

**CASE 5134: Appli. of ATLANTIC
FOR SIMULTANEOUS DEDICATION,
LEA COUNTY, NEW MEXICO.**

[illegible]

CASE No.

5134

Application,
Transcripts,
Small Exhibits

ETC.



OIL CONSERVATION COMMISSION

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

January 15, 1974

I. R. TRUJILLO
CHAIRMAN
LAND COMMISSIONER
ALEX J. ARMJO
MEMBER
STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

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

Re: CASE NO. 5134

ORDER NO. R-4703

Applicant:
Atlantic Richfield Co.

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.
A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC ☒ _____
Artesia OCC _____
Aztec OCC _____

Other _____

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
January 3, 1974

EXAMINER HEARING

IN THE MATTER OF:

Application of Atlantic
Richfield Company for
simultaneous dedication,
Lea County, New Mexico.

Case No. 5134

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For New Mexico Oil Conservation
Commission:

William Carr, Esq.
Legal Counsel for the Com-
mission
State Land Office Bldg.
Santa Fe, New Mexico

For the Applicant:

Clarence Hinkle, Esq.
HINKLE, BONDURANT, COX &
EATON
Hinkle Building
Roswell, New Mexico

I N D E X

Page

DARYL BOSE

Direct Examination by Mr. Hinkle

3

Cross Examination by Mr. Nutter

6

E X H I B I T S

Marked

Admitted

Applicant's Exhibits Nos. 1 and 2

3

5

MR. NUTTER: Call next Case No. 5134.

MR. CARR: Case 5134. Application of Atlantic Richfield Company for simultaneous dedication, Lea County, New Mexico.

MR. HINKLE: Clarence Hinkle, Hinkle, Bondurant, Cox and Eaton, appearing on behalf of Atlantic Richfield. Same witness in this case, Mr. Bose and two Exhibits, I believe.

(Whereupon, Applicant's Exhibits

Nos. 1 and 2 are marked for identification.)

DARYL BOSE

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

DIRECT EXAMINATION

BY MR. HINKLE:

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

A Daryl Bose, Midland, Texas, by Atlantic Richfield Company.

Q You have previously testified before the Commission?

A I have.

Q You qualified as a petroleum engineer?

A I have.

MR. HINKLE: Qualifications are acceptable?

MR. NUTTER: Yes, they are.

BY MR. HINKLE:

Q Have you prepared or had them prepared under your direction, Exhibits to be introduced in this case?

A I have.

Q These being Exhibits 1 and 2?

A Yes.

Q What is Atlantic Richfield seeking to accomplish by this Application?

A We seek approval of simultaneous dedication of four wells to a standard 640-acre unit comprising all of Section 15, Township 22 South, Range 36 East, those wells being McDonald State Nos. 13, 14, 15 and proposed No. 23. These wells are located in proration units P, G, L, and C, respectively.

Q I refer to Exhibit 1 and explain what this shows.

A Outlined in blue is 640-acre proration unit which is currently assigned to McDonald State Wells 13, 14, and 15 located in proration Units P, G and L respectively and we are requesting a same 640-acre unit comprising all of Section 15 to simultaneously dedicate it to McDonald State Wells No.

13, 14, 15 and proposed Well No. 23. These wells located in proration Unit P, G, L, C, respectively, with allowable to produce from any of the four well in any proportion.

Q The well you speak of has not yet been drilled?

A It has not.

Q I refer to Exhibit No. 2, explain that.

A Exhibit No. 2 is a well location and acreage dedication plat from McDonald State Well No. 23 located in proration C, Section 15, Township 22 South, Range 36 East. Note it is located 560 from the north line to 1980 to the west line of Section 15.

I would like to also make note that Atlantic Richfield operator to the acreage comprising of the South half of Section 10, Township 22 South, Range 36 East.

Q Do you have anything further you would like to submit?

A No.

MR. HINKLE: We offer in evidence Exhibits 1 and 2.

MR. NUTTER: ARCO's Exhibits 1 and 2 will be admitted in evidence.

(Whereupon, ARCO's Exhibits 1 and 2 for identification were admitted in evidence.)

