CASE 5826: ATLANTIC RICHFIELD CO. CAMPETON OF TANEOUS DEDICATION, LEA COUNTY

### CASE NO.

5826

APPlication, Transcripts, Small Exhibits,

ETC.



STATE OF NEW MEXICO

### ENERGY AND MINERALS DEPARTMENT

**OIL CONSERVATION DIVISION** 

September 1, 1982

POST OFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501 (505) 827-2434

ARCO Oil and Gas Company P. O. Box 1710 Hobbs, New Mexico 88240

Attention: D. L. Shackelford

Administrative Order NSP-1326

/Gentlemen:

Reference is made to your application for a 145-acre non-standard proration unit consisting of the following acreage in the Eumont Gas Pool:

LEA COUNTY, NEW MEXICO

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 19: S/2 SW/4, NW/4 SW/4, and
SW/4 NW/4

It is my understanding that this unit is to be dedicated to your State "F" DE Well No. 1 located 2310 feet from the North line and 330 feet from the West line and your State "F" DE Well No. 4 located 330 feet from the South line and 330 feet from the West line of said Section 19.

By authority granted me under the provisions of Rule 5(c)(3) of Order No. R-1670, the above non-standard proration unit is hereby approved.

That Order No. R-5280-A is hereby placed in abeyance.

Sincerely,

JOE D. RAMEY

Director

JDR/RLS/dr

cc: Oil Conservation Division - Hobbs

Oil & Gas Engineering Committee - Hobbs

Oil & Gas Division - State Land Office - Santa Fe



### **OIL CONSERVATION COMMISSION**

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

LAND COMMISSIONER PHIL R. LUCERO January 26, 1977



STATE GEOLOGIST
EMERY C. ARNOLD

DIRECTOR LAND COMM

JOE D. RAMEY

PHIL R. L.
January 2

Mr. Clarence Hinkle

Hinkle, Bondurant, Cox & Eaton

ost Office Box 10 Swell, New Mexico	88201	Applicant:		
		Atlantic Ri	chfield Com	oany
Dear Sir:			•	
	with are two co der recently en			
Yours very trade to the second	mly,		e e e e e e e e e e e e e e e e e e e	
i de la companya de l	- 4	• •	•	
JDR/fd	•			
Copy of order	also sent to:			
Hobbs OCC	x			
Artesia OCC_	X			
Aztec OCC			•	
Other		A	<del></del>	

CASE NO.

ORDER NO. R-5280-A

### 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. 5826 Order No. R-5280-A

APPLICATION OF ATLANTIC RICHFIELD COMPANY FOR AN UNORTHODOX GAS WELL LOCATION, LEA COUNTY, NEW MEXICO.

### ORDER OF THE COMMISSION

### BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 5, 1977, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 25th day of January, 1977, 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 previously established 185-acre non-standard Eumont gas proration unit comprising the SW/4 and SW/4 NW/4 of Section 19, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico.
- (3) That the applicant seeks to simultaneously dedicate to said non-standard unit its State "F" DE Well No. 1 at an unorthodox location 2310 feet from the North line and 330 feet from the West line of said Section 19, its State "F" DE Well No. 3, located 1980 feet from the South line and 1815 feet from the West line of said Section 19, and its State "F" DE Well No. 4 at an unorthodox location 330 feet from the South line and 330 feet from the West line of said Section 19.
- (4) That the proposed non-standard gas proration unit can be efficiently and economically drained and developed by the subject wells.

-2-Case No. 5826 Order No. R-5280-A

- (5) That no offset operator objected to the proposed unorthodox locations.
- (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 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.
- (7) That Commission Order No. R-5280 dated September 16, 1976, which approved the aforesaid non-standard proration unit dedicated to the State "F" DE Well No. 3 only, should be superseded.

### IT IS THEREFORE ORDERED:

- (1) That the applicant, Atlantic Richfield Company, is hereby authorized to simultaneously dedicate a previously established 185-acre non-standard gas proration unit comprising the SW/4 and SW/4 NW/4 of Section 19; Township 21 South, Range 36 East, NMPM, Eumont Gas Pool; Lea County, New Mexico, to its State "F" DE Well No. 1 at an unorthodox location 2310 feet from the North line and 330 feet from the West line of said Section 19, to its State "F" DE Well No. 3, located 1980 feet from the South line and 1815 feet from the West line of said Section 19, and to its State "F" DE Well No. 4, located 330 feet from the South line and 330 feet from the West line of said Section 19.
- (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 Commission Order No. R-5280 is hereby superseded.
- (4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

