

Case Number

4704

Application

Transcripts

Small Exhibits

ETC.

dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS
209 SIMMS BLDG., P.O. BOX 1092, PHONE 243-6801, ALBUQUERQUE, NEW MEXICO 87103
FIRST NATIONAL BANK BLDG. EAST ALBUQUERQUE, N. MEXICO 87103

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BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
CONFERENCE ROOM, STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO
May 5, 1972

EXAMINER HEARING

IN THE MATTER OF:

Application of Atlantic Richfield
Company for rededication of acreage,
Lea County, New Mexico.

CASE NO. 4704

BEFORE: Elvis A. Utz
Examiner

TRANSCRIPT OF HEARING

1 MR. UTZ: Case 4704.

2 MR. HATCH: The Application of Atlantic Richfield
3 Company for rededication of acreage, Lea County, New Mexico.

4 MR. HINKLE: Clarence Hinkle appearing on behalf
5 of Atlantic Richfield Company.

6 MR. UTZ: Are there other appearances?

7 (No response.)

8 MR. UTZ: You may proceed.

9 JERRY TWEED,

10 was called as a witness and having been duly sworn, testified
11 as follows:

12 DIRECT EXAMINATION

13 BY MR. HINKLE:

14 Q State your name, residence, and by whom you are
15 employed.

16 A Jerry Tweed, I live in Midland, Texas, and work for
17 the Atlantic Richfield Company.

18 Q What is your position with Atlantic Richfield?

19 A Certified Petroleum Engineer.

20 Q Have you previously testified before the Oil
21 Commission?

22 A Yes, sir.

23 Q And your qualifications have been made a matter of
24 record with the Commission?

25 A Yes.

1 Q Are you familiar with the Application of Atlantic
2 Richfield in this Case?

3 A Yes, I am.

4 Q What are they seeking to accomplish?

5 A We are asking for an amendment to Order R-1932, to
6 permit the 240 acre non-standard gas proration unit
7 comprising the NE/4 of the NE/4 of Section 33 and the
8 NW/4 and the NW/4 of the NE/4 of Section 34, Township
9 19 South, Range 37 East, Eumont Gas Pool, Lea County,
10 New Mexico, established by said order to be dedicated
11 simultaneously to its J. H. Williams "Com" Well Number
12 3 and its J. H. Williams Well Number 5, located
13 respectively, in Units E and F of said Section 34.

14 Q Was this non-standard gas unit for Well Number 3
15 approved by the Commission?

16 A Yes.

17 Q Did you make application for administrative approval
18 of the non-standard unit including Well Number 5?

19 A Yes, I did.

20 Q And it was set down for Hearing?

21 A That is correct.

22 Q Have you prepared, or has there been prepared, under
23 your direction, Exhibits for introduction in this Case?

24 A Yes.

25 Q I refer you to what has been marked as Exhibit 1, would

1 you explain what that shows?

2 A It is a plat of the area showing -- a structure map
3 showing the top of the Queen Sand formation. This
4 is just a portion of the larger structure and on the
5 east flank of the structure, the acreage is surrounded
6 in all directions by currently producing gas wells.

7 The Number 3 Well shown in Unit E of Section 34
8 is a current gas well that is producing and the Number
9 5 Well shown in Unit F is the one we are asking for.

10 Q The Number 3 Well was completed when?

11 A Sir?

12 Q When was the Number 3 Well completed?

13 A When was it completed?

14 Q Yes.

15 A The Number 3 Well was completed in January of 1954.

16 Q When was the Number 5 Well completed?

17 A The Number 5 Well was completed in December, 1957.

18 Q What potential was the Number 5 completed for?

19 A I would like to refer to Exhibit 2. On this Exhibit
20 I show the original completion test of this well which
21 was 2,410,000 cubic feet of gas per day.

22 The well was perforated in the lower Queen in an
23 attempt to make an oil well and it produced gas.

24 At this time, the Number 3 Well would make the
25 gas allowable for the entire unit, so the Number 5 Well

Hearley-Meier reporting services

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1 was shut-in and never produced.

2 Q What is the present production status of the Number 3
3 Well?

4 A That is also shown on Exhibit 2 and it shows the
5 monthly gas production from January of 1970, through
6 February of 1972. The well was classified a marginal
7 well in June of 1970 and since that time, it can be
8 seen that gas production is continuing to decline from
9 this well.

10 It is currently about 8,000,000 cubic feet per
11 month.

12 The Number 5 Well was tested in March of this
13 year, for 430 MCF per day.

14 Q And you wish to dedicate both wells to a non-standard
15 unit and produce gas from both to make up the allowable?

16 A Yes.

17 Q Insofar as you are able to make it up?

18 A That is correct. It is my opinion, based on the tests
19 that both wells will not quite make the allowable for
20 a 240 acre unit.

