



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

September 8, 1999

Doyle Hartman, Oil Operator
3811 Turtle Creek Blvd. – Suite 200
Dallas, Texas 75219
Attention: Doyle Hartman

Telefax No. (214) 520-0811

Roca Production, Inc.
P. O. Box 10139
Midland, Texas 79702
Attention: Steve Douglas, President

Administrative Order NSP-54-A (L)

Dear Messrs. Hartman and Douglas:

Reference is made to the following: (i) the application filed by Doyle Hartman, Oil Operator ("Hartman") by letter dated October 7, 1998; (ii) the New Mexico Oil Conservation Division's initial response from Mr. Michael E. Stogner, Chief Hearing Officer/Engineer in Santa Fe, by letter dated November 24, 1998; (iii) Mr. Stogner's telephone conversation with Ms. Cindy Brooks of Mr. Hartman's Midland office on May 14, 1999; (iv) Ms. Brooks letter dated May 17, 1999; (v) the application filed by Roca Production, Inc. ("Roca") by letter dated May 18, 1999; and (vi) the Division's records, including the files on Division Administrative Order NSP-54 and Division Order Nos. R-440 and R-441: all concerning both Hartman's and Roca's requests to reorient the dedicated acreage for Jalmat gas production within the S/2 equivalent of Section 30, Township 23 South, Range 37 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, by establishing the following three non-standard gas spacing and proration units ("GPU"):

- (a) the 155.78 acres comprising Lots 3 and 4, the SE/4 SW/4, and the SW/4 SE/4 of Section 30;
- (b) the 80 acres comprising the NE/4 SW/4 and the NW/4 SE/4 of Section 30; and
- (c) the 80 acres comprising the E/2 SE/4 of Section 30.

The Division Director Finds That:

(1) The following Orders issued by the Division indicate how gas production from the Jalmat Gas Pool within the S/2 equivalent of Section 30 either has been or is being proportioned:

- (a) Division Order No. R-440, issued in Case No. 640 and dated April 16, 1954, established a non-standard 120-acre GPU comprising the NE/4 SW/4 and the N/2 SE/4 of Section 30 in which Hartman's R. W. Cowden Well No. 1 (API No. 30-025-10884), located either 1650 feet from the South and East lines or 1980 feet from the South and East lines (Unit J) of Section 30 was dedicated;
 - (b) Division Administrative Order NSP-54, dated January 5, 1954, established a non-standard 120-acre GPU comprising the SE/4 SW/4 and the S/2 SE/4 of Section 30 in which Roca's R. W. Cowden "A" WN Well No. 1 (API No. 30-025-10899), located 330 feet from the South and East lines (Unit P) of Section 30 was dedicated; and
 - (c) Division Order No. R-441, issued in Case No. 641 and dated April 16, 1954, established a non-standard 75.78-acre GPU comprising Lots 3 and 4 (the W/2 SW/4 equivalent) of Section 30 in which Hartman's R. W. Cowden "B" Well No. 1 (API No. 30-025-10885), located 2110 feet from the South line and 990 feet from the West line (Lot 3/Unit L) of Section 30 was dedicated. In November, 1998 the R. W. Cowden "B" Well No. 1 was plugged and abandoned.
- (2) From the subject applications and related correspondence:
- (a) Hartman will be operator of a 155.78-acre non-standard GPU that comprises Lots 3 and 4, the SE/4 SW/4, and the SW/4 SE/4 of Section 30 in which the existing R. W. Cowden "B" Well No. 4 (API No. 30-025-34516), located at a standard Jalmat gas well location 1650 feet from the South line and 660 feet from the West line (Lot 3/Unit L), which was drilled as a replacement Jalmat gas well in Unit "L" of Section 30 for its R. W. Cowden "B" Well No. 1, is to be dedicated;
 - (b) the 120-acre non-standard GPU that was approved by Division Order No. R-440 in which Hartman's R. W. Cowden Well No. 1, located in Unit "J" of Section 30 was dedicated, is to be reduced by deleting therefrom the 40 acres comprising the NE/4 SE/4 (Unit J) of Section 30; and

- (c) the remaining 80 acres (within the S/2 equivalent of Section 30) comprising the E/2 SE/4 of said Section 30 is to be operated by Roca and have dedicated to it the above-described R. W. Cowden "A" WN Well No. 1, located in Unit "P" of Section 30.

