

**CASE 5133: Appli. of ATLANTIC
FOR 4 NON-STANDARD GAS PRORATION
UNITS & SIMULTANEOUS DEDICATION.**

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CASE No.

5133

Application,

Transcripts,

Small Exhibits

ETC.

EXAMINER HEARING

Case No. 5133

THE NYE REPORTING SERVICE
STATE-WIDE DEPOSITION NOTARIES
225 JOHNSON STREET
SANTA FE, NEW MEXICO 87501
TEL. (505) 982-0386

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E X H I B I T S

	<u>Marked</u>	<u>Admitted</u>
ARCO's Exhibits Nos. 1 thru 8	--	8

MR. NUTTER: We will call next case, Case No. 5133.

MR. CARR: Case 5133. Application of Atlantic Richfield Company for four non-standard gas proration units and simultaneous dedication, Lea County, New Mexico.

(Whereupon, a discussion was held off the record.)

MR. NUTTER: Okay, Clarence, we've already called 5133. We're ready to go on.

MR. HINKLE: Clarence Hinkle, Hinkle, Bondurant, Cox and Eaton, appearing on behalf of Atlantic Richfield.

We have one witness and eight Exhibits.

DARRYL BOSE

called as a witness, having been first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. HINKLE:

Q State your name and residence and by whom you are employed.

A Darryl Bose, Midland, Texas, Atlantic Richfield Company.

Q Have you previously testified before the Commission?

A I have.

Q You're a petroleum engineer?

A Yes, sir.

Q Your qualifications as petroleum engineer are a matter of record with the Commission?

A They are.

Q Are you familiar with the Application of Atlantic Richfield in Case No. 5133?

A I am.

Q What is Atlantic Richfield seeking to accomplish?

A We are requesting four-320 acre non-standard gas proration units all located in Township 22 South, Range 36 East, Lea County, New Mexico. The first being north half of Section 34 to be dedicated to the Jones -- to be simultaneously dedicated to Curran Jones Well Nos. 1 and 10 located in proration Units A and C, Section 34. Second, being the north half of Section 14 to be simultaneously dedicated McDonald State Wells Nos. 11 and 25 located in proration Unit D. Third being the east half of Section 26 to be simultaneously dedicated to McDonald State Wells Nos. 8, 9 and 22. These wells located in proration Unit P, G and A, respectively. The fourth being the west half of Section 24 to be simultaneously dedicated to McDonald State Wells Nos. 12, 26 located in proration Units M and D respectively.

Q Have you prepared or has there been prepared under

your direction certain Exhibits for introduction in this case?

A There have.

Q They are Exhibits 1 through 8?

A Yes, sir.

Q Referring to Exhibit 1 and explain what this shows.

A Exhibit 1, the outline in blue is the 320 acre Jalmat proration and currently assigned to the Curran Jones Well No. 1 located in proration No. 8, Section 34. This well is currently classified as marginal Jalmat Well and we request a 320-acre non-standard Jalmat Gas proration unit comprising the north half of 34 to simultaneously dedicated to the Curran Jones Well No. 1 and No. 10 in proration Units A and C, respectively with the allowable to be produced from either well in any proration.

Q Refer to Exhibit No. 2 and explain what this is.

A Exhibit No. 2 is a well location acreage dedication plat for the Curran Jones Well No. 10 and note the Curran Jones No. 10 located in proration Unit C is located 990 from the north and 1650 from the west of Section 34, Township 22, Range 36 East, Lea County.

Q Okay. Refer to Exhibit No. 3 and explain that.

A Exhibit 3 is a plat showing outlined in blue is the

320-acre Jalmat Yates gas proration currently assigned to McDonald State Well No. 11 located in proration Unit D, Section 14 and we're requesting a 320-acre prorationing and comprising the north half of Section 14 to simultaneous dedicated to McDonald State Wells Nos. 11 and 25 both located in proration Unit D with allowable to produce in any well in any proportion.

Q Is there any particular reason why you are locating the well you propose to drill fairly close to the existing well?

A Well, we feel that due to the type of completion in the Well No. 11, we cannot work it over successfully bringing it up to the top allowable rate.. The Well No. 11 is currently classified as a marginal.

MR. NUTTER: It's also a marginal.

BY MR. HINKLE:

Q Exhibit No. 4, explain that.

A Exhibit No. 4 is a well location and acreage dedication plat for McDonald State W.M. No. 25, which is located in proration Unit D and note it's location is 660 from the north and 770 from the west line of Section 14, Township 22 South, Range 36 East.

Q Now, referring to Exhibit 5 and explain that.

A Okay. Outlined in blue is a 320-acre Jalmat gas proration unit currently assigned to McDonald State Wells Nos. 8 and 9 located in proration Units P and G. These wells are currently classified as marginal Jalmat gas wells.

Q Referring to --

A (Interrupting) We are requesting here for a 320-acre unit comprising the east half of Section 26 to be simultaneously dedicated to McDonald State Wells Nos. 8, 9 and 22 located in proration Units P, G and A respectively with the allowable to produce from any of the three wells in the proration.

Q Exhibit No. 6, explain that.

A It is a well location and acreage dedication plat with McDonald's W No. 22 and is located in proration Unit A of Section 26. Note it is located 990 from the north and 660 from the east, Section 26, Township 22 South, Range 36 East, Lea County.

Q Now, refer to Exhibits Nos. 7 and 8 and explain what it means.

A Outlined in blue is proposed 320-acre Jalmat gas proration unit comprising of the west half of Section 24, simultaneously dedicated to McDonald State Well No. 12 and 26, located in proration units M and D respectively with the

allowable to produce in any well in any proportion. At the present time, McDonald State 12 is classified as marginal Jalmat gas well. It has 160 acres assigned which is the Southwest quarter of 24.

Q In your opinion, will the approval of this Application be in the interest of conservation and prevention of waste and protect the correlative rights?

A It will.

Q Did you have anything further that you would like to submit to the Commission?

A This Exhibit "H" on the well location and acre dedication to McDonald State W No. 26, note that it is Well No. 26 located in proration Unit D, located 660 from the north and West of Section 24, Township 22 South, Range 34 East, Lea County.

Q Do you have anything further?

A No.

MR. HINKLE: I would like to offer in evidence Exhibits 1 through 8.

MR. NUTTER: ARCO Exhibits 1 through 8 will be admitted in evidence.

(Whereupon, ARCO Exhibits Nos. 1 through 8 for identification were admitted into evidence.)

MR. NUTTER: Is that all, Mr. Hinkle?

MR. HINKLE: That's all I have.

CROSS EXAMINATION

BY MR. NUTTER:

Q Mr. Bose, have each of these new wells to be dedicated to these units already been completed as a gas well?

A No, none of them have been drilled yet.

Q So, you don't have any tests on them?

A Right.

MR. NUTTER: Are there any further questions of the witness. He may be excused.

(Witness is excused.)

MR. NUTTER: Does anyone have anything they wish to offer in Case 5133?

We will take the case under advisement.

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

I, RICHARD L. NYE, Court Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.

COURT REPORTER

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 5133 heard by me on 1-3, 1974

W. H. H. H. H., Examiner
New Mexico Oil Conservation Commission

THE NYE REPORTING SERVICE
STATE-WIDE DEPOSITION NOTARIES
225 JOHNSON STREET
SANTA FE, NEW MEXICO 87501
TEL. (505) 962-0386



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 2088 - SANTA FE
87501

January 24, 1974

I. R. TRUJILLO
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

Re: CASE NO. 5133

ORDER NO. R-4716

Mr. Clarence Hinkle
Hinkle, Bondurant, Cox & Eaton
Attorneys at Law
Post Office Box 10
Roswell, New Mexico 88201

Applicant:

Atlantic Richfield

Dear Sir:

Enclosed herewith are two copies of the above-referenced
Commission order recently entered in the subject case.

Very truly yours,

A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC x
Artesia OCC _____
Aztec OCC _____

Other _____

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. 5133
Order No. R-4716

APPLICATION OF ATLANTIC RICHFIELD
COMPANY FOR FOUR NON-STANDARD GAS
PRORATION UNITS AND SIMULTANEOUS
DEDICATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 3, 1974,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 24th day of January, 1974, 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, Atlantic Richfield Company, seeks
approval for the following four non-standard 320-acre gas
proration units in Township 22 South, Range 36 East, NMPM,
Jalmat Gas Pool, Lea County, New Mexico:

The N/2 of Section 34 to be simultaneously dedicated
to the Curran Jones Wells Nos. 1 and 10, located in
Units A and C, respectively, of Section 34, with the
allowable to be produced from either well in any
proportion;

The N/2 of Section 14 to be dedicated to the McDonald
State Wells Nos. 11 and 25, both located in Unit D of
Section 14, with the allowable to be produced from
either well in any proportion;

The E/2 of Section 26 to be dedicated to the McDonald
State Wells Nos. 22, 9, and 8, located in Units A, G,
and P, respectively, of Section 26, with the allowable
to be produced from any of said wells in any proportion,
and

The W/2 of Section 24 to be dedicated to the McDonald State Wells Nos. 26 and 12 located in Units D and M, respectively, of Section 26, with the allowable to be produced from either well in any proportion.

(3) That the proposed non-standard gas proration units can be efficiently and economically drained and developed by the subject wells.

(4) That the existing wells with the proposed non-standard gas proration units are capable of marginal production only.

(5) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Jalmat Gas Pool and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That effective at 7:00 a.m. February 1, 1974, or when the affected wells are completed and connected, whichever date is later, the applicant, Atlantic Richfield Company, is hereby authorized to simultaneously dedicate the following four non-standard 320-acre gas proration units in Township 22 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, as follows with unit production to be taken from the wells to which the units are dedicated in any proportion:

The N/2 of Section 34 to be dedicated to applicant's Curran Jones Wells Nos. 1 and 10, located in Units A and C, respectively, of Section 34;

The N/2 of Section 14 to be dedicated to applicant's McDonald State Wells Nos. 11 and 25 both located in Unit D of Section 14;

The E/2 of Section 26 to be dedicated to applicant's McDonald State Wells Nos. 22, 9, and 8 located in Units A, G, and P, respectively, of Section 26; and

The W/2 of Section 24 to be dedicated to applicant's McDonald State Wells Nos. 26 and 12 located in Units D and M, respectively, of Section 24.

(2) That the allowable assigned to each of the above-described gas proration units shall be based upon the unit size of 320 acres and the operator may produce the allowable assigned to the unit from the wells to which the unit is dedicated in any proportion.

