

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. 4249
Order No. R-3822-A

APPLICATION OF TENNECO OIL COMPANY
FOR AMENDMENT OF ORDER NO. R-3822
AND OFF-LEASE STORAGE, SAN JUAN
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 5, 1969, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 10th day of November, 1969, 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 Order No. R-3822, dated September 4, 1969, pooled all mineral interests, whatever they may be, in the Basin-Dakota Gas Pool underlying the N/2 of Section 11, Township 29 North, Range 13 West, NMPM, San Juan County, New Mexico, to form a 320-acre gas proration unit to be dedicated to a well to be drilled at an unorthodox gas well location 2250 feet from the North line and 600 feet from the East line of said Section 11.

(3) That said Order No. R-3822 designated Tenneco Oil Company as the operator of said well and unit.

(4) That the applicant, Tenneco Oil Company, now seeks amendment of said Order No. R-3822 to permit the drilling of the

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above-described well at a point 2390 feet from the North line and 275 feet from the East line of said Section 11.

(5) That the applicant further seeks authority to transport, prior to measurement, to another lease for storage the liquid hydrocarbons produced by the subject well.

(6) That certain interested persons have objected to the surface location authorized by said Order No. R-3822 as being too close to certain buildings.

(7) That the proposed new location was chosen in order to provide the maximum feasible distance from homes, buildings, highways, and railroad, and should be approved in order to prevent waste and protect correlative rights.

(8) That the proposed new location is situated upon an island in the Animas River and in order to ease transportation problems, the applicant should be authorized to transport, prior to measurement, to another lease for storage the liquid hydrocarbons produced by the subject well.

IT IS THEREFORE ORDERED:

(1) That Order (1) of Order No. R-3822 is hereby amended to read in its entirety as follows:

"(1) That all mineral interests, whatever they may be, in the Basin-Dakota Gas Pool underlying the N/2 of Section 11, Township 29 North, Range 13 West, NMPM, San Juan County, New Mexico, are hereby pooled to form a 320-acre gas proration unit to be dedicated to a well to be drilled at an unorthodox gas well location 2390 feet from the North line and 275 feet from the East line of said Section 11.

"That the applicant is hereby authorized to transport for off-lease storage and prior to measurement, the liquid hydrocarbons produced by the above-described well to a tank battery to be located 1500 feet from the South line and 820 feet from the East line of the aforesaid Section 11, provided that there shall be no intercommunication of the handling, separating, treating, or storage facilities of the liquid hydrocarbons from the subject well with those of any other well."

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(2) 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


DAVID F. CARGO, Chairman


ALEX J. ARMEJO, Member


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

