CASE 5784: ATLANTIC RICHFIELD CO. FOR FOUR UNORTHODOX LOCATIONS AND SIMULTANEOUS DEDICATION, LEA COUNTY. NEW MEXICO

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5784

Application,

Transcripts,

5 mall EXhibts

NEW MEXICO OIL CONSERVATION COMMISSION Santa Fe, New Mexico October 13, 1976 EXAMINER HEARING IN THE MATTER OF: Application of Atlantic Richfield CASE Company for four unorthodox locations 5784 and simultaneous dedication, Lea County, New Mexico. 10 BEFORE: Richard L. Stamets, Examiner 11 TRANSCRIPT OF HEARING 12 13 APPEARANCES 14 For the New Mexico Oil Lynn Teschendorf Conservation Commission: 15 Law Clerk for the Commission State Land Office Building Santa Fe, New Mexico 16 For the Applicant: Clarence E. Hinkle, Esq. 17 HINKLE, BONDURANT, COX & EATON 18 Attorneys at Law Hinkle Building Roswell, New Mexico 19 20 22 23 24

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BEFORE THE

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		RICHARD S. PRENTICE		3
	4	Direct Examination by Mr. Hinkle	· :	
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1	8	EXHIBIT INDEX		
	9	Offe	red	Admitted
Brvice	10	Applicant's Exhibit One, Plat 5	* *. * .	7
morrish reporting service  General Court Reporting Service  Gelia, No. 122, Santa Fe, New Mexico 8  dejia, Phone (305) 982-9312	11	Applicant's Exhibit Two, Plat 6	; ;	7
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STAMETS: We will call Case 5784. MS. TESCHENDORF: Case 5784, application of Atlantic Richfield Company for four unorthodox locations and simultaneous dedication, Lea County, New Mexico. MR. HINKLE: Mr. Examiner, Clarence Hinkle, Hinkle, Bondurant, Cox and Eaton appearing on behalf of Atlantic Richfield. We have one witness I would like to have sworn. (THEREUPON, the witness was duly sworn.) 10 RICHARD S. PRENTICE called as a witness, having been first duly sworn, was .11 examined and testified as follows: 13 14 DIRECT EXAMINATION BY MR. HINKLE: 16 State your name, your residence and by whom you are employed? My name is Richard S. Prentice, I'm employed by 18 Atlantic Richfield in Midland, Texas. 20 What is your position with Atlantic Richfield? Q. 21 I'm an Operations Petroleum Engineer. Have you previously testified before the Commission? 22 23 Yes, I have. 24 And are your qualifications as a petroleum engineer a matter of record with the Commission?

# 5 (505) 982-9212

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Α.	Yes.	thev	are

- Q. Have you made a study of the area which is involved in this case?
  - A. Yes, I have.

MR. HINKLE: Are the qualifications sufficient?
MR. STAMETS: Yes, they are.

- Q (Mr. Hinkle continuing.) 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 seeks authority to simultaneously dedicate a previously approved three hundred and twenty acre Jalmat gas proration unit comprising the northwest quarter, the southwest quarter of the northeast quarter, east half of the northeast quarter, the northeast quarter of the southeast quarter of Section 35, Township 23 South, Range 36 East in the Jalmat Gas Pool, Lea County, New Mexico to its John P. Combest Well Nos. 1, 2, 3 and 4 located at unorthodox locations in Units H, G, A and E, respectively, in Section 35.
- Q Let me have a copy of the exhibits. Have you prepared or has there been prepared under your direction exhibits for introduction in this case?
  - A. Yes.
- Q They are the ones that have been marked Exhibits One and Two?

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AFxhibit_Two_i	s a well location and	acreage dedication
plat showing the exact	locations of all four	wells on the
John P. Combest lease.		

- Q All of these wells are not orthodox locations?
- A. Yes, they are.
- Q. Have these heretofore been approved by the Commission
- A. Yes, sir, they have.
- Q. When were they approved?
- A. They were approved by Order R-4625 on September 13th, 1973.
- Q Your application in this case was originally filed as an application for administrative approval, was it not?
  - A Yes, it was.
- Q Did you furnish all offset owners with a copy of this application?
  - A. Yes, I did.
- Q Have you had any protest from any of the offset owners?
  - A. No, I have not.
- Q. In your opinion will the approval of this application be in the interest of conservation, prevention of waste and protect correlative rights?
  - A. Yes, it will.