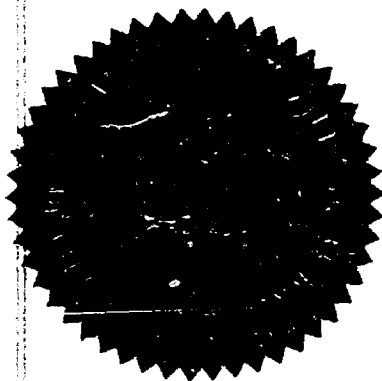
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Case No. 5133

Order No. R-4716

(3) 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


I. R. TRUJILLO, Chairman


ALEX J. ARMIJO, Member


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

S E A L

dr/



NORTH AMERICAN EXPLORATION AND PRODUCTION GROUP
Dallas Production Region

SUN OIL COMPANY

HILLCREST 635 OFFICE PARK, 12850 HILLCREST ROAD, DALLAS, TEXAS 75230 (214) 744-4411

December 5, 1973

Case 5133

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Application of Atlantic Richfield
Company for an Unorthodox Location
and Rededication of Acreage, Jalmat
Pool, Lea County, New Mexico

Gentlemen:

Sun Oil Company has been notified of Atlantic Richfield Company's application for an unorthodox location and rededication of acreage to certain wells on its McDonald State Lease and, as an offset operator, has no objection to this proposal.

Yours very truly,

SUN OIL COMPANY
H. R. Huey

By:

J. T. Power
J. T. Power

HRH/JTP/af

cc: Atlantic Richfield Company
P. O. Box 2819
Dallas, Texas 75221

DOCKET: EXAMINER HEARING - THURSDAY - JANUARY 3, 1974

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

CASE 5000: (Continued from the June 20, 1973, Regular Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Aztec Oil and Gas Company and United States Fidelity and Guaranty Company and all other interested parties to appear and show cause why the Aztec Totah Unit Wells Nos. 17 and 18, located in Unit E of Section 20, and Unit H of Section 19, respectively, Township 29 North, Range 13 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5006: (Continued from the June 20, 1973, Regular Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Aztec Oil and Gas Company and United States Fidelity and Guaranty Company and all other interested parties to appear and show cause why the Southeast Cha Cha Unit Well No. 1 located in Unit M of Section 32, Township 29 North, Range 13 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5128: Application of Gulf Oil Corporation for a non-standard gas proration unit and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard gas proration unit comprising the NE/4 SW/4 and W/2 SE/4 of Section 28 and the NW/4 NE/4 of Section 33, both in Township 21 South, Range 37 East, Blinbry Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to its J. N. Carson Wells Nos. 4 and 9 located in Units O and K, respectively, of Section 28.

CASE 5129: Application of Dorchester Exploration Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order force pooling all mineral interests in the Wilson-Pennsylvanian Pool underlying the E/2 of Section 13, Township 21 South, Range 34 East, Lea County, New Mexico, to be dedicated to a well to be drilled at a standard location in Unit I of said Section 13. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 5130: Application of Mesa Petroleum Company for the amendment of Order No. R-4658, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-4658, which order promulgated special

(Case 5130 continued from Page 1)

pool rules for the North Shoe Bar-Strawn Pool, Lea County, New Mexico. Applicant seeks the amendment of said rules to provide for a special gas-oil ratio limitation of 4000 to one.

CASE 5131: Application of Jake Hamon for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Devonian formation through the perforated interval from 12,935 feet to 12,946 feet and the open-hole interval from 12,960 feet to 13,023 feet in his Getty State L-736 Well No. 1 located in Unit D of Section 32, Township 16 South, Range 36 East, East Shoe Bar-Devonian Pool, Lea County, New Mexico.

CASE 5132: Application of American Quasar Petroleum Company of New Mexico for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the White City Unit Area comprising 5,120 acres, more or less, of Federal, State and fee lands in Township 25 South, Ranges 25 and 26 East, Eddy County, New Mexico.

CASE 5133: Application of Atlantic Richfield Company for four non-standard gas proration units and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the following 320-acre non-standard gas proration units in Township 22 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico:

The N/2 of Section 34 to be dedicated to its Curran Jones Wells Nos. 1 and 10 located in Units A and C, respectively, of Section 34;

McDonald State Lease:

The N/2 of Section 14 to be dedicated to Wells Nos. 11 and 25 both located in Unit D of Section 14;

The E/2 of Section 26 to be dedicated to Wells Nos. 22, 9, and 8 located in Units A, G, and P, respectively, of Section 26;

The W/2 of Section 24 to be dedicated to Wells Nos. 26 and 12 located in Units D and M, respectively, of Section 24.

CASE 5134: Application of Atlantic Richfield Company for simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the simultaneous dedication of four wells to a standard 640-acre unit comprising all of Section 15, Township 22 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico, said wells being applicant's McDonald State WN Wells Nos. 23, 14, 15, and 13, located in Units C, G, L, and P, respectively, of Section 15.

CASE 5135: Application of Atlantic Richfield Company for the amendment of Order No. R-4549, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Rule 1 of the Special Rules for the Empire-Abo Pressure Maintenance Project as promulgated by Order No. R-4549 to expand the project area as defined therein to include the

(Case 5135 continued from Page 2)

SW/4 SE/4 of Section 27 and the S/2 SE/4 of Section 34, both in Township 17 South, Range 28 East, and the NW/4 NE/4 and the SE/4 SW/4 of Section 6, Township 18 South, Range 28 East, Empire-Abo Pool, Eddy County, New Mexico.

Applicant further seeks the amendment of Rules 3 and 4 of said special rules to provide that effective January 1, 1974, the maximum allowable for the project area be 33,000 barrels per day rather than 30,000 as presently provided.

CASE 5136: Application of Coastal States Gas Producing Company for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox oil well location of its McGuffin Well No. 2 at a point 1980 feet from the North line and 660 feet from the West line of Section 29, Township 9 South, Range 33 East, Flying "M"-San Andres Pool, Lea County, New Mexico.

CASE 5137: Application of Skelly Oil Company for two unorthodox locations, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill two producing wells at two unorthodox locations, one 2630 feet from the North line and 1330 feet from the West line and the other 1330 feet from the South line and 10 feet from the West line, both in Section 22, Township 17 South, Range 31 East, Grayburg-Jackson Pool, Eddy County, New Mexico.

CASE 5138: Application of Skelly Oil Company for a waterflood project and four dual completions, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the Seven Rivers formation, Fren Pool, through six injection wells in its Skelly Unit Area in Sections 21, 22 and 28, Township 17 South, Range 31 East, Eddy County, New Mexico, three of which wells would be dually completed for injection into the Seven Rivers formation and the existing Grayburg-Jackson waterflood project. Applicant further seeks authority to dually complete its Skelly Unit Well No. 76 located in Unit 0 of said Section 21 as a dual completion to produce from the Fren Seven Rivers Pool and the Grayburg-Jackson Pool through parallel strings of tubing.

CASE 5139: Application of Skelly Oil Company for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the Grayburg-San Andres formation through three wells on its Lea "C" Lease in Section 11, Township 17 South, Range 31 East, Grayburg-Jackson Pool, Eddy County, New Mexico.

CASE 5141: Application of David Fasken for directional drilling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to re-enter an existing well, the unorthodox surface location of which is 660 feet from the South and West lines of Section 7, Township 18 South, Range 26 East, West Atoka-Morrow Gas Pool, Eddy County, New Mexico,

(Case 5141 continued from Page 3)

and to directionally drill said well in such a manner as to bottom the well in the Morrow formation at a point 915 feet from the South line and 660 feet from the West line of said Section 7.

CASE 5142: Application of Amoco Production Company for special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Black River-Pennsylvanian Gas Pool, Eddy County, New Mexico, including a provision for 320-acre drilling and proration units. In the absence of objection, this pool will be placed on the standard 320-acre spacing for Pennsylvanian gas pools rather than the present 160-acre spacing.

CASE 5140: (This case will be continued to January 16, 1974, Examiner Hearing)

Application of Pierce & Dehlinger for compulsory pooling, Vada-Pennsylvanian Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Vada-Pennsylvanian Pool underlying the NW/4 of Section 24, Township 9 South, Range 33 East, Lea County, New Mexico, to be dedicated to the King Resources Sheridan Well No. 1-A located in Unit C of said Section 24; Also to be considered is designation of the applicant as operator of the NW/4 of said Section 24 and the well located thereon, provision for allocation of actual operating costs and charges for supervision, and allocation of costs for reworking said well including a 200% charge attributable to any non-consenting working interest owner's pro rata share of said workover costs, for the risk involved in said workover.

CASE 4956: (Reopened) (This case will be continued to January 16, 1974, Examiner Hearing)

Application of Pierce & Dehlinger for a determination of well costs, Lea County, New Mexico. Applicant, as operator of the Sheridan Well No. 1 located in Unit M of Section 13, Township 9 South, Range 33 East, Lea County, New Mexico, to which well is dedicated the SW/4 of said Section 13, all mineral interests in the Vada-Pennsylvanian Pool thereunder having been pooled by Commission Order No. R-4560, seeks the determination of reasonable well costs attributable to applicant and to King Resources, including, but not limited to, the costs of reworking and placing said Sheridan Well No. 1 back on production and attorneys fees in connection therewith. Applicant further seeks an order assessing, as a charge for the risk involved in the reworking of the well, 120% of the pro rata share of the reasonable well costs attributable to the working interest of King Resources.

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator Atlantic Richfield Company			Lease Curran Jones		Well No. 10
Unit Letter C	Section 34	Township 22S	Range 36E	County Lea	
Actual Footage Location of Well:					
990 feet from the North line and		1650 feet from the West line			
Ground Level Elev. 3474'	Producing Formation Yates	Pool Jalmat	Dedicated Acreage: 320 Acres		

