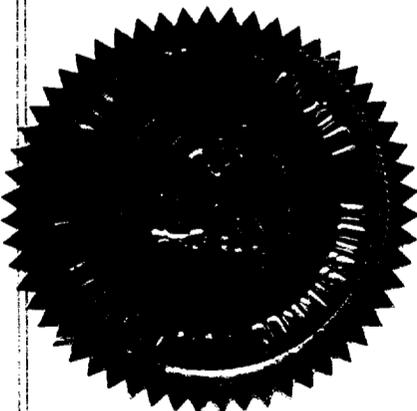
(8) That denial of the subject application would deprive both the applicant, Tennessee Gas Transmission Company, and all non-consenting interest owners in the proposed unit of the opportunity to recover their just and equitable share of the production from the West Kutz-Dakota Pool.

(9) That approval of the subject application will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

That the interests of all persons having the right to drill for, produce, or share in the production of dry gas and associated liquid hydrocarbons, or either of them, from the West Kutz-Dakota Pool underlying the W/2 of Section 27, Township 29 North, Range 13 West, NMPM, San Juan County, New Mexico, be and the same are hereby force-pooled to form a standard 320-acre gas proration unit in the West Kutz-Dakota Pool comprising all of said acreage.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

John Burroughes
JOHN BURROUGES, Chairman

Murray E. Morgan
MURRAY E. MORGAN, Member

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