MR. HINKLE: We would like to offer Exhibits One and Two.

MR. STAMETS: Exhibits One and Two will be admitted. (THEREUPON, Applicants' Exhibits One and Two were admitted into evidence.) MR. STAMETS: Any questions of the witness? MR. HINKLE: That's all I have. MR. STAMETS: He may be excused. (THEREUPON, the witness was excused.) MR. STAMETS: Is there anything further in this We will take the case under advisement. 

Page	 <u> </u>	 

# REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand 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.

i do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 5784.

New Mexico Oil Conservation Commission

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa-Fe, New Mexico 87501
Phone (505) 982-9212



### **OIL CONSERVATION COMMISSION**

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

87501

DIRECTOR JOE D. RAMEY

LAND COMMISSIONER PHIL R. LUCERO October 28, 1976

Re:



EMERY C. ARNOLD

5784 R-4625-A

Mr. Clarence Hinkle Hinkle, Bondurant, Cox	ORDER NO. R-4625-1	
& Eaton Attorneys at Law Post Office Box 10 Roswell, New Mexico 88201	Applicant: Atlantic Richfield	Company
Dear Sir:		
Enclosed herewith are two co Commission order recently en	pries of the above-rentered in the subject	case.
Yours very truly,  JOE D. RAMEY		
Director		
		.s
JDR/fd		
Copy of order also sent to:		
Hobbs OCC X Artesia OCC X Aztec OCC		
Other		

CASE NO.

## 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. 5784 Order No. R-4625-A

APPLICATION OF ATLANTIC RICHFIELD COMPANY FOR FOUR UNORTHODOX LOCATIONS 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 October 13, 1976, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 27th day of October, 1976, 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 authority to simultaneously dedicate a previously approved 320-acre Jalmat gas proration unit comprising the NW/4, SW/4 NE/4, E/2 NE/4, and NE/4 SE/4 of Section 35, Township 23 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico, to its John P. Combest Wells Nos. 14, 2, 3, and 4 located at unorthodox locations in Units H, G, A, and E, respectively, of said Section 35.
- (3) That wells at said unorthodox locations will better enable applicant to produce the gas underlying the proration unit.
  - (4) That no offset operator objected to the application.
- (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 subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

-2-Case No. 5784 Order No. R-4625-A

### IT IS THEREFORE ORDERED:

- (1) That Atlantic Richfield Company is hereby authorized to simultaneously dedicate a previously approved 320-acre Jalmat gas provation unit comprising the NW/4, SW/4 NE/4, E/2 NE/4, and NE/4 SE/4 of Section 35, Township 23 South, Range 36 East, and NE/4 SE/4 of Section 35, Township 23 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico, to its John P. Combest Jalmat Gas Pool, Lea County, New Mexico, to its John P. Combest Wells Nos. 14, 2, 3, and 4 located at unorthodox locations in Units-H, G, A, and E, respectively, of said Section 35.
- (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

PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member

JOE D. RAMEY, Member & Secretary

SEAL

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Exhibits | and 2 Complete Set

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

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

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		ntic Richfie		John P.		3
	Unit Letter	Section 35	Township 23 South	· 36 East	County	
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1	[_] Yes	∐ No If a	nswer is "yes," type of	consolidation		
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Dockets Nos. 29-76 and 30-76 are tentatively set for hearing on October 27 and November 10, 1976. Applications for hearing must be filed at least 22 days in advance of hearing date.

for hearing must be filed at least 22 days in advance of hearing date. DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 13, 1976

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

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner: Consideration of the allowable production of gas for November, 1976, from seventeen prorated pools in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico.

Consideration of the allowable production of gas for November, 1976, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico. ALLOWABLE: (1)

Application of Yates Petroleum Corporation for a unit agreement, Eddy County, New Mexico.

Application of Yates Petroleum Corporation for a unit agreement, Eddy County, New Mexico.