(3) The subject applications filed by Hartman and Roca have been duly filed under the provisions of Division Rules 104.D and 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999, and Rule 2(d) of the *"General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Jalmat Gas Pool,"* as promulgated by Division Order No. R-8170, as amended.

(4) Pursuant to the applicable rules no objections to the subject applications have been received within the required 20-day waiting periods.

(5) By the authority granted me under the provisions of the aforementioned rules applicable in this matter, the subject applications of Roca and Hartman for the reorientation of Jalmat gas production within the S/2 equivalent of Section 30 should therefore be ordered.

It Is Therefore Ordered That:

(1) Doyle Hartman, Oil Operator ("Hartman") is to be the designated operator of the 155.78 acres, comprising Lots 3 and 4, the SE/4 SW/4, and the SW/4 SE/4 of Section 30, thereby forming a non-standard gas spacing and proration unit ("GPU") within the Jalmat Gas Pool which is to be dedicated to the existing R. W. Cowden "B" Well No. 4 (API No. 30-025-34516), located at a standard Jalmat gas well location for this 155.78-acre GPU 1650 feet from the South line and 660 feet from the West line (Lot 3/Unit L) of Section 30.

(2) Hartman is also to be the designated the operator of an 80-acre non-standard GPU comprising the NE/4 SW/4 (Unit K) and the NW/4 SE/4 (Unit J) of Section 30 which is to be dedicated to its R. W. Cowden Well No. 1 (API No. 30-025-10884), located at either an unorthodox gas well location for this GPU 1650 feet from the South and East lines or at a standard gas well location 1980 feet from the South and East lines (Unit J) of Section 30.

(3) Roca Production, Inc. ("Roca") is authorized to operate the remaining 80 acres comprising the E/2 SE/4 of Section 30, as a non-standard GPU within the Jalmat Gas Pool in which is to be dedicated to its existing R. W. Cowden "A" WN Well No. 1 (API No. 30-025-10899), located at an unorthodox gas well location for this GPU 330 feet from the South and East lines (Unit P) of Section 30.

Administrative Order NSP-54-A(L)
Doyle Hartman/Roca Production Inc.
September 8, 1999
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(4) Division Administrative Order NSP-54 and Division Order Nos. R-440 and R-441 shall be placed in abeyance until further notice.

(5) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lori Wrotenberg", followed by a small mark that looks like "LW".

Lori Wrotenberg
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
Ms. Cindy Brooks - Midland, Texas [Telefax No. (915) 682-7616]
File: NSP-54

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

January 5, 1954

**Western Natural Gas Company
National Standard Building
Houston 2, Texas**

Attention: Mr. Paul C. Wright

Administrative Order NSP-54

Gentlemen:

Reference is made to your application for approval of a 120-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the following acreage:

**Twp. 23 South, Rgs. 37 East, NMPM
SE/4 SW/4 and E/2 SE/4 of Section 30**

It is understood that this unit is to be ascribed to your Cowden Well No. 1, located 330' from the South and East lines of Section 30, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico.

By authority granted me under provisions of Rule 5, Section (b)-6 of the Special Rules and Regulations for the Jalmat Gas Pool, as set forth in Order R-520, you are hereby authorized to operate the above described acreage as a non-standard gas proration unit, with allowable to be assigned thereto in accordance with pool rules, based upon the unit size of 120 acres.

