

DOYLE HARTMAN

Oil Operator

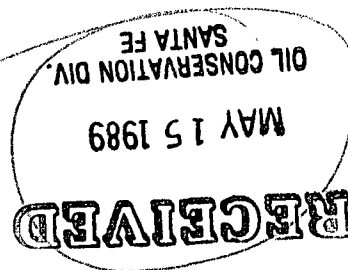
500 N. MAIN

P.O. BOX 10426

MIDLAND, TEXAS 79702

(915) 684-4011

May 9, 1989



CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. Victor T. Lyons
State of New Mexico
Energy and Minerals Department
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87504

Re: Liberty Royalties No. 6
SE/4 Section 7
T-24-S, R-37-E
Lea County, New Mexico
1. Simultaneous Dedication
2. Non-Standard Location
3. Notice of Section 103
Infill Application

Gentlemen:

We are in the process of filing Forms C-101 and C-102 with the Oil Conservation Division District I Office for permission to drill our newly proposed Liberty Royalties No. 6 well as an infill Jalmat (Gas) well at a non-standard Jalmat (Gas) location consisting of 660' FSL & 1400' FEL (O), Section 7, T-24-S, R-37-E, Lea County, New Mexico.

We hereby request administrative approval to simultaneously dedicate our newly proposed Liberty Royalties No. 6 well (O-07-24S-37E) along with the previously existing Liberty Royalties No. 5 (J-07-24S-37E) to the existing 160-acre non-standard Jalmat (Gas) proration unit consisting of SE/4 Section 7, T-24-S, R-37-E, Lea County, New Mexico (standard P.U. = 640 acres).

The Liberty Royalties tract is bounded by a railroad track on the east and a pipeline on the south. Texaco's Cooper Jal Unit Well No. 246 is situated 580' to the west. However, the location is further restricted by existing ranching facilities including a water well and windmill, fresh water tank, and horse corral located approximately 325' to the north. As you can see by the enclosed letter, we have been requested by the surface owner (Mr. Kelly Meyers) to drill the newly proposed well away from existing ranching facilities. Although the proposed Liberty Royalties No. 6 well does not encroach on any offsetting Jalmat gas leases, it is located closer than 330 feet from an interior quarter-quarter section line, and therefore for this reason we hereby apply for permission to drill the proposed Liberty Royalties No. 6 at the non-standard location consisting of 660' FSL & 1400' FEL (O) Section 7, T-24-S, R-37-E.

New Mexico Oil Conservation Division
May 9, 1989
Page 2

Furthermore, if the proposed well is completed as a commercial producer and in compliance with the Natural Gas Policy Act of 1978, an application will be submitted to the New Mexico Oil Conservation Division to obtain administrative approval for the well as a Section 103 infill well.

Three copies of a color-coded land map outlining the subject 160-acre Jalmat (Gas) proration unit as well as the location of the original Liberty Royalties No. 5 well and the proposed location of our Liberty Royalties No. 6 infill well are enclosed for your review. Supplementing the enclosed color-coded land plat is a companion table describing by tract number and color all Jalmat (gas) proration units (including the operators of the Jalmat gas rights) that offset the proposed Liberty Royalties No. 6 infill well.

Complete copies of this application have also been sent by certified mail to all offsetting parties owning Jalmat (Gas) rights as described on the enclosed plat and table. The following is a list of the offsetting Jalmat (Gas) operators:

Conoco, Inc.
Post Office Box 460
Hobbs, New Mexico 88240

Attention: Mr. Donald Johnson

Texaco Producing Inc.
Post Office Box 3109
Midland, Texas 79702

Attention: R. S. Cornelius
Assistant Engineering Manager

ARCO Oil and Gas Co.
Post Office Box 1610
Midland, Texas 79702

Attention: Mr. Craig Payken
Area Engineer

Meridian Oil Incorporated
#6 Desta Drive
Midland, Texas 79707

Amoco Production Company
Post Office Box 3092
Houston, Texas 77253

Attention: Proration

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Page 3

Chevron USA, Inc.
Post Office Box 1150
Midland, Texas 79702

Attention: Mr. Alan W. Bohlrig
Division Proration Engineer

Thank you for your consideration in this matter.

Very truly yours,

DOYLE HARTMAN

Michelle Wilcox

Michelle Wilcox
Administrative Assistant

MW/lr
Enclosure

cc: New Mexico Oil Conservation Division
District I Office
Post Office Box 1980
Hobbs, New Mexico 88240

Attention: Mr. Jerry Sexton

Mr. J. E. Gallegos
Gallegos Law Firm
300 Paseo de Peralta
Suite 100
Santa Fe, New Mexico 87501

Mr. Daniel S. Nutter
105 E. Alicante
Santa Fe, New Mexico 87501

Mr. William P. Aycock
1207 W. Wall
Midland, Texas 79701

Mr. Harold Swain
Doyle Hartman, Oil Operator
Post Office Drawer M
Jal, New Mexico 88252

New Mexico Oil Conservation Division
May 9, 1989
Page 4

Mr. Joe Hugo
Post Office Box 1073
Pinedale, Wyoming 82941

DOYLE HARTMAN

Oil Operator

500 N. MAIN

P.O. BOX 10426

MIDLAND, TEXAS 79702

(915) 684-4011

MEMORANDUM

TO: Kelly Myers

FROM: Harold Swain

DATE: April 21, 1989

Re: Liberty Royalties No. 6
660' FSL and 1400' FEL (O)
Section 7, T-24-S, R-37-E

Reference is made to our conversations regarding Doyle Hartman's plans to drill his Liberty Royalties Jalmat (Gas) well at a location consisting of 660' FSL and 1400' FEL (O) Section 7, T-24-S, R-37-E. You are the owner of the surface at this location and you have requested that we move our proposed well as far away as we can from the facilities you have in the area, which include an old homestead, livestock watering tanks, corals, a windmill, etc. Our proposed location of 660' FSL and 1400' FEL is a sufficient distance from your facilities.