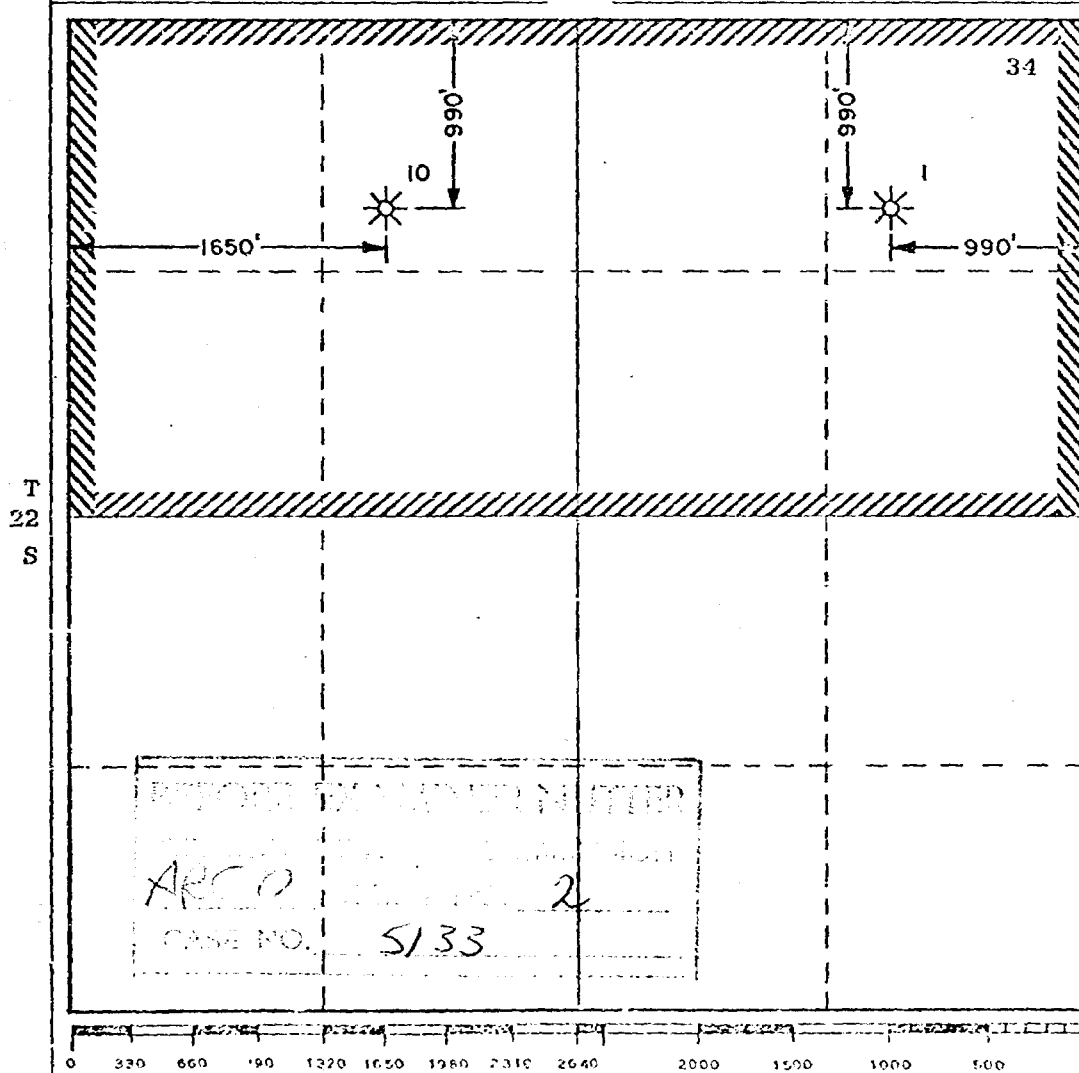
1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

R-36-E



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name *D. D. Satcher*
Position
District Drilling Supv.
Company
Atlantic Richfield Company
Date
10/9/73

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
Registered Professional Engineer and/or Land Surveyor

Certificate No.

EXHIBIT # 2

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator Atlantic Richfield Company		Lease McDonald State WN		Well No. 25
Unit Letter D	Section 14	Township 22S	Range 36E	County Lea
Actual Footage Location of Well:				
660 feet from the North line and		770 feet from the West line		
Ground Level Elev. 3518'	Producing Formation Yates	Pool Jalmat	Dedicated Acreage: 320 Acres	

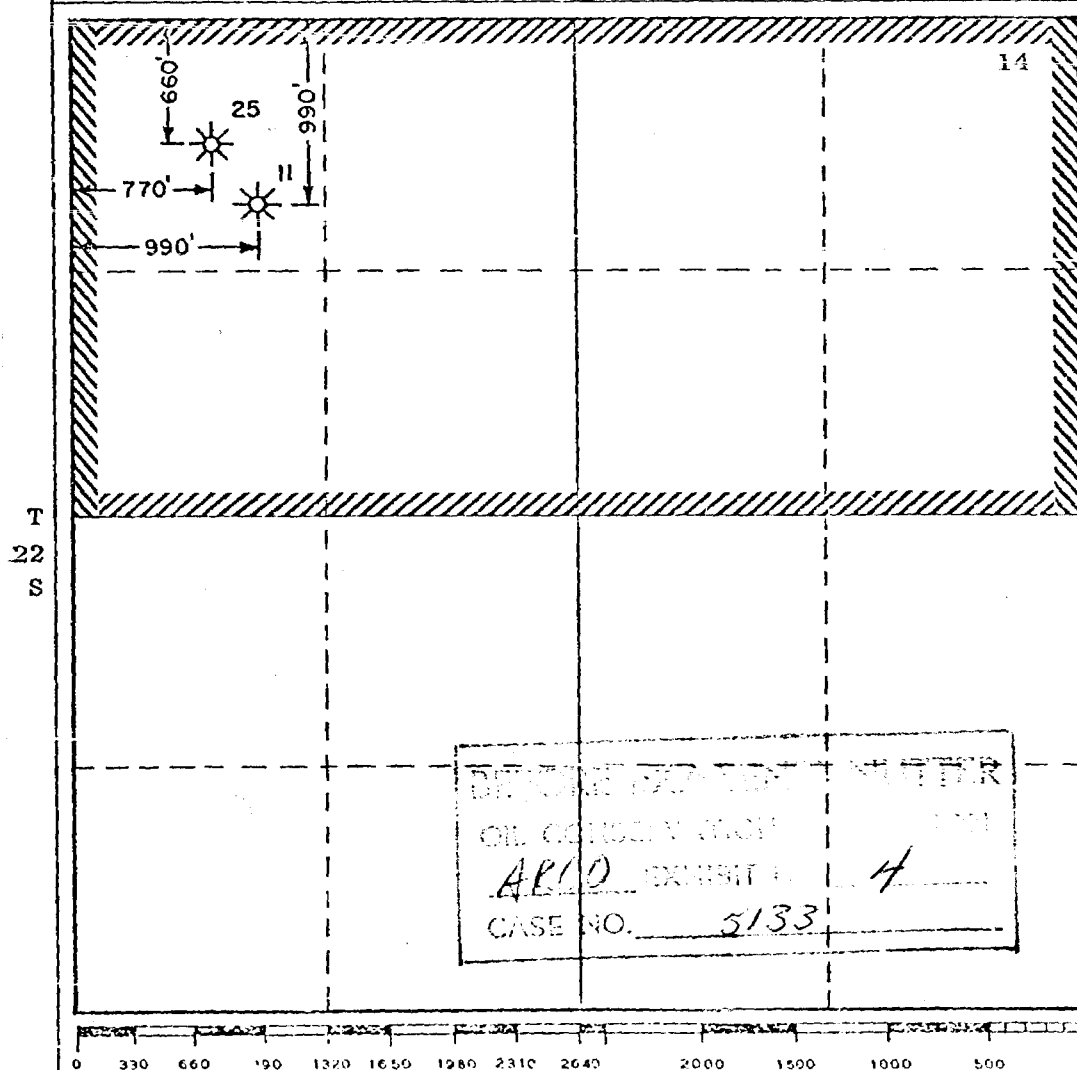
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

R-36-E



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name: D. D. Butcher
Position: District Drilling Supv.
Company: Atlantic Richfield Company
Date: 10/9/73

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed: _____
Registered Professional Engineer and/or Land Surveyor: _____

Certification No.: _____

EXHIBIT **4**

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator Atlantic Richfield Company		Lease McDonald State WN		Well No. 22
Unit Letter A	Section 26	Township 22S	Range 36E	County Lea
Actual Footage Location of Well: 990 feet from the North line and 660 feet from the East line				
Ground Level Elev. 3474'	Producing Formation Yates	Pool Jalmat	Dedicated Acreage: 320 Acres	

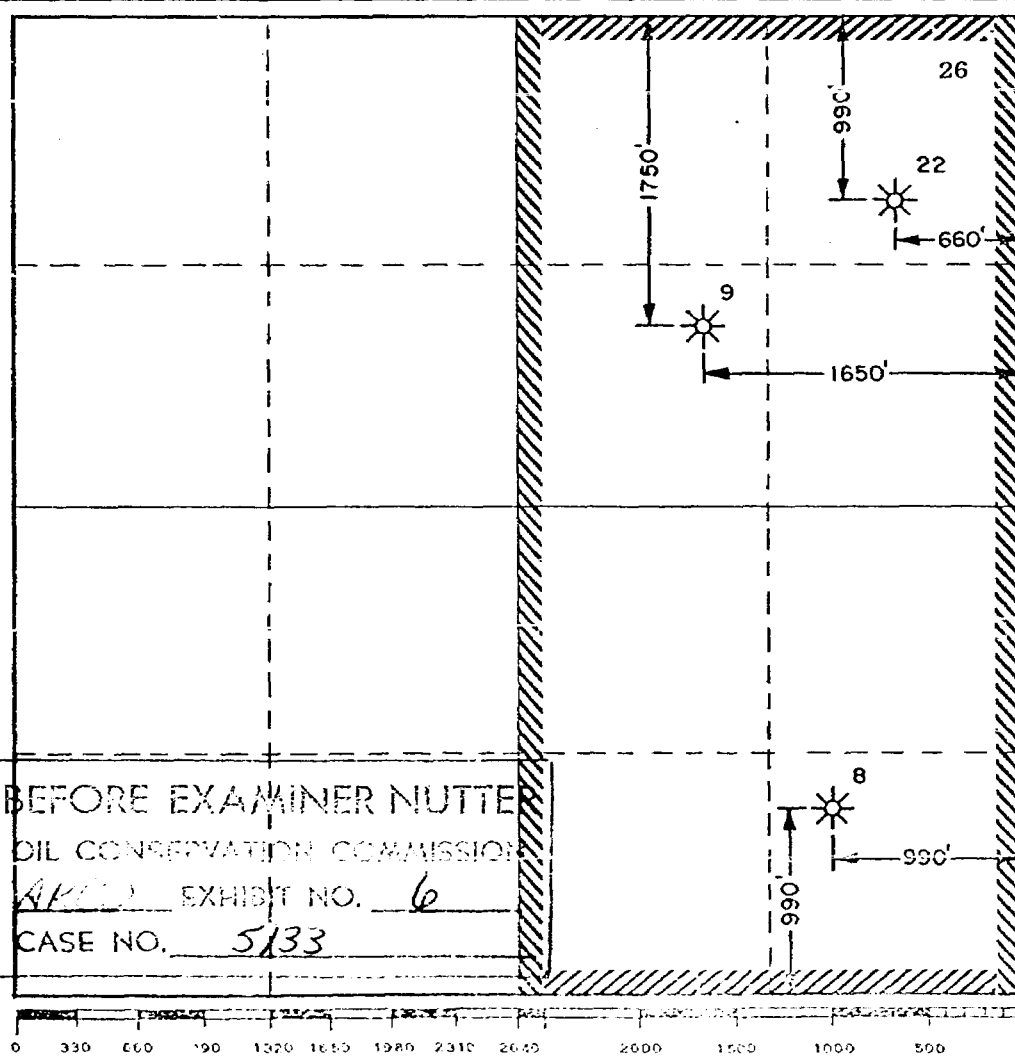
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

R-36-E



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name D. D. Sitcher
Position District Drilling Supv.
Company Atlantic Richfield Company
Date 10/9/73

I hereby certify that the well location, shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed _____
Registered Professional Engineer and/or Land Surveyor _____
Certificate No. _____

BEFORE EXAMINER NUTTE
OIL CONSERVATION COMMISSION
APPROVED EXHIBIT NO. 6
CASE NO. 5133

EXHIBIT #6

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator Atlantic Richfield Company			Lease McDonald State WN		Well No. 26
Unit Letter D	Section 24	Township 22S	Range 36E	County Lea	
Actual Footage Location of Well:					
660 feet from the North line and		660 feet from the West line			
Ground Level Elev. 3475'	Producing Formation Yates	Pool Jalmat	Dedicated Acreage: 320 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

