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. 102,000

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.

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 <u>ipso facto</u> 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, Chairman

GUYTON B. HAYS, Member

SEAL

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. 3728 Order No. R-3127-A

APPLICATION OF TENNECO OIL COMPANY FOR AN AMENDMENT TO ORDER NO. R-3127, EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 28, 1968, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 4th day of March, 1968, 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 by Order No. R-3127, dated October 4, 1966, the Commission approved 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

-2-CASE No. 3728 Order No. R-3127-A

(3) That the applicant, Tenneco Oil Company, seeks the expansion of said Grayburg-Jackson West Cooperative Unit Area to include 400 additional acres of State land described as follows:

EDDY COUNTY, NEW MEXICO TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM Section 16: N/2 and N/2 SW/4

(4) That the proposed expansion of said Grayburg-Jackson West Cooperative Unit Agreement should promote the prevention of waste and protection of correlative rights within the unit area as expanded.

IT IS THEREFORE ORDERED:

- (1) That the Grayburg-Jackson West Cooperative Unit Agreement, as amended to include the acreage described in Finding (3) above, is hereby approved.
- (2) That the unit operator shall file with the Commission an executed original or executed counterpart of the amendment to 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.
- (3) That this order shall become effective upon the approval of the aforesaid amendment to the Grayburg-Jackson West Cooperative Unit Agreement by the Commissioner of Public Lands for the State of New Mexico; that this order shall terminate <u>ipso facto</u> upon the termination of said unit agreement; and that the last unit operator shall notify the Commission immediately in writing of such termination.
- (4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

-3-CASE No. 3728 Order No. R-3127-A

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

GUYTON B. HAYS, Member

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

SEAL