

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. 8282
Order No. R-7624

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

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on July 25, 1984, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 7th day of August, 1984, 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 seven non-standard gas proration units in the Blanco Mesaverde Pool comprising the following described areas in San Juan County, New Mexico, each unit to be dedicated to an existent well already drilled thereon, also described below:

Eaton Com "B" Well No. 1
Township 29 North, Range 11 West, NMPM
Section 25: SE/4 (160 acres)

Bruce Sullivan Com "B" Well No. 1
Township 29 North, Range 11 West, NMPM
Section 25: NW/4 (160 acres)

Sullivan Frame Com "B" Well No. 1
Township 29 North, Range 10 West, NMPM
Section 30: NW/4 (160 acres)

Bruce Com Well No. 1
Township 29 North, Range 10 West, NMPM

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Section 19: NW/4 (157.1 acres)

Sullivan Frame "A" Well No. 1-E
Township 29 North, Range 10 West, NMPM
Section 30: NE/4 (160 acres)

Sullivan Gas Unit "A" Well No. 1-E
Township 29 North, Range 11 West, NMPM
Section 25: SW/4 (160 acres)

Marcus G. Eaton Gas Unit "A" Well No. 1-E
Township 29 North, Range 11 West, NMPM
Section 25: NE/4 (160 acres)

(3) That the above wells were completed in the Blanco Mesaverde Pool, pursuant, in part, to Division Order No. R-6313, dated April 15, 1980.

(4) That on August 6, 1982 in Division Order No. R-7046 the Commission extended the limits of the Blanco-Mesaverde Pool to include the acreage dedicated to the above wells.

(5) That at the time the above wells were completed, the spacing in the Mesaverde formation was 160 acres.

(6) That there are substantial differences in ownership of interests between the two 160-acre tracts which would be included in a standard 320-acre dedication in the Blanco-Mesaverde Pool.

(7) That all mineral interests owners in the Blanco-Mesaverde Pool in the seven proposed non-standard proration units which are the subject matter of this application share in production from the Blanco-Mesaverde Pool.

(8) That requiring the rededication of 320 acres to each Blanco-Mesaverde well will result in a dilution of the interest of the working interest owners.

(9) That there is a wide variation in production from the Blanco-Mesaverde wells which would comprise the new 320-acre units.

(10) That approval of the subject application will afford the applicant the opportunity to produce his just and equitable share of the gas in the Blanco-Mesaverde 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 protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That seven non-standard gas proration units in the Blanco-Mesaverde Pool, NMPM, San Juan County, New Mexico, are hereby established and dedicated to wells as follows:

Eaton Com "B" Well No. 1
Township 29 North, Range 11 West, NMPM ✓
Section 25: SE/4 (160 acres)

Bruce Sullivan Com "B" Well No. 1
Township 29 North, Range 11 West, NMPM, ✓
Section 25: NW/4 (160 acres)

Sullivan Frame Com "B" Well No. 1
Township 29 North, Range 10 West, NMPM ✓
Section 30: NW/4 (160 acres) 157.20

~~Bruce~~ ^{Bruce} Com Well No. 1
Township 29 North, Range 10 West, NMPM ✓
Section 19: NW/4 (157.1 acres)

Sullivan Frame "A" Well No. 1-E
Township 29 North, Range 10 West, NMPM ✓
Section 30: NE/4 (160 acres)

Sullivan ~~Gas Unit~~ "A" Well No. 1-E
Township 29 North, Range 11 West, NMPM ✓
Section 25: SW/4 (160 acres)

~~Marcus G.~~ Eaton Gas Unit "A" Well No. 1-E ✓
Township 29 North, Range 11 West, NMPM
Section 25: NE/4 (160 acres)

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

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Case No. 8282

Order No. R-7624

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY,
Director

S E A L

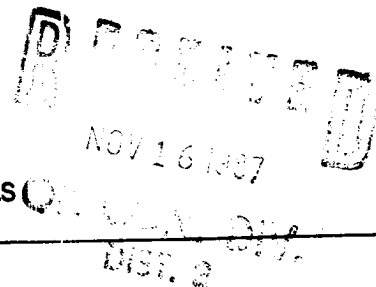
STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION
P.O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-104
Revised 10-01-78
Format 06-01-83
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REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS



Operator Tenneco Oil Company	
Address P.O. Box 3249, Englewood, CO 80155	
Reason(s) for filing (Check proper box)	Other (Please explain)
<input type="checkbox"/> New Well <input type="checkbox"/> Recompletion <input type="checkbox"/> Change in Ownership	Change in Transporter of: <input type="checkbox"/> Oil <input type="checkbox"/> Casinghead Gas <input checked="" type="checkbox"/> Dry Gas <input checked="" type="checkbox"/> Condensate
Change of condensate transporter from Gary Energy to Conoco effective 12/1/87	

If change of ownership give name and address of previous owner _____

II. DESCRIPTION OF WELL AND LEASE

* 30-045-24437

Lease Name Eaton A	Well No. 1E	Pool Name, including Formation Blanco Mesaverde	Kind of Lease State, Federal or Fee State	Lease No. *
Location				
Unit Letter B	: 1020	Feet From The North	Line and 1450	Feet From The East
Line of Section 25	Township 29N	Range 11W	NMPM. San Juan	County

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS


Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input checked="" type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)	
Conoco	P.O. Box 460, Hobbs, NM 88240	
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)	
El Paso Natural Gas Company	P.O. Box 4990, Farmington, NM 87401	
If well produces oil or liquids, give location of tanks.	Unit B	Sec 25
	Twp. 29N	Rge. 11W
	Is gas actually connected? Yes	When

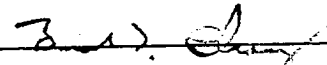
If this production is commingled with that from any other lease or pool, give commingling order number _____

NOTE: Complete Parts IV and V on reverse side if necessary.

VI. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given is true and complete to the best of my knowledge and belief.


(Signature)
Sr. Administrative Analyst
(Title)
11/12/87
(Date)

OIL CONSERVATION DIVISION
APPROVED **NOV 16 1987**, 19____
BY 
TITLE **SUPERVISION DISTRICT # 2**
This form is to be filed in compliance with RULE 1104.
If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 111.
All sections of this form must be filled out completely for allowable on new and recompleted wells.
Fill out only Section I, II, III, and VI for changes of owner, well name and or number, or transporter, or other such change of condition.
Separate Forms C-104 must be filed for each pool in multiply completed wells.