

CASE NO. 5409: ATLANTIC RICHFIELD
CO. for a non-standard gas prora-
tion unit, unorthodox gas well
location, simultaneous dedication.

CASE No.

5409

Application,
Transcripts,
Small Exhibits

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
19 March 1975

EXAMINER HEARING

IN THE MATTER OF:)

(Continued & Readvertised))
Application of Atlantic Richfield)
Company for a non-standard gas)
proration unit, an unorthodox gas)
well location, and simultaneous)
dedication, Lea County, New Mexico.)
Applicant in the above-styled cause)
seeks approval of a 320-acre non-)
standard gas proration unit com-)
prising the SE/4 of Section 12 and)
the NE/4 of Section 13, both in)
Township 24 South, Range 36 East,)
Jalmat Gas Pool, Lea County, New)
Mexico, to be simultaneously dedi-)
cated to its George W. Toby WN Wells)
Nos. 4, 1, and 1-A, located, respec-)
tively, in Units 1 and P of said)
Section 12 and in Unit A of said Sec-)
tion 13.)

CASE # 5409

BEFORE: Daniel S. Nutter, Examiner.

For the New Mexico Oil
Conservation Commission:

William H. Carr, Esq.
Legal Counsel for the Com-
mission
State Land Office Building
Santa Fe, New Mexico 87501

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

For Atlantic-
Richfield:

Clarence E. Hinkle, Esq.
HINKLE, BONDURANT & CHRISTY
P. O. Box 10
Roswell, New Mexico

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MR. NUTTER: Case Number 5409.

MR. CARR: Application of Atlantic Richfield Company for a non-standard gas proration unit, an unorthodox gas well location, and simultaneous dedication, Lea County, New Mexico.

MR. HINKLE: Clarence Hinkle, appearing on behalf of Atlantic-Richfield. It's my understanding that the record which was taken before will apply here today in this. It was just readvertised.

MR. NUTTER: Are there any appearances to be made in Case Number 5409?

(No response.)

MR. NUTTER: If not, we'll incorporate the record of the case for the hearing made on March the 19th, 1975, and take the case under advisement.

Beg your pardon, correction in the record. When was it heard, Mr. Hinkle?

MR. HINKLE: What's that?

MR. NUTTER: When was the case heard?

MR. HINKLE: On the 5th, I believe.

MR. NUTTER: I don't have a copy. The record of the hearing made on February the 19th, 1975, will be incor-

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porated in this record and we'll take the case under
advisement.

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STATE OF NEW MEXICO)
) REPORTER'S CERTIFICATE
COUNTY OF SANTA FE)

I, SALLY WALTON BOYD, Notary Public and General Court Reporter, Santa Fe, New Mexico, DO HEREBY CERTIFY that the facts stated in the caption hereto are true and correct; that I reported the captioned proceedings and that the foregoing 4 pages constitute a full, true and correct transcript of said proceedings.

WITNESS my hand and seal, this 30th day of March, 1975, at Santa Fe, New Mexico.

Sally Walton Boyd
Sally Walton Boyd
Notary Public and General Court Reporter

My Commission expires:

10 September 1975

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 5409, heard by me on 3/19, 1975.

[Signature], Examiner
New Mexico Oil Conservation Commission

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BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
February 19, 1975

EXAMINER HEARING

IN THE MATTER OF:

Application of Atlantic Richfield
Company for a non-standard gas proration
unit, an unorthodox gas well location,
and simultaneous dedication, Lea County,
New Mexico.

Case No.
5409

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil
Conservation Commission:

Thomas Derryberry, Esq.
Legal Counsel for the
Commission
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 XPAGE

LOUIS C. SOILEAU IV

Direct Examination by Mr. Hinkle

3

E X H I B I T SMarkedAdmittedAtlantic's Exhibits Nos. 1
through 4

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MR. NUTTER: We call the next case, No. 5409.

MR. DERRYBERRY: Case 5409. Application of Atlantic Richfield Company for a non-standard gas proration unit, an unorthodox gas well location, and simultaneous dedication, Lea County, New Mexico.

MR. HINKLE: Clarence Hinkle, Hinkle, Bondurant, Cox & Eaton, appearing on behalf of Atlantic Richfield. We have one witness and four exhibits.

(Witness sworn.)

LOUIS C. SOILEAU IV

called as a witness, having been first duly 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 My name is Louis C. Soileau IV, I'm a resident of Midland, Texas, and I am employed by Atlantic Richfield Company as an Operations Engineer.

Q Are you a Petroleum Engineer?

A Yes, sir.

Q Have you previously testified before this Commission and had your qualifications made a matter of

record?

A Yes, sir.

Q Have you made a study of the Jalmat Pool Area?

A Yes, the Jalmat Pool is within my area of responsibility.

Q And these leases of subject?

A I have studied these leases.

MR. HINKLE: Are the Witness' qualifications sufficient?

MR. NUTTER: Yes.

BY MR. HINKLE:

Q Are you familiar with the Application of Atlantic Richfield in this Case?

A Yes, sir.

Q What is Atlantic Richfield seeking to accomplish?

A Atlantic Richfield is requesting a 320-acre non-standard Jalmat gas proration unit, approval of an unorthodox location and simultaneous dedication of acreage.

Q Have you prepared or has there been prepared under your direction four exhibits for introduction into this Case?

A Yes. These exhibits have been prepared.

Q Those are the ones marked 1 to 4?

A Yes, sir.

Q Refer to Exhibit 1 and explain what this is.

A Exhibit 1 is a map showing the proposed unit outline within Township 24 South, Range 36 East, Lea County, New Mexico. Shown in two different colors are the two 160-acre leases which are currently separate Jalmat gas proration units. These two leases are fee land. You will note that although these are two separate leases the lease ownership is identical in each case. Atlantic Richfield has received approval from all lease owners, except one, to pool this acreage --

Q (Interrupting) Are you talking about lease owners or are you talking about the mineral owners too?

A Yes, sir, royalty owners.

Q Royalty owners.

A (Continuing) To pool this acreage for Jalmat gas production only. The one nonconsenting interest is the unsettled estate of a Mr. Miller Russell and it represents .00375 percent of the royalty interest.

Q How has that interest been handled heretofore?

A Arco has attempted to identify the heir to this estate and efforts have proven futile at this time.

Q And the proceeds have been impounded over the years?

A Yes.

Q And I believe you stated that the mineral ownership was unified on these two 160-acre leases?

A Yes, sir. They are two separate leases, however the lease ownership is identical.

Q And you propose to continue to impound these proceeds that are due this estate as has been done in the past?

A Yes.

Q What else does this plat show?

A The plat shows the location of the George W. Toby No. 1 Jalmat gas well in the Southeast Quarter of Section 12, and the location of the George W. Toby No. 1-A Jalmat gas well located in the Northeast Quarter of Section 13.

Q These are standard locations?

A These are standard locations for the existing proration unit areas. Also it shows the proposed location of the George W. Toby No. 4, a proposed Jalmat gas well in Section 12 in the Southeast Quarter.

Q Does Atlantic Richfield propose to drill that well right away?