Case No. 5826 Order No. R-5280-A

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 & ARNOLD Member

JOE D. RAMEY, Member & Secretary

SEAL

### NEW MEXICO OIL CONSERVATION COMMISSION

EXAMINER	HEARING		·
SANTA	FE	, new	MEXICO

TIME: 9:00 A.M. JANUARY 5, 1977 Hearing Date LOCATION NAME REPRESENTING FIRSO EPNG J.B. Magnuber Farmington EPNG W.D. Dawson El Pasa EPN6 Vaul W. Burchell El Paso Rand C Schmiat SPNG Locuet Alwood + Notone 1301 Cooter DS Chances Atlantic Richfield Midland Dick Prentice I.J. Natour Midland Attentic Richfield Clamet burke atl-Ruguer Reservel Joseph & Kouy ELK ON CO Roswell ak Kenglick occ ante Henry Jong USGS DURANGO Ser M Campbell Suppoll Bugaman Souta te DALLAS TX. SOUTHERN UNION PRUD CO: Joson Kellahi Curtis J'Little 8070 7 e Kellohis 70x PalmeroiL &Gan Albeguergu en Don Robarts B, 17,055 Mt.

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### NEW MEXICO OIL CONSERVATION COMMISSION

EXAMINER HEARING		
SANTA FE	, new	MEXIC

TIME: 9:00 A.M. JANUARY 5, 1977 Hearing Date\_ P.O.FSOY 936 Roswell, N.M. Williami J. LeMa-1 Haward of LeMay Jahn Miffelle, Independent ļ

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1	BEFORE THE
2	NEW MEXICO OIL CONSERVATION COMMISSION Santa Fe, New Mexico January 5, 1977
3	Danuary 3, 1977
4	EXAMINER HEARING
5	)
6	IN THE MATTER OF: )
7	Application of Atlantic Richfield ) CASE Company for three unorthodox locations ) 5826
	and simultaneous dedication, Lea County,)
8	New Mexico.
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10	BEFORE: Daniel S. Nutter, Examiner
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12	TRANSCRIPT OF HEARING
12	
13	APPEARANCES
14	For the New Mexico Oil Lynn Teschendorf, Esq.
15	Conservation Commission: Legal Counsel for the Commission State Land Office Building
16	Santa Fe, New Mexico
17	For the Applicant: Clarence E. Hinkle, Esq. HINKLE, COX, EATON, COFFIELD AND HENSLEY
18	AND HENSLEY Attorneys at Law
19	Hinkle Building Roswell, New Mexico
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sid morrish reporting service

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

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4	Direct Examination by Mr. Hinkle	3
5	Cross Examination by Mr. Nutter	7
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### EXHIBIT INDEX

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11	Applicant's Exhibit One,	Form C-102	4	6
12	Applicant's Exhibit Two,	Plat	<b>. 5</b> .	6
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MR. NUTTER: We will call next Case Number 5826.

MS. TESCHENDORF: Case 5826, application of Atlantic Richfield Company for three unorthodox locations and simultaneous dedication, Lea County, New Mexico.

MR. HINKLE: Mr. Examiner, Clarence Hinkle, Hinkle, Cox, Eaton, Coffield and Hensley representing Atlantic Richfield, we have one witness.

(THEREUPON, the witness was duly sworn.)

### RICHARD S. PRENTICE

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

### DIRECT EXAMINATION

BY MR. HINKLE:

State your name, residence and by whom you are employed?

My name is Richard S. Prentice, I work for Atlantic Richfield in Midland, Texas.

- What is your position with Atlantic Richfield?
- I work as a petroleum engineer in Lea County, New Mexico.
  - Have you previously testified before the Commission?
  - Yes, sir, I have.
    - And qualified as a petroleum engineer?

A. Yes, sir, I have.

0 Are your qualifications a matter of record with the Commission?

A. Yes, they are.

MR. HINKLE: Are his qualifications acceptable?
MR. NUTTER: They are.

- Q (Mr. Hinkle continuing.) Are you familiar with the application of Atlantic Richfield in this case?
  - A. Yes, I am.
  - Q. What are you seeking to accomplish?

A. Atlantic Richfield seeks authority to simultaneously dedicate a previously approved one hundred and eighty-five acre Eumont gas proration unit comprising the southwest quarter and southwest quarter of the northwest quarter of Section 19, Township 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico to the State "F" DE Wells Nos. 1, 3 and 4 located at unorthodox locations in Units E, K and M, respectively, of Section 19.

- Q. 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?
  - A. Yes.
  - Q Refer to Exhibit One and explain what this is and what

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it shows?

A. Exhibit One is a Form C-102, Well Location and Acreage
Dedication Plat. It shows the exact location of the three
wells we want to dedicate and it shows the size of the proration
unit.