Very truly yours,

**W. B. Macey
Secretary - Director**

WBM:jh

cc: Oil Conservation Commission, Hobbs

N. M. Oil & Gas Engineering Committee, Hobbs

C
O
P
Y

DOYLE HARTMAN

Oil Operator

500 NORTH MAIN

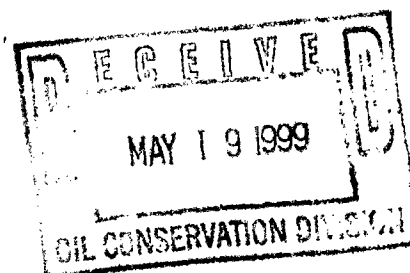
P.O. BOX 10426

MIDLAND, TEXAS 79702

(915) 684-4011

(915) 682-7616 FAX

May 17, 1999



New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

Attn: Mr. Michael Stogner, Chief Hearing Officer

Re: Administrative Application for an 80-acre Non-Standard Jalmat P.U.
R. W. Cowden No. 1 Well
NW/4 SE/4, NE/4 SW/4 Section 30
T-23-S, R-37-E
Lea County, New Mexico
(80 acres)

Dear Mr. Stogner:

Reference is made to that certain oil and gas lease dated November 27, 1927, by and between R.W. Cowden, as lessor and R. R. Asbury, as lessee covering the S/2 of Section 30, T-23-S, R-37-E, Lea County, New Mexico, as recorded on page 228, Book 8, of the Lea County, New Mexico Oil and Gas records. Reference is also made to our October 7, 1998 administrative application, to the NMOCD, for a new 155.78-acre non-standard proration unit consisting of the W/2 SW/4, SE/4 SW/4 and the SW/4 SE/4 of Section 30, T-23-S, R-37-E to be dedicated to our recently drilled R. W. Cowden "B" No. 4 Jalmat well (L-30-23S-37E). Finally, reference is made to our May 14, 1999 phone conversation in which you requested additional Jalmat acreage dedication information corresponding to the S/2 Section 30, T-23-S, R-37-E prior to approving our October 7, 1998 administrative application.

As previously stated in our October 7, 1998 administrative application, effective January 1, 1995, 100% ownership of the R.W. Cowden "A" No. 1 wellbore (P-30-23S-37E) and the Jalmat gas rights consisting of the E/2 SE/4 Section 30 were assigned by Doyle and Margaret Hartman to the Clay Group, with Roca Production, Inc. being designated as operator. Also, in searching our files, we were unable to locate an approved administrative application establishing an 80-acre non-standard Jalmat gas proration unit consisting of the NW/4 SE/4 and NE/4 SW/4 of Section 30, T-23-S, R-37-E, Lea County, New Mexico corresponding to our currently non-producing R.W. Cowden No. 1 Jalmat well (J-30-23S-37E).

In consideration of the foregoing, we hereby make application to reduce the currently existing 120-acre R.W. Cowden No. 1 non-standard Jalmat proration unit consisting of the NE/4 SW/4 and the N/2 SE/4 of Section 30, T-23-S, R-37-E to an 80-acre non-standard Jalmat proration unit

consisting of the NW/4 SE/4 and the NE/4 SW/4 Section 30, T-23-S, R-37-E. By copy of this application, we are notifying Roca Production, Inc. of our application to create an 80-acre proration unit for our non-producing R. W. Cowden No. 1 well consisting of the NW/4 SE/4, NE/4 SW/4 Section 30, T-23-S, R-37-E, and are requesting that Roca Production, Inc. immediately make application to the NMOCD for an 80-acre non-standard Jalmat proration unit consisting of the E/2 SE/4 Section 30, T-23-S, R-37-E, for dedication to its R.W. Cowden "A" No. 1 Jalmat well (P-30-23S-37E).

By virtue of these two additional applications, you should be in a position to approve our 155.78-acre R. W. Cowden "B" No. 4 proration unit consisting of W/2 SW/4, SE/4 SW/4, SW/4 SE/4 Section 30, T-23-S, R-37-E, Lea County, New Mexico.