BY MR. HINKLE:

Q Mr. Bose, I would like to ask you one more question and get it in the record.

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

A It will.

CROSS EXAMINATION

BY MR. NUTTER:

Q Mr. Bose, what is the status of this unit at the present time?

A It is a 640-acre unit.

Q Is it classified marginal or non-marginal?

A It's a non-marginal, but it is incapable of producing the top allowable rate.

Q So, it would soon be classified as marginal?

A Right, it would.

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

Do you have anything further, Mr. Hinkle?

MR. HINKLE: No.

MR. NUTTER: Does anyone have anything they wish to offer in Case 5134?

Page.....7.....

We will take the case under advisement.

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

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.

Richard L. Nye
COURT REPORTER

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 5134, heard by me on 1-3, 1974.

Johnnie, Examiner
New Mexico Oil Conservation Commission

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

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. 5134
Order No. R-4703

APPLICATION OF ATLANTIC RICHFIELD
COMPANY FOR 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 15th 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, is the operator of a standard 640-acre gas proration unit comprising all of Section 15, Township 22 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico which is simultaneously dedicated to its McDonald State Wells No. 13, 14 and 15 located in said Section 15.

(3) That said wells are capable of only marginal production.

(4) That the applicant seeks approval for the simultaneous dedication of four wells to said standard 640-acre unit by drilling an additional well to the Jalmat Gas Pool to be known as the McDonald State Well No. 23 at a non-standard location 660 feet from the North line and 1980 feet from the West line of said Section 15.

(5) That the proposed gas proration unit can be efficiently and economically drained and developed by the subject wells.

(6) 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 4th well is completed and connected, whichever is later, the applicant, Atlantic Richfield Company, is hereby authorized the simultaneous dedication of four

-2-

CASE NO. 5134
Order No. R-4703

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 said Section 15.

(2) That the allowable assigned to the above-described gas proration unit shall be based upon the unit size of 640 acres and that the operator may produce the allowable assigned to the 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 hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



I. R. Trujillo
I. R. TRUJILLO, Chairman

Alex J. Armijo
ALEX J. ARMILJO, Member

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

S E A L

Jr/

(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.

(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 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 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

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

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

Form C-102
Supersedes C-138
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. 23
Unit Letter C	Section 15	Township 22S	Range 36E	County Lea	
Actual Footage Location of Well:					
660 feet from the North line and		1980 feet from the West line			
Ground Level Elev. 3539'	Producing Formation Yates	Pool Jalmat	Dedicated Acreage: 640 Acres		