- Q. And these are unorthodox locations?
- A. Yes, they are.
- Q. Have they previously been approved by the Commission?
- A. Yes, sir, they have.
- Refer to Exhibit Two and explain this?

A. Exhibit Two is a plat of Eumont gas production in the area. Again it shows the three wells we want to dedicate and shows offset gas production.

- 0 Have you furnished all of the offset owners with copies of the application?
  - A. Yes, we have.
  - Q Have you had any objection?
  - A. No.
- Q What is the present status of the three wells that are shown on Exhibit One?

A. On Exhibit One, Well 3 is a producing Eumont gas well; Well No. 1 was recently recompleted from the Eumont oil and potentialed at four hundred and ninety MCF a day; and Well No. 4 is a shut-in Eumont oil well.

Q Do you intend to rework that well?

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A. Yes, we intend to recomplete No. 4 from Eumont oil to Eumont gas.

- Q. In what manner would it be recompleted?
- A. Recompletion consists of perforating up hole, plugging the Eumont oil, all zones would be recompleted up hole.
  - O To get in the gas zone?
  - A. To get in the gas zone, yes.
- Q Do you anticipate that these three wells will make the allowable for this unit?
  - A. Yes, we do.
- Q Do you have any further comments with respect to either of these exhibits?
  - A. No.
- Q If this application is approved, in your opinion will it be in the interest of conservation and the prevention of waste and protect correlative rights?
  - A. Yes, it will.

MR. HINKLE: I would like to offer Exhibits One and

MR. NUTTER: Applicant's Exhibits One and Two will be admitted into evidence.

(THEREUPON, Applicant's Exhibits One and Two were admitted into evidence.)

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### CROSS EXAMINATION

BY MR. NUTTER:

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Q Mr. Prentice, at the present the two hundred acre unit is dedicated to Well No. 3 only, is that it?

- A. No, sir, it is dedicated to Well No. 1 and No. 3.
- Q. So the No. 1 has been recently recompleted from Eumont oil but it has been dedicated to the unit prior to this time?
  - A. Yes, sir, it has been dedicated to the unit.
  - Q What was it completed for, four ninety MCF?
  - A. Four ninety MCF a day.
  - Q And the No. 4 will be recompleted?
  - A. Yes, sir.

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

(THEREUPON, the witness was excused.)

MR. NUTTER: Do you have anything further, Mr.

Hinkle?

MR. HINKLE: Nothing in this case.

MR. NUTTER: Does anyone have anything to offer in Case Number 5826? We will take it under advisement.

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General Coul 825 Calle Mejia, No. 122 Phone (

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### 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.

Sidney F. Morrish, C.S.R.

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I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 5826, heard by me on 1977

New Mexico Oil Conservation Commission

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BEFORE THE NEW MEXICO OIL CONSERVATION COMMISSION Santa Fe, New Mexico January 5, 1977

### EXAMINER HEARING

IN THE MATTER OF:

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CASE 5826

BEFORE: Daniel S. Nutter, Examiner

### TRANSCRIPT OF HEARING

### APPEARANCES

For the New Mexico Oil Conservation Commission:

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

For the Applicant:

Clarence E. Hinkle, Esq. HINKLE, COX, EATON, COFFIELD AND HENSLEY Attorneys at Law

Hinkle Building Roswell, New Mexico

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

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### 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.

Sidney F. Morrish,

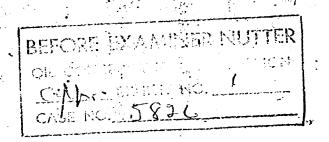
I do hereby certify that the foregoing in a complete record of the proceedings in the Examiner hearing of Case No. 5826 New Mexico Oil Conservation Commission

