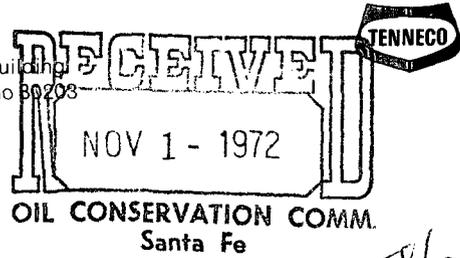


Tenneco Oil
A Tenneco Company

Suite 1200
Lincoln Tower Building
Denver, Colorado 80203
(303) 292-9920



70 waiting

October 27, 1972

586

Mr. A. L. Porter, Jr.
Secretary-Director
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

NSL
2300' FSL &
1450' FWL provided
number well shall be
located no

RE: Additional Producing Well
2300' FSL, 1450' FWL,
Sec. 8, R8W, T17N,
Lone Pine Dakota "D" Unit
McKinley County, New Mexico

separates
than
330'
to the
outer boundary
of the
unit,

Dear Sir:

Tenneco Oil Company, as operator of the Lone Pine Dakota "D" Unit, respectfully submits application for administrative approval to drill an oil producing well, the Lone Pine Dakota "D" Unit #29, within 330 feet of the outer boundaries of the Lone Pine Dakota "D" Unit Area. Under terms of Rule 10, Commission Order R-4263, the Secretary-Director has the authority to grant such permission. In support of this request, we are attaching the following:

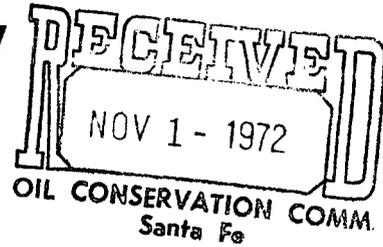
1. A structure map showing the proposed location of the well.
2. A copy of USGS form 9-331-C showing anticipated well data and location.

Two producing wells, the BSK Edna #1 and the Hanson #22 have been drilled and completed in the Lone Pine Dakota "D" Oil Pool outside the Unit Area. On August 15, 1972, Tenneco Oil Company, as operator of the Unit, invited Mr. C. C. Kennedy and Tesoro Petroleum Corporation, the respective operators of the aforementioned wells to join the Unit. The terms offered for membership were compatible with those given the original owners. Mr. Kennedy has declined to join the Unit while Tesoro accepted.

Rule 10 of R-4263

Lone Pine - Dakota "D" Pool

TENNECO OIL COMPANY



Mr. A. L. Porter
October 27, 1972
Page 2

Tenneco proposes to drill the captioned well in order to prevent drainage. Production and geologic data indicate that as of November 1, 1972, the Edna #1 had produced a disproportionately high amount of oil. In addition, the gas and water pressure maintenance project, installed and maintained at Unit Owner's expense, is beginning to favorably influence reservoir producing characteristics, and will undoubtedly benefit the BSK Edna #1.

To minimize the drainage outside the Unit Area, Tenneco requests your immediate consideration and approval of this well.

Respectfully submitted,

TENNECO OIL COMPANY


R. A. Williford
District Production Manager

WEB/lj

cc: C. W. Nance
Attachments

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
 DRILL DEEPEN PLUG BACK

b. TYPE OF WELL
 OIL WELL GAS WELL OTHER
 SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
 Tenneco Oil Company

3. ADDRESS OF OPERATOR
 Suite 1200 - Lincoln Tower Bldg., Denver, Colorado

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)
 At surface 1450' F/WL and 2300' F/SL
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)

16. NO. OF ACRES IN LEASE
 2,598

17. NO. OF ACRES ASSIGNED TO THIS WELL
 80

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH
 2,880

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
 7045 GR (est.)

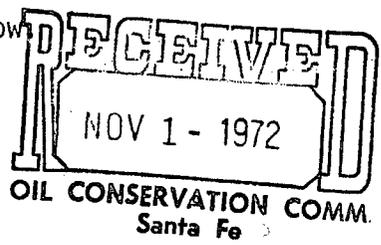
22. APPROX. DATE WORK WILL START*
 upon approval

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8	24#	80	Sufficient to circulate
7-7/8"	5-1/2	15.5#	2880	Sufficient to fill 500' above producing zone

Well to be drilled to approximate T. D. of 2880', logged, and if commercial production is indicated, casing will be run to TD, perforated and formation treated as necessary to establish commercial production.

NOTE: Certified plats to follow NMOCC Order No. R-4263



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED G. A. Ford TITLE Asst. Prod. Clerk DATE 10/26/72

(This space for Federal or State office use)

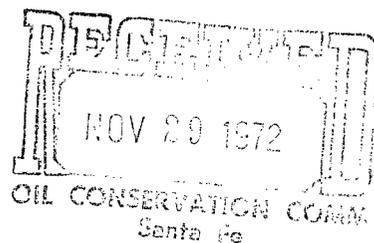
PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

BURR & COOLEY
ATTORNEYS AND COUNSELORS AT LAW
SUITE 152 PETROLEUM CENTER BUILDING
FARMINGTON, NEW MEXICO
87401



JOEL B. BURR, JR.
WM. J. COOLEY

TELEPHONE 325-1702
AREA CODE 505

November 22, 1972

NEW MEXICO OIL CONSERVATION COMMISSION
P. O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

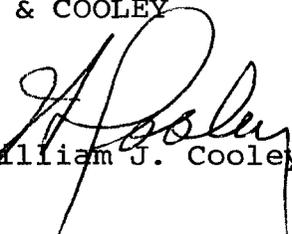
This firm represents Claude C. Kennedy, who has an application pending before the Commission to change the unit rules in the Lone Pine Dakota field, McKinley County, New Mexico. This application is scheduled to be heard on November 29, 1972.