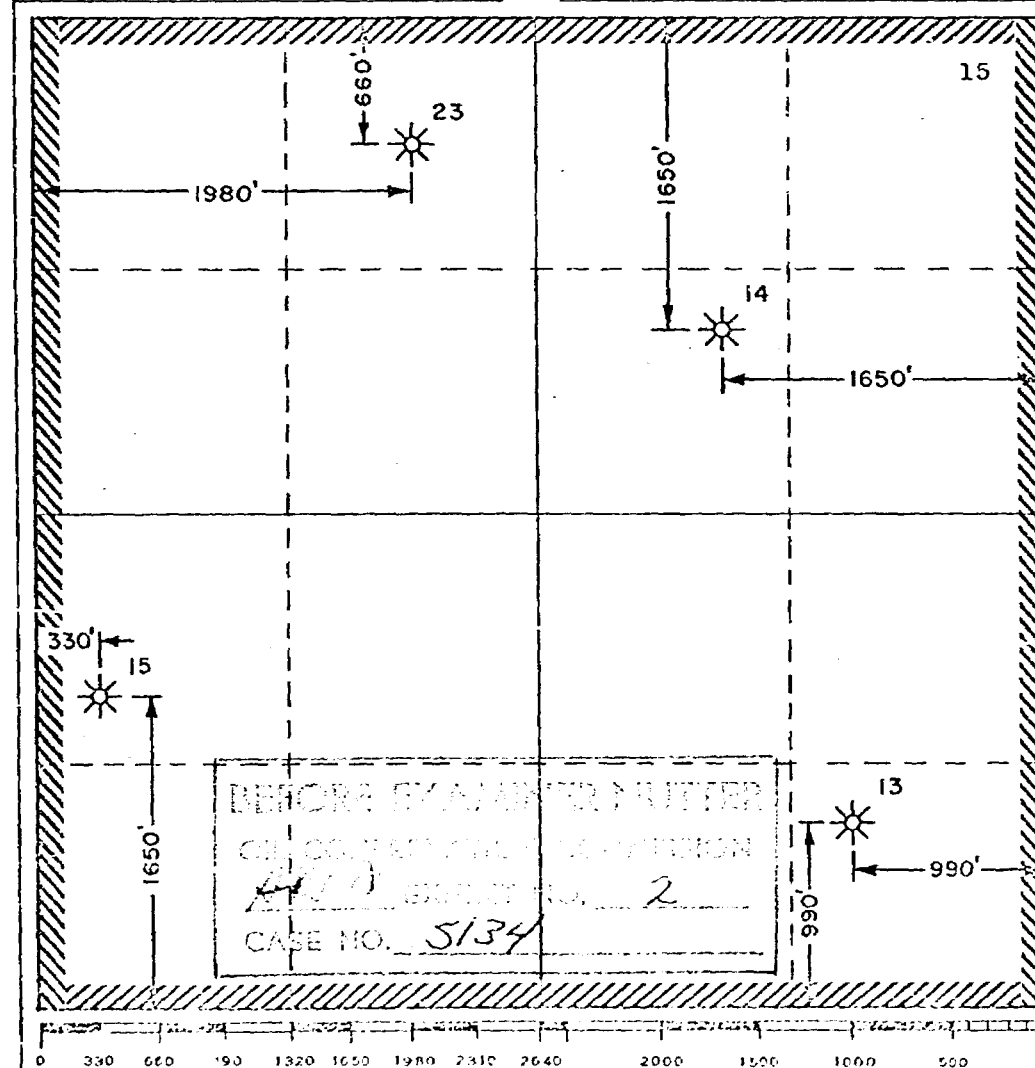
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is 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. 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. _____

EXHIBIT II

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

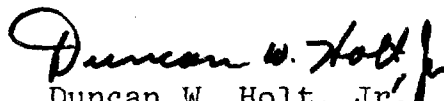
Re: Application of Atlantic Richfield
Company for an Unorthodox Location and
Rededication of Acreage, Jalmat Pool,
Lea County, New Mexico

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 early as possible.

The off-set operators are Continental Oil Company, Box 431, Midland, Texas 79701; Marathon Oil Company, Box 552, Midland, Texas 79701; Shell Oil Company, Box 1509, Midland, Texas 79701; Sun Oil Company, Box 1861, 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.
Attorney

DWH:ih

Enclosures

cc: Mr. Clarence E. Hinkle

DOCKET MAILED

Date 12-18-73

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

APPLICATION OF ATLANTIC RICHFIELD COMPANY
FOR AN UNORTHODOX LOCATION AND REDEDICATION
OF ACREAGE, JALMAT POOL, LEA COUNTY, NEW
MEXICO

CASE NO. 5124

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 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 the simultaneous dedication of acreage and an unorthodox location in the Jalmat Gas Pool--Section 15, Township 22 South, Range 36 East, Lea County, New Mexico--for the McDonald State Well No. 23, a non-standard location, 660 feet from the North line and 1980 feet from the West line; Well No. 13, located 990 feet from the South line and 990 feet from the East line; Well No. 14, located 1650 feet from the North line and 1650 feet from the East line and Well No. 15, located 1650 feet from the South line and 330 feet from the West line of said Section 15, with the allowable to be produced from the four wells in any proportion.

Attached is a map of the proposed proration unit.

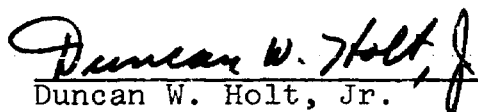
3.