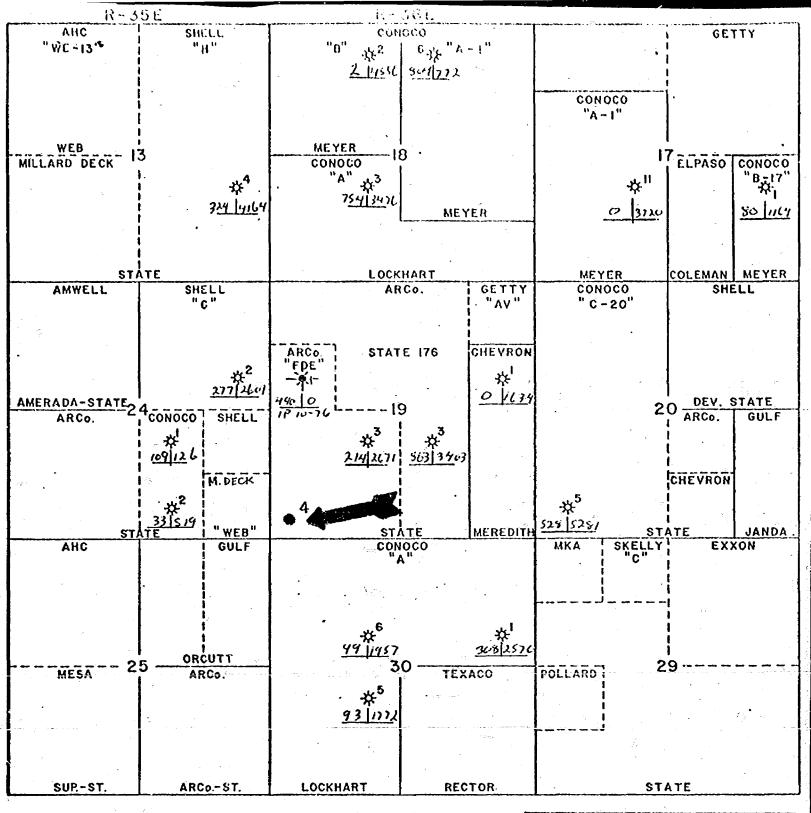
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Phone (\$05) 982-9212

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

All distances must be from the outer boundaries of the Section Operator Leaso Well No. STATE "F" ATLANTIC RICHFIELD COMPANY Rango 21South 36East 330 South West Ground Level Liev. Dedicatéd **Acroa**ge: Seven Rivers-Queen Yat 185 Acres 1. Outline the acrenge 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. Il 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? 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 Commis-R-36E CERTIFICATION 19 I hereby certify that the information contained herein is true end complete to the best of my knowledge and belief. 2310 Mucin Guve Huan Quoc Pham Position Operations Engineer Atlantic Richfield Company December 8, I hereby certify that the well location 1815 shown on this plot was plotted from field notes of octual surveys made by me or under my supervision, and that the same Is true and correct to the best of my knowledge and belief. 1980 Date Surveyed Registered Professional Engineer and/or Land Surveyor Corllicate No. 1650





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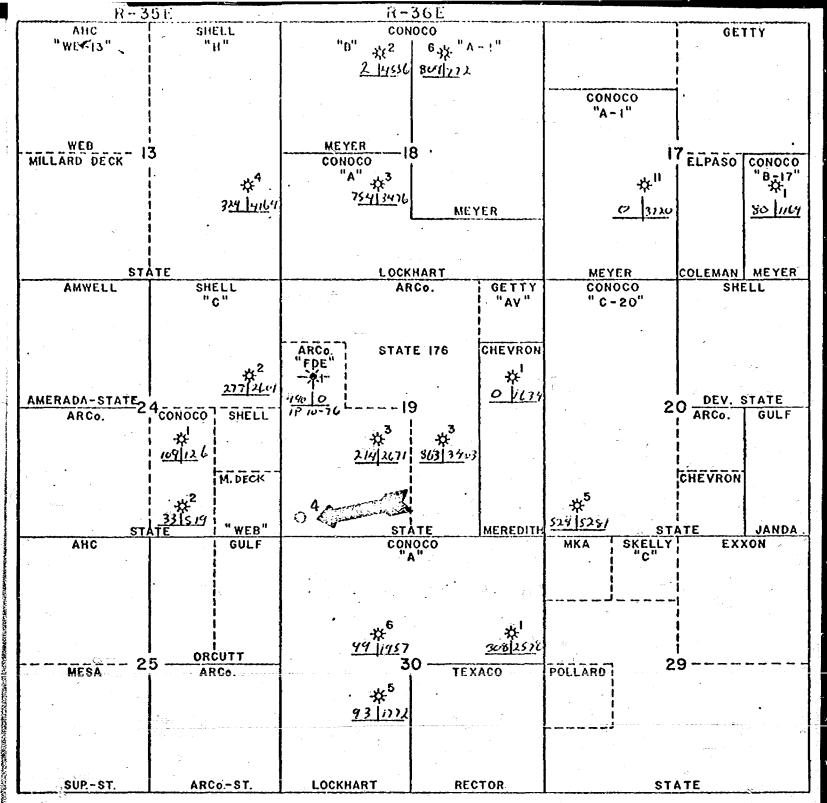
BEFORE EXAMINER NUTTER
OIL CONSERVATION TISION
C. M. EXHIBIT NO. 2
CASE NO. 582 6