Please acknowledge your approval by executing and returning one copy of this memo.

Harold Swain

HS/lr

ACKNOWLEDGEMENT

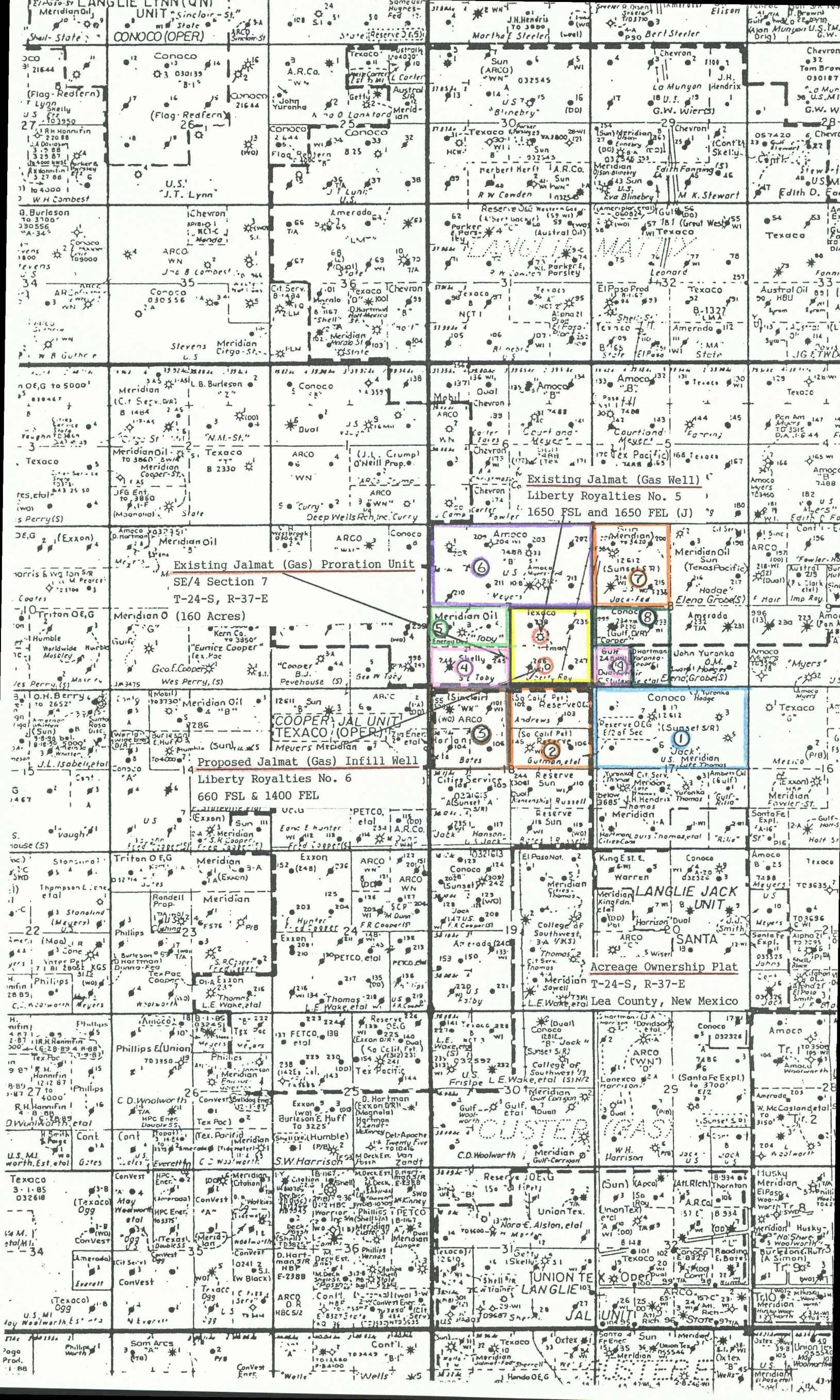
Kelly Myers
Kelly Myers

4-26-89
Date

APR 27 1989

OFFSET JALMAT (GAS) OPERATORS
Liberty Royalties No. 6
SE/4 Section 7, T-24-S, R-37-E
Lea County, New Mexico
(160 Acres)

<u>Tract No.</u>	<u>Operator</u>	<u>Lease & Well Name(s)</u>	<u>Gas Well Location(s)</u>	<u>Unit Description</u>	<u>Number of Acres</u>
1 (Blue)	Conoco, Inc.	Jack B-17 No. 3 Jack B-17 No. 4	A-17-24S-37E C-17-24S-37E	N/2 Section 17 T-24-S, R-37-E	320
2 (Orange)	Texaco Producing, Inc.	Cooper Jal Unit No. 302	G-18-24S-37E	NE/4 Sction 18, T-24-S, R-37-E	160
3 (Brown)	Arco Oil & Gas Co.	Bates No. 2	D-18-24S-37E	NW/4 Section 18, T-24-S, R-37-E	160
4 (Pink)	Texaco Producing, Inc.	S. E. Toby No. 1 (Last Prod: 11-79)	M-07-24S-37E	S/2 SW/4 Section 7, T-24-S, R-37-E	80
5 (Green)	Meridian Oil, Inc.	Toby No. 3	L-07-24S-37E	N/2 SW/4 Section 7, T-24-S, R-37-E	80
6 (Purple)	Amoco Production Co.	Myers B Federal RA A #1 Myers B Federal RA A #33	D-07-24S-37E B-07-24S-37E	N/2 Section 7, T-24-S, R-37-E	320
7 (Orange)	Meridian Oil, Inc.	E. E. Jack No. 1 E. E. Jack No. 5	E-08-24S-37E D-08-24S-37E	NW/4 Section 8, T-24-S, R-37-E	160
8 (Green)	Conoco, Inc.	Cooper 8 No. 1 (P&A 1984)	L-08-24S-37E	N/2 SW/4 & SE/4 SW/4 Section 8, T-24-S, R-37-E	120
9 (Pink)	Chevron USA, Inc.	Fowler Hair No. 1	M-08-24S-37E	SW/4 SW/4 Section 8, T-24-S, R-37-E	40