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. 23

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Offset Operators
McDonald State Lease
Section 15, T-22S, R-36E
Lea County, New Mexico

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

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

Sun Oil Company
P. O. Box 1861
Midland, Texas 79701

Shell Oil Company
P. O. Box 1509
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

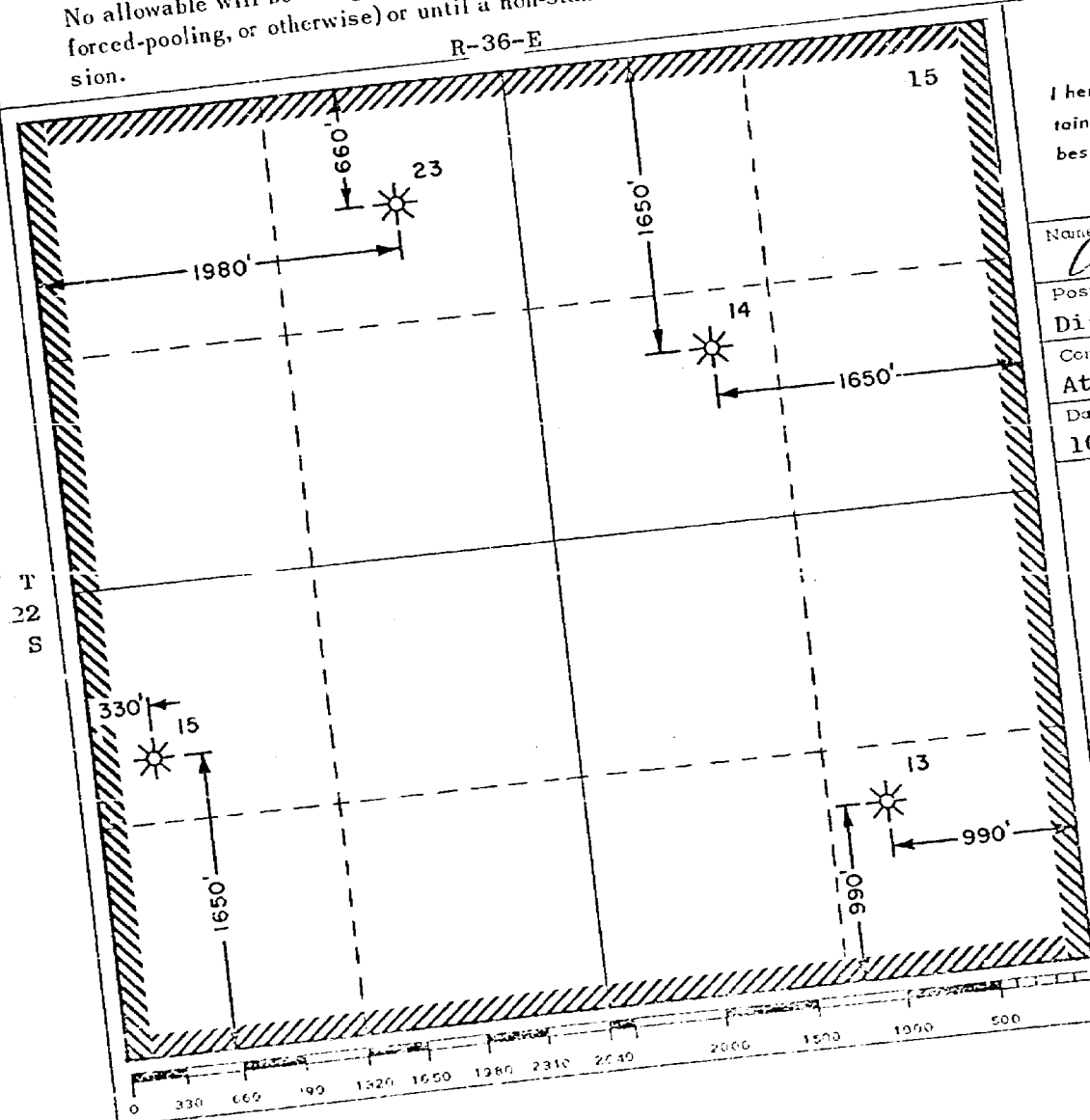
All distances must be from the outer boundaries of the Section.