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

Poim C-102 Supersedes C-128 Effectivo 1-1-65

All distances must be from the outer boundaries of the Section Operator Licase Well No. ATIANTIC RICHFIELD COMPANY STATE "F Unit Lotter Hange County 21South 36East Actual Footage Location of Wells South West feet from the Ground Lovel Lilev. Producing Permation Dedicated Acteques 36361 Seven Rivers-Queen Yate 185 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? 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 Commis-CERTIFICATION 19 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. 2310 Huan Quoc Pham Position Operations Engineer Atlantic Richfield Company December 8, I hernby certify that the well location 1815 shown on this plat was platted from field notes of octual surveys made by me or under my supervision, and that the same Is true and correct to the best of my knowledge and belief. 1980' Date Surveyed Registered Professional Engineer and/or Land Surveyor 1320 1650

> Case 5826 Elhibit 1



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AtlanticRichfie Horth American Pro Permian District M	ducing Division
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EUMONT	GAS PRODUCTION
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Case 5826 Exhibit 2 Dockets Nos. 3-77 and 5-77 are tentatively set for hearing on January 19 and February 2, 1977. Applications for hearing must be filed at least 22 days in advance of hearing date.

### DOCKET: COMMISSION HEARING - TUESDAY - JANUARY 4, 1977

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205, STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

Application of Raymond Faves for an exception to Order No. R-3221, Eddy County, New Mexico. Applicant in the above-styled cause, seeks, as an exception to the provisions of Commission Order No. R-3221, permission to construct and operate an earthen evaporation pit in the KE/4 SW/4 of Section 2, Township 20 South, Range 30 East, Eddy County, New Mexico, for the disposal of produced water from oil and gas wells in Eddy and Lea Counties, New Mexico.

Docket No. 2-77

### DOCKET: EXAMINER HEARING - WEDNESDAY - JANUARY 5, 1977

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROCM, 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 5820: (Continued & Readvertised)

CASE 5826:

CASE 5827:

CASE 5828:

Application of Texas Oil & Gas Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the W/2 of Section 4, Township 22 South, Range 26 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

Application of Harvey E. Yates Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the S/2 of Section 36, Township 17 South, Range 26 East, Atoka-Pennsylvanian Cas Pool, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

Application of Atlantic Richfield Company for three unorthodox locations and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to simultaneously dedicate a previously approved 185-acre Eumont gas proration unit comprising the SW/4 and SW/4 NW/4 of Section 19, Township 21 South, Range 36 East, Eumont Cas Pool, Lea County, New Mexico, to its State "F" DE Wells Nos. 1, 3, and 4 located at unorthodox locations in Units E, K, and M, respectively, of said Section 19.

Application of Atlantic Richfield Company for four unorthodox locations and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to simultaneously dedicate a previously approved 275-acre Eumont gas provation unit comprising the W/2 E/2, N/2 NW/4, and SE/4 NW/4 of Section 19, Township 21 South, Cange 36 East, Eumont Cas Pool, Lea County, New Mexico, to its State 176 Wells Nos. 2, 3, 4, and 6 located at unorthodox locations in Units 0, J, G, and C, respectively, of said Section 19.

Application of Atlantic Richfield Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox gas well location of its Robinson Gas Com Well No. 1 to be drilled 1850 feet from the North line and 660 feet from the West line of Section 27, Township 17 South, Range 29 East, Grayburg-Morrow Gas Pool, Eddy County, New Mexico, the N/2 of caid Section 27 to be dedicated to the well.

**AtlanticRichfieldCompany** 

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



December 8, 1976

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

Re: Dedication of the State "F" DE No. 4 Section 19, T-21S, R-36E Lea County, New Mexico Case 5826

Dear Mr. Ramey:

Atlantic Richfield Company requests administrative approval to simultaneously dedicate a previously established 185-acre Eumont gas proration unit to three wells, the State "F" DE No. 1, No. 3, and No. 4. Currently the unit, SW/4 and SW/4 NW/4 of Section 19, T-21S, R-36E is classified as marginal with all acreage dedicated to the State "F" DE No. 3 and No. 1.

The non-standard 185-acre unit was approved by Commission Order No. R-594, case No. 829, dated February 28, 1955. The simultaneous dedication of the State "F" DE No. 3 and No. 1 to this unit was approved by Commission Order R-5280, case No. 5747, dated September 16, 1976. The State "F" DE No. 4 was producing from the Eumont oil and gas zone and was shut-in in August 1967. The most recent production test in December 1976, shows this well produced 1 BOPD and 298 MCFGD.

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 with a copy of this application.