Application of Yates Petroleum Corporation for a unit agreement, Eddy County, New Mexico. (Continued from September 29, 1976, Examiner Hearing) CASE 5773:

Application of Yates Petroleum Corporation for a unit agreement, Eddy County, New Mexico.

Application of Yates Petroleum Corporation for a unit agreement, Eddy County Area comprising for the North Millman Unit Area comprising Applicant, in the above-styled cause, seeks approval for the North Millman Unit Area comprising Applicant, in the above-styled cause, seeks approval 19 South, Range 28 East, Eddy County, New Mexico.

Application of Palmer Oil and Gas Company for an unorthodox gas well location and a non-standard properties of the above-styled cause, seeks and 7.

Application of Palmer Oil and Gas Company for an unorthodox gas well location and a non-standard properties in the above-styled cause, seeks and 7.

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Application of Palmer Oil and Gas Company for an unorthodox gas well location and 7.

Application of Palmer Oil and Falmer Oil and CASE 5783:

Application of Atlantic Richfield Company for four unorthodox locations and simultaneous dedication of Atlantic Richfield Company for four unorthodox locations and simultaneous dedicate appropriate to the simultaneous of Atlantic Richfield Company for four unorthodox locations and simultaneous dedicate appropriate to the simultaneous of Atlantic Richfield Company for four unorthodox locations and simultaneous dedicate authority to the source of the same of the section of the section of the same of the section o

Application of Doyle Hartman for compulsory pooling, Lea County, New Mexico. Applicant, in the seven Rivers-Queen above-styled cause, seeks an order pooling all mineral interests in the Seven Rivers-Queen above-styled cause, seeks an order pooling all mineral interests in the Seven Rivers-Queen Town of the NE/4, NE/4, NE/4, and SE/4 NE/4 of Section 19, Town four 40-acre above-styled cause, seeks an order pooling all mineral interests in the Seven Rivers-Queen Town four formation underlying the NE/4, NE/4, SW/4 NE/4, and SE/4 NE/4 of Section 19, Town four 40-acre above-styled cause, seeks an order pooling all mineral interests in the Seven Rivers-Queen Town four 40-acre and SE/4 NE/4 of Section 19, Town four 40-acre and S CASE 5785:

Application of Texaco Inc. for a waterflood project, Lea County, New Mexico. Applicant, in the application of Texaco Inc. for a waterflood project on its New Mexico "BZ" above-styled cause, seeks authority to institute a waterflood project on its New Mexico the above-styled cause, seeks authority to institute a waterflood project on its New Mexico above-styled cause, seeks authority to institute a waterflood project on its New Mexico. Applicant, in the applicant, in the county New Mexico. Applicant, in the cause of water into the above-styled cause, seeks authority to institute a waterflood project on its New Mexico. Applicant, in the cause of water into the above-styled cause, seeks authority to institute a waterflood project on its New Mexico. The Mexico "BZ" above-styled cause, seeks authority to institute a waterflood project on its New Mexico. The Mexico of water into the above-styled cause, seeks authority to institute a waterflood project on its New Mexico. The Mexico of water into the above-styled cause, seeks authority to institute a waterflood project on its New Mexico. The Mexico of water into the above-styled cause, seeks authority to institute a waterflood project on its New Mexico. The Mexico of water into the above-styled cause, seeks authority to institute a waterflood project on its New Mexico of water into the above-styled cause, seeks authority to institute a waterflood project on its New Mexico. The Mexico of water into the above-styled cause, seeks authority to institute a waterflood project on its New Mexico of water into the above seeks authority to institute a waterflood project on its New Mexico of water into the above seeks authority to institute a waterflood project on its New Mexico of water into the above seeks authority to institute a waterflood project on its New Mexico of water into the above seeks authority to institute a waterflood project on its New Mexico of water into the above seeks authority to institute a waterflood project on its New Mexico of water into the above seeks CASE 5786:

Application of Boyd Operating Company for a waterflood project, Eddy County, New Mexico. Application of Boyd Operating Company for a waterflood project, Eddy County, New Mexico, Grayburg-San Andres in the above-styled cause, seeks authority to institute a waterflood project in the Grayburg-San Andres in the above-styled cause, by the injection of water into the Grayburg-San Andres in the above-styled cause, by the injection of water into the Grayburg-San Andres in the above-styled cause, by the injection of water into the Grayburg-San Andres in the above-styled cause, by the injection of water into the Grayburg-San Andres in the grayburg-San Andres in Unit N of Section 25 and its Brinson Wells and I section 36, Township 16 South, Range 31 Jackson Pool, Eddy County, New Mexico, Applicant further seeks an administrative procedure for the project by approval of additional injection and production wells at orthodox and unorthodox locations. CASE, 5787:

CASE 5784:

In the matter of Case 5574 being reopened pursuant to the provisions of Order No. R-5118 which of the matter of Case 5574 being reopened pursuant to the provisions of Order No. R-5118 which of the matter of Case 5574 being reopened pursuant to the provisions of Order No. R-5118 which or the matter of Case 5574 being reopened pursuant to the provisions of Order No. R-5118 which or the matter of Case 5574 being reopened pursuant to the provisions of Order No. R-5118 which or the matter of Case 5574 being reopened pursuant to the provisions of Order No. R-5118 which or the matter of Case 5574 being reopened pursuant to the provisions of Order No. R-5118 which or the provision of Order No. R-5118 which or th In the matter of Case 5574 being reopened pursuant to the provisions of Order No. R-5118 which order established a temporary special depth bracket allowable of 750 barrels of oil per day for order established a temporary special depth bracket allowable. All interested parties may appear the Fagle Mesa-Entrada Oil Pool, Sandoval County, New Mexico. All interested parties may appear the Fagle Mesa-Entrada Oil Pool, Sandoval County, New Mexico. (Reopened) CASE 5574:

Examiner Hearing - Wednesday - October 13, 1976

Docket No. 27-76

CASE 5780: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Northwest Production Corporation, Federal Insurance Company, and all other interested parties to appear and show cause why the Blanco 30-12 Well No. 1, located in Unit A of Section 4, Township 30 North, Range 12 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5781: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Petroleum Development Corporation. American Employers Insurance Company, and all other interested parties to appear and show cause why the San Luis Federal Well No. 1, located in Unit J of Section 21, Township 18 North, Range 3 West, Sandoval County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5782: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit U. S. Frigidice, Inc., Fireman's Fund Indemnity Company, and all other interested parties to appear and show cause why the U. S. Frigidice Well No. 1, Clyde Berlier (Kayser), located in Unit A of Section 14, Township 19 North, Range 21 East, Mora County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5788: Southeastern New Mexico nomenclature case calling for the creation, contraction, extension and abolishment of certain pools in Lea, Eddy, and Roosevelt Counties, New Mexico:

a) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Angell Ranch-Morrow Gas Pool. The discovery well is the Femora Cil Corporation Wright Federal Well No. 1 located in Unit O of Section 6, Township 20 South, Range 28 East, NMPM. Said pool would comprise:

### TOWNSHIP 20 SOUTH, RANGE 28 EAST, NAPM Section 6: All

b) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Strawn production and designated as the West Burton Flat-Strawn Gas Pool. The discovery well is the David Fasken El Paso Federal Well No. 3 located in Unit H of Section 1, Township 21 South, Range 26 East, NMPM. Said pool would comprise:

### TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM Section 1: Lots 1 through 8

c) CREATE a new pool in Roosevelt County, New Mexico, classified as a gas pool for Canyon production and designated as the North Chaveroo-Canyon Gas Pool. The discovery well is the Union Oil Company of California Roberts Well No. 1, located in Unit D of Section 9, Township 7 South, Range 33 East, NMPM. Said pool would comprise:

### TOWNSHIP 7 SOUTH, RANGE 33 EAST, NUPM Section 9: W/2

d) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Foster Ranch-Morrow Gas Pool. The discovery well is the Mark Production Company Poster Well No. 1 located in Unit J of Section 21, Township 20 South, Range 24 East, NAPM. Said pool would comprise:

### TOWNSHIP 20 SOUTH, RANGE 24 EAST, NEWAM Section 21: E/2

e) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Cherry Canyon production and designated as the Nash Draw Cherry-Canyon Pool. The discovery well is the Mesa Petroleum Company Nash Unit Well No. 4 located in Unit A of Section 13, Township 23 South, Range 29 East, NTM. Said pool would comprise:

#### TOWNSHIP 23 SOUTH, RANGE 29 EAST, NAMM Section 13: NE/4

f) CREATE a new pool in Lee County, New Mexico, classified as a gos pool for Strawn production and designated as the Ojo Chiso-Strawn Gas Pool. The discovery well is the American Quasar Petroleum Company of New Mexico Ojo Chiso Unit Well No. 1, located in Unit E of Section 23, Township 22 South, Range 34 East, NATM. Said pool would comprise:

#### TOWNSHIP 22 SOUTH, RANGE 34 FAST, NAPM Section 23: W/2

g) CREATE a new pool in Lea County. New Mexico, classified as a gas pool for Cisco production and designated as the North Vacuum-Cisco Gas Pool. The discovery well is the Marathon Oil

Company State Section 7 Com Well No. 1, located in Unit G of Section 7, Township 17 South, Range 35 East, MMPM. Said pool would comprise:

### TOWNSHIP 17 SOUTH, RANGE 35 EAST, REMPM Section 7: E/2

h) CONTRACT the vertical limits of the Kemmitz-Pernsylvanian Pool in Lea County, New Mexico, to the Cisco formation only, redesignating said pool the Kemmitz-Cisco Pool and redefining said pool to comprise:

### TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM Section 13: N/2 and SE/4

i) CONTRACT the vertical limits of the Sombrero-Pennsylvanian Gas Pool in Lea County, New Mexico, to the Atoka formation only, redesignating said pool the Sombrero-Atoka Gas Pool and redefining said pool to comprise:

TOWNSHIP 16 SOUTH, RANGE 33 FAST, NMPM Section 12: W/2
Section 13: W/2 and SE/4

j) ABOLISH the East Shugart-Queen Pool in Lea County, New Mexico, described as:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM Section 6: NE/4

k) ABOLISH the Watkins-Seven Rivers Pool in Eddy and Lea Counties, New Mexico, described as:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NAFM Section 36: E/2

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NAPM Section 31: All

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM Section 6: N/2

1) EXTEND the vertical limits of the Watkins-Grayburg Pool in Lea County, New Mexico, to include the Yates, Seven Rivers, and Queen formations, redesignating said pool the Watkins Yates-Seven Rivers-Queen-Grayburg Pool and redefining said pool to comprise:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NAPM Section 31: NW/4 and S/2

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NAPPM Section 6: N/2

m) EXTEND the Blinebry Oil and Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 38 EAST, NAPM. Section 18: SE/4

n) EXTEND the Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 26 EAST, MATEM Section 1: 5/2

o) EXTEND the North Burton Flats-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NAPM Section 10: W/2
Section 15: W/2
Section 16: E/2

p) EXTEND the South Carlsbad-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, MAPM Section 20: E/2

TOWNSHIP 24 SOUTH, RANGE 26 EAST, NAMENA Section 3: W/2

Docket No. 27-76

a) EXTEND the North Dagger Draw-Upper Pennsylvanian Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NATM Section 30: SE/4

r) EXTEND the Dayton-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNISHIP 18 SOUTH, RANGE 26 EAST, MAPM. Section 26: SW/4

s) EXTEND the East Empire Yates-Seven Rivers Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPA Section 27: NE/; and N/2 NW/4

t) EXTEND the Hoag Tank-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NLPM. Section 23: All

u) EXTEND the Middle Lynch Yates -Seven Rivers Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 34 EAST, MAPM Section 28: N/2 N/2

v) EXTEND the Maljamar-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NAMPM Section 32: W/2

w) EXTEND the Peterson-Pennsylvanian Associated Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 5 SOUTH, RANGE 33 EAST, NMPM Section 20: SW/4

x) EXTEND the Red Lake Queen-Grayburg - San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NAPM Section 13: SE/4 SE/4 Section 24: NE/4

y) EXTEND the Sawyer-San Andres Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 37 EAST, NAPM Section 13: SW/4

z) EXTEND the Shugart Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMFM Section 26: NW/4 Section 27: NE/4

aa) EXTEND the Vacuum-Queen Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NAMEM Section 2: SW/4
Section 3: SE/4

# OIL CONSERVATION COMMISSION Hobbs DISTRICT

OIL CONSERVATION	COMMISSION		DATE_Sep	ot. 16, 1976
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Jerry Septin Just

**Atlantic Richfield Company** 

North American Producing Division **Permian District** Post Office Box 1610 Midland, Texas 79701 Telephone 915 682 8631

OIL CONSERVATION COMM.