Submit to Appropriate
District Office
State Lease - 6 copies
Fee Lease - 5 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-101
Revised 1-1-89

OIL CONSERVATION DIVISION

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

API NO. (assigned by OCD on New Wells)
5. Indicate Type of Lease STATE ☐ FEE ☒
6. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work: DRILL ☒ RE-ENTER ☐ DEEPEN ☐ PLUG BACK ☐		7. Lease Name or Unit Agreement Name Liberty Royalties			
b. Type of Well: OIL WELL ☐ GAS WELL ☒ OTHER ☐		8. Well No. 6			
2. Name of Operator Doyle Hartman		9. Pool name or Wildcat Jalmat (Gas)			
3. Address of Operator Post Office Box 10426, Midland, Texas 79702					
4. Well Location Unit Letter <u>0</u> : <u>660</u> Feet From The <u>South</u> Line and <u>1400</u> Feet From The <u>East</u> Line Section <u>7</u> Township <u>24-South</u> Range <u>37-East</u> NMPM Lea County					
10. Proposed Depth 3450		11. Formation Yates	12. Rotary or C.T. Rotary		
13. Elevations (Show whether DF, RT, GR, etc.) 3305 G. L.	14. Kind & Status Plug. Bond Multi-Approved	15. Drilling Contractor To be Chosen	16. Approx. Date Work will start June, 1989		
17. PROPOSED CASING AND CEMENT PROGRAM					
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12 1/4	9 5/8	36	400	350 sx	Surface
8 3/4	7	23	3450	600 sx	Surface

Before drilling out from under surface pipe, the well will be equipped with a 3000 psi 10-inch series 900 double ram hydraulic BOP.

At this time, it is our plan to market the gas produced from the Liberty Royalties No. 6 well under short-term market sensitive sales arrangements with the gas to be gathered and processed through NNG's Lea County gathering and processing system.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

SIGNATURE Michelle Wilcox TITLE Administrative Assistant DATE May 9, 1989

TYPE OR PRINT NAME Michelle Wilcox

TELEPHONE NO. 915-684-4011

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

Hobbs Area
Copy

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

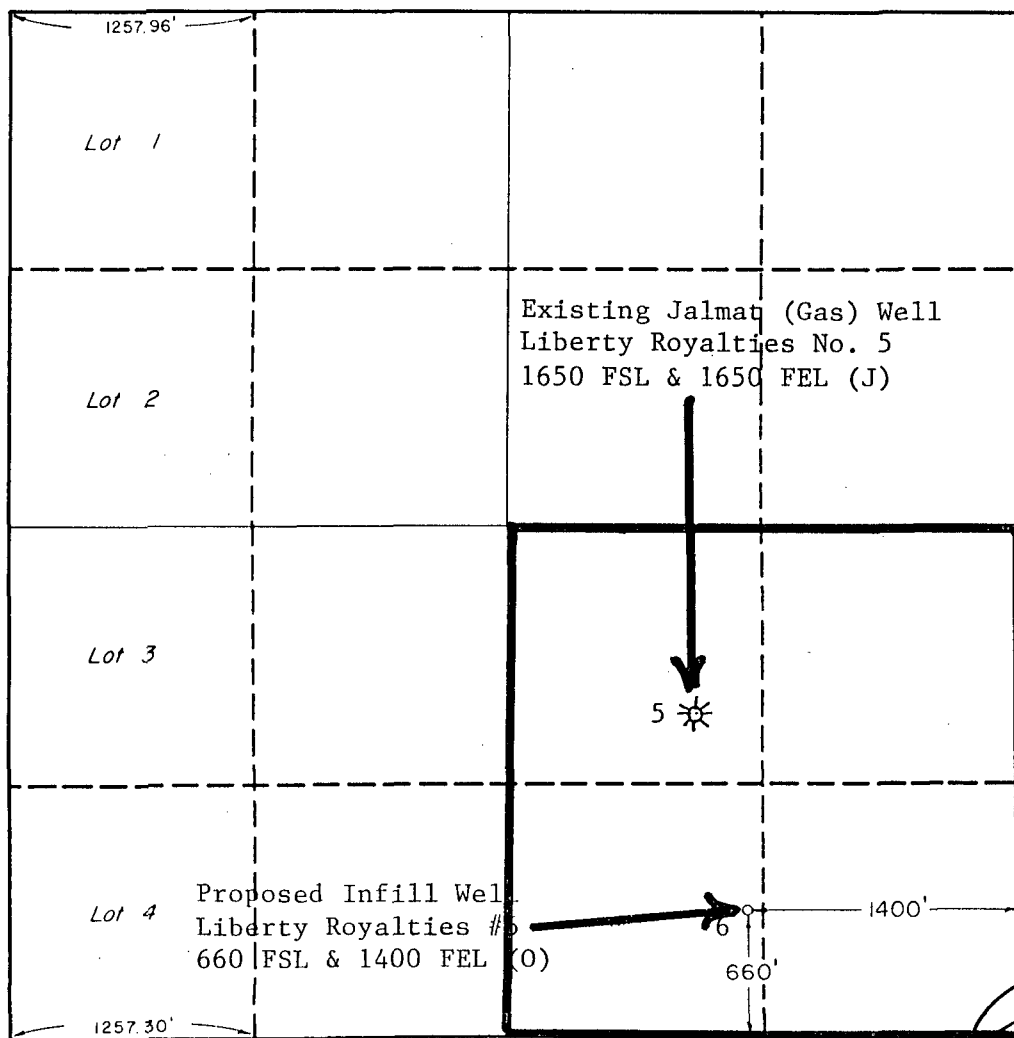
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Doyle Hartman			Lease Liberty Royalties		Well No. 6
Unit Letter 0	Section 7	Township 24 South	Range 37 East	County Lea	
Actual Footage Location of Well: 660 feet from the south line and 1400 feet from the east line					
Ground level Elev. 3305.0		Producing Formation Yates		Pool Jalmat (Gas)	Dedicated Acreage: 160 Acres

