

Entered January 9, 1980  
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STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 6701  
Order No. R-6202

APPLICATION OF DOYLE HARTMAN FOR  
COMPULSORY POOLING, NON-STANDARD  
GAS PRORATION UNIT, UNORTHODOX WELL  
LOCATION, AND APPROVAL OF INFILL  
DRILLING, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on October 17, 1979, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 9th day of January, 1980, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Doyle Hartman, seeks an order pooling all mineral interests in the Seven Rivers-Queen formation of the Eumont Gas Pool underlying the SE/4 of Section 30, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, to be dedicated to his J. K. Rector Well No. 1 at an unorthodox location 2310 feet from the South line and 330 feet from the East line of said Section 30.
- (3) That applicant further seeks a finding that the drilling of said well is necessary to effectively and efficiently drain that portion of the existing proration unit which cannot be so drained by the existing well.
- (4) That the applicant is the operator of the NE/4 SE/4 and the SW/4 SE/4 of said Section 30 under the provisions of a

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farmout agreement with Texaco Inc., which retained ownership of the NW/4 SE/4 and SE/4 SE/4 of said Section 30.

(5) That Texaco Inc. currently has two wells in the SE/4 of Section 30 which are classified as oil wells in the Eumont Pool, said wells being Texaco's J. K. Rector Well No. 2 located in the SE/4 SE/4 and its J. K. Rector Well No. 3 located in the NW/4 SE/4.

(6) That the aforesaid Texaco wells are completed in and producing from the Yates formation, in which formation applicant's J. K. Rector Well No. 1 is also completed.

(7) That to pool the SE/4 of Section 30 to form a 160-acre unit to be dedicated to applicant's J. K. Rector Well No. 1 would result in the dedication of 160 acres to applicant's well and the simultaneous dedication of the two 40-acre tracts upon which the two Texaco wells are located, all three wells producing from the Yates formation of the Eumont Pool.

(8) That such simultaneous dedication would result in said lands receiving a double allowable, and would not protect correlative rights.

(9) That the application for compulsory pooling should be denied.

(10) That the applicant is entitled to and should receive the opportunity to produce his just and equitable share of the gas in the Eumont Gas Pool underlying the NE/4 SE/4 of the aforesaid Section 30, and such opportunity can best be afforded him by the approval of a non-standard 40-acre gas proration unit for said pool comprising said lands.

(11) That approval of said 40-acre non-standard gas proration unit will not cause waste nor impair correlative rights.

(12) That inasmuch as the 40-acre non-standard proration unit upon which applicant's J. K. Rector Well No. 1 is located is not an existing proration unit nor a portion of an existing proration unit, there being only one other well located thereon, an old well which was plugged and abandoned in 1947, there is no necessity for the requested findings that applicant's J. K. Rector Well No. 1 is an infill well necessary to effectively and efficiently drain the existing proration unit, and that portion of this case should be dismissed.

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IT IS THEREFORE ORDERED:

(1) That the application of Doyle Hartman for an order pooling all mineral interests in the Seven Rivers-Queen formation of the Eumont Gas Pool underlying the SE/4 of Section 30, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, is hereby denied.

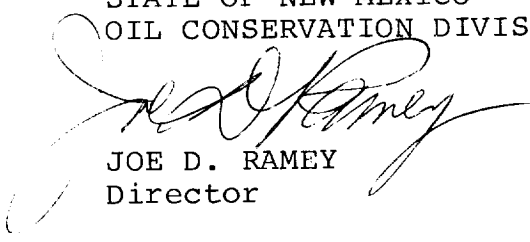
(2) That a 40-acre non-standard gas proration unit comprising the NE/4 SE/4 of said Section 30 is hereby approved for the Eumont Gas Pool, to be dedicated to applicant's J. K. Rector Well No. 1 at an unorthodox location 2310 feet from the South line and 330 feet from the East line of said Section 30.

(3) That the application for infill findings relative to the aforesaid J. K. Rector Well No. 1 is hereby dismissed.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
JOE D. RAMEY  
Director

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