21 Q Did you notify the offset operators of the Application?

22 A Yes, I did.

23 Q Was there any objection from any of them?

24 A No, we received no objections.

25 Q Do you have anything further you would like to present?

1 A No, I haven't.

2 Q In your opinion, will approval of this Application be
3 in the interest of conservation and the prevention of
4 waste?

5 A Yes.

6 Q And tend to protect the correlative rights of others?

7 A Yes.

8 MR. HINKLE: We would like to offer Exhibits 1
9 and 2.

10 MR. UTZ: Without objection, Exhibits 1 and 2
11 will be entered into the record of this Case.

12 (Whereupon Applicant's Exhibits 1 and 2 were
13 entered in evidence.)

14 MR. HINKLE: That's all we have on Direct.

15 CROSS-EXAMINATION

16 BY MR. UTZ:

17 Q To refresh my memory, the Number 3 Well is now
18 dedicated to the unit?

19 A Yes, sir.

20 Q You do have approval in Order Number 31932?

21 A Yes.

22 Q For a 240 acre non-standard unit?

23 A Yes.

24 Q And you just want to add the Number 5 Well?

25 A Yes.

1 Q The Number 5 Well is a marginal well?

2 A Yes, we tested it in March and it tested at 430 MCF
3 per day.

4 Q Is the unit a marginal unit now?

5 A Yes, it is, and it will stay a marginal unit with both
6 wells.

7 Q That was going to be my next question.

8 Are there any other questions of this witness?

9 (No response.)

10 MR. UTZ: If not, the witness may be excused.

11 (Witness excused.)

12 MR. UTZ: Statements in the Case?

13 (No response.)

14 MR. UTZ: The Case will be taken under advisement.
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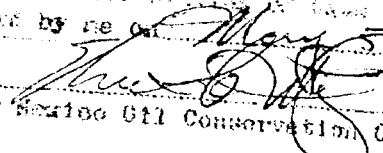
dearnley-meier reporting service, inc.

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1 STATE OF NEW MEXICO)
2) SS
3 COUNTY OF BERNALILLO)

4 I, RICHARD E. McCORMICK, a Certified Shorthand Reporter,
5 in and for the County of Bernalillo, State of New Mexico,
6 do hereby certify that the foregoing and attached Transcript
7 of Hearing before the New Mexico Oil Conservation Commission
8 was reported by me; and that the same is a true and correct
9 record of the said proceedings to the best of my knowledge,
10 skill and ability.

11 
12 CERTIFIED SHORTHAND REPORTER

13
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21
22 I do hereby certify that the foregoing is
23 a complete record of the proceedings in
24 the above captioned case No. 4704
25 heard by me on May 19, 1922

New Mexico Oil Conservation Commission

dearnley-meier reporting services, inc.

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I N D E X

WITNESS:

JERRY TWEED

PAGE

Direct Examination by Mr. Hinkle

3

Cross-Examination by Mr. Utz

7

E X H I B I T S

APPLICANT'S (Atlantic Richfield)

OFFERED

ADMITTED

Exhibit Number 1

4

7

Exhibit Number 2

5

7



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 2088 - SANTA FE
87501

May 17, 1972

GOVERNOR
BRUCE KING
CHAIRMAN

LAND COMMISSIONER
ALEX J. ARMijo
MEMBER

STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR

Mr. Clarence Hinkle
Hinkle, Bondurant, Cox & Eaton
Attorneys at Law
Post Office Box 10
Roswell, New Mexico 88201

Re: Case No. 4704
Order No. R-4301
Applicant:
Atlantic Richfield Co.

Dear Sir:

Enclosed herewith are two copies of the above-referenced
Commission order recently entered in the subject case.

Very truly yours,

A. L. Porter, Jr.

A. L. PORTER, Jr.
Secretary-Director *ll*

ALP/ir

Copy of order also sent to:

Hobbs OCC x

Artesia OCC

Aztec OCC

Other _____

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 4704
Order No. R-4301

APPLICATION OF ATLANTIC RICHFIELD
COMPANY FOR REDEDICATION OF ACREAGE,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 5, 1972,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 16th day of May, 1972, the Commission,
a quorum being present, 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 Commission has jurisdiction of this cause and the
subject matter thereof.

(2) That the applicant, Atlantic Richfield Company, is
the operator of the J. H. Williams "Com" Well No. 3, located in
Unit F of Section 34 and the J. H. Williams Well No. 5, located
in Unit F of Section 34, Township 19 South, Range 37 East, NMPM,
Lea County, New Mexico.

(3) That by Order No. R-1932, dated April 10, 1961, a
240-acre non-standard gas proration unit in the Eumont Gas
Pool comprising the NE/4 NE/4 of Section 33 and the NW/4 and
NW/4 NE/4 of Section 34 was established and dedicated to the
J. H. Williams "Com" Well No. 3, located in Unit E of said
Section 34.