Very truly yours,

J. S. Jweel J. L. Tweed W.J. Borten

HQP/agp

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

Control of March 19

### OFFSET OPERATORS

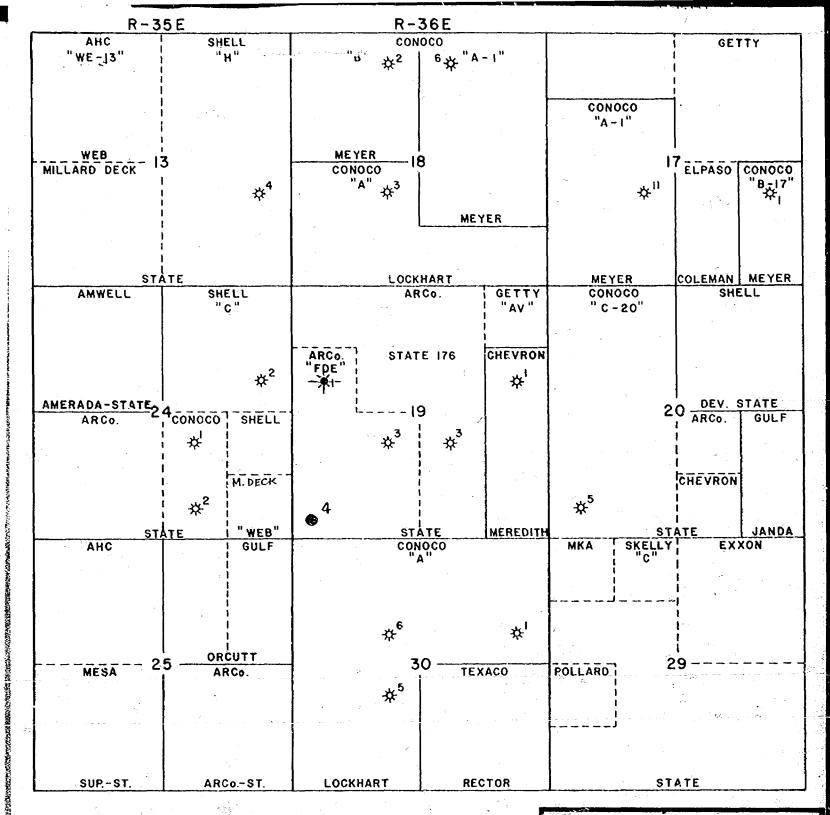
### State "F" DE No. 1

- 1. Shell Oil Company
  P. O. Box 1509
  Midland, Texas 79701
- Gulf Energy & Minerals Company US
   P. O. Box 1150
   Midland, Texas 79701
- 3. Conoco P. O. Box 460 Hobbs, New Mexico 88240
- 4. Millard Deck
  P. O. Box 1047
  Eunice, New Mexico

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

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

Operator Well No. STATE "F" Unit Letter 36East Actual Footage Location of Well: 330 feet from the South West feet from the line Producing Formátion Dedicated Acreage: 3636' Seven Rivers-Queen Yates Eumont 185 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? If answer is "yes," type of consolidation ☐ No Yes 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 19 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. 23IO Huan Quoe Phans Huan Quoc Pham Operations Engineer Atlantic Richfield Company December 8, 1976 I hereby certify that the well location 1815 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 conject to the best of my knowledge and belief. 1980 Date Surveyed Registered Professional Engineer and/or Land Surveyor Certificate No.





STATE F DE LEASE EUMONT GAS PRODUCTION

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By	Cranter M.R.	Date	7.7.74
Date	Resisted By	Date	1175
Dept	Day No		1

AtlanticRichfieldCompany

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



December 8, 1976

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

Re: Dedication of the State "F" DE No. 4
Section 19, T-21S, R-36E
Lea County, New Mexico

Dear Mr. Ramey:

Atlantic Richfield Company requests administrative approval to simultaneously dedicate a previously established 185-acre Eumont gas proration unit to three wells, the State "F" DE No. 1, No. 3, and No. 4. Currently the unit, SW/4 and SW/4 NW/4 of Section 19, T-21S, R-36E is classified as marginal with all acreage dedicated to the State "F" DE No. 3 and No. 1.

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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 with a copy of this application.

