

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

October 11, 1991



POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Mr. Doyle Hartman
Oil Operator
P. O. Box 10426
Midland, Texas 79702

Re: Order R-5448
W/2 E/2 and E/2 W/2 of Sec. 7,
T-20-S, R-37-E

Dear Mr. Hartman:

We received your letter of October 8, 1991, requesting the Division to cancel the allowable granted to the Britt No. 3 and No. 12 Wells. You are correct that the W/2 of the E/2 and the E/2 of the W/2 of Section 7 are an approved non-standard proration unit. It is also correct that that proration unit is simultaneously dedicated to the Britt Wells Nos. 3 and 12, both of which are at approved unorthodox locations. Therefore it would be correct that all production from either or both of those wells should be allocated to the interest owners in the entire proration unit.

However, it appears that from Division records that these wells are being fully operated in accordance with the rules and regulations of the Division. Any dispute between Doyle Hartman and Union Texas Petroleum and Meridian Oil is contractual and the Oil Conservation Division does not have the jurisdiction or authority to enter into or resolve such disputes. Nor does the Division have the authority to cancel the allowable of the well based upon a private contract dispute.

Therefore your request to cancel the allowable for this proration unit is hereby denied.

Sincerely,

A handwritten signature in cursive script, appearing to read "William J. Lema".

WILLIAM J. LEMAY,
Director

WJL/RGS/dr

cc: Jerry Sexton
OCD - Hobbs