Docket No. 4-71

DOCKET: REGULAR HEARING - WEDNESDAY - FEBRUARY 17, 1971

NSERVATION COMMISSION - 9 A.M. - MORGAN HALL, STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

BLE: (1) Consideration of the oil allowable for March and April, 1971;

(2) Consideration of the allowable production of gas for March, 1971, from fifteen prorated pools in Lea, Eddy, Roosevelt and Chaves Counties, New Mexico. Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico, for March, 1971.

1442 (De Novo):

Application of Texaco Inc. for an exception to Rule 505 of the Commission Rules and Regulations, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 505 of the Commission Rules and Regulations to permit the assignment of more than one single top unit allowable for the Vacuum-Abo Pool to two wells, the surface locations of which are in Unit E of Section 12, Township 18 South, Range 34 East, Lea County, New Mexico, as follows:

State "AE" Well No. 8 - 2310 feet from the North line and 330 feet from the West line;

State "AE" Well No. 10 - 1980 feet from the North line and 990 feet from the West line;

Said Well No. 10 is a relatively straight hole with all perforations confined entirely to said Unit E while said Well No. 8 is a crooked hole and would have perforations both in said Unit E of Section 12 and in Unit H of Section 11 of said Township and Range.

Upon application of Texaco Inc., this case will be heard \underline{DE} <u>NOVO</u> under the provisions of Rule 1220.

In the alternative, applicant seeks an exception to Rule 104-C-I of the Commission Rules and Regulations to permit said Well No. 8 to have perforations outside the horizontal limits of the proration unit presently dedicated to said well.

4457: Application of Tenneco Oil Company for the creation of a new pool, assignment of discovery allowable, and promulgation of special pool rules, McKinley County, New Mexico. Applicant, in the abovestyled cause, seeks the creation of a new pool for the production of oil from the "D" zone of the Dakota formation for its Don Ne Pah Well No. 1 located in Unit D of Section 18, Township 17 North, Range 8 West, McKinley County, New Mexico, and for the assignment of an oil discovery allowable to said well. Applicant further seeks the promulgation of special rules for said pool, including provisions for 80-acre spacing units with wells to be drilled in either the northwest or southeast quarter-quarter sections. Upon the application of Tenneco Oil Company this case will be heard DE NOVO under the provisions of Rule 1220.