Operator Atlantic Richfield Company		Lease McDonald State WN		Well No. 23
Unit Letter C	Section 15	Township 22S	Range 36E	County Lea
Actual Footage Location of Well: 660 feet from the North line and 1980 feet from the West line		Dedicated Acreage: 640 Acres		
Ground Level Elev. 3539'	Producing Formation Yates	Pool Jalmat		

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.



CERTIFICATION

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

Name *D.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 McDonald State WN		Well No. 15
Unit Letter L	Section 15	Township 22S	Range 36E	County Lea
Actual Footage Location of Well:				
330 feet from the West line and		1650 feet from the South line		
Ground Level Elev. 3563'	Producing Formation Yates	Pool Jalmat	Dedicated Acreage 640 Acres	

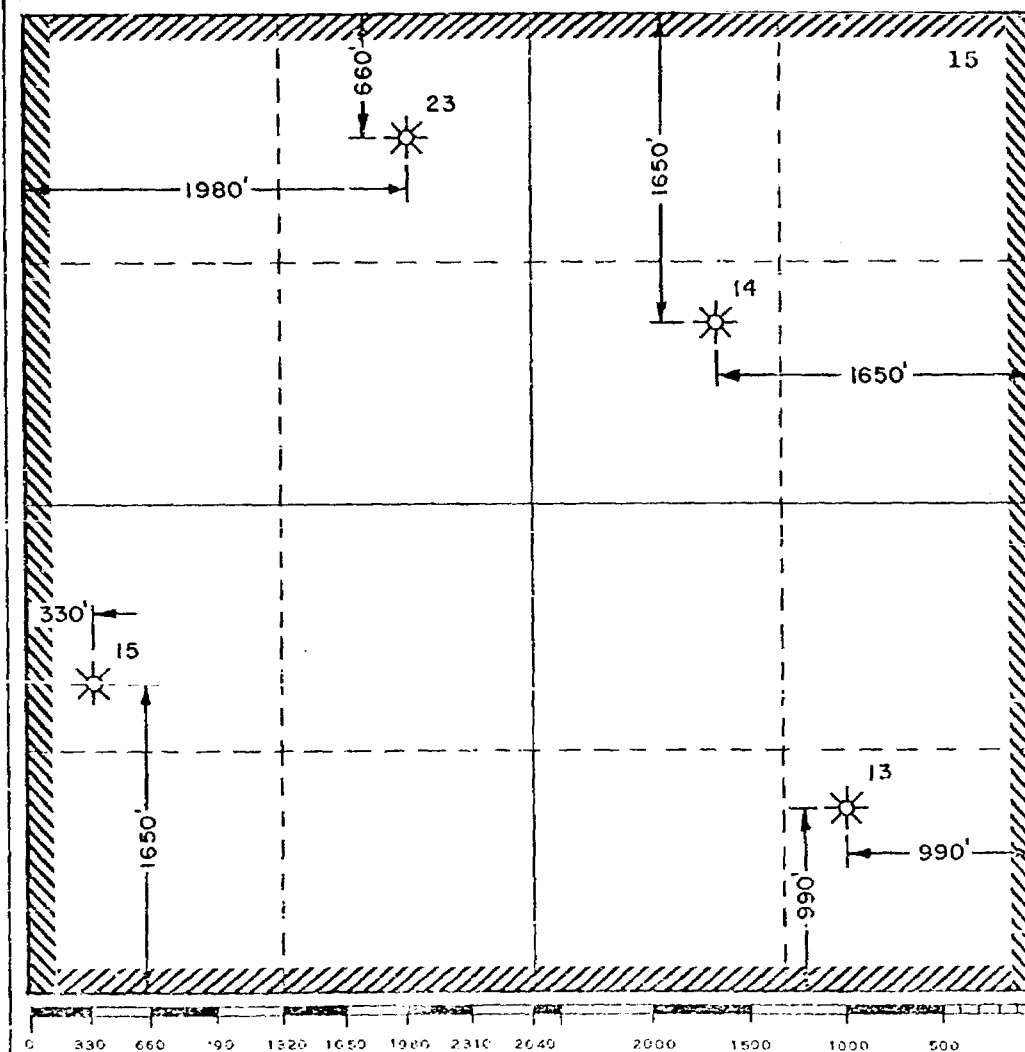
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is 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. Letcher*
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 McDonald State WN		Well No. 14
Unit Letter G	Section 15	Township 22S	Range 36E	County Lea	
Actual Footage Location of Well:					
1650 feet from the North line and		1650 feet from the East line			
Ground Level Elev. 3550'	Producing Formation Yates	Pool Jalmat	Dedicated Acreage: 640 Acres		