R-36-E

<p>T 22 S</p>	<p>CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p>	
	<p>Name <i>D.D. Sutchles</i></p> <p>Position District Drilling Supv.</p> <p>Company Atlantic Richfield Company</p> <p>Date 10/9/73</p>	
<p>660' 12</p> <p>660'</p>	<p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.</p>	
<p>DEPOSED EXAMINER NUTTER</p> <p>OIL & GAS COMMISSION</p> <p>APPROVED BY NO. 8</p> <p>CASE NO. 5133</p>	<p>Date Surveyed</p> <p>Registered Professional Engineer and/or Land Surveyor</p>	
<p>0 330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600</p>	<p>Certificate No.</p>	

EXHIBIT #8

AtlanticRichfieldCompany

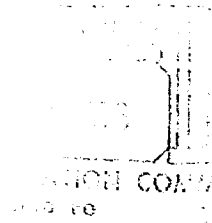
Legal Division
Post Office Box 2819
Dallas, Texas 75221
Telephone 214 651 4873

Duncan W. Holt, Jr.
Attorney



November 6, 1973

Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501



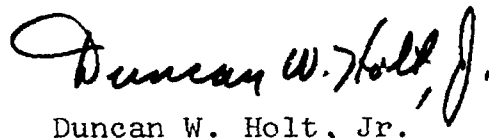
Re: Application of Atlantic Richfield Company
for a Non-Standard Proration Unit and
Rededication of Acreage, Jalmat Pool,
Lea County, New Mexico

Gentlemen:

Enclosed in triplicate is application of Atlantic Richfield Company in the above matter and request that it be set for hearing before an examiner at Santa Fe. We would appreciate the hearing being set as soon as possible.

The off-set operators are Continental Oil Company, P. O. Box 431, Midland, Texas 79701; Dalport Oil Company, 1st National Bank Building, Dallas, Texas 75202; Albert Gackle Oil Company, P. O. Box 2038, Hobbs, New Mexico 88240; Gulf Oil Corporation, P. O. Box 1150, Midland, Texas 79701 and Texas Pacific Oil Company, P. O. Box 4067, Midland, Texas 79701. Each has been furnished a copy of the application.

Very truly yours,


Duncan W. Holt, Jr.

DWH:bc

Enclosures

cc: Mr. Clarence E. Hinkle

DOCKET MAILED

Date _____

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

APPLICATION OF ATLANTIC RICHFIELD COMPANY
FOR A NON-STANDARD PRORATION UNIT AND
REDEDICATION OF ACREAGE, JALMAT POOL,
LEA COUNTY, NEW MEXICO

CASE NO. 2133

Atlantic Richfield Company hereby makes application to the Commission for an order amending existing rules or orders of the Commission pertaining to certain gas proration units to permit a non-standard proration unit and the rededication of the acreage to certain wells thereon and in support thereof would show:

1.

Atlantic Richfield Company is the operator of the acreage hereinafter described and the wells located thereon and hereinafter mentioned which are completed in the Jalmat Gas Pool and that certain of said wells are marginal as will be shown upon hearing hereof.

2.

Applicant hereby seeks an order to permit a non-standard 320 acre Jalmat gas proration unit, comprising the N $\frac{1}{2}$ of Section 34, Township 22 South, Range 36 East, Lea County, New Mexico, to be simultaenously dedicated to the Curran Jones Wells No. 1 and No. 10, with the allowable to be produced from either well in any proportion.

Attached is a map of the proposed proration unit.

3.

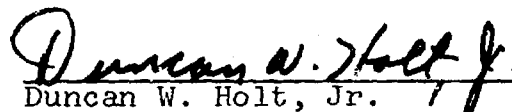
That the subject gas proration unit can be efficiently and economically drained and developed from the respective wells located thereon.

4.

That because of the marginal status of certain of the

wells on the proposed proration unit, approval of this application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Jalmat Gas Pool and will otherwise prevent waste and protect correlative rights.

WHEREFORE, Applicant prays that notice be issued on this application as required by law; that the application be set for hearing before an examiner at Santa Fe, New Mexico at the earliest convenient date and after hearing, a special order be entered approving this application for said proposed gas proration unit.



Duncan W. Holt, Jr.
P. O. Box 2819, Dallas, Texas 75221

Clarence E. Hinkle
Hinkle, Bondurant, Cox & Eaton
P. O. Box 10, Roswell, New Mexico 88201

ATTORNEYS FOR APPLICANT
ATLANTIC RICHFIELD COMPANY

Curran Jones No. 10

Curran 133

Offset Operators
Curran Jones Lease
N/2 of Section 34, T-22S, R-36E
Lea County, New Mexico

d Gulf Oil Corporation
Box 1150
Midland, Texas 79701

h Albert Gackle Oil Company
Box 2038
Hobbs, New Mexico 88240

d Dalport Oil Company
1st National Bank Building
Dallas, Texas 75202

1 Continental Oil Company
Box 431
Midland, Texas 79701

h Texas Pacific Oil Company
Box 4067
Midland, Texas 79701

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator Atlantic Richfield Company		Lease Curran Jones		Well No. 10
Unit Letter C	Section 34	Township 22S	Range 36E	County Lea
Actual Footage Location of Well:				
990 feet from the North line and		1650 feet from the West line		
Ground Level Elev. 3474'	Producing Formation Yates	Pool Jalmat	Dedicated Acreage: 320 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

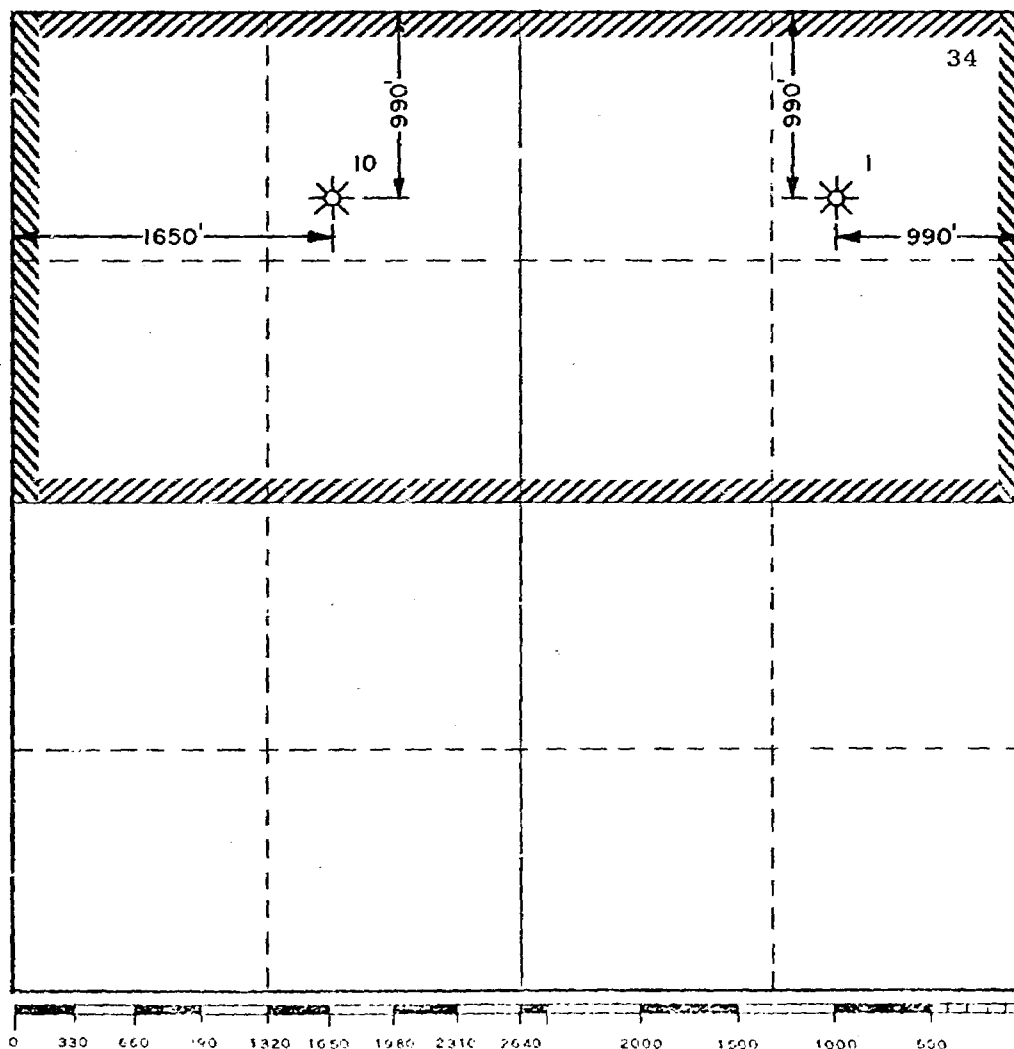
☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

R-36-E

T
22
S



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name
A.D. Spitzer
Position
District Drilling Supv.
Company
Atlantic Richfield Company
Date
10/9/73

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

Registered Professional Engineer
and/or Land Surveyor

Certificate No.

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator Atlantic Richfield Company			Lease Curran Jones		Well No. 1
Unit Letter A	Section 34	Township 22S	Range 36E	County Lea	
Actual Footage Location of Well:					
990 feet from the North line and		990 feet from the East line			
Ground Level Elev. 3518'	Producing Formation Yates	Pool Jalnat	Dedicated Acreage: 320 Acres		