Very truly yours,

J. S. Tweel J. L. Tweed W.J. Porter

HQP/agp

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

### OFFSET OPERATORS

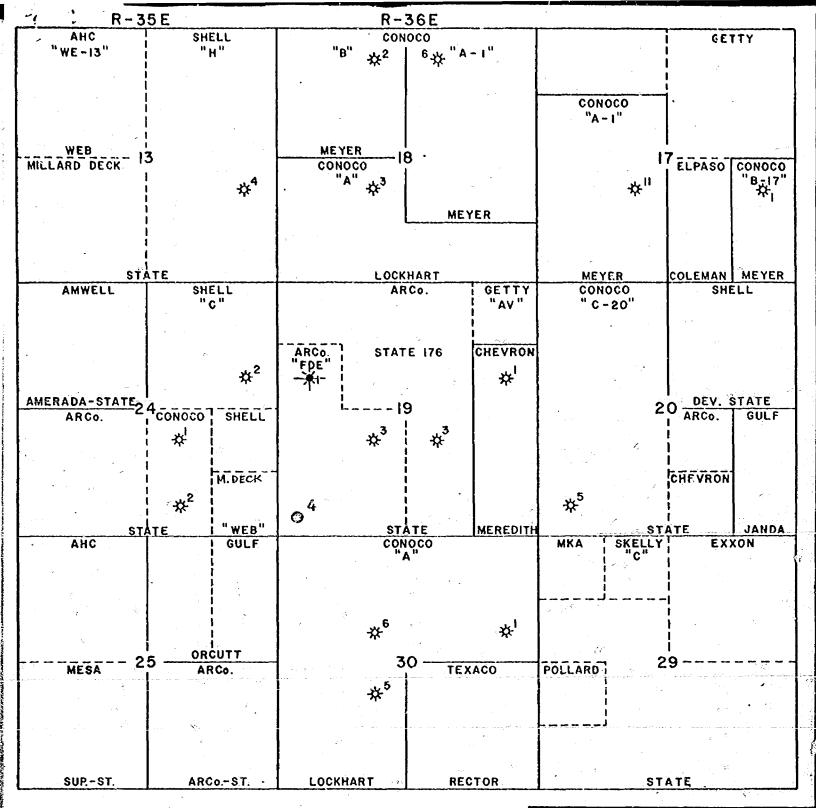
### State "F" DE No. 1

- 1. Shell Oil Company
  P. O. Box 1509
  Midland, Texas 79701
- Gulf Energy & Minerals Company US
   P. O. Box 1150
   Midland, Texas 79701
- 3. Conoco P. O. Box 460 Hobbs, New Mexico 88240
- 4. Millard Deck
  P. O. Box 1047
  Eunice, New Mexico

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

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

Operator Well No. Unit Letter Actual Footage Location of Well: 330 South feet from the West Dedicated Acreage: Producing Formation 3636 ' Seven Rivers-Queen , Yate Eumont 185 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? 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 (hy communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commis-R-36E CERTIFICATION 19 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. 2310 Huan Quoe Phan Huan Quoc Pham Operations Engineer Atlantic Richfield Company December 8, 1976 I hereby certify that the well location 1815 shown on this plat was platted 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. 1980 Date Surveyed Registered Professional Engineer and/or Land Surveyor Certificate No.



AtlanticRichfieldCompany
North American Producing Division
Permian District Midland, Texas

STATE FODE LEASE
EUMONT GAS PRODUCTION

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Date -	Res-106 Op	Dere
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### **AtlanticRichfieldCompany**

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



December 8, 1976

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

Re: Dedication of the State "F" DE No. 4 Section 19, T-21S, R-36E Lea County, New Mexico

Dear Mr. Ramey:

Atlantic Richfield Company requests administrative approval to simultaneously dedicate a previously established 185-acre Eumont gas proration unit to three wells, the State "F" DE No. 1, No. 3, and No. 4. Currently the unit, SW/4 and SW/4 NW/4 of Section 19, T-21S, R-36E is classified as marginal with all acreage dedicated to the State "F" DE No. 3 and No. 1.

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Very truly yours,

J. S. Jweed W. J. Porter

HQP/agp

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

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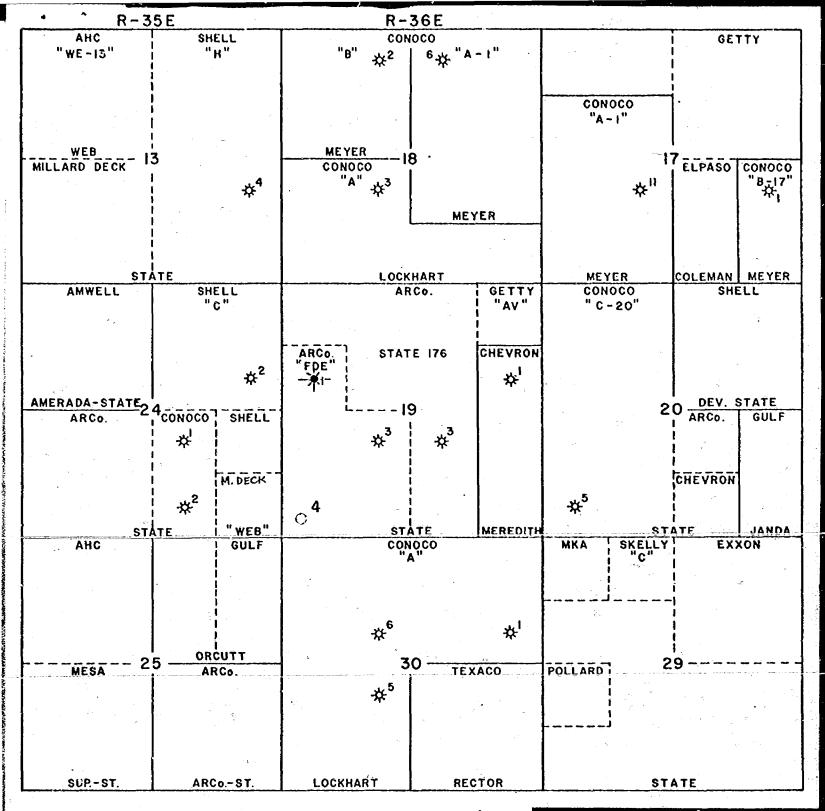
### State "F" DE No. 1