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
☐ Yes ☐ No If answer is "yes" type of consolidation _____
If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Michelle Wilcox
Signature
Michelle Wilcox
Printed Name
Administrative Assistant
Position
Doyle Hartman
Company
May 9, 1989
Date

SURVEYOR CERTIFICATION

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
April 1989
Signature
Professional Engineer
JOHN W. WEST
Certification No. 676
JOHN W. WEST
676
3239

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

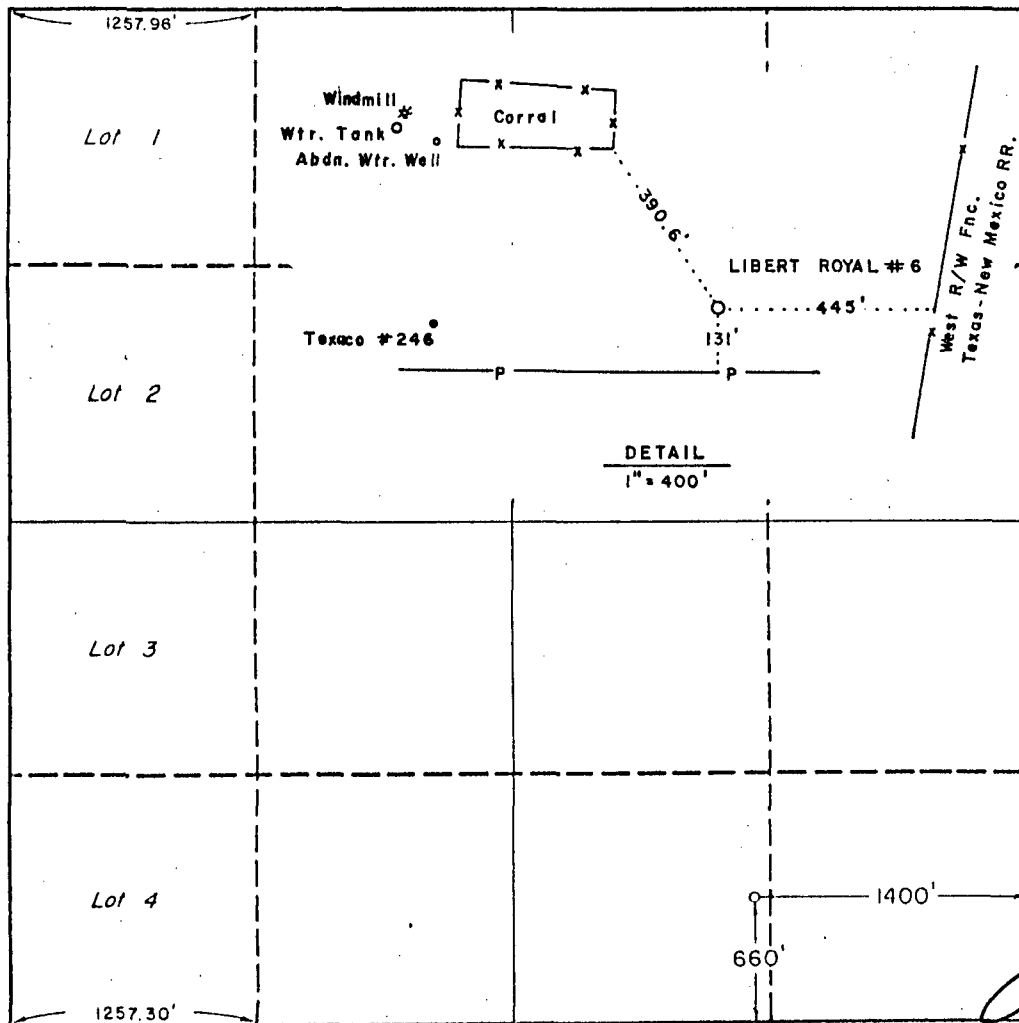
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Doyle Hartman			Lease Liberty Royalties		Well No. 6
Unit Letter 0	Section 7	Township 24 South	Range 37 East	County NMPM	Lea
Actual Footage Location of Well: 660 feet from the south line and 1400 feet from the east line					
Ground level Elev. 3305.0		Producing Formation		Pool	Dedicated Acreage: 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 interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
☐ Yes ☐ No If answer is "yes" type of consolidation _____
If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