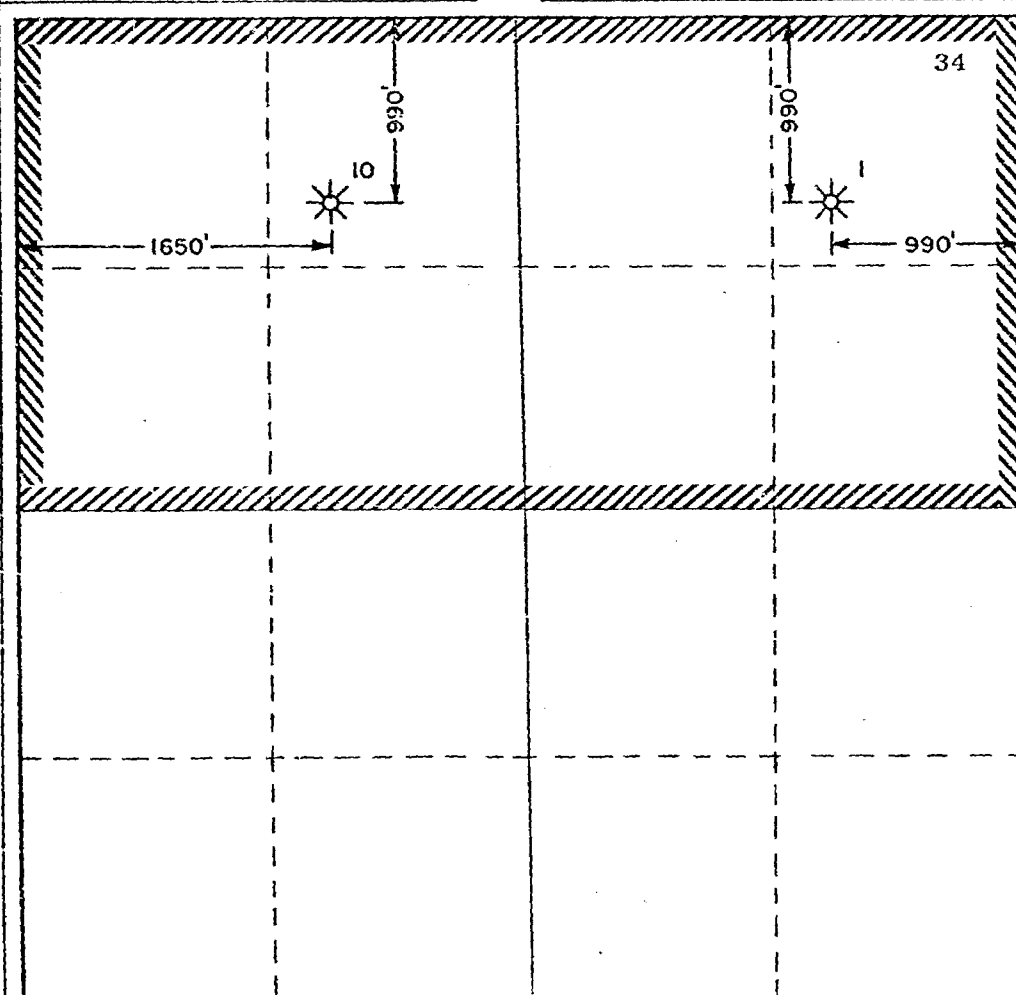
1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

R-36-E



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name D. D. Satchel
Position
District Drilling Supv.
Company
Atlantic Richfield Company
Date
10/9/73

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed _____

Registered Professional Engineer
and/or Land Surveyor

Certificate No. _____

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

AtlanticRichfieldCompany

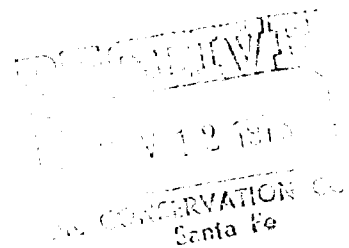
Legal Division
Post Office Box 2819
Dallas, Texas 75221
Telephone 214 651 4873

Duncan W. Holt, Jr.
Attorney



November 6, 1973

Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501



Re: Application of Atlantic Richfield Company
for a Non-Standard Proration Unit and
Rededication of Acreage, Jalmat Pool,
Lea County, New Mexico.

Gentlemen:

Enclosed in triplicate is application of Atlantic Richfield Company in the above matter and request that it be set for hearing before an examiner at Santa Fe. We would appreciate the hearing being set as soon as possible.

The off-set operators are Continental Oil Company, P. O. Box 431, Midland, Texas 79701 and Marathon Oil Company, P. O. Box 552, Midland, Texas 79701. Each has been furnished a copy of the application.

Very truly yours,

Duncan W. Holt, Jr.

Duncan W. Holt, Jr.

DWH:bc

Enclosures

cc: Mr. Clarence E. Hinkle

DOCKETED

Date 12-18-73

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

APPLICATION OF ATLANTIC RICHFIELD COMPANY
FOR A NON-STANDARD PRORATION UNIT AND
REDEDICATION OF ACREAGE, JALMAT POOL,
LEA COUNTY, NEW MEXICO

CASE NO. 5733

Atlantic Richfield Company hereby makes application to the Commission for an order amending existing rules or orders of the Commission pertaining to certain gas proration units to permit a non-standard proration unit and the rededication of the acreage to certain wells thereon and in support thereof would show:

1.

Atlantic Richfield Company is the operator of the acreage hereinafter described and the wells located thereon and hereinafter mentioned which are completed in the Jalmat Gas Pool and that certain of said wells are marginal as will be shown upon hearing hereof.

2.

Applicant hereby seeks an order to permit a non-standard 320-acre Jalmat gas proration unit comprising the W_{1/2} of Section 24, Township 22 South, Range 36 East, Lea County, New Mexico, to be simultaneously dedicated to the McDonald State Wells Nos. 26 and 12, with the allowable to be produced from either well in any proportion.

Attached is a map of the proposed proration unit.

3.

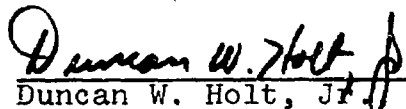
That the subject gas proration unit can be efficiently and economically drained and developed from the respective wells located thereon.

4.

That because of the marginal status of certain of the wells on the proposed proration unit, approval of this application will afford the applicant the opportunity to produce its

just and equitable share of the gas in the Jalmat Gas Pool and will otherwise prevent waste and protect correlative rights.

WHEREFORE, Applicant prays that notice be issued on this application as required by law; that the application be set for hearing before an examiner at Santa Fe, New Mexico at the earliest convenient date and after hearing, a special order be entered approving this application for said proposed gas proration unit.


Duncan W. Holt, Jr.
P. O. Box 2819, Dallas, Texas 75221

Clarence E. Hinkle
Hinkle, Bondurant, Cox & Eaton
P. O. Box 10, Roswell, New Mexico 88201

ATTORNEYS FOR APPLICANT
ATLANTIC RICHFIELD COMPANY

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator Atlantic Richfield Company		Lease McDonald State WN		Well No. 12
Unit Letter M	Section 24	Township 22S	Range 36E	County Lea
Actual Footage Location of Well:				
660 feet from the South line and		660 feet from the West line		
Ground Level Elev. 3467'	Producing Formation Yates	Pool Jalmat	Dedicated Acreage: 320 Acres	

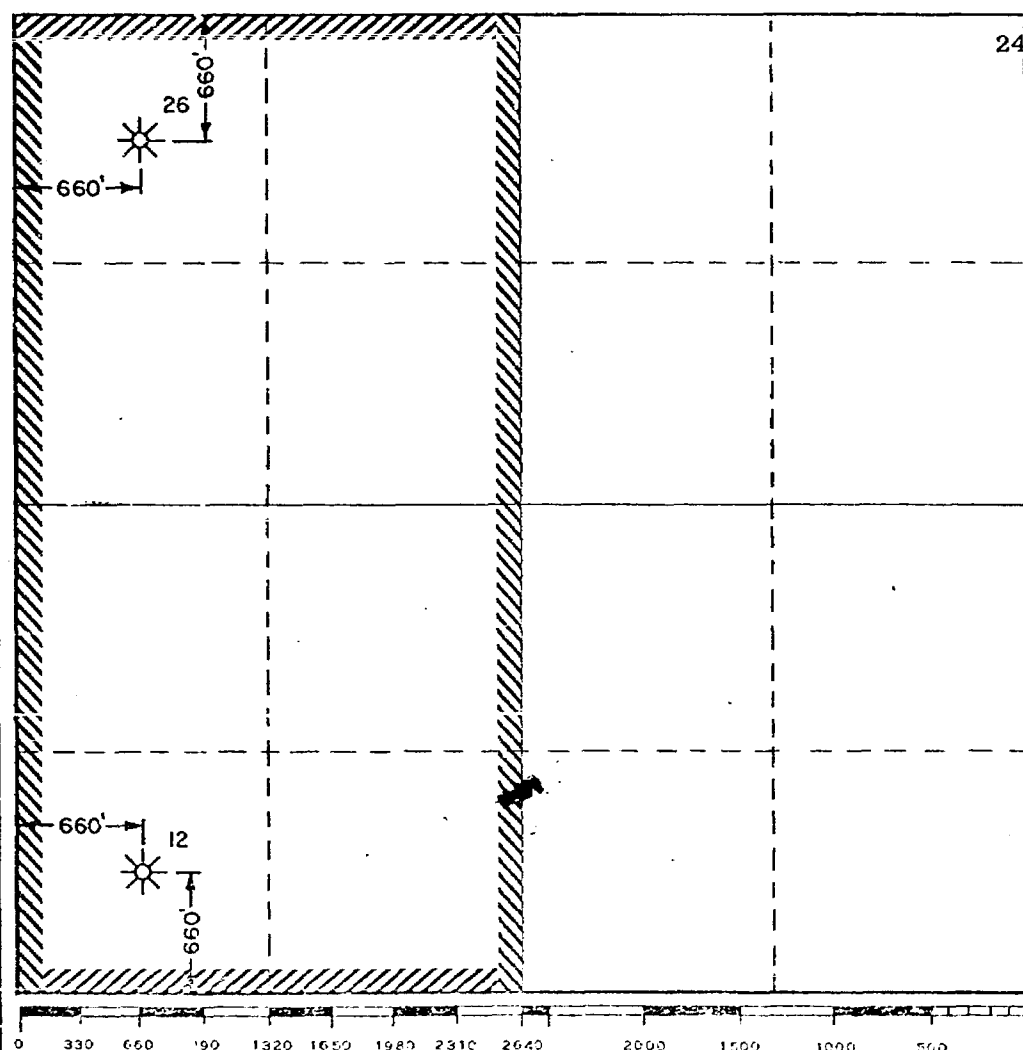
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

R-36-E



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name
O.D. Sletcher

Position
District Drilling Supv.

Company
Atlantic Richfield Company

Date
10/9/73

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

Registered Professional Engineer and/or Land Surveyor

Certificate No.