A Yes, sir. We have this well scheduled to be

drilled before July of this year. It is an unorthodox location for a 320-acre non-standard unit. Also the map shows offset Jalmat gas wells and offset operators. The two leases in question, the proration units are marginal at the present time. We are offset to the north and west by non-marginal Jalmat gas production and to the south and east by marginal Jalmat gas production. Cumulative production in this area ranges from 1.6 billion cubic feet to 10.3 billion cubic feet per Jalmat gas well.

Q Now refer to Exhibit 2 and explain that.

A Exhibit 2 is a Form C102 well location and acreage dedication plat showing Atlantic Richfield Company's well George W. Toby No. 1 located in Unit P of Section 12, Township 24 South, Range 36 East. It is located 660 feet from the south and east lines of Section 12 and is productive in the Jalmat Gas Pool. Please note Item 3 that these two leases have been pooled by lease amendment as Jalmat gas production only.

Q It also shows the location of the proposed well?

A Yes. It shows the location of the proposed well and the two existing proration units.

Q All right. Refer to Exhibit 3 and explain that?

A Exhibit 3 shows Atlantic Richfield's George W.

Toby No. 1-A Well located in the Northeast Quarter of Section 13. It is located 660 feet from the north and east lines and is Jalmat gas productive also.

Q Now refer to Exhibit 4 and explain that?

A Exhibit 4 shows the proposed location of the George W. Toby No. 4 located 760 feet from the east line and 1880 feet from the south line of Section 12. It is an unorthodox location for a 320-acre Jalmat gas proration unit.

Q Were all the offset owners furnished with a copy of the Application of this Case.

A Yes, sir, they were.

Q Have you had any objections from any of them?

A Not to date, no, sir.

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

A Yes, sir.

MR. HINKLE: We would like to offer Exhibits 1 through 4 of Atlantic.

MR. NUTTER: Atlantic's Exhibits 1 through 4 will be admitted into evidence.

(Whereupon, Atlantic's Exhibits

Nos. 1 through 4 were admitted
into evidence.)

MR. HINKLE: That's all we have.

MR. SOILEAU: May I make one more statement?

MR. HINKLE: Yes.

MR. SOILEAU: There is precedence for this
action where we are attempting to pool acreage across
section lines within recent years.

MR. HINKLE: Within the Jalmat Pool?

MR. SOILEAU: In the Jalmat Gas Pool, yes.

MR. NUTTER: I just noticed that the legal
notice for this case is in error; it is our error and we
will have to readvertise the case for hearing on March 19th.
In the meantime we will just continue the case and the re-
cord that was made here today will be incorporated in
that record on March 19th.

MR. HINKLE: It wouldn't be necessary to appear
at that time?

MR. NUTTER: It won't be necessary to appear.

MR. HINKLE: Okay.


MR. NUTTER: Then in the event some opposition
should come up after legal notice we will continue it and
notify you. So, due to these facts, Case No. 5409 will be

continued to the Examiner Hearing scheduled to be held at this same place at 9:00 A.M. on March 19th, 1975.


Are there any questions of the Witness at this time? He may be excused. Does anyone have anything to offer in Case No. 5409? If not, the Case is continued as mentioned before.

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

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. 5409, heard by me on 2/19, 1975.

_____, Examiner
New Mexico Oil Conservation Commission

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
February 5, 1975

EXAMINER HEARING

IN THE MATTER OF:

Application of Atlantic Richfield
Company for a non-standard gas
proration unit, an unorthodox
gas well location, and simultaneous
dedication, Lea County, New Mexico.

CASE NO.
5409

BEFORE: Richard L. Stamets, Examiner

For the New Mexico Oil
Conservation Commission:

William Carr, Esq.
Legal Counsel for the
Commission
State Land Office Building
Santa Fe, New Mexico

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MR. STAMETS: Case 5409.

MR. CARR: Case 5409. Application of Atlantic Richfield Company for a non-standard gas proration unit, an unorthodox gas well location, and simultaneous dedication, Lea County, New Mexico.

Mr. Examiner, the Commission has received a request that this case be continued to February 19th.

MR. STAMETS: Case 5409 will be continued to the February 19th Examiner Hearing.

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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. 5409, heard by me on 2-5 1975.
Richard L. Nye, Examiner
New Mexico Oil Conservation Commission

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OIL CONSERVATION COMMISSION

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

I. R. TRUJILLO
CHAIRMAN

**LAND COMMISSIONER
PHIL R. LUCERO
MEMBER**

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

March 25, 1975

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

Re: CASE NO. 5409
ORDER NO. R-4987

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. H. Porter, Jr.

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. 5409
Order No. R-4987

APPLICATION OF ATLANTIC RICHFIELD
COMPANY FOR A NON-STANDARD GAS PRORATION
UNIT, AN UNORTHODOX GAS WELL LOCATION,
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 March 19, 1975,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 25th day of March, 1975, 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 the approval for a non-standard 320-acre gas proration
unit comprising the SE/4 of Section 12 and the NE/4 of
Section 13, both in Township 24 South, Range 36 East, NMPM,
Jalmat Gas Pool, Lea County, New Mexico.

(3) That the applicant seeks to simultaneously dedicate
to said non-standard unit its George W. Toby WN Wells Nos. 4,
1, and 1-A, located, respectively, in Units I and P of said
Section 12, and in Unit A of said Section 13, said Well No. 4
being at an unorthodox location for a 320-acre unit, with
unit production to be taken from said wells in any proportion.

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

(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.

-2-
Case No. 5409
Order No. R-4287

IT IS THEREFORE ORDERED:

(1) That effective at 7:00 a.m. April 1, 1975, the applicant, Atlantic Richfield Company, is hereby authorized to simultaneously dedicate a non-standard 320-acre gas proration unit comprising the SE/4 of Section 12 and the NE/4 of Section 13, both in Township 24 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, to its George W. Toby WN Wells Nos. 4, 1, and 1-A, located, respectively, at unorthodox and orthodox locations in Units I and P of Section 12 and in Unit A of Section 13 with unit production to be taken from said wells in any proportion.

(2) That the allowable assigned to the above-described gas proration unit shall be based upon the unit size of 320 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

Phil R. Lucero
PHIL R. LUCERO, Member

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

S E A L

dr/

CASE 5399: (Continued from the January 8, 1975, Examiner Hearing)

Application of Coastline Petroleum Company, Inc., for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of undesignated Gallup and Basin-Dakota gas production in the wellbore of its Schalk 94 Well No. 1, located in Unit A of Section 26, Township 32 North, Range 8 West, San Juan County, New Mexico.

CASE 4899: (Reopened)

In the matter of Case 4899 being reopened pursuant to the provisions of Order No. R-4477, which order established temporary special pool rules for the Cedar Canyon-Morrow Gas Pool, including a provision for 640-acre spacing units. All interested parties may appear and show cause why said pool should not be developed on 320-acre spacing units.

CASE 4900: (Reopened)

In the matter of Case 4900 being reopened pursuant to the provisions of Order No. R-4478, which order established temporary special pool rules for the West Jal-Fusselman Gas Pool, Lea County, New Mexico, including a provision for 640-acre spacing units. All interested parties may appear and show cause why said pool should not be developed on 320-acre spacing units.