(4) That the J. H. Williams "Com" Well No. 3 is a
marginal Eumont gas well.

(5) That the above-described Well No. 5 has been shut-in
since completion.

(6) That the applicant, Atlantic Richfield Company seeks
the amendment of Order No. R-1932 to permit the simultaneous
dedication of the above-described unit to its above-described
Wells Nos. 3 and 5.

-2-
CASE NO. 4704
Order No. R-4301

(7) That the subject gas proration unit can be efficiently and economically drained and developed by the J. H. Williams "Com" Well No. 3 and the J. H. Williams Well No. 5.

(8) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Eumont Gas Pool, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That, effective as of May 1, 1972, the applicant, Atlantic Richfield Company is hereby authorized to dedicate the 240-acre non-standard gas proration unit in the Eumont Gas Pool comprising the NE/4 NE/4 of Section 33 and the NW/4 and NW/4 NE/4 of Section 34, Township 19 South, Range 37 East, NMPM, Lea County, New Mexico, authorized by Order No. R-1932, to its J. H. Williams "Com" Well No. 3, located in Unit E, and its J. H. Williams Well No. 5, located in Unit F of said Section 34.

(2) That Order No. R-1932 shall in all other respects remain the same.

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

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



Bruce King
BRUCE KING, Chairman

Alex J. Armijo
ALEX J. ARMIJO, Member

A. L. Porter, Jr.
A. L. PORTER, Jr., Member & Secretary

S E A L

dr/

Case 4704

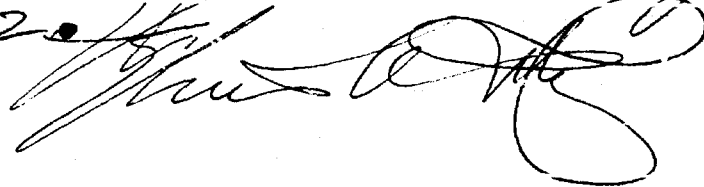
Heard 5-5-72

Rec. 5-9-72

Grant Atlantic permission to
dedicate ~~to~~ their J. H. Williams
~~Compt #3~~ #5 in addition
their already dedicated J. H.
Williams Compt #3. To the 240 Ac
unit in Summit Asa pool.
240 unit approved by R-1832-

Combine status as of.

5-1-72



- CASE 4700: Application of Penasco Corporation for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Penasco Shugart Queen Sand Unit Area, Shugart Pool, by the injection of water into the Queen formation through four wells located in Sections 8, 9, 16, and 17, Township 18 South, Range 31 East, Eddy County, New Mexico. Applicant further seeks a procedure whereby additional injection wells within the unit area may be approved administratively.
- CASE 4701: Application of Wynn Oil Company for an unorthodox location and a dual completion, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of the dual completion of its Largo Federal Well No. 2 to produce gas from the Blanco-Mesaverde and Basin-Dakota Pools at an unorthodox location for the Blanco-Mesaverde Pool 1500 feet from the South line and 1100 feet from the East line of Section 13, Township 27 North, Range 8 West, San Juan County, New Mexico.
- CASE 4702: Application of Penroc Oil Corporation for a special gas-oil ratio limitation, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an amendment of the special rules and regulations for the Hobbs-Drinkard Pool, Lea County, New Mexico, to provide for a limiting gas-oil ratio of 10,000 cubic feet of gas per barrel of oil for said pool.
- CASE 4703: Application of Continental Oil Company for special pool rules, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the West Lindrith Gallup-Dakota Oil Pool, Rio Arriba County, New Mexico, including provisions defining a gas well in the pool as one producing with a gas-liquid ratio of 30,000 cubic feet of gas per barrel of oil or one which produces oil with a gravity of 60° API or greater, a gas-oil ratio limitation for oil wells of 10,000 cubic feet of gas per barrel of oil, and 160-acre spacing units for both oil and gas wells.
- CASE 4709: Application of Continental Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle production from the Eumont Gas Pool and the Penrose Skelly Oil Pool in the wellbore of its Lockhart A-17 Well No. 1 located in Unit L of Section 17, Township 21 South, Range 37 East, Lea County, New Mexico.
- CASE 4710: Application of Hanson Oil Corporation for an exception to Order No. R-3221, as amended, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-3221, as amended, to dispose into unlined surface pits water produced by 22 wells located

Docket No. 10-72

DOCKET: EXAMINER HEARING - FRIDAY - MAY 5, 1972

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM
STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

The following cases will be heard before Elvis A. Utz, Examiner, or Richard L. Stamets, Alternate Examiner:

CASE 4689: (Continued from the April 5, 1972, Examiner Hearing)

Application of Petroleum Corporation of Texas for an exception to Order No. R-3221, as amended, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-3221, as amended, to dispose into unlined surface pits water produced by its Dexter Federal Well No. 15 located in Unit J of Section 15, and all of its wells located or to be located in the NW/4 of Section 20, Township 17 South, Range 30 East, Grayburg-Jackson Pool, Eddy County, New Mexico.