McDonald State No. 26

Chae 5 133

Offset Operators
McDonald State Lease
W/2 Of Section 24, T-22S, R-36E
Lea County, New Mexico

Continental Oil Company
P. O. Box 431
Midland, Texas 79701

Marathon Oil Company
P. O. Box 552
Midland, Texas 79701

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator Atlantic Richfield Company			Lease McDonald State WN		Well No. 26
Unit Letter D	Section 24	Township 22S	Range 36E	County Lea	
Actual Footage Location of Well:					
660 feet from the North line and		660 feet from the West line			
Ground Level Elev. 3475'	Producing Formation Yates	Pool Jalmat	Dedicated Acreage: 320 Acres		

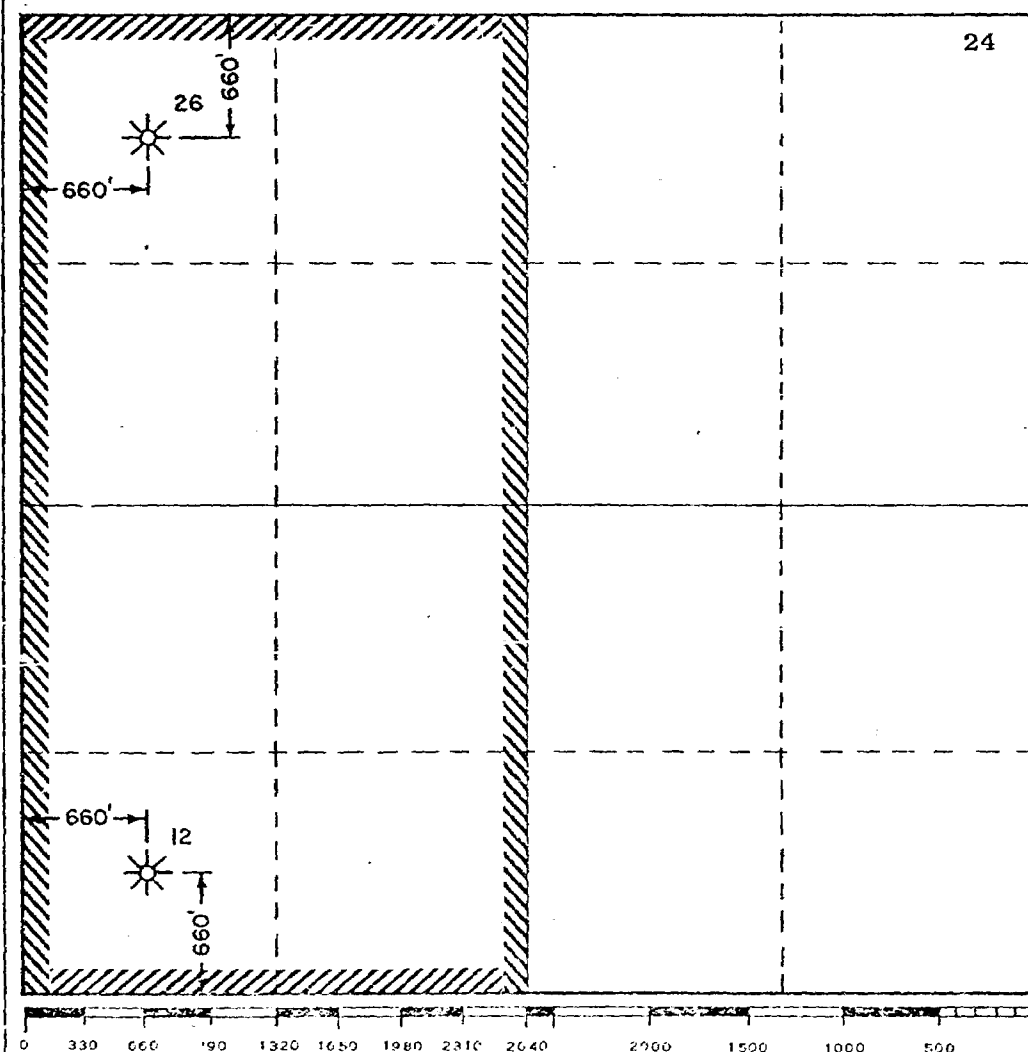
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

R-36-E



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name O.D. Lretches
Position
District Drilling Supv.
Company
Atlantic Richfield Company
Date
10/9/73

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed _____
Registered Professional Engineer and/or Land Surveyor

Certificate No. _____

T
22
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Atlantic Richfield Company

Legal Division
Post Office Box 2819
Dallas, Texas 75221
Telephone 214 651 4873

Duncan W. Holt, Jr.
Attorney

*Hearing
Jan 3*



Oct 5 1973

November 6, 1973

Oil Conservation Commission
Post Office Box No. 2088
Santa Fe, New Mexico 87501

Re: Application of Atlantic Richfield Company
for a Non-Standard Proration Unit, Unorth-
odox Location and Rededication of Acreage,
Jalmat Pool, Lea County, New Mexico.

Gentlemen:

Enclosed in triplicate is application of Atlantic Richfield Company in the above matter and request that it be set for hearing before an examiner at Santa Fe. We would appreciate the hearing being set as early as possible.

The off-set operators are Continental Oil Company, P. O. Box No. 431, Midland, Texas 79701; Shell Oil Company, P. O. Box No. 1509, Midland, Texas 79701 and Getty Oil Company, P. O. Box 1231, Midland, Texas 79701. Each has been furnished a copy of the application.

Very truly yours,

Duncan W. Holt, Jr.
Duncan W. Holt, Jr.

DWH:bc

Enclosure

cc: Mr. Clarence E. Hinkle

DOCKET MAILED

Date _____

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

APPLICATION OF ATLANTIC RICHFIELD COMPANY
FOR NON-STANDARD PRORATION UNIT, UNORTHODOX
LOCATION AND REDEDICATION OF ACREAGE, JALMAT
POOL, LEA COUNTY, NEW MEXICO

CASE NO. 2133

Atlantic Richfield Company hereby makes application to the Commission for an order amending existing rules or orders of the Commission pertaining to certain gas proration units to permit a non-standard proration unit, an unorthodox location and the rededication of the acreage to certain wells thereon and in support thereof would show:

1.

Atlantic Richfield Company is the operator of the acreage hereinafter described and the wells located thereon and hereinafter mentioned which are completed in the Jalmat Gas Pool and that certain of said wells are marginal as will be shown upon hearing hereof.

2.

Applicant hereby seeks an order to permit a non-standard 320 acre Jalmat gas proration unit, comprising the E $\frac{1}{2}$ of Section 26, Township 22 South, Range 36 East, Lea County, New Mexico, to be simultaneously dedicated to the McDonald State Well No. 22, a non-standard location 990' feet from the North line and 660 feet from the East line; Well No. 8 located 990 feet from the South line and 990 feet from the East line and Well No. 9 located 1,750 feet from the North line and 1,650 feet from the East line of said Section 26, with the allowable to be produced from any of the three wells in any proportion.

Attached is a map of the proposed proration unit.

3.

That the subject gas proration unit can be efficiently

and economically drained and developed from the respective wells located thereon.

4.

That because of the marginal status of certain of the wells on the proposed proration unit, approval of this application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Jalmat Gas Pool and will otherwise prevent waste and protect correlative rights.

WHEREFORE, Applicant prays that notice be issued on this application as required by law; that the application be set for hearing before an examiner at Santa Fe, New Mexico at the earliest convenient date and after hearing, a special order be entered approving this application for said proposed gas proration unit.



Duncan W. Holt, Jr.
P. O. Box 2819, Dallas, Texas 75221

Clarence E. Hinkle
Hinkle, Bondurant, Cox & Eaton
P. O. Box 10, Roswell, New Mexico 88201

ATTORNEYS FOR APPLICANT
ATLANTIC RICHFIELD COMPANY

McDonald State No. 22

Case 2733

Offset Operators
McDonald State Lease
E/2 of Section 26, T-22S, R-36E
Lea County, New Mexico

Continental Oil Company
Box 431
Midland, Texas 79701

Shell Oil Company
P. O. Box 1509
Midland, Texas 79701

Getty Oil Company
P. O. Box 1231
Midland, Texas 79701

Copy 10-33

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator Atlantic Richfield Company		Lease McDonald State WN		Well No. 22
Unit Letter A	Section 26	Township 22S	Range 36E	County Lea
Actual Footage Location of Well: 990 feet from the North line and 660 feet from the East line				
Ground Level Elev. 3474'	Producing Formation Yates	Pool Jalmat	Dedicated Acreage: 320 Acres	

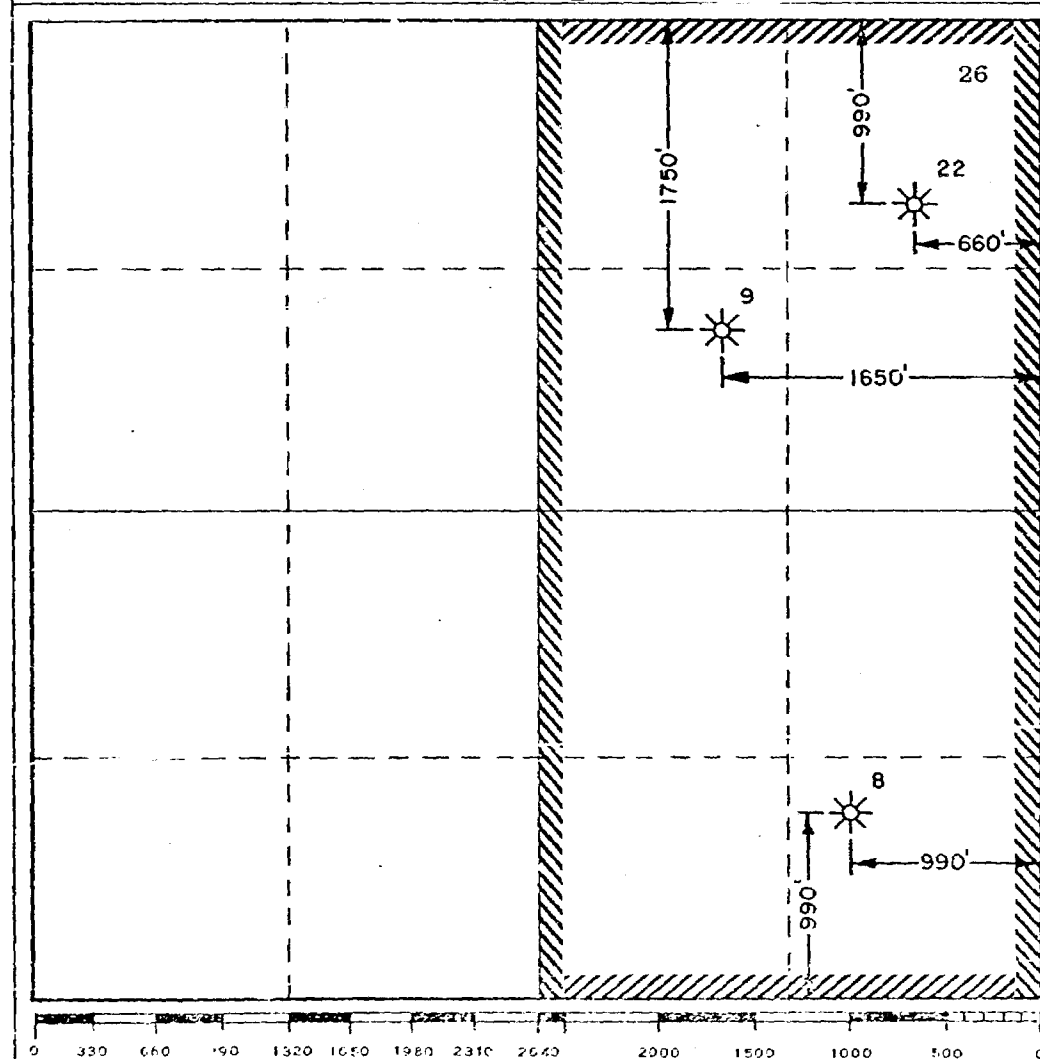
1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

R-36-E



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name C.D. Sutch
Position
District Drilling Supv.
Company
Atlantic Richfield Company
Date
10/9/73

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed _____
Registered Professional Engineer
and/or Land Surveyor

Certificate No. _____

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NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator Atlantic Richfield Company		Lease McDonald State WN		Well No. 8
Unit Letter P	Section 26	Township 22S	Range 36E	County Lea
Actual Footage Location of Well:				
990 feet from the South line and		990 feet from the East line		
Ground Level Elev. 3474'	Producing Formation Yates	Pool Jalmat	Dedicated Acreage: 320 Acres	