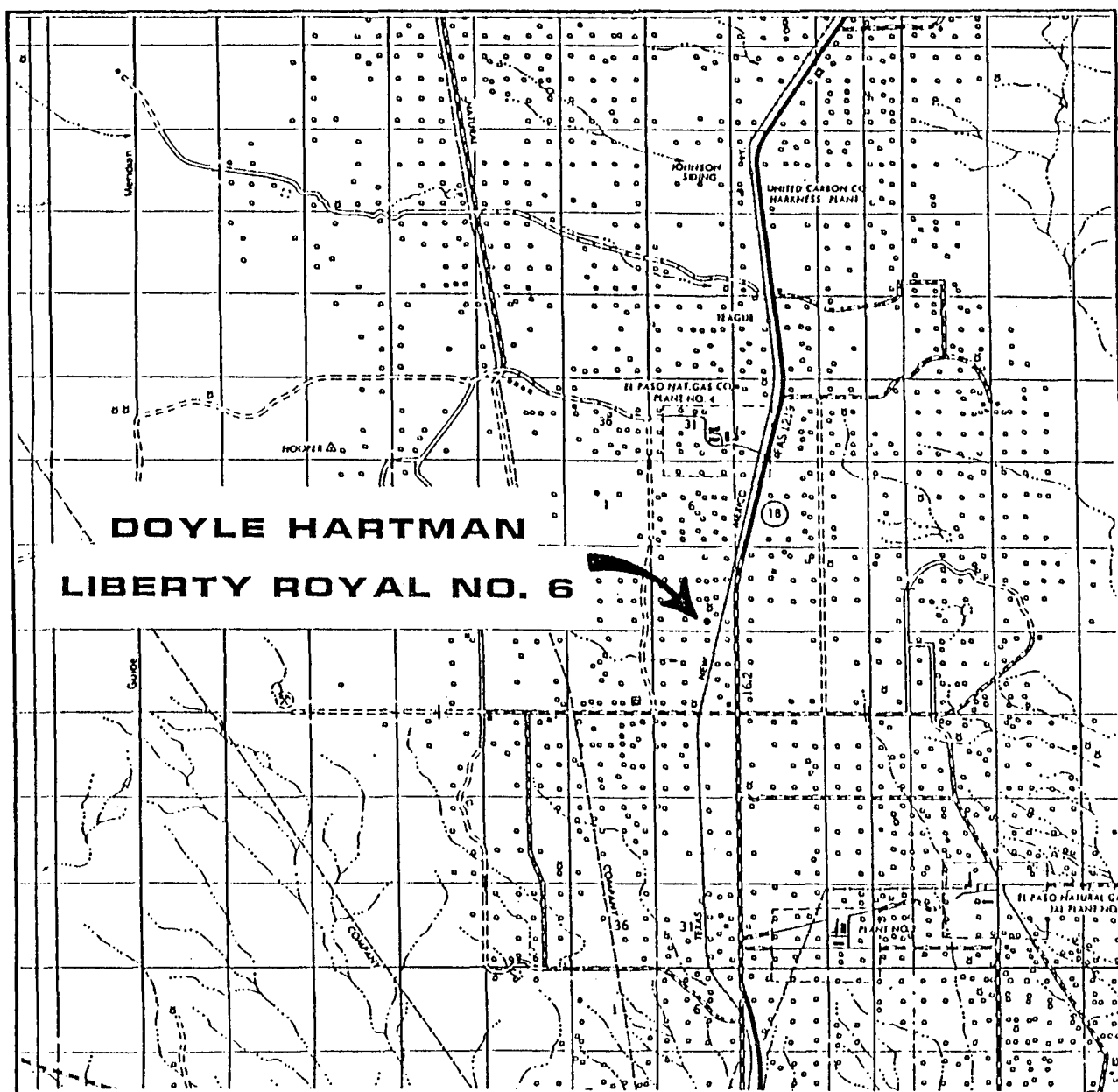
Signature
Michelle Wilcox
Printed Name
Michelle Wilcox
Position
Administrative Assistant
Company
May 9, 1989
Date
Doyle Hartman

SURVEYOR CERTIFICATION

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
April 21, 1989
Signature & Seal of Professional Surveyor