- 1. Shell Oil Company
  P. O. Box 1509
  Midland, Texas 79701
- Gulf Energy & Minerals Company US
   P. O. Box 1150
   Midland, Texas 79701
- 3. Conoco P. O. Box 460 Hobbs, New Mexico 88240
- 4. Millard Deck
  P. O. Box 1047
  Eunice, New Mexico

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

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

All distances must be from the outer boundaries of the Section Operator Leaso Well No. COMPANY Range County 36East 21South 330 330 feet from the South West feet from the lino Ground Level Elev. Producing Formation Dedicated Acreage: 36361 Seven Rivers-Queen, Yate Eumont 185 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? 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-36E CERTIFICATION 19 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. 2310 Huan Quoe Phan Huan Quoc Pham Position Operations Engineer Atlantic Richfield Company December 8, 1976 I hereby certify that the well location 1815 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. 1980 Date Surveyed Registered Professional Engineer and/or Land Surveyor Certificate No.



AtlanticRichfieldCompany
North American Producing Division
Permian District Midland, Texas

STATE F DE LEASE
EUMONT GAS PRODUCTION

### OIL CONSERVATION COMMISSION Hobbs DISTRICT

OIL CONSERVATION COMMI	SSION	DATE December 14, 1976
SANTA FE, NEW MEXICO		RE: Proposed MC Proposed DHC Proposed NSL Proposed SWD Proposed WFX Proposed PMX NSP X
Gentlemen:		
I have examined to for the Atlantic Ric Operator and my recommendations	Lease and Wel	'#1, #3, & #4 19-21-36 1 No. Unit, S-T-R
0.KJ.S.		
	9)	
3.4		
		Yours very truly,

Jerry Seston

dr/

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. 5826 Order No. R-5780-17

15

APPLICATION OF ATLANTIC RICHFIELD COMPANY FOR AN UNORTHODOX GAS WELL LOCATION, LEA COUNTY, NEW MEXICO.

Su

ORDER OF THE COMMISSION

### BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 5, 1977, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this day of January, 1977, 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 previously established 185-acre non-standard Eumont gas proration unit comprising the SW/4 and SW/4 NW/4 of Section 19, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico.
- (3) That the applicant seeks to simultaneously dedicate to said non-standard unit its State "F" DE Well No. 1 at an unorthodox location 2310 feet from the North line and 330 feet from the West line of said Section 19, and its State "F" DE Well No. 3, located 1980 feet from the South line and 1815 feet from the West line of said Section 19, and its State "F" DE Well No. 4 of an unarthodox location 330 feet from the South line and 330 feet from the West line of said Section 19.

  (4) That the proposed non-standard gas prevation unit can

(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 Eumont Gas Pool and will otherwise provent waste and protect correlative rights.

--2-Case No. 5826 Order No. R-

- (5) That no offset operator objected to the proposed unorthodox locations.
- (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 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.
- 1976, which approved the aforesaid non-standard provation unit dedicated to the State "F" DE Well No. 3 only, should be superseded.

### IT IS THEREFORE ORDERED:

- (1) That the applicant, Atlantic Richfield Company, is hereby authorized to simultaneously dedicate a previously established 185-acre non-standard gas proration unit comprising the SW/4 and SW/4 NW/4 of Section 19, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico, to its State "F" DE Well No. 1 at an unorthodox location 2310 feet from the North line and 330 feet from the West line of said Section 19, and to its State "F" DE Well No. 3, located 1980 feet from the South line and 1815 feet from the West line of said Section 19, and to its State "F" DE Well No. 4, located 330 feet from the Senth line and 330 feet from the West line of Section 19.
- (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 Commission Order No. R-5280 is hereby superseded.
- (4) 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

16 Thereon

PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member

JOE D. RAMEY, Member & Secretary

SEAL