CASE 4697: Application of Texaco Inc. for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (tubingless) of its V. M. Henderson Well No. 9 located in Unit G of Section 30, Township 21 South, Range 37 East, Lea County, New Mexico, in such a manner as to permit the production of oil from the Paddock and Tubb Pools through parallel strings of casing, cemented in a common well-bore.

CASE 4698: Application of David Fasken for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of his Arco "9" Morrison Well No. 1 located in Unit B of Section 9, Township 19 South, Range 25 East, Eddy County, New Mexico, in such a manner as to produce gas from an undesignated Cisco gas pool through tubing and gas from the Boyd-Morrow Gas Pool through the casing-tubing annulus.

CASE 4711: Application of Shell Oil Company for commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle North Vacuum Abo production from its State VB Com Well No. 1 located in Unit B of Section 19, Township 17 South, Range 35 East, Lea County, New Mexico, and from its State K Lease comprising the SE/4 of said Section 19 after separately metering the State VB Com production and determining the State K production by means of the subtraction method.

CASE 4699: Application of Penasco Corporation for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Penasco Shugart Queen Sand Unit Area comprising 520 acres, more or less, of Federal and State lands in Sections 8, 9, 16, and 17, Township 18 South, Range 31 East, Shugart Pool, Eddy County, New Mexico.

(Case 4710 continued)

or to be located in Sections 24, 25, 26, 34, and 35, Township 18 South, Range 30 East, Shugart Pool, Eddy County, New Mexico.

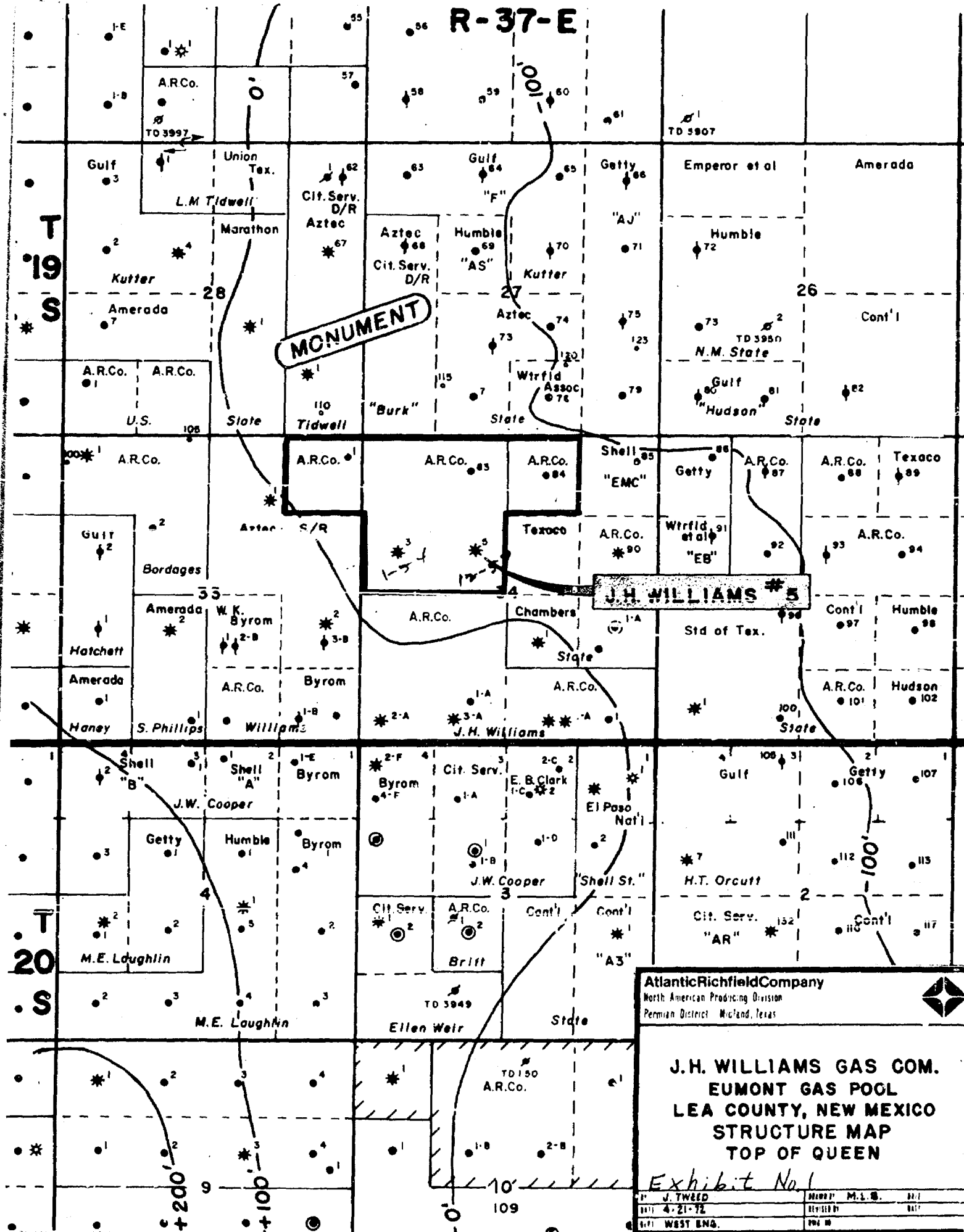
CASE 4704: Application of Atlantic Richfield Company for rededication of acreage, Lea County, New Mexico. Applicant, in the above-styled cause, seeks amendment of Order No. R-1932 to permit the 240-acre non-standard gas proration unit comprising the NE/4 NE/4 of Section 33 and the NW/4 and NW/4 NE/4 of Section 34, Township 19 South, Range 37 East, Eumont Gas Pool, Lea County, New Mexico, established by said order to be dedicated simultaneously to its J. H. Williams "Com" Well No. 3 and its J. H. Williams Well No. 5 located, respectively, in Units E and F of said Section 34.