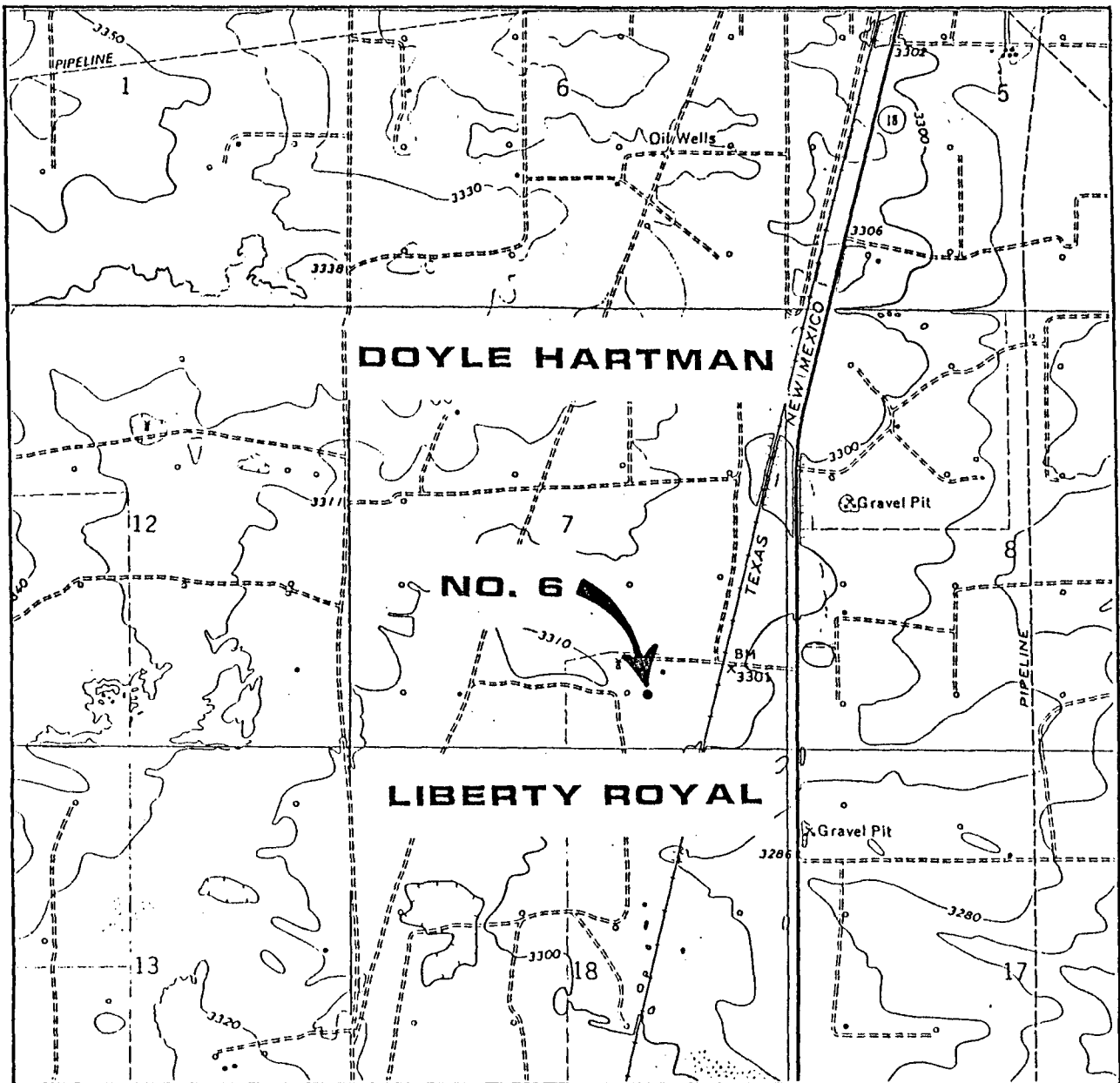
JOHN W. WEST
Professional Surveyor
No. 1000
State of New Mexico
Certified to: JOHN W. WEST, 87238



LEASE Liberty Royalties

**JOHN WEST ENGINEERING
HOBBS, NEW MEXICO
(505) 393-3117**

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL 10 ft.

SEC. 7 TWP. 24 S. RGE. 37 E.

SURVEY N.M.P.M.

COUNTY Lea STATE N.M.

DESCRIPTION 660' FSL & 1400' FEL

ELEVATION 3304.9

OPERATOR Doyle Hartman

LEASE Liberty Royalties

U.S.G.S. TOPOGRAPHIC MAP

Jal NW, N.M.

JOHN WEST ENGINEERING
HOBBS, NEW MEXICO
(505) 393-3117

Submit to Appropriate
District Office.
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Doyle Hartman			Lease Liberty Royalties		Well No. 5
Unit Letter J	Section 7	Township 24-S	Range 37-E	County Lea	NMPM
Actual Footage Location of Well: 1650 feet from the South line and 1650 feet from the East line					
Ground level Elev. 3305 G.L.	Producing Formation Yates-Seven Rivers		Pool Jalmat (Gas)		Dedicated Acreage: 160 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 interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