Notice of this administrative non-standard proration unit application is being concurrently sent by certified mail to all offsetting Jalmat operators, which operators are listed on the ownership tabulation enclosed herewith.

We apologize for any confusion created by this matter.

Sincerely,

DOYLE HARTMAN, Oil Operator



Cindy Brooks
Accountant

cc: Via Certified Mail
Return Receipt Requested
James C. Brown
Roca Production, Inc.
550 W. Texas, Suite 1255
Midland, Texas 79701

Via Certified Mail
Return Receipt Requested
ARCO Permian
600 N. Marienfeld
Midland, Texas 79701

James A. Davidson
214 W. Texas, Suite 710
Midland, Texas 79701

List of Offset Jamat Tracts
To the Proposed
Doyle Hartman, Oil Operator
R.W. Cowden Proration Unit
NE/4 SW/4, NW/4 SE/4
Section 30, T-23-S, R-37-E
Lea County, New Mexico
(80 acres)

Offset Jamat Tracts				Active Jamat Dedications	
<u>Tract No.</u>	<u>Color Code</u>	<u>Operator</u>	<u>Acreage</u> <u>Description</u>	<u>Well(s)</u>	<u>Location</u>
1	Pink	Arco Permian	N/2 Sec. 30 T-23-S, R-37-E	Eva E. Blinebry WN No. 2 Eva E. Blinebry WN No. 7	D-30-23S-37E G-30-23S-37E
2	Blue	Roca Production, Inc.	E/2 SE/4, Sec. 30 T-23-S, R-37-E	R. W. Cowden "A" No. 1	P-30-23S-37E
3	Yellow	Doyle Hartman, Oil Operator	W/2 SW/4, SE/4 SW/4, SW/4 SE/4 Sec. 30 T-23-S, R-37-E	R. W. Cowden "B" No. 4	L-30-23S-37E

Jalmat Gas Pool

Sec. 30, T-23-S, R-37-E

Sec. 30, T-23-S, R-37-E

(80 acres)

(75.78 acres)

(155.78 acres)

12-7

NSP 6/10/99

ROCA PRODUCTION, INC.

P.O. Box 10139 • Midland, Texas 79702
(915) 683-6812



Via Certified Mail P101 769 267
Return Receipt Requested

May 18, 1999

Mr. Michael Stogner, Chief Hearing Officer
New Mexico Oil Conservation Division
2040 S. Pacheco
Santa Fe, New Mexico 87505

Re: Administrative Application for an 80 Acre Non-Standard
Jalmat P.U.
R.W. Cowden A WN #1 Unit Letter P
E/2 of SE/4 Section 30
T-23-S, R-37-E
Lea County, New Mexico
(80 Acres)

Dear Mr. Stogner:

In reference to Doyle Hartman's letter of May 17, 1999, Roca Production, Inc. hereby makes application to create an 80 acre non-standard Jalmat proration unit for our R.W. Cowden A WN #1 Jalmat gas well. The requested proration unit consists of the east half of the southeast quarter of Section 30, T-23-S, R-37-E comprising 80 acres. The enclosed map shows the requested proration unit. Offset operators are being sent a copy of this request for a non-standard proration unit by certified mail.

Yours truly,

Steve Douglas
Steve Douglas
President

SD/fab

Enclosures

cc: Enclosed List
Via Certified Mail
Return Receipt Requested



List of Offset Operators
Jalmat Gas Pool

Arco Permian
600 N. Marienfeld
Midland, Texas 79701
Via Certified Mail P 497 462 187
Return Receipt Requested

Burlington Resources
3300 North A
Midland, Texas 79705
Via Certified Mail P 497 462 188
Return Receipt Requested

Doyle Hartman
500 North Main
Midland, Texas 79701
Via Certified Mail P 497 462 189
Return Receipt Requested

Texaco, Inc.
500 North Loraine
Midland, Texas 79701
Via Certified Mail P 497 462 190
Return Receipt Requested