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For a number of years, under NMOCD Order R-6013-A, Jalmat operators, before receiving maximum lawful gas pricing approval for infill wells, were required to make a satisfactory showing that an infill well was necessary "...to effectively and efficiently drain a portion of the reservoir covered by the proration unit which [could] not be effectively and efficiently drained by any existing well within the proration unit... and [would] not cause waste nor violate correlative rights". This procedure clearly provided for the continued orderly development of the Jalmat Pool, at the very beginning of the infill development phase for the Jalmat Pool.

Although operators are no longer making filings to qualify new wells for NGPA maximum lawful gas pricing, operators seeking approval for simultaneous dedication (infill wells) in the Jalmat Pool must still recognize and be prepared to demonstrate that each infill well is necessary in order "...to effectively and efficiently drain a portion of the reservoir covered by the proration unit which cannot be effectively and efficiently drained by any existing well within the proration unit..."; especially since a standard gas proration unit in the Jalmat Pool is 640 acres, and there exists a statutory presumption that one gas well in the Jalmat Pool is capable of efficiently and effectively draining 640 acres. Moreover, an operator seeking approval for simultaneous dedication (infill well) must also be able to demonstrate that an infill well or wells "...will not cause waste nor violate correlative rights".

Notwithstanding the fact that these important showings were mandatory to qualify each new infill well for maximum lawful gas pricing, the NMOCD's spacing rules, the State of New Mexico's statutes prohibiting waste and protecting correlative rights, and the Supreme Court of New Mexico's ruling and findings in Continental Oil Company v. Oil Conservation Commission (373 P.2d 809) still survive during this current period of lower gas prices. Therefore, the need for the NMOCD to require operators to properly justify infill wells in the Jalmat Pool still exists, and is consistent with NMSA 1978 §70-2-2, §70-2-11, §70-2-12, and §70-2-17, and the findings of the Supreme Court of New Mexico in Continental Oil Company v. Oil Conservation Commission. Moreover, such showings of necessity, when required, should be made on a case-by-case basis for each proposed infill well, since correlative rights are clearly at issue and indiscriminate and unnecessary Jalmat infill drilling and recompletions threaten rapid depletion of remaining Jalmat Pool reserves. Such rapid and premature depletion is not in the public interest and amounts to waste and a violation of correlative rights.

In addition to the foregoing general objection, several problems have developed with respect to Raptor's Jalmat Pool infill drilling and recompletion program, corresponding to Sections 8 and 9, T-22-S, R-36-E. The specific well problems are as follows:

1. **State "A" A/C-2 Wells No. 24 and 25:** Raptor apparently submitted an administrative application to the NMOCD for unorthodox locations and simultaneous dedication for these wells. See