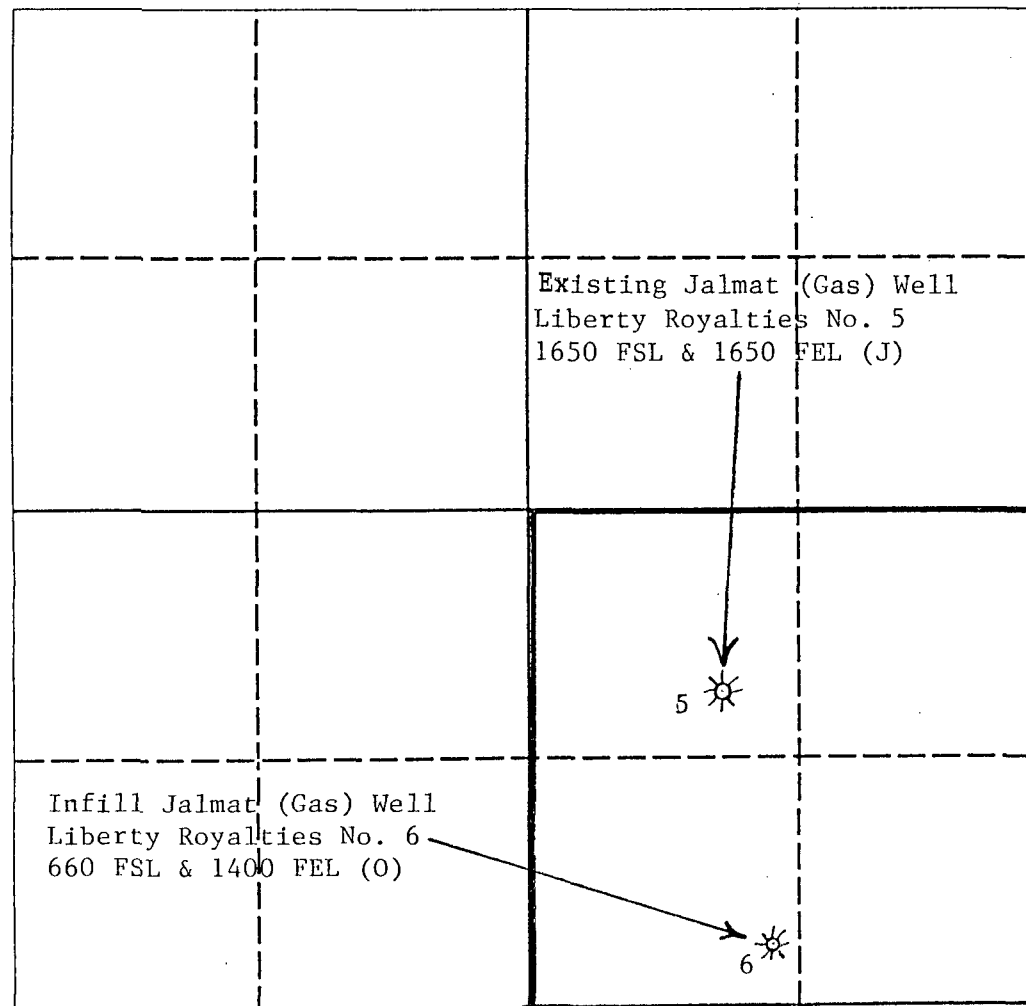
☐ Yes

☐ No

If answer is "yes" type of consolidation

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature

Michelle Wilcox

Printed Name

Administrative Assistant

Position

Doyle Hartman

Company

May 9, 1989

Date

Michelle Wilcox

SURVEYOR CERTIFICATION

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

Signature & Seal of
Professional Surveyor

Certificate No.

Submit to Appropriate
District Office
State Lease -- 6 copies
Fee Lease -- 5 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-101
Revised 1-1-89

OIL CONSERVATION DIVISION

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

API NO. (assigned by OCD on New Wells)
5. Indicate Type of Lease STATE ☐ FEE ☒
6. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work: DRILL ☒ RE-ENTER ☐ DEEPEN ☐ PLUG BACK ☐		7. Lease Name or Unit Agreement Name Liberty Royalties			
b. Type of Well: OIL WELL ☐ GAS WELL ☒ OTHER ☐ SINGLE ZONE ☒ MULTIPLE ZONE ☐		8. Well No. 6			
2. Name of Operator Doyle Hartman		9. Pool name or Wildcat Jalmat (Gas)			
3. Address of Operator Post Office Box 10426, Midland, Texas 79702					
4. Well Location Unit Letter 0 : 660 Feet From The South Line and 1400 Feet From The East Line Section 7 Township 24-South Range 37-East NMPM Lea County					
10. Proposed Depth 3450		11. Formation Yates	12. Rotary or C.T. Rotary		
13. Elevations (Show whether DF, RT, GR, etc.) 3305 G. L.	14. Kind & Status Plug. Bond Multi-Approved	15. Drilling Contractor To be Chosen	16. Approx. Date Work will start June, 1989		
17. PROPOSED CASING AND CEMENT PROGRAM					
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12 1/4	9 5/8	36	400	350 sx	Surface
8 3/4	7	23	3450	600 sx	Surface

Before drilling out from under surface pipe, the well will be equipped with a 3000 psi 10-inch series 900 double ram hydraulic BOP.

At this time, it is our plan to market the gas produced from the Liberty Royalties No. 6 well under short-term market sensitive sales arrangements with the gas to be gathered and processed through NNG's Lea County gathering and processing system.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

SIGNATURE Michelle Wilcox TITLE Administrative Assistant DATE May 9, 1989
TYPE OR PRINT NAME Michelle Wilcox TELEPHONE NO. 915-684-4011

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

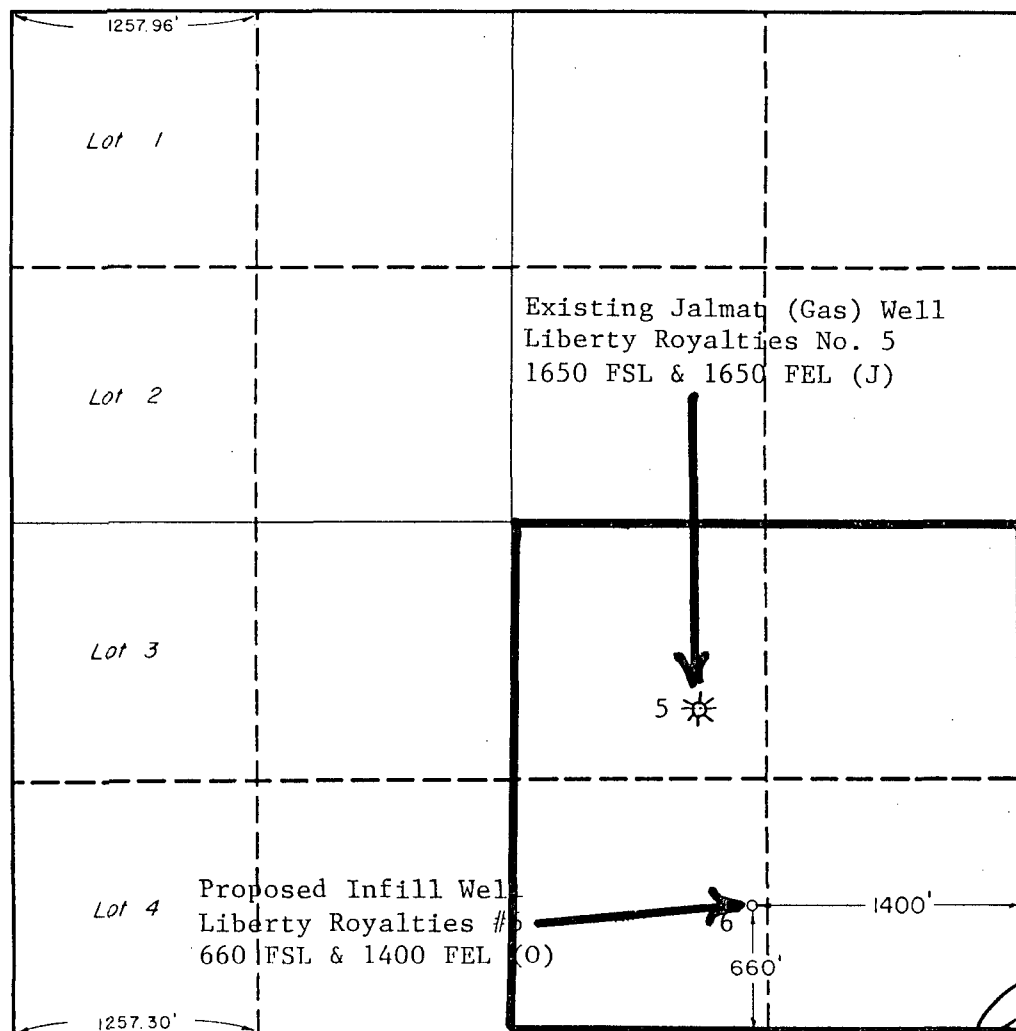
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Doyle Hartman			Lease Liberty Royalties		Well No. 6
Unit Letter O	Section 7	Township 24 South	Range 37 East	County NMPM	Lea
Actual Footage Location of Well: 660 feet from the south line and 1400 feet from the east line					
Ground level Elev. 3305.0	Producing Formation Yates		Pool Jalmat (Gas)		Dedicated Acreage: 160 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
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- ☐ Yes ☐ No If answer is "yes" type of consolidation _____
- If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____
- No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature Michelle Wilcaf