CASE 4705: Application of Atlantic Richfield Company for waterflood projects, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks to institute three waterflood projects on its leases in Sections 19 and 30, Township 17 South, Range 31 East, Grayburg-Jackson Pool, Eddy County, New Mexico, by the injection of water into the Grayburg formation through five wells located in said Sections 19 and 30.

CASE 4706: Application of Kennedy Oil Company for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Grayburg-Jackson Pool by the injection of water into the Grayburg formation through its State "B" Well No. 1 located in the NW/4 SW/4 of Section 19, Township 17 South, Range 31 East, Eddy County, New Mexico.

CASE 4708: Application of Jake L. Hamon for salt water disposal, Lea County, New Mexico. Applicant- in the above-styled cause, seeks authority to dispose of produced salt water into the Pennsylvanian and Devonian formations in perforated and open-hole interval from 10,492 feet to 13,100 feet in his State R-2330 Well No. 1 located in Unit C of Section 31, Township 16 South, Range 36 East, East Shoebar-Devonian Field, Lea County, New Mexico.

CASE 4707: Application of Blackrock Oil Company for a dual completion, salt water disposal, and unorthodox location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete its Bates McIntyre Federal Well No. 1 at an unorthodox location 1980 feet from the North line and 660 feet from the East line of Section 9, Township 6 South, Range 27 East, Chaves County, New Mexico, in such a manner as to produce gas from the Haystack Cisco Gas Pool through tubing and to dispose of salt water down the casing-tubing annulus into the San Andres and other formations in the open-hole interval from 1186 feet to 4389 feet, the N/2 of said Section 9 would be dedicated to the well.



AtlanticRichfieldCompany
 North American Producing Division
 Permian District - Midland, Texas

**J.H. WILLIAMS GAS COM.
 EUMONT GAS POOL
 LEA COUNTY, NEW MEXICO
 STRUCTURE MAP
 TOP OF QUEEN**

Exhibit No. 1

BY: J. TWEED	DRAWN: M.L.S.	DATE: 4-21-72	REVIEWED BY:	DATE:
BY: WEST ENG.	DATE:			

PRODUCTION AND TESTS
J. H. Williams Lease
Atlantic Richfield Company

Eumont Pool
Lea County, New Mexico

J. H. Williams No. 3			J. H. Williams No. 5	
Month	Gas Production	Date	Test	
1970	January	11590	12-23-57	2410 MCFPD
	February	10057	3-10-72	430 MCFPD
	March	10910		
	April	10848		
	May	8954		
	June	10131		
	July	10057		
	August	10202		
	September	10021		
	October	9354		
	November	8005		
	December	10357		
1971	January	7717		
	February	8977		
	March	9646		
	April	9300		
	May	8102		
	June	9100		
	July	7429		
	August	8603		
	September	7239		
	October	7143		
	November	4434		
	December	6693		
1972	January	6866		
	February	5590		

Exhibit No. 2

Atlantic Richfield Company

North American Producing Division
Permian District
Post Office Box 1610
Midland, Texas 79701
Telephone 915 682 8631

W. P. Tomlinson
District Engineer - West Area

March 23, 1972

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Re: Non-Standard Gas Proration Unit
J. H. Williams Com.
Eumont Gas Pool
Sections 33 and 34, T-19S, R-37E
Lea County, New Mexico