CASE 5099: (Reopened)

In the matter of Case 5099 being reopened pursuant to the provisions of Order No. R-4683, which order established temporary special pool rules for the South Carlsbad-Wolfcamp Gas Pool, Eddy County, New Mexico, including a provision for 320-acre spacing units. All interested parties may appear and show cause why said pool should not be developed on 160-acre spacing units.

CASE 5409: Application of Atlantic Richfield Company for a non-standard gas proration unit, an unorthodox gas well location, and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 320-acre non-standard gas proration unit comprising the SE/4 of Section 12 and the NE/4 of Section 13, both in Township 24 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to its George W. Toby WN Wells Nos. 4, 1, and 1-A, located, respectively, in Units A and H of said Section 12 and in Unit A of said Section 13.

CASE 5410: Application of Texas Pacific Oil Co., Inc. for two unorthodox gas well locations, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox locations of its Berry Well No. 1, to be located 990 feet from the South and West lines of Section 23, and its Hnulik Well No. 1, located 1315 feet from the North line and 660 feet from the West line of Section 26, both in Township 17 South, Range 26 East, Kennedy Farms-Morrow Gas Pool, Eddy County, New Mexico, the W/2 of said Section 23 and the N/2 of said Section 26 to be dedicated, respectively, to said wells.

Dockets Nos. 6-75 and 7-75 are tentatively set for hearing on March 5 and March 19, 1975. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - FEBRUARY 19, 1975

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:

- ALLOWABLE:
- (1) Consideration of the allowable production of gas for March, 1975, from seventeen prorated pools in Lea, Eddy, Chaves and Roosevelt Counties, New Mexico.
 - (2) Consideration of the allowable production of gas for March, 1975, from five prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.
 - (3) Consideration of purchaser's nominations for the one-year period beginning April 1, 1975, for both of the above areas.

CASE 5402: (Continued from the January 22, 1975 Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Tyra & Tyra, Fidelity and Deposit Company of Maryland and all other interested parties to appear and show cause why the Tyra & Tyra BTA Lulu Well No. 1 located in Unit C of Section 22, Township 9 South, Range 35 East, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5415: Application of Burk Royalty Co. for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Double L Queen Unit Area, comprising 2670 acres, more or less, of Federal, State, and fee lands in Townships 14 and 15 South, Ranges 29 and 30 East, Chaves County, New Mexico.

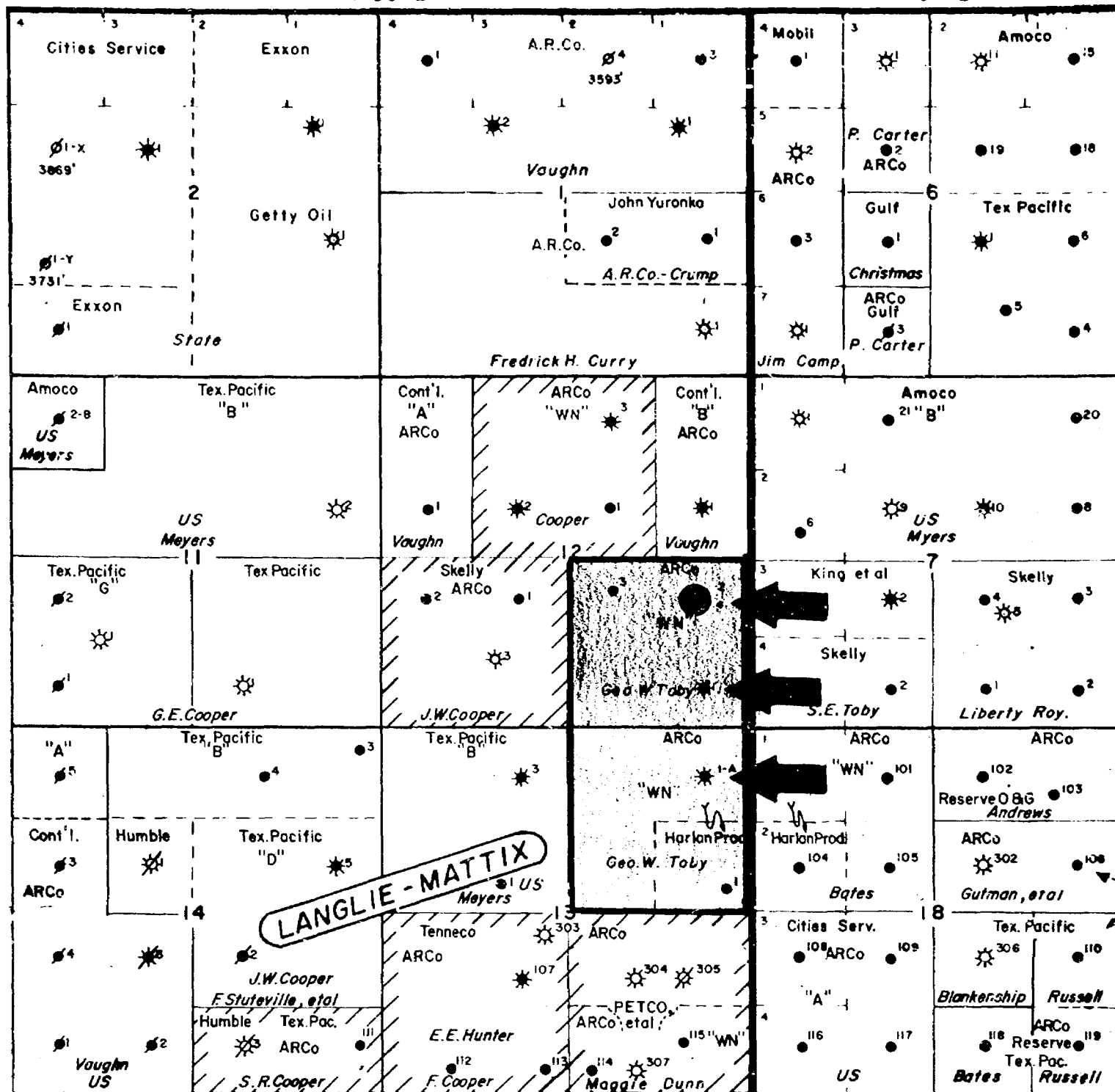
CASE 5416: Application of Tesoro Petroleum Corporation for a unit agreement, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Coal Creek Unit Area comprising 11,225 acres, more or less, of State and Federal lands in Township 23 North, Ranges 12 and 13 West, San Juan County, New Mexico.

CASE 5409: (Continued from the February 5, 1975, Examiner Hearing)

Application of Atlantic Richfield Company for a non-standard gas proration unit, an unorthodox gas well location, and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 320-acre non-standard gas proration unit comprising the SE/4 of Section 12 and the NE/4 of Section 13, both in Township 24 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to its George W. Toby WN Wells Nos. 4, 1, and 1-A, located, respectively, in Units A and H of said Section 12 and in Unit A of said Section 13.