Care 5784

August 9, 1976

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

Re: John P. Combest No. 3 Jalmat Gas Recompletion Section 35, T-23S, R-36E Lea County, New Mexico

Dear Mr. Ramey:

Atlantic Richfield Company requests administrative approval to simultaneously dedicate a previously established 320-acre Jalmat gas proration unit to three wells, the John P. Combest Nos. 1, 3, and 4. Currently, the unit, NW/4, SW/4 NE/4, E/2 NE/4, NE/4 SE/4 of Section 35, Township 23 South, Range 36 East, Lea County, New Mexico, is classified as marginal with all acreage dedicated to the John P. Combest Nos. 1 and 4.

Further, Atlantic Richfield Company requests administrative approval of the following four unorthodox locations:

John P. Combest No. 1 ¥ 1940' FNL, 660' FEL V John P. Combest No. 2 - 1980' FNL, 1980' FEL John P. Combest No. 3 - 760' FNL, 600' FEL John P. Combest No. 4 - 1650' FNL, 660' FWL

Also, Atlantic Richfield requests administrative procedure for approval of Well No. 2 along with Wells No. 1, 3, and 4 at some future date. Recompletion attempt in Well No. 2 will depend upon economic feasibility and the unit allowable.

The non-standard 320-acre unit was approved by the New Mexico Oil Conservation Commission Order No. R-4625, Case No. 5052, on the 13th day of September 1973. The John P. Combest No. 2 and No. 3 are completed in the Langlie Mattix Oil, which Atlantic Richfield plans to abandon and recomplete in the Jalmat gas.

ado NSL for all four WEll.

Det for hearing

Mr. Joe Ramey August 9, 1976 Page 2

Atlantic Richfield Company believes approval of this request will protect correlative rights, promote conservation, and encourage the efficient recovery of gas reserves. Attached are an acreage dedication plat, a map of the area, and a list of offset operators who are being notified by a copy of this application.

Very truly yours,

J. L. Tweed

HQP/agp

cc: New Mexico Oil Conservation Commission Hobbs Area Supervisor P. O. Box 1980 Hobbs, New Mexico

# OFFSET OPERATORS John P. Combest Lease

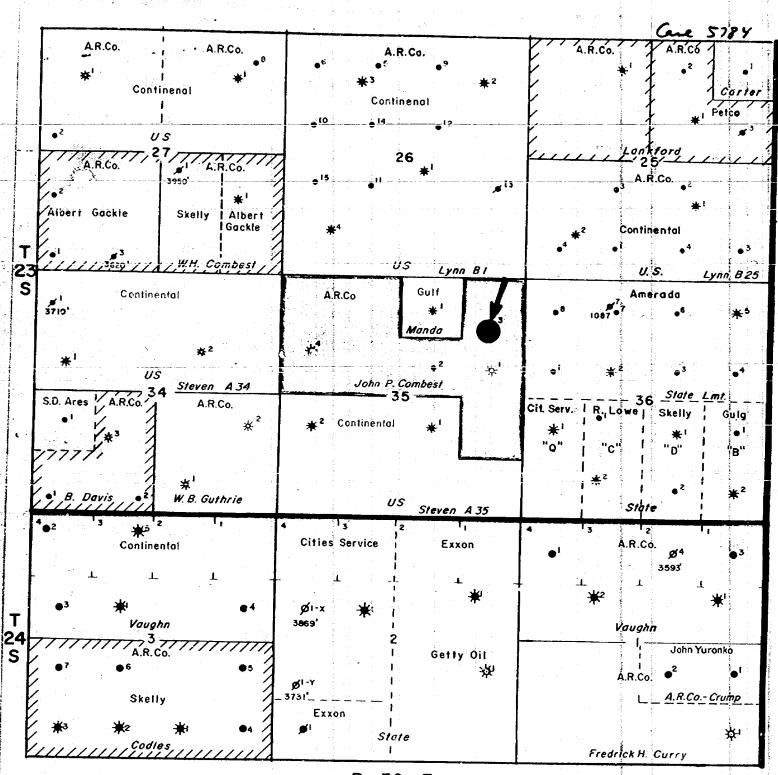
- 1) Amerada Hess Corporation P. O. Box 2040 Tulse, Oklahoma 74102
- 2) Comoco P. O. Box 460 Hobbs, New Mexico 88240
- 3) Cities Service Oil Company P. O. Box 1919 Midland, Texas 79701
- 4) Albert Gackle
  P. O. Box 2038
  Hobbs, New Mexico 88240
- 5) Gulf Energy & Minerals Co. US p. 0. Box 1150 Midland, Texas 79701