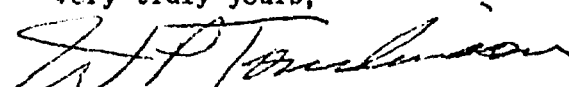
Gentlemen:

Atlantic Richfield Company respectfully requests administrative approval of a revision to Order R-1932 to permit the assigned gas allowable for the J. H. Williams Com. to be produced from either the J. H. Williams Com. No. 3 well or the J. H. Williams No. 5 well or both in any proportion. The J. H. Williams Com. is a 240-acre non-standard gas proration unit, set up by Commission Order No. R-1932 and consisting of the NE/4 NE/4 of Section 33, and the NW/4 and NE/4 NE/4 of Section 34, Township 19 South, Range 37 East. The acreage is now dedicated to the J. H. Williams Com. No. 3, a marginal Eumont gas well located 1980' FNL and 660' FWL of Section 34. The Williams Com. No. 3 was completed 1-24-54 and potentialled flowing 6210 MCFPD. The well was classified marginal 6-70. Production in January, 1972, was 6866 MCF, with cumulative production to 1-1-72 of 1992.2 MMCF.

The J. H. Williams No. 5, located 1980' from the north and west lines of Section 34, was completed 12-23-57. The well tested a CAOF of 2410 MCFPD from the Eumont pay. At that time, the Williams Com. No. 3 was capable of producing full allowable for the proration unit, so the No. 5 well was shut-in and its acreage dedicated to the No. 3. A recent test by Northern Natural indicates a producing capacity of approximately 430 MCFPD for the No. 5 well. The well is connected to the Northern Natural gathering system and awaiting assignment of an allowable.

Copies of this application have been supplied to the offset operators.

Very truly yours,



W. P. Tomlinson

WPT/aggp

Attachments

RECEIVED

MAR 27 1972

CONSERVATION COMMISSION

Ret for May 5, 1972



SM
the unit crosses section lines so there had to be a leaving. It will take a leaving to modify the order.

Case #709

New Mexico Oil Conservation Commission
March 23, 1972
Page 2

RECEIVED

MAR 27 1972

CONSERVATION COMM.

cc: Aztec Oil & Gas Company, Box 837, Hobbs, New Mexico
Mr. W. K. Byrom, 817 North Turner, Hobbs, New Mexico
Getty Oil Company, Box 1231, Midland, Texas
Humble Oil & Refining Company, Box 1600, Humble Bldg., Midland, Texas
Marathon Oil Company, Box 552, Midland, Texas
Shell Oil Company, Box 1509, Midland, Texas
Texaco, Inc., Box 3109, Midland, Texas

Case 4704

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Revised C-128
Effective 1-1-65

RECEIVED
MAR 27 1972

All distances must be from the outer boundaries of the Section.

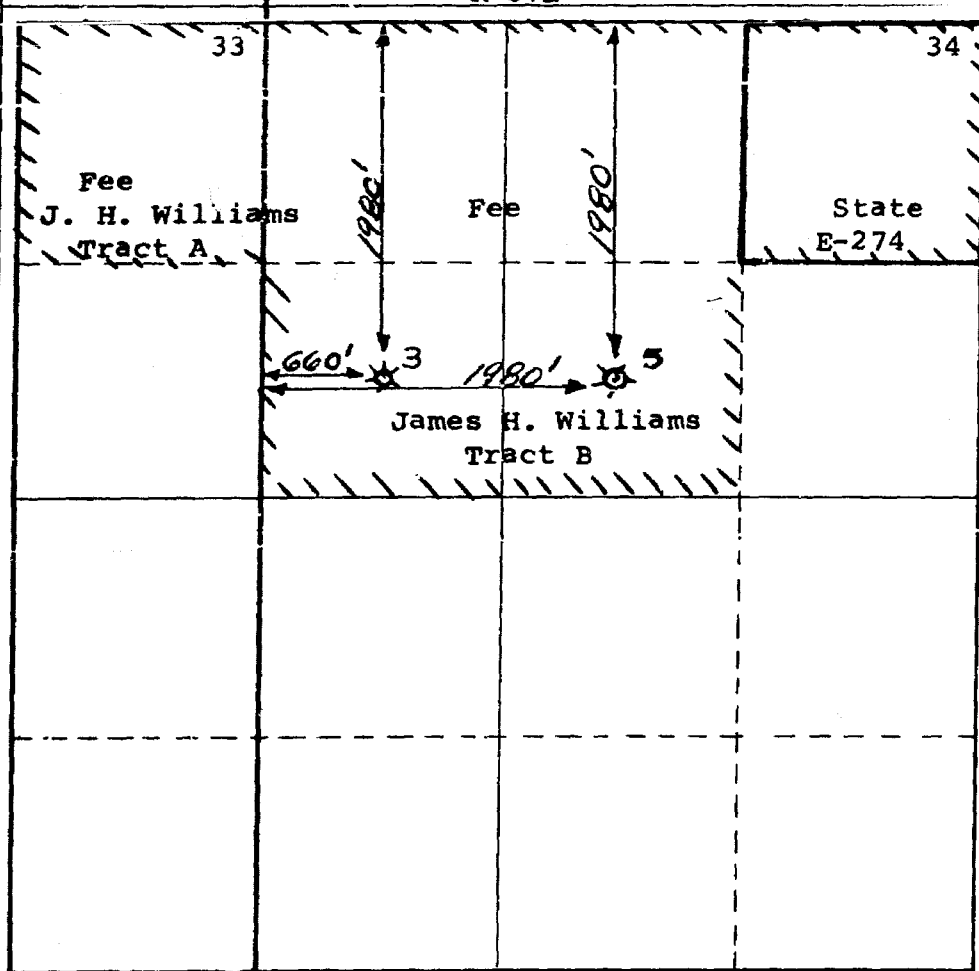
Operator Atlantic Richfield Company		Lease James H. Williams Com			Conservation Commission 3
Unit Letter E	Section 34	Township 19-S	Range 37-E	County Lea	
Actual Footage Location of Well: 1980 feet from the North line and 660 feet from the West line					
Ground Level Elev. 3565' GR	Producing Formation Queen		Pool Eumont Gas	Dedicated Acreage: 240 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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 interests 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 interests, has been approved by the Commission.