R-36-E

R-37-E



LEGEND



PROPOSED LOCATION

BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
EXHIBIT NO. _____
CASE NO. 3409

Atlantic Richfield Company
North American Producing Division
Permian District - Midland, Texas



ATLANTIC RICHFIELD CO.

TOBY WN NO. 4

JALMAT YATES GAS POOL

Lea County, New Mexico

SCALE: 1" = 2000'

D. BOSE

DRAWN BY

DATE

ENG.

DATE

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form O-102
Supersedes O-128
Effective 1-1-55

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

Operator Atlantic Richfield Company		Lease George L. Toby et ux		Well No. 1
Unit Letter P	Section 12	Township 24S	Range 36E	County Lea
Actual Footage Location of Well:				
650 feet from the South line and		600 feet from the East line		
Ground Level Elev. 3322'	Producing Formation Yates and Seven Rivers	Pool Jalmat Gas	Dedicated Acreage: 320 Acres	

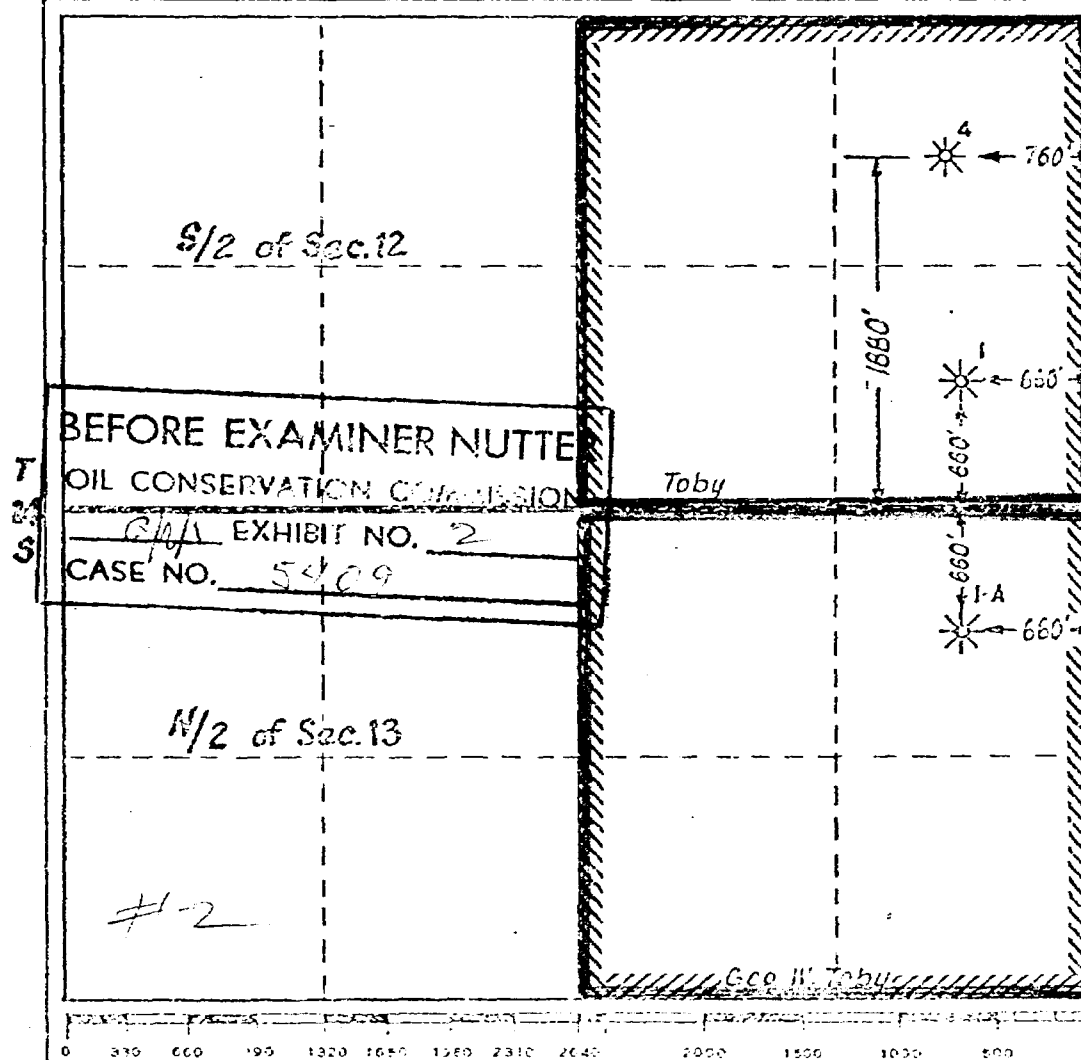
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is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

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 well 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 James C. Sackett
Position Engineer
Company Atlantic Richfield Company
Date December 17, 1974

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 George W. Toby et al		Well No. 1-A
Unit Letter A	Section 13	Township 24S	Range 36E	County Lea	
Actual Footage Location of Well:					
660 feet from the North line and		660 feet from the East line			
Ground Level Elev. 3318'	Producing Formation Yates and Seven Rivers	Pool Jalmat Gas	Dedicated Acreage: 320 Acres		

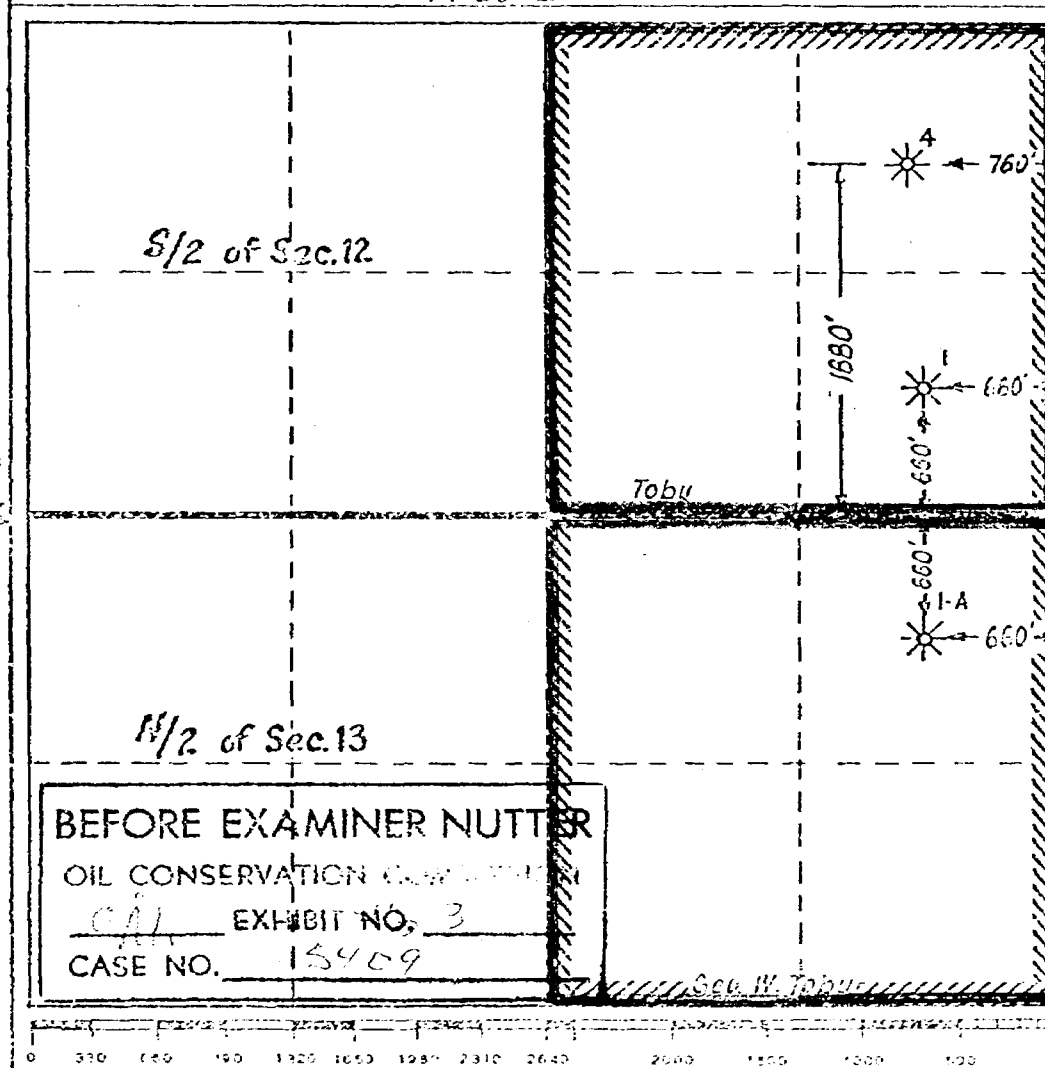
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is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