In order to accommodate opposing counsel, we have no objection to your setting this matter to be heard first thing Wednesday morning, November 29.

Very truly yours,

BURR & COOLEY

BY


William J. Cooley

WJC:jjh

cc: White, Koch, Kelly & McCarthy
P. O. Box 787
Santa Fe, New Mexico 87501

*See Case
4869
Orders no's.
R-4454 &
R-4454-A*

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

November 6, 1972

Case 4869

Burr and Cooley
Suite 152 Petroleum Center Building
Farmington, New Mexico 87401

Attention: Mr. Joel B. Burr, Jr.

Gentlemen:

We hereby acknowledge receipt of your application to amend Commission Order No. R-4263 as follows:

1. To require that all wells drilled within the Lone Pine Dakota "D" Unit be drilled on locations no closer than 330 feet from the boundary of the quarter-quarter section in which any such well is located.

2. To prohibit the transfer of allowable to any well located closer than 1320 feet from the outer boundary of the unit area.

Further, to revoke Administrative Order No. NSL-586, dated November 1, 1972, which order authorized Tenneco Oil Company to drill its proposed Lone Pine Dakota "D" Unit No. 29 Well at a location 2300 feet from the south line and 1450 feet from the west line of Section 8, Township 17 North, Range 8 West.

Your application for the above-described three items will be docketed for hearing at the examiner hearing scheduled to be held at 9:00 o'clock a.m., November 29, 1972.

However, the Commission will take no action at this time with respect to the effectiveness of Administrative Order No. NSL-586.

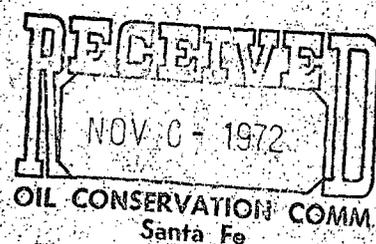
Yours very truly,

A. L. PORTER, Jr.
Secretary-Director

ALP/dr

cc: U. S. Geological Survey - Roswell
Tenneco Oil - Denver, Colorado
Attention: Mr. R. A. Williford

C
O
P
Y



BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION

OF

CLAUDE C. KENNEDY

For Amendment of Order No. R-4263
and for Revocation of Administrative
Order No. N.S.L. 586

APPLICATION

COMES NOW the Applicant Claude C. Kennedy and respectfully
makes application to the Oil Conservation Commission of New
Mexico to amend Order No. R-4263 as follows:

follows:

1. To require that all wells drilled within the Lone Pine
Dakota "D" Unit be drilled on locations no closer than 330 feet
from the boundary of the quarter-quarter section in which any
such well is located.

2. To prohibit the transfer of allowable to any well located
closer than 1320 feet from the outer boundary of the unit area.

Applicant further requests that the Commission revoke
Administrative Order No. N.S.L. 586 dated November 1, 1972,
which order authorized Tenneco Oil Company to drill its proposed
Lone Pine Dakota "D" Unit No. 29 well at a location 2300 feet
from the south line and 1450 feet from the west line of Section
8, Township 17 North, Range 8 West.

Applicant further requests the Commission to immediately
stay Administrative Order No. N.S.L. 586 until such time as this
application can be heard and finally adjudicated.

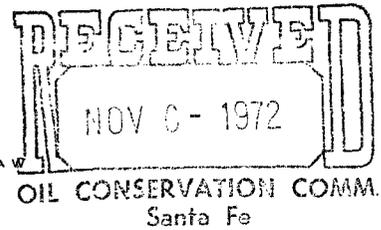
In support of the foregoing application, Applicant alleges that the correlative rights of the working interest owners, as well as the royalty owners under the East Half of the Northwest Quarter (E/2 NW/4), Section 8, Township 17 North, Range 8 West, N.M.P.M., will be irreparably damaged if Tenneco is permitted to drill its proposed L.P.D.D.U. No. 29 well at the above stated location under the present rules governing the pressure maintenance project in the Lone Pine Dakota "D" Unit as set forth in Order No. R-4263.

WHEREFORE, the Applicant prays that this matter be set down for hearing at the examiner's hearing scheduled on November 29, 1972, and that the above requested relief be granted.

BURR & COOLEY
152 Petroleum Center Building
Farmington, New Mexico 87401

By Joel B. Burr, Jr.
Joel B. Burr, Jr.
Attorneys for Applicant

BURR & COOLEY
ATTORNEYS AND COUNSELORS AT LAW
SUITE 152 PETROLEUM CENTER BUILDING
FARMINGTON, NEW MEXICO
87401



JOEL B. BURR, JR.
WM. J. COOLEY

TELEPHONE 325-1702
AREA CODE 505

November 3, 1972

NEW MEXICO OIL CONSERVATION COMMISSION
P. O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

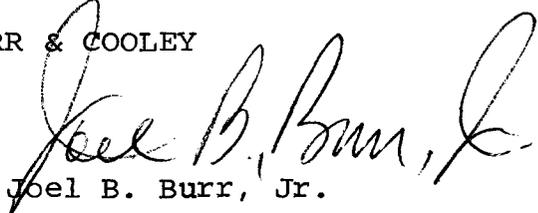
Enclosed for filing please find the Application of Claude C. Kennedy for amendment of Order No. R-4263 and for revocation of Administrative Order N.S.L. 586.

Please note that the Applicant has requested that you immediately stay Administrative Order No. N.S.L. 586 until such time as his Application can be heard and finally adjudicated. We would appreciate your advising us of your decision with respect to Mr. Kennedy's application for stay.

Very truly yours,

BURR & COOLEY

By


Joel B. Burr, Jr.

JBB:jjh
Encls.