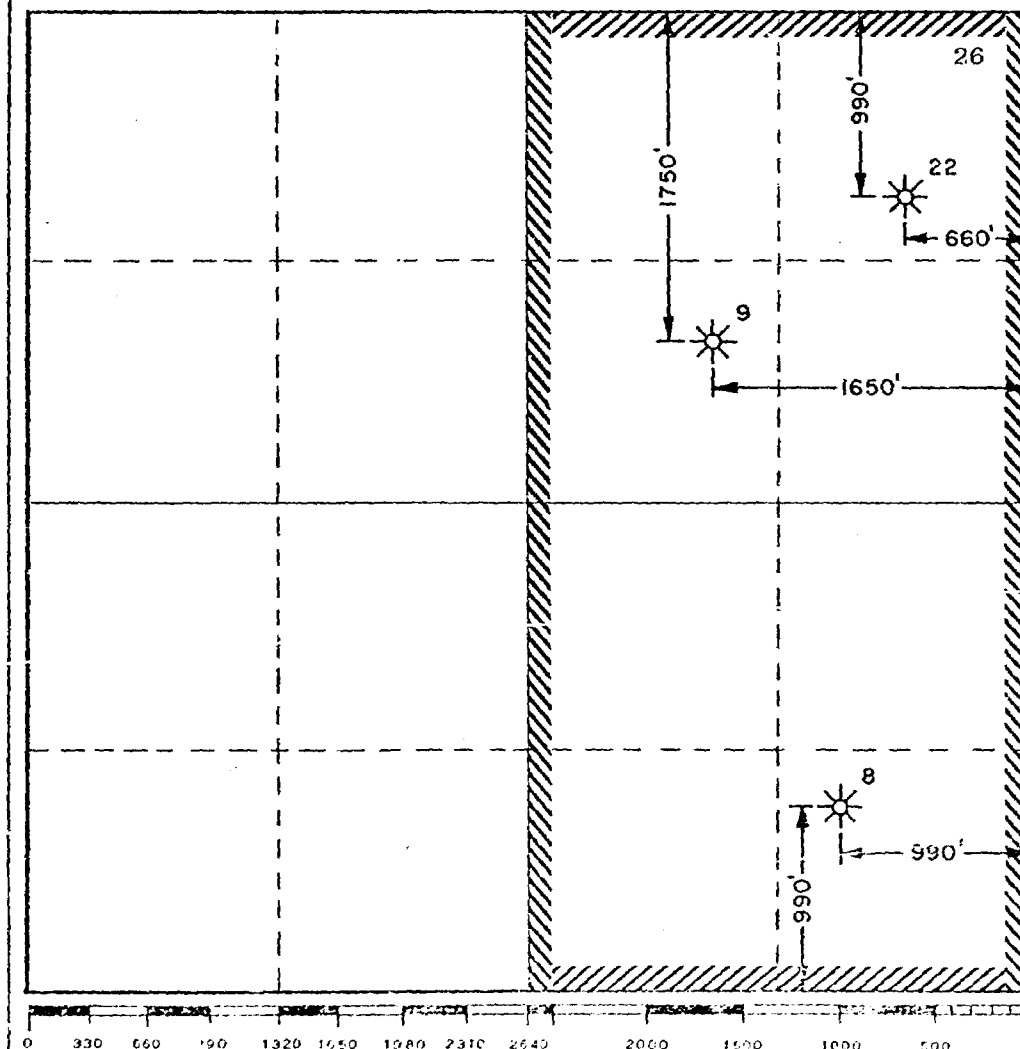
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

R-36-E



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name D.D. Sretcher
Position
District Drilling Supv.
Company
Atlantic Richfield Company
Date
10/9/73

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed _____
Registered Professional Engineer and/or Land Surveyor

Certificate No. _____

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NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator Atlantic Richfield Company			Lease McDonald State WN		Well No. 9
Unit Letter G	Section 26	Township 22S	Range 36E	County Lea	
Actual Footage Location of Well: 1750 feet from the North line and 1650 feet from the East line					
Ground Level Elev. 3474'	Producing Formation Yates		Pool Jalmat	Dedicated Acreage: 320 Acres	

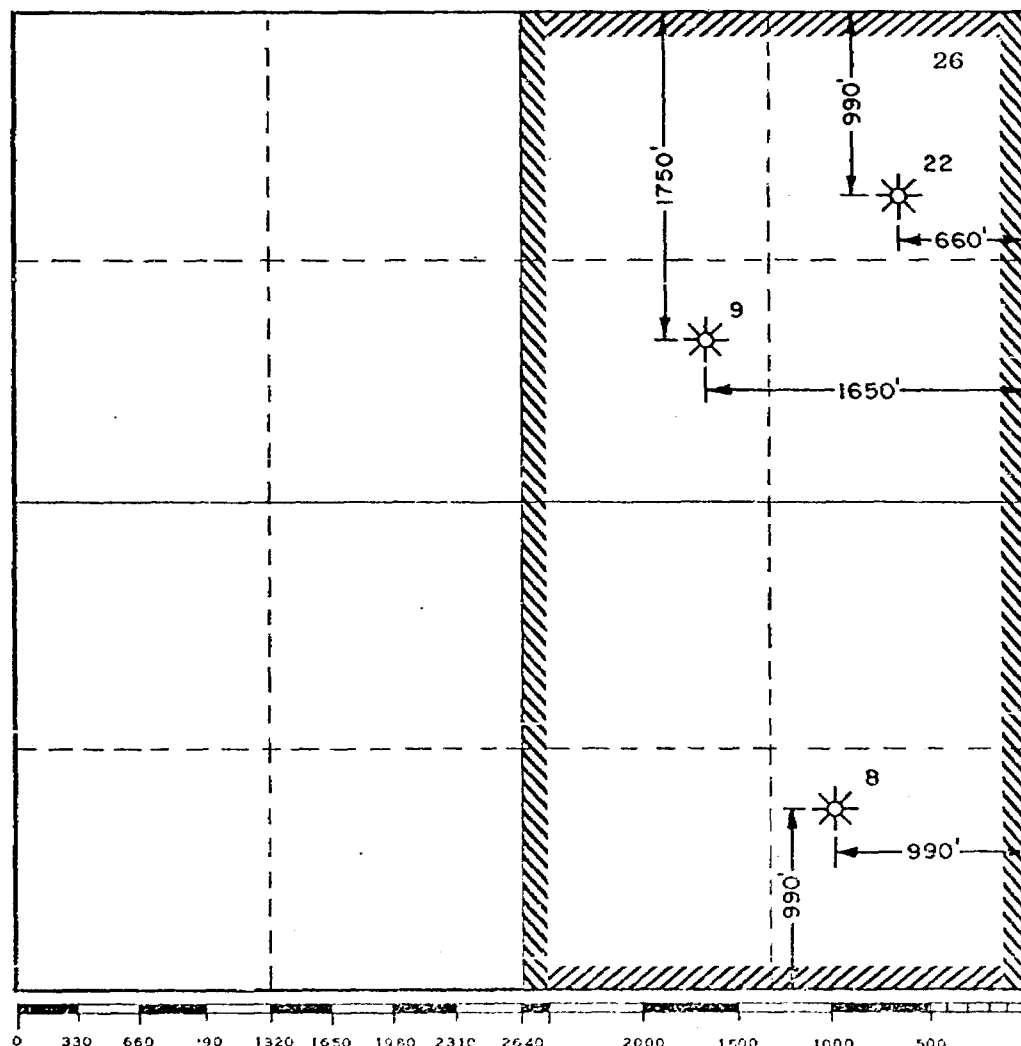
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

R-36-E



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name: D.D. Sutch
Position: District Drilling Supv.
Company: Atlantic Richfield Company
Date: 10/9/73

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed: _____
Registered Professional Engineer and/or Land Surveyor: _____

Certificate No. _____

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BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

APPLICATION OF ATLANTIC RICHFIELD COMPANY
FOR A NON-STANDARD PRORATION UNIT, AND
UNORTHODOX LOCATION AND REDEDICATION OF
ACREAGE, JALMAT POOL, LEA COUNTY NEW MEXICO

CASE NO. 2783

Atlantic Richfield Company hereby makes application to the Commission for an order amending existing rules or orders of the Commission pertaining to certain gas proration units to permit a non-standard proration unit, an unorthodox location and rededication of acreage to certain wells thereon and in support thereof would show:

1.

Atlantic Richfield Company is the operator of the acreage hereinafter described and the wells located thereon and hereinafter mentioned which are completed in the Jalmat Gas Pool and that certain of said wells are marginal as will be shown upon hearing hereof.

2.

Applicant hereby seeks an order to permit a non-standard 320-acre Jalmat gas proration unit, comprising the N $\frac{1}{2}$ of Section 14, Township 22 South, Range 36 East, Lea County, New Mexico, to be simultaneously dedicated to the McDonald State Well No. 25, a non-standard location, 660 feet from the North line and 770 feet from the West line and the Well No. 11, 990 feet from the North line and 990 feet from the West line of said Section 14, with the allowable to be produced from either well in any proportion.

Attached is a map of the proposed proration unit.


3.

That the subject gas proration unit can be efficiently and economically drained and developed from the respective wells located thereon.

4.

That because of the marginal status of certain of the wells on the proposed proration unit, approval of this application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Jalmat Gas Pool and will otherwise prevent waste and protect correlative rights.

WHEREFORE, Applicant prays that notice be issued on this application as required by law; that the application be set for hearing before an examiner at Santa Fe, New Mexico at the earliest convenient date and after hearing, a special order be entered approving this application for said proposed gas proration unit.


Duncan W. Holt, Jr.
P. O. Box 2819, Dallas, Texas 75221

Clarence E. Hinkle
Hinkle, Bondurant, Cox & Eaton
P. O. Box 10, Roswell, New Mexico 88201

ATTORNEYS FOR APPLICANT
ATLANTIC RICHFIELD COMPANY

McDonald State No. 25

Atlantic Richfield Company

Legal Division
Post Office Box 2819
Dallas, Texas 75221
Telephone 214 651 4873

Duncan W. Holt, Jr.
Attorney



November 6, 1973



Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Application of Atlantic Richfield Company
for a Non-Standard Proration Unit, and
Unorthodox Location and Rededication of
Acreage, Jalmat Pool, Lea County, New Mexico

Gentlemen:

Enclosed in triplicate is application of Atlantic Richfield Company in the above matter and request that it be set for hearing before an examiner at Santa Fe. We would appreciate the hearing being set as soon as possible.

The off-set operators are Marathon Oil Company, Box 522, Midland, Texas 79701 and Texas Pacific Oil Company, Box 4067, Midland, Texas 79701. Each has been furnished a copy of the application.