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
Samuel C. Salazar
Position
Engineer
Company
Atlantic Richfield Company
Date
December 17, 1974

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
Supersoles C-122
Effective 1-1-55

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

Operator Atlantic Richfield Company			Lease George W. Toby et ux		Well No. 4
Unit Letter 1	Section 12	Township 24S	Range 36E	County Lea	
Actual Footage Location of Well: 1880 feet from the South line and 760 feet from the East line					
Ground Level Elev. to be reported	Producing Formation Yates and Seven Rivers		Pool Jalmat Gas		Dedicated Acreage: 320 Acres

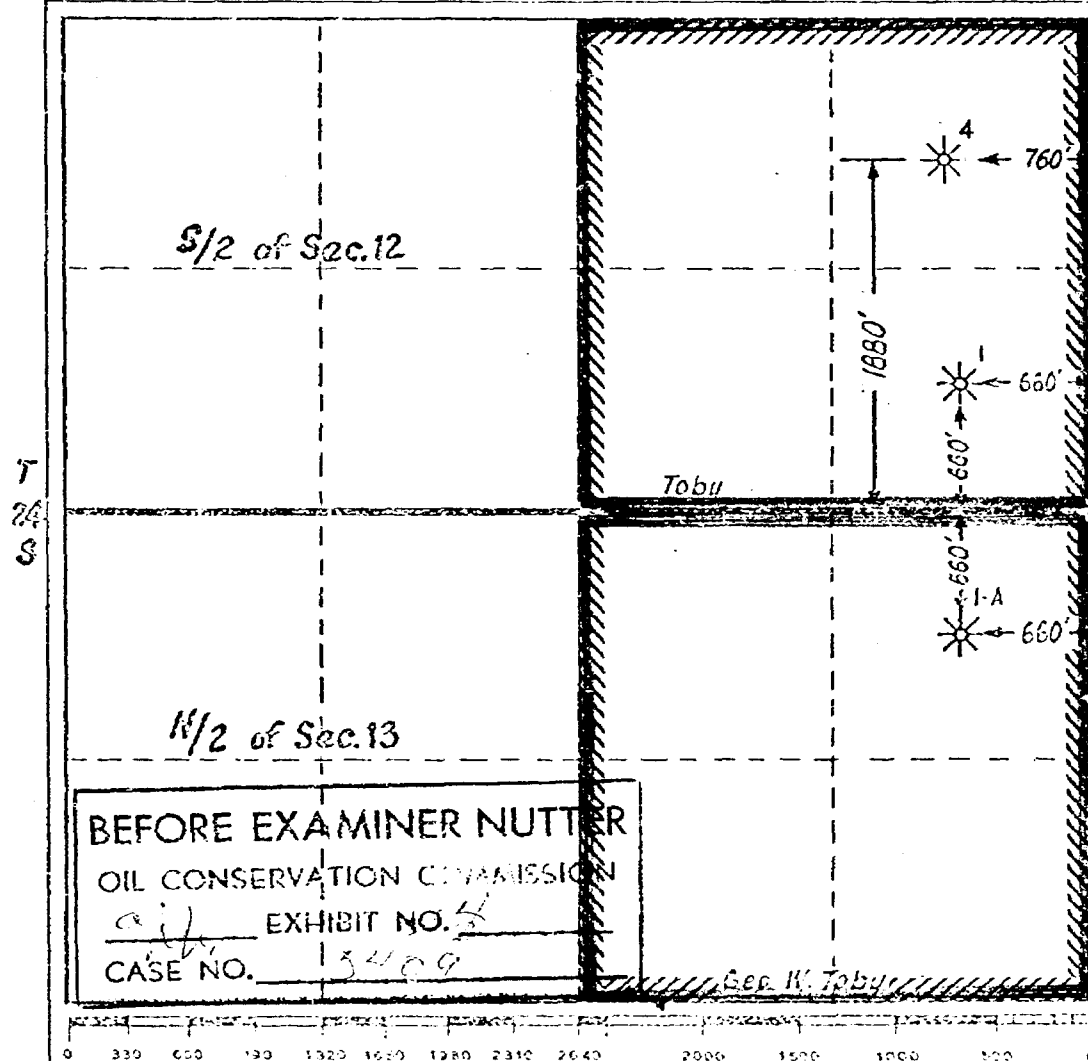
1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is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

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-35-E



BEFORE EXAMINER NUTTER
OIL CONSERVATION COMMISSION
ai EXHIBIT NO. *4*
CASE NO. *13409*

CERTIFICATION

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

Name *Louis C. Sullivan*
Position
Engineer
Company
Atlantic Richfield Company
Date
December 17, 1974

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.

Dockets Nos. 8-75 and 9-75 are tentatively set for hearing on April 2, and April 16, 1975. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 19, 1975

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:

- ALLOWABLE: (1) Consideration of the allowable production of gas from seventeen prorated pools in Lea, Eddy, Roosevelt, and Chaves Counties, New Mexico, for April, 1975;
- (2) Consideration of the allowable production of gas from five prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for April, 1975.

CASE 5415: (Continued from the February 19, 1975, Examiner Hearing)

Application of Burk Royalty Co., for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Double L Queen Unit Area, comprising 2670 acres, more or less, of Federal, State, and fee lands in Townships 14 and 15 South, Ranges 29 and 30 East, Chaves County, New Mexico.