R-37E



CERTIFICATION

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

O. D. Bretches

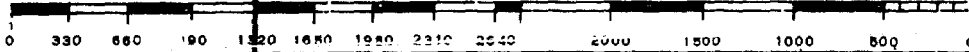
Name
O. D. Bretches
Position
Dist. Drlg. Supervisor
Company
Atlantic Richfield Co.
Date
March 21, 1972

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 _____

Registered Professional Engineer and/or Land Surveyor _____

Certificate No. _____



Atlantic Richfield Company

North American Producing Division
Permian District
Post Office Box 1610
Midland, Texas 79701
Telephone 915 682 8631

W. P. Tomlinson
District Engineer - West Area

March 23, 1972

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Re: Non-Standard Gas Proration Unit
J. H. Williams Com.
Eumont Gas Pool
Sections 33 and 34, T-19S, R-37E
Lea County, New Mexico

Gentlemen:

Atlantic Richfield Company respectfully requests administrative approval of a revision to Order R-1932 to permit the assigned gas allowable for the J. H. Williams Com. to be produced from either the J. H. Williams Com. No. 3 well or the J. H. Williams Com. No. 5 well or both in any proportion. The J. H. Williams Com. is a 240-acre non-standard gas proration unit, set up by Commission Order No. R-1932 and consisting of the NE/4 NE/4 of Section 33, and the NW/4 and NW/4 NE/4 of Section 34, Township 19 South, Range 37 East. The acreage is now dedicated to the J. H. Williams Com. No. 3, a marginal Eumont gas well located 1980' FNL and 660' FWL of Section 34. The Williams Com. No. 3 was completed 1-24-54 and potentialled flowing 6210 MCFPD. The well was classified marginal 6-70. Production in January, 1972, was 6866 MCF, with cumulative production to 1-1-72 of 1992.2 MMCF.

The J. H. Williams No. 5, located 1980' from the north and west lines of Section 34, was completed 12-23-57. The well tested a CAOP of 2410 MCFPD from the Eumont pay. At that time, the Williams Com. No. 3 was capable of producing full allowable for the proration unit, so the No. 5 well was shut-in and its acreage dedicated to the No. 3. A recent test by Northern Natural indicates a producing capacity of approximately 430 MCFPD for the No. 5 well. The well is connected to the Northern Natural gathering system and awaiting assignment of an allowable.

Copies of this application have been supplied to the offset operators.

Very truly yours,



W. P. Tomlinson

WPT/agp

Attachments

RECEIVED

MAR 27 1972

NEW MEXICO OIL CONSERVATION COMMISSION



Case 4704

New Mexico Oil Conservation Commission
March 23, 1972
Page 2

cc: Aztec Oil & Gas Company, Box 837, Hobbs, New Mexico
Mr. W. K. Byrom, 817 North Turner, Hobbs, New Mexico
Getty Oil Company, Box 1231, Midland, Texas
Humble Oil & Refining Company, Box 1600, Humble Bldg., Midland, Texas
Marathon Oil Company, Box 552, Midland, Texas
Shell Oil Company, Box 1509, Midland, Texas
Texaco, Inc., Box 3109, Midland, Texas

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

Case 4704
RECEIVED

All distances must be from the outer boundaries of the Section.