Very truly yours,

Duncan W. Holt, Jr.
Duncan W. Holt, Jr.
Attorney

DWH:ih

Enclosures

cc: Mr. Clarence E. Hinkle

DOCKET MAILED

Date _____

Offset Operators
McDonald State Lease
N/2 of Section 14, T-22S, R-36E
Lea County, New Mexico

Texas Pacific Oil Company
P. O. Box 4067
Midland, Texas 79701

Marathon Oil Company
P. O. Box 522
Midland, Texas 79701

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator Atlantic Richfield Company			Lease McDonald State WN		Well No. 25
Unit Letter D	Section 14	Township 22S	Range 36E	County Lea	
Actual Footage Location of Well: <div style="display: flex; justify-content: space-between;"> 660 feet from the North line and 770 feet from the West line </div>					
Ground Level Elev. 3518'	Producing Formation Yates	Pool Jalmat	Dedicated Acreage: 320 Acres		

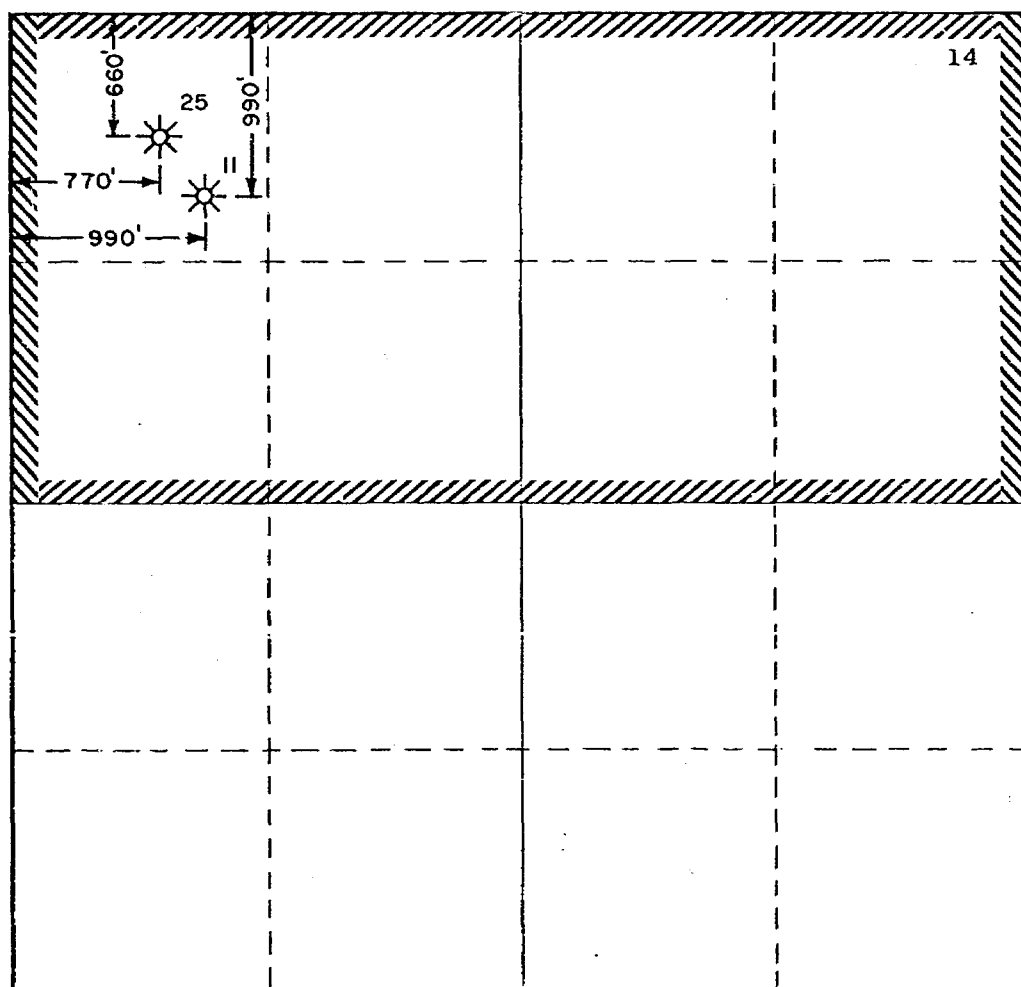
1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

R-36-E



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name: D.D. Litcher
 Position: District Drilling Supv.
 Company: Atlantic Richfield Company
 Date: 10/9/73

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed _____

Registered Professional Engineer and/or Land Surveyor _____

Certificate No. _____

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NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator Atlantic Richfield Company		Lease McDonald State WN		Well No. 11
Unit Letter D	Section 14	Township 22S	Range 36E	County Lea
Actual Footage Location of Well:				
990 feet from the North line and		990 feet from the West line		
Ground Level Elev. 3529'	Producing Formation Yates	Pool Jalmat	Dedicated Acreage: 320 Acres	

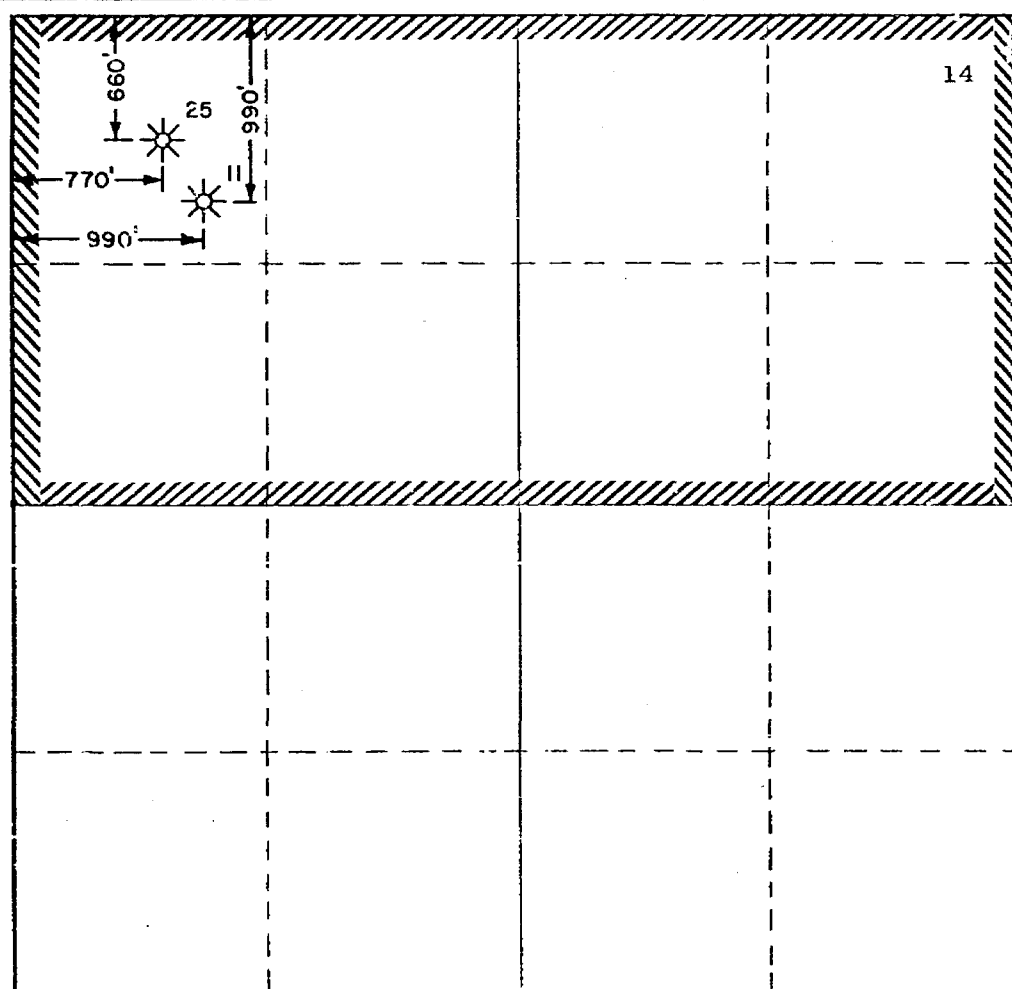
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

R-36-E



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name D.D. Bratches
Position
District Drilling Supv.
Company
Atlantic Richfield Company
Date
10/9/73

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
Registered Professional Engineer and/or Land Surveyor

Certificate No.

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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:

APPLICATION OF ATLANTIC RICHFIELD
COMPANY FOR FOUR NON-STANDARD GAS
PRORATION UNITS AND SIMULTANEOUS
DEDICATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 3, 1974, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter. NOW, on this day of January, 1974, 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, Atlantic Richfield Company, seeks approval for the following four non-standard 320-acre gas proration units in Township 22 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico:

CASE NO. 5133
Order No. R-4716

DRAFT

dr/

The N/2 of Section 34 to be simultaneously dedicated to the Curran Jones Wells Nos. 1 and 10 located in Units A and C, respectively, of Section 34, with the allowable to be produced from either well in any proportion;

The N/2 of Section 14 to be dedicated to the McDonald State Wells Nos. 11 and 25 both located in Unit D of Section 14, with the allowable to be produced from either well in any proportion;

The E/2 of Section 26 to be dedicated to the McDonald State Wells Nos. 22, 9, and 8 located in Units A, G and P, respectively, of Section 26, with the allowable to be produced from ^{any of said wells} ~~either~~ in any proportion; and

The W/2 of Section 24 to be dedicated to ~~these~~ the McDonald State Wells Nos. 76 and 12 located in Units D and M, respectively, of Section 24, with the allowable to be produced from either well in any proportion.

(3) That the proposed non-standard gas proration units can be efficiently and economically drained and developed by the subject wells.

(4) That the existing wells with the proposed non-standard gas proration units are capable of marginal production only.

~~That the proposed non-standard gas proration units are capable of marginal production only.~~
That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Jalmat Gas Pool and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That effective at 7:00 a.m. February 1, 1974, or when ^{affected} the wells are completed and connected, whichever ^{date is} comes later, the applicant, Atlantic Richfield Company, is hereby authorized to simultaneously dedicate the following four non-standard 320-acre gas proration units in Township 22 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, as follows with unit production to be taken from ^{the wells to which the units are dedicated} ~~said wells~~ in any proportion:

The N/2 of Section 34 to be dedicated to ^{applicant's} ~~its~~ Curran Jones Wells Nos. 1 and 10 located in Units A and C, respectively, of Section 34;

The N/2 of Section 14 to be dedicated to ^{applicant's} ~~its~~ McDonald State Wells Nos. 11 and 25 both located in Unit D of Section 14;

-3-

Case No. 5133

Order No. R-

applicant's
The E/2 of Section 26 to be dedicated to ~~the~~ McDonald
State Wells Nos. 22, 9, and 8 located in Units A, G,
and P, respectively, of Section 26; and

applicant's
The W/2 of Section 24 to be dedicated to ~~the~~ McDonald
State Wells Nos. 26 and 12 located in Units D and M,
respectively, of Section 24.

each of
(2) That the allowable assigned to ^{the} the above-described gas
proration unit, shall be based upon the unit size of 320 acres
and ~~the~~ the operator may produce the allowable assigned to the
wells to which the unit is dedicated
unit from the ~~subject wells~~ in any proportion.

(3) 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 herein-
above designated.