CASE 5409: (Continued & Readvertised)

Application of Atlantic Richfield Company for a non-standard gas proration unit, an unorthodox gas well location, and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 320-acre non-standard gas proration unit comprising the SE/4 of Section 12 and the NE/4 of Section 13, both in Township 24 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to its George W. Toby WN Wells Nos. 4, 1, and 1-A, located, respectively, in Units I and P of said Section 12 and in Unit A of said Section 13.

CASE 5438: Application of Exxon Corporation for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of temporary special rules for the Fairview Mills-Wolfcamp Gas Pool, Township 25 South, Range 34 East, Lea County, New Mexico, including a provision for 640-acre spacing units.

CASE 5439: Application of Gulf Oil Corporation for the amendment of Order No. R-4079, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-4079, which order, as amended, authorized the commingling, prior to measurement, of Hobbs Grayburg-San Andres, Hobbs-Blaine, and Bowers-Seven Rivers production from its W. D. Grimes "A" and "B" Leases in Sections 32 and 33, Township 18 South, Range 38 East, Lea County, New Mexico, to include in said commingling authority Hobbs-Drinkard production.

Case 5409

CLARENCE E. HINKLE
W. E. BONDURANT, JR. 1914-1974
LEWIS C. COX, JR.
PAUL W. EATON, JR.
CONRAD E. COFFIELD
HAROLD L. HENSLEY, JR.
STUART D. SHANOR
C. D. MARTIN
PAUL J. KELLY, JR.
JAMES H. BOZARTH
ANDREW ALLEN
RONALD G. HARRIS

LAW OFFICES
HINKLE, BONDURANT, COX & EATON

600 HINKLE BUILDING
POST OFFICE BOX 10

ROSWELL, NEW MEXICO 88201

January 27, 1975

TELEPHONE (505) 622-6510

MIDLAND, TEXAS OFFICE
521 MIDLAND TOWER
(915) 683-4891

Oil Conservation Commission
Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

We represent Atlantic Richfield Company which has an application pending on the examiner's docket for February 5 in Case No. 5409 which involves a non-standard gas proration unit and unorthodox well locations in the Jalmat Gas Pool. We are currently filing another application on behalf of Atlantic involving a non-standard proration unit and unorthodox gas well locations and simultaneous dedication of wells in the Jalmat Gas Pool which we have requested be included on the examiner's docket for February 19.

Inasmuch as these are similar cases, Atlantic Richfield would like to have the same included on the same docket. WE respectfully request that Case No. 5409 on the February 5 docket be continued to February 19. You may consider that as a motion for such continuance.

Yours very truly,

HINKLE, BONDURANT, COX & EATON

By 

CEH:cs

cc: L. C. Soileau IV
cc: Duncan W. Holt, Jr.



DOCKET MAILED

Date 3-6-75
for 3-19-75

DOCKET MAILED

Date 2-7-75
for 2-19-75

Atlantic Richfield Company

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

Duncan W. Holt, Jr.
Attorney



January 7, 1974

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

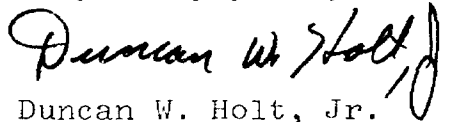
Re: Application of Atlantic Richfield Company
for a Non-Standard Proration Unit, and
Unorthodox Location and Simultaneous
Dedication of Acreage, Jalmat Pool, Lea
County, New Mexico.

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 shown on the attached list. Each has been furnished a copy of the application.

Very truly yours,


Duncan W. Holt, Jr.

DWH/jm
encl.
cc: Mr. Clarence E. Hinkle

DOCKET MAILED

Date 3-19-75

DOCKET MAILED

Date 1-24-75

BEFORE THE OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

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

CASE NO. 5419

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 simultaneous dedication 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 SE $\frac{1}{4}$ of Section 12, Township 24 South, Range 36 East and the NE $\frac{1}{4}$ of Section 13, Township 24 South, Range 36 East, Lea County, New Mexico, to be simultaneously dedicated to the George W. Toby WN Wells Nos. 1 and 4 and George W. Toby WN No. 1-A with the Toby No. 4 to be located 760 feet from the North Line and 760 feet from the East Line of the SE $\frac{1}{4}$ of said Section 12, an unorthodox location, with the allowable to be produced from any combination of the wells in any proportion.

Attached is a map of the proposed proration unit.

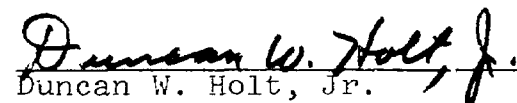
3.

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

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-120
Effective 1-1-65

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

Operator Atlantic Richfield Company			Lease George W. Toby et ux		Well No. 4
Unit Letter I	Section 12	Township 24S	Range 36E	County Lea	
Actual Footage Location of Well: 1880 feet from the South line and 760 feet from the East line					
Ground Level Elev. to be reported	Producing Formation Yates and Seven Rivers		Pool Jalmat Gas		Dedicated Acreage: 320 Acres

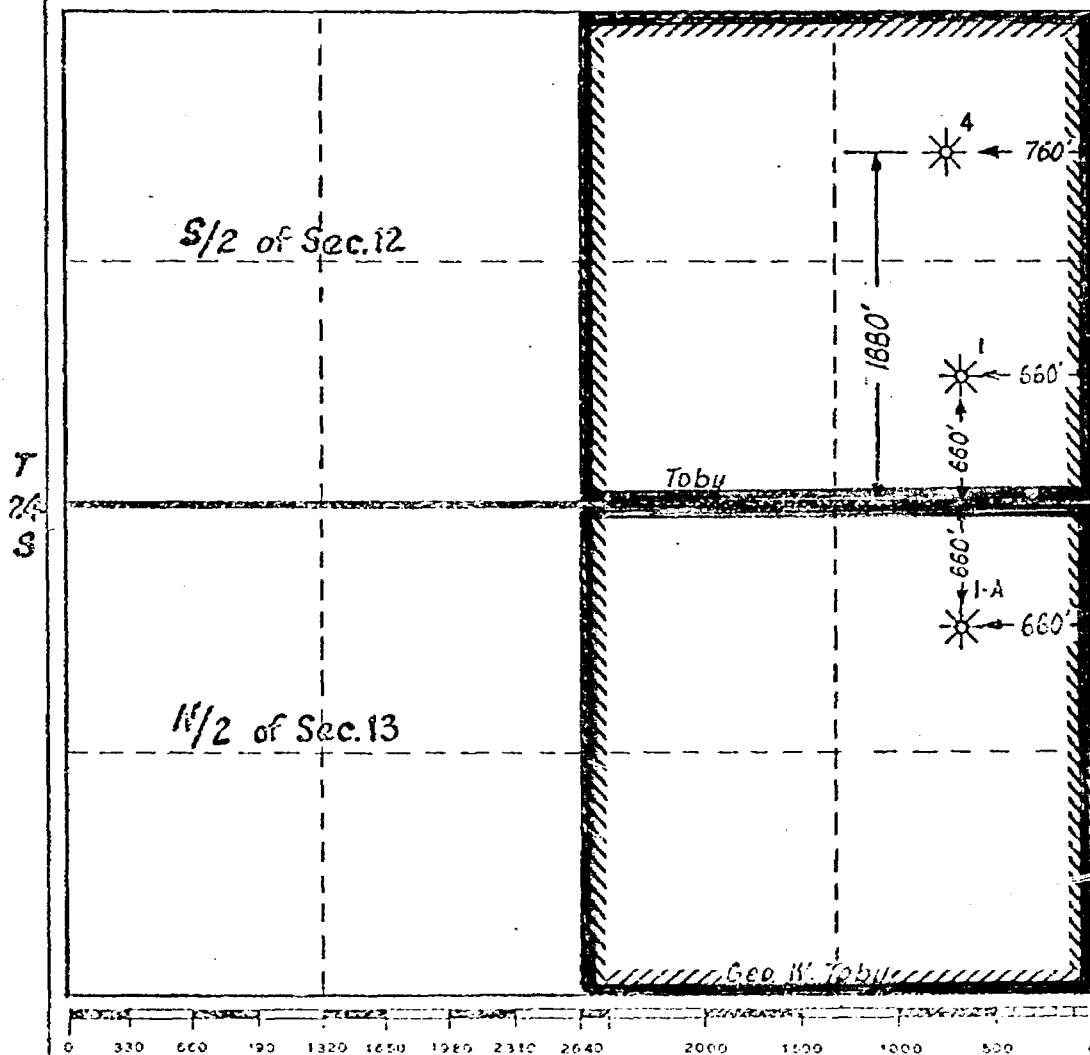
1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is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