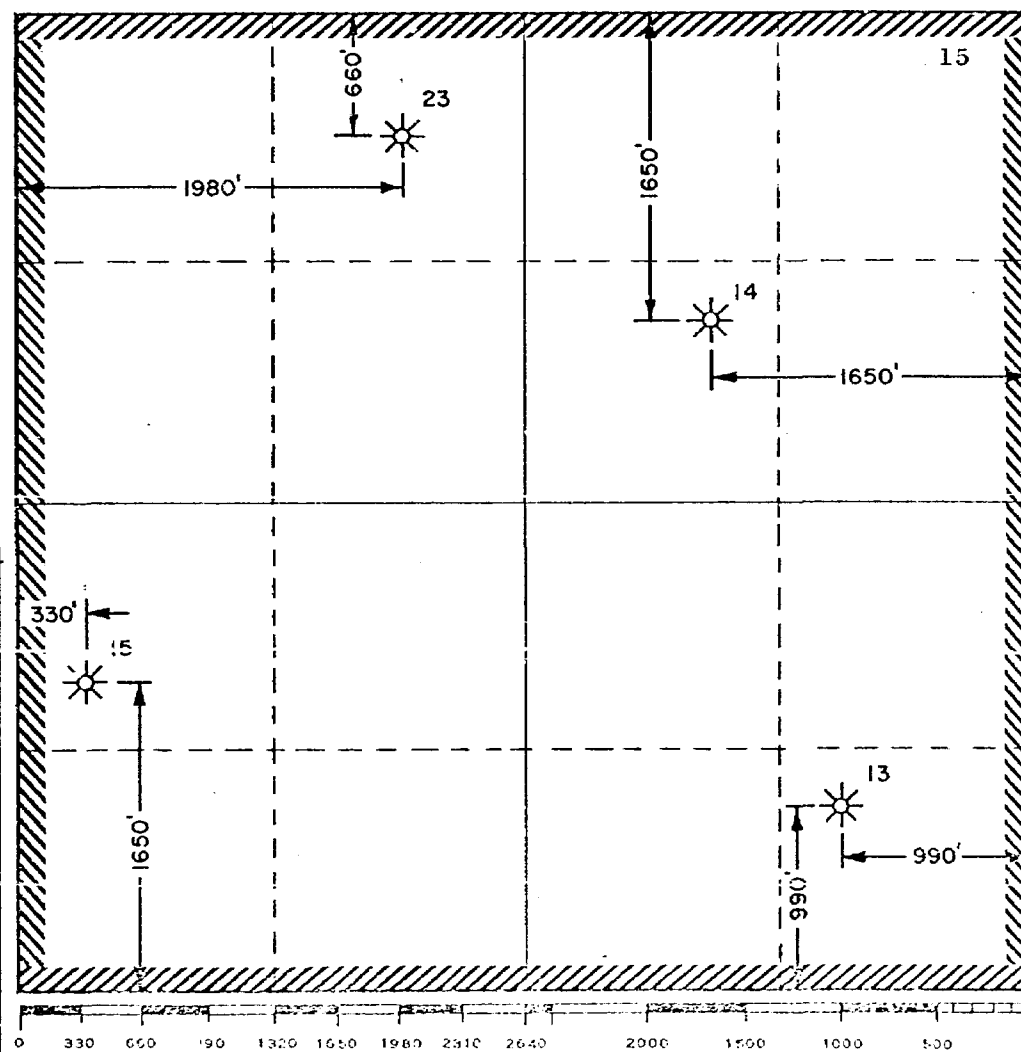
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
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No 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. 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.