Care 5784

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

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

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R-36-E

EXHIBIT I

JOHN P. COMBEST LEASE JALMAT GAS PRODUCTION

Lea County, New Mexico

**Allantic Richfield Company** 

North American Producing Division Permian District Post Office Box 1610 Midland, Texas 79701 Telephone 915 682 8631

SEP 1 6 1976

OIL CONSERVATION COMM.

Santa Fe

Can 5789

August 9, 1976

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

Re: John P. Combest No. 3
Jalmat Gas Recompletion
Section 35, T-23S, R-36E
Lea County, New Mexico

Dear Mr. Ramey:

Atlantic Richfield Company requests administrative approval to simultaneously dedicate a previously established 320-acre Jalmat gas proration unit to three wells, the John P. Combest Nos. 1, 3, and 4. Currently, the unit, NW/4,SW/4 NE/4, E/2 NE/4, NE/4 SE/4 of Section 35, Township 23 South, Range 36 East, Lea County, New Mexico, is classified as marginal with all acreage dedicated to the John P. Combest Nos. 1 and 4.

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Mr. Joe Ramey August 9, 1976 Page 2

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Very truly yours,

J. L. Tweed

HQP/agp

cc: New Mexico Oil Conservation Commission Hobbs Area Supervisor P. O. Box 1980 Hobbs, New Mexico OFFSET OPERATORS
John P. Combest Lease

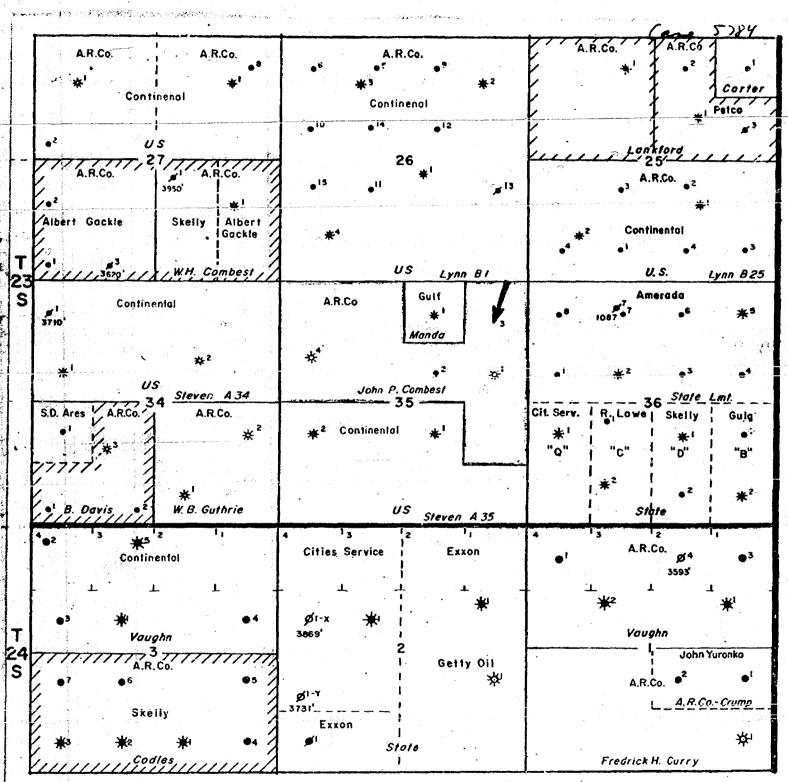
- 1) Amerada Hess Corporation P. O. Box 2040 Tulsa, Oklahoma 74102
- 2) Conoco P. O. Box 460 P. O. Box Mexico 88240
- 3) Cities Service Oil Company
  P. O. Pox 1919
  Midland, Texas 79701
- 4) Albert Gackle
  P. O. Box 2038
  Robbs, New Mexico 88240
- 5) Gulf Energy & Minerals Co. US
  p. O. Box 1150
  Midland, Texas 79701