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-35-E



CERTIFICATION

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

Name James C. Seibert
Position
Engineer
Company
Atlantic Richfield Company
Date
December 17, 1974

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.

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

Operator Atlantic Richfield Company			Lease George V. Toby et ux		Well No. 1
Unit Letter P	Section 12	Township 24S	Range 36E	County Lea	
Actual Footage Location of Well:					
660 feet from the South line and		660 feet from the East line			
Ground Level Elev. 3322'	Producing Formation Yates and Seven Rivers	Pool Jalmat Gas	Dedicated Acreage: 320 Acres		
<p>1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.</p> <p>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).</p> <p>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?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes," type of consolidation <u>Pooled by Lease Amendment as to Jalmat Gas only.</u></p> <p>If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____</p> <p>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.</p> <p style="text-align: center;">R-35-E</p>					
				<p style="text-align: center;">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 <u>James C. Smith</u></p> <p>Position <u>Engineer</u></p> <p>Company <u>Atlantic Richfield Company</u></p> <p>Date <u>December 17, 1974</u></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>Date Surveyed _____</p> <p>Registered Professional Engineer and/or Land Surveyor _____</p> <p>Certificate No. _____</p>	

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 George L. Toby et al		Well No. 1-A
Unit Letter A	Section 13	Township 24S	Range 36E	County Lea	
Actual Footage Location of Well:					
660 feet from the North line and		660 feet from the East line			
Ground Level Elev. 3318'	Producing Formation Yates and Seven Rivers	Pool Jalmat Gas		Dedicated Acreage: 20 Acres	

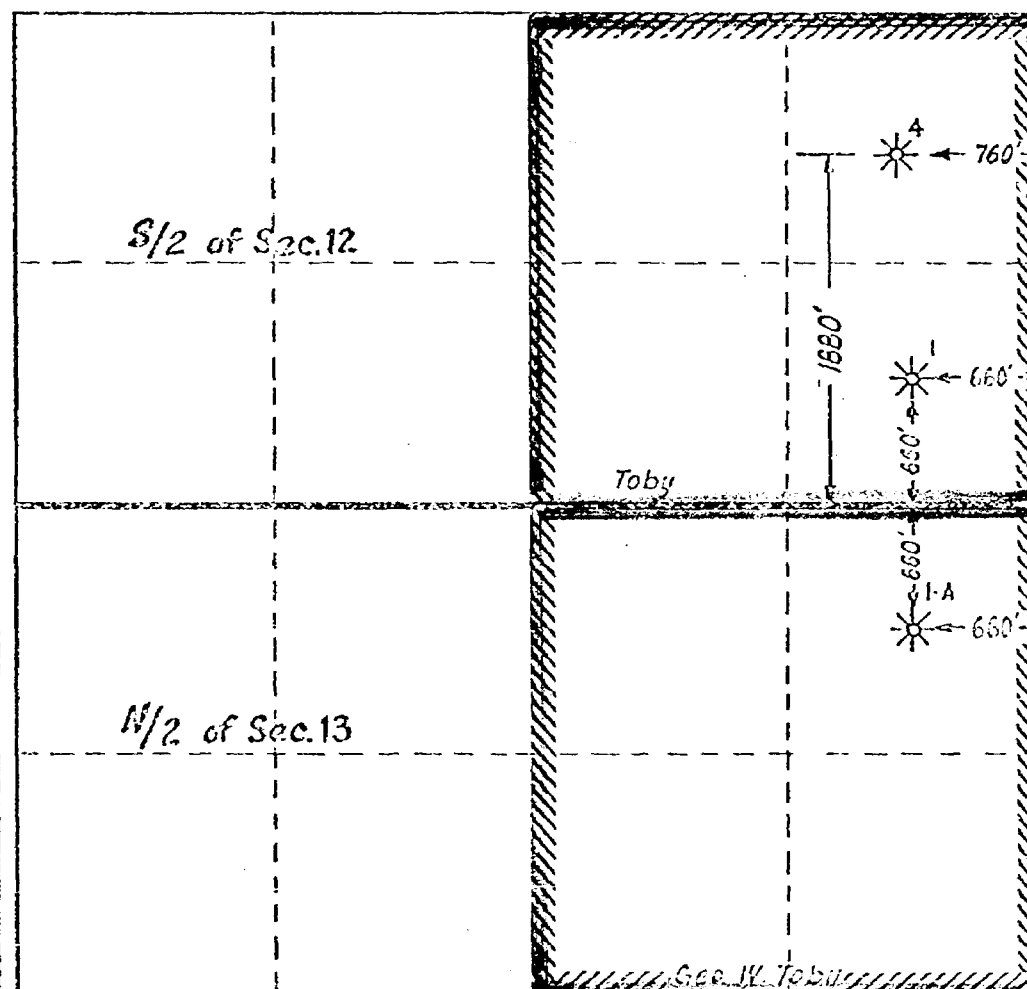
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is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

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-26-E



CERTIFICATION

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

Name
Louis C. Seiler
Position
Engineer
Company
Atlantic Richfield Company
Date
December 17, 1974