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. 13
Unit Letter P	Section 15	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. 3541'	Producing Formation Yates		Pool Jalmat		Dedicated Acreage: 640 Acres

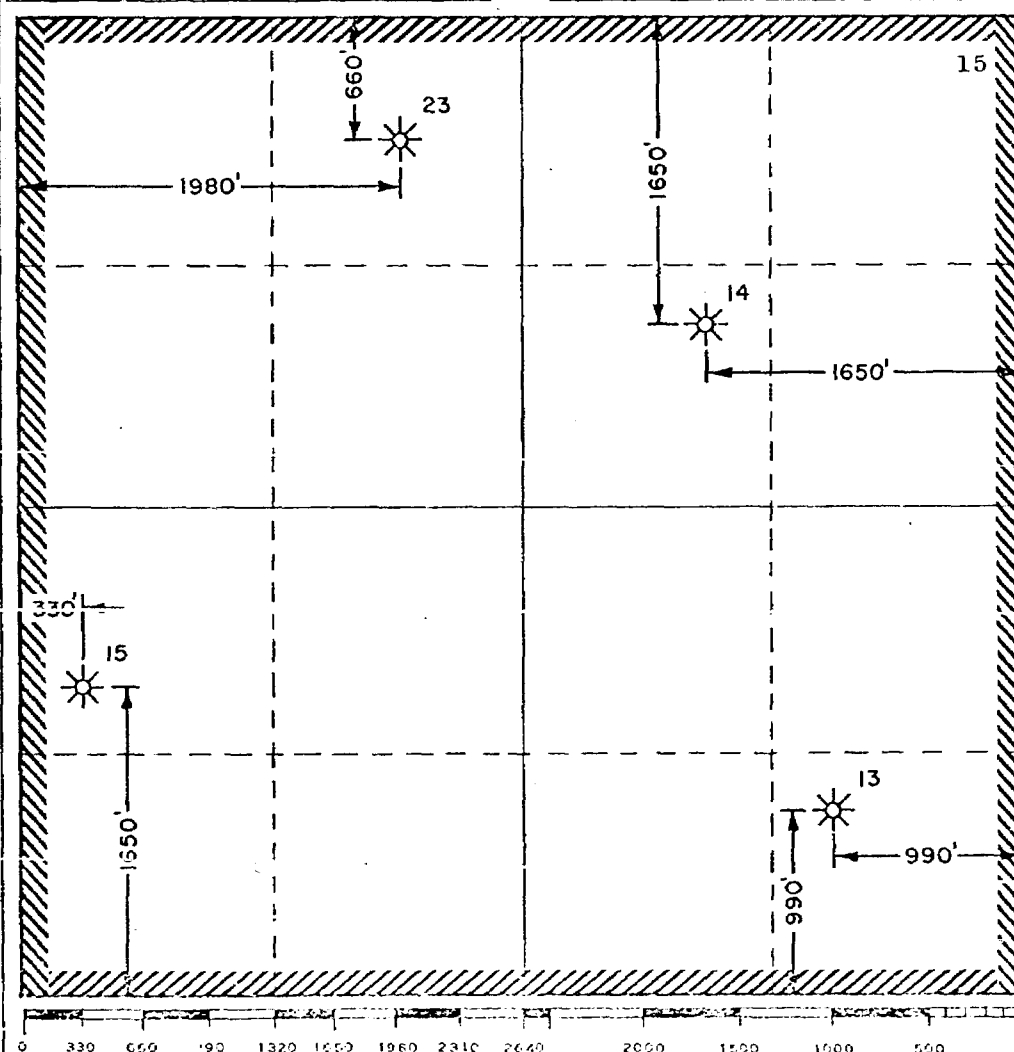
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is 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. 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. _____

(3) That the proposed gas proration unit can be efficiently and economically drained and developed by the subject wells.

(4) 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 4th well is completed and connected, whichever is later, the applicant, Atlantic Richfield Company, is hereby authorized 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 ^{said} Section 15.

(2) That the allowable assigned to the above-described gas proration unit shall be based upon the unit size of 640 acres and that the operator may produce the allowable assigned to the 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.