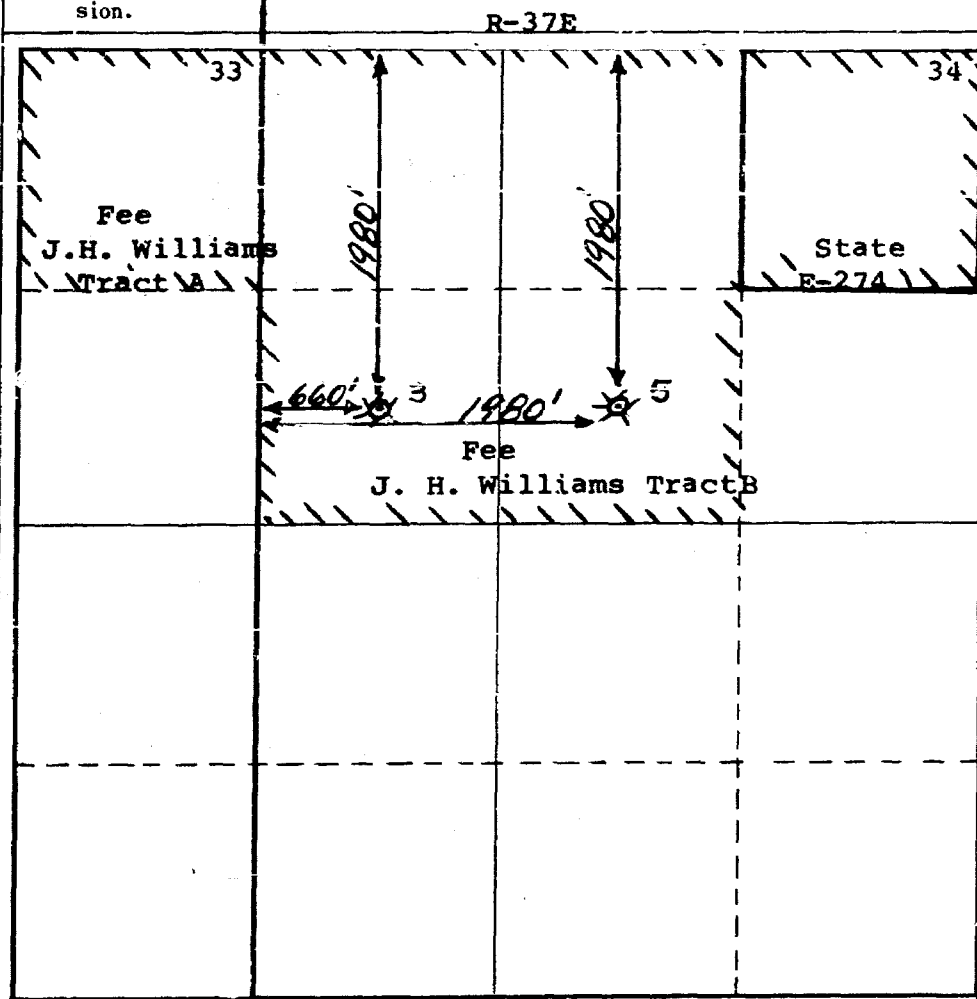
Operator Atlantic Richfield Company		Lease James H. Williams		Well No. 5
Unit Letter F	Section 34	Township 19-S	Range 37-E	County Lea
Actual Footage Location of Well: 1980 feet from the North line and 1980 feet from the West line				
Ground Level Elev. 3570' GR	Producing Formation Queen	Pool Eumont Gas	Dedicated Acreage: 240 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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 interests 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 interests, has been approved by the Commission.



CERTIFICATION

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

O. D. Bretches

Name
O. D. Bretches

Position
Dist. Drlg. Supervisor

Company
Atlantic Richfield Co.

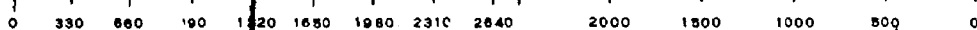
Date
March 21, 1972

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

Registered Professional Engineer and/or Land Surveyor

Certificate No.



Atlantic Richfield Company

North American Producing Division
Permian District
Post Office Box 1610
Midland, Texas 79701
Telephone 915 682 8631

W. P. Tomlinson
District Engineer - West Area



RECEIVED

MAR 21 1972

CONSERVATION COMM.

March 23, 1972

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

Re: Non-Standard Gas Proration Unit
J. H. Williams Com.
Eumont Gas Pool
Sections 33 and 34, T-19S, R-37E
Lea County, New Mexico

Case 4704

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Very truly yours,

W. P. Tomlinson

WPT/agp

Attachments

New Mexico Oil Conservation Commission
March 23, 1972
Page 2

cc: Aztec Oil & Gas Company, Box 837, Hobbs, New Mexico
Mr. W. K. Byrom, 817 North Turner, Hobbs, New Mexico
Getty Oil Company, Box 1231, Midland, Texas