Michelle Wilcox

Printed Name _____

Administrative Assistant

Position

Doyle Hartman

Company

May 9, 1989

Date _____

SURVEYOR CERTIFICATION

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 _____

April 21, 1989

Signature: 
Professional Surveyor

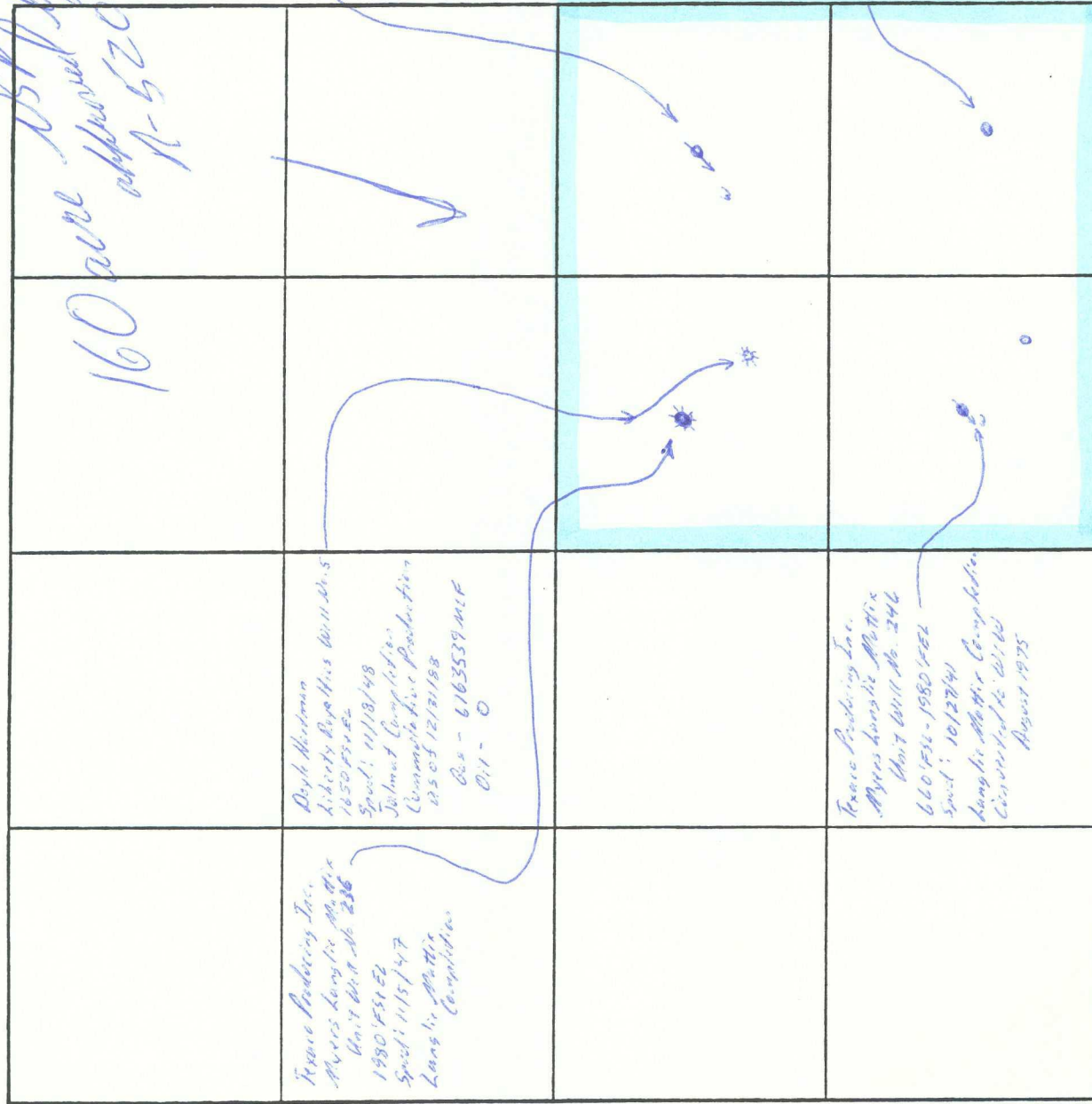
REL LAM

676
3239

676

3239

160 acre
approved
A-520



SECTION 7

TOWNSHIP 24 South

RANGE 37 East