Care 5784

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

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

At	lantic Richfi	eld Company	v .	John P	. Combest		Well No.
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R-36-E

EXHIBIT I

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Lea County, New Mexico

**AtlanticRichfieldCompany** 

North American Producing Division Permian District Post Office Box 1610 Midland, Texas 79701 Telephone 915 682 8631

August 9, 1976

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

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Care 5184

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cc: New Mexico Oil Conservation Commission Hobbs Area Supervisor P. O. Box 1980 Hobbs, New Mexico

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Care 5784

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

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

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				been consolidated ing such interests,	has been appro	
leso		980   1980			tained herein is best of my know	
660'			2	***************************************	<b>Company</b>	Engineer Richfield Co.
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				B	iato Surveyed registered Profesi advor Land Surve	

Continenal Albert Gackie Continental Continental #1 3710 John P. Combest Cities Service John Yuronka Getty Oil State Fredrick H. Curry

R-36-E

EXHIBIT I

JOHN P. COMBEST LEASE JALMAT GAS PRODUCTION

Lea County, New Mexico

# BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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

> CASE NO. 5052 Order No. R-4625

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

### ORDER OF THE COMMISSION

#### BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 22, 1973, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 13th day of September, 1973, 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 NW/4, E/2 NE/4, SW/4 NE/4, and NE/4 SE/4 of Section 35, Township 23 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 J. P. Combest Wells Nos. 1-Y and 4, located in Units H and E, respectively, of said Section 35, 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.

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(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. October 1, 1973, the applicant, Atlantic Richfield Company, is hereby authorized to simultaneously dedicate its non-standard 320-acre gas proration unit comprising the NW/4, E/2 NE/4, SW/4 NE/4, and NE/4 SE/4 of Section 35, Township 23 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, to its J. P. Combest Wells Nos. 1-Y and 4, located in Units H and E, respectively, of said Section 35 with unit production to be taken from said wells in
- (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 herein-above designated.

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

s/ I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member

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

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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:

J.

CASE NO. 5784

Order No. R-

APPLICATION OF ATLANTIC RICHFIELD COMPANY FOR FOUR UNORTHODOX LOCATIONS 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 October 13

19 76 , at Santa Fe, New Mexico, before Examiner Richard L. Stamets

NOW, on this day of October , 1976 , 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 authority to simultaneously dedicate a previously approved 320-acre Jalmat gas proration unit comprising the NW/4, SW/4 NE/4, E/2 NE/4, NE/4 SE/4 of Section 35, Township 23 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico, to its John P. Combest Wells Nos. 2, 2, 3, and 4 located at unorthodox locations in Units H, G, A, and E, respectively, of said Section 35.

(3) That the \_\_\_\_ of said Section 35 is to be dedicated to the walls.

- (3) That wells at said unorthodox locations will better enable applicant to produce the gas underlying the proration unit.
- (5) That no offset operator objected to the proposed unorthodox.
- (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 subject pool, will prevent wast the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

### IT IS THEREFORE ORDERED:

- (1) That Atlantic Richfield Company is hereby authorized to simultaneously dedicate a previously approved 320-acre Jalmat gas proration unit comprising the NW/4, SW/4 NE/4, E/2 NE/4, NNE/4 SE/4 of Section 35, Township 23 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico, to its John P. Combest Wells Nos. 3, 2, 3, and 4 located at unorthodox locations in Units H, G, A, and E, respectively, of said Section 35.
- (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.