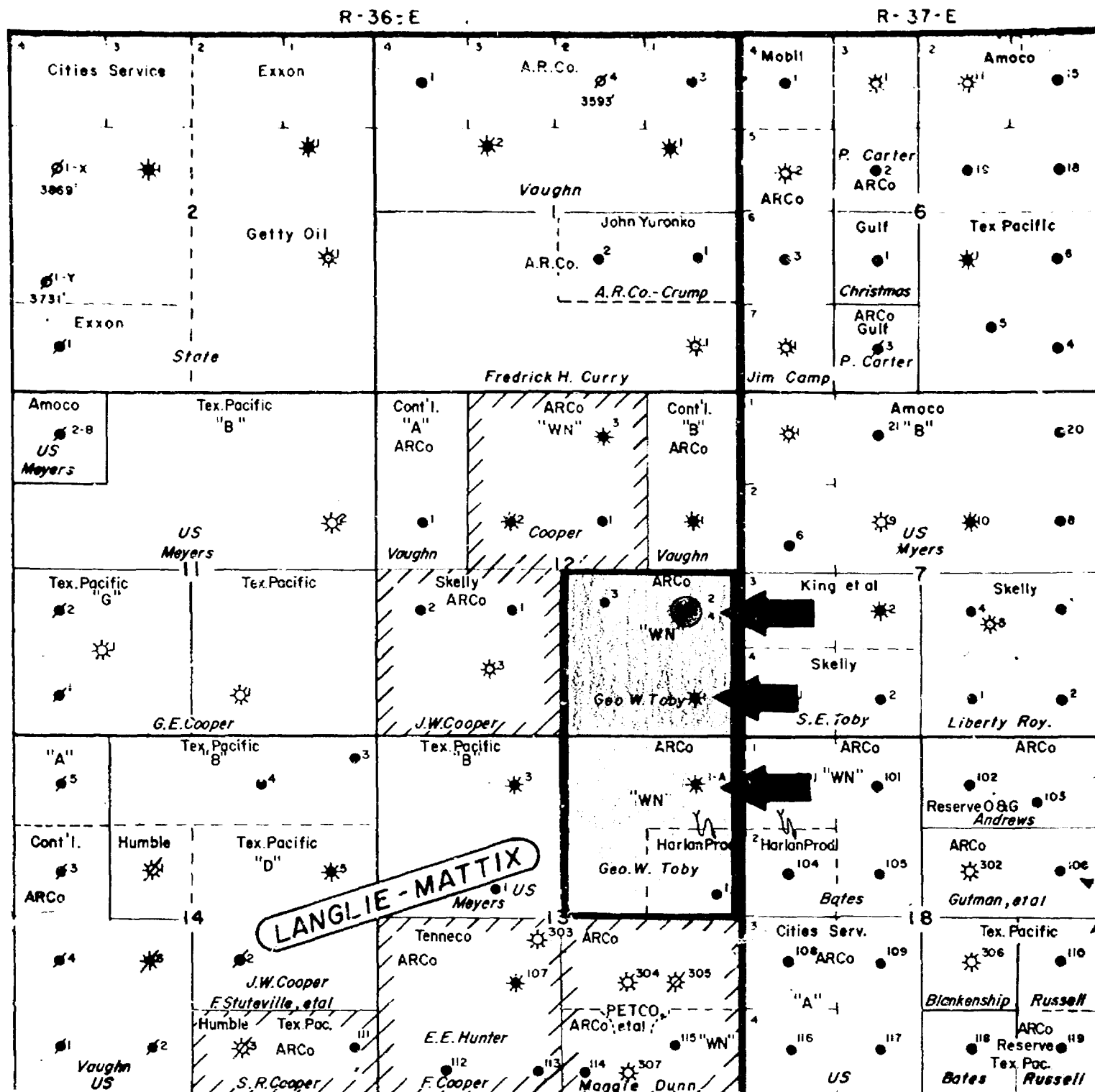
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

Registered Professional Engineer and/or Land Surveyor

Certificate No.

7
24
3



LEGEND



PROPOSED LOCATION

Atlantic Richfield Company

North American Producing Division
Permian District - Midland, Texas



ATLANTIC RICHFIELD CO.

TOBY WN NO. 4

JALMAT YATES GAS POOL

Lea County, New Mexico

SCALE: 1" = 2000'

D. BOSE	DATE
ENG.	DATE

OFFSET OPERATORS
JALMAT GAS POOL
Lea County, New Mexico

Amoco Production Company
P. O. Box 4072
Odessa, Texas 79760

Cities Service Oil Company
P. O. Box 1919
Midland, Texas 79701

Continental Oil Company
P. O. Box 460
Hobbs, New Mexico 88240

Harlan Production Company
P. O. Box 1056
Monahans, Texas 79756

King, Warren, and Dye
P. O. Box 1505
Midland, Texas 79701

Petroleum Corporation of Texas
707 Main Avenue
Artesia, New Mexico 88210

Reserve Oil and Gas Company
201 1st Savings Building
Midland, Texas 79701

Skelly Oil Company
P. O. Box 1351
Midland, Texas 79701

Tenneco Oil Company
1200 Lincoln Tower
Denver, Colorado 80203

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

dr/

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

fr

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5409

Rel

APPLICATION OF ATLANTIC RICHFIELD
COMPANY FOR A NON-STANDARD GAS PRORATION
UNIT, AN UNORTHODOX GAS WELL LOCATION,
AND SIMULTANEOUS DEDICATION, LEA COUNTY,
NEW MEXICO.

Order No. R- *7981*

[Signature] *[Signature]*

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 19, 1975
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this day of March, 1975, 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
the approval for a non-standard 320-acre gas proration unit
comprising the SE/4 of Section 12 and the NE/4 of Section 13,
both in Township 24 South, Range 36 East, NMPM, Jalmat Gas
Pool, Lea County, New Mexico.

1 (3) That the applicant seeks to simultaneously dedicate
2 to said non-standard unit its George W. Toby WN Wells Nos. 4, 1,
3 and 1-A, located, respectively, ~~at unorthodox locations~~ in
4 Units I and P of said Section 12, and in Unit A of said Sec-
5 tion 13, ^{said Well No. 4 being at an unorthodox location for a 320-acre unit,} with unit production to be taken from said wells in any
6 proportion.

7 (4) That the proposed non-standard gas proration unit can
8 be efficiently and economically drained and developed by the
9 subject wells.

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

14 IT IS THEREFORE ORDERED:

15 (1) That effective at 7:00 a.m. April 1, 1975,
16 the applicant, Atlantic Richfield Company, is hereby authorized
17 to simultaneously dedicate a non-standard 320-acre gas proration
18 unit comprising the SE/4 of Section 12 and the NE/4 of Section
19 13, both in Township 24 South, Range 36 East, NMPM, Jalmat Gas
20 Pool, Lea County, New Mexico, to its George W. Toby WN Wells
21 Nos. 4, 1, and 1-A, located, respectively, at unorthodox ^{and orthodox} locations
22 in Units I and P of Section 12 and in Unit A of Section 13 with
23 unit production to be taken from said wells in any proportion.

24 (2) That the allowable assigned to the above-described
25 gas proration unit shall be based upon the unit size of 320
26 acres and that the operator may produce the allowable assigned
27 to the unit from the subject wells in any proportion.

28 (3) That jurisdiction of this cause is retained for the
29 entry of such further orders as the Commission may deem necessary.

30 DONE at Santa Fe, New Mexico, on the day and year herein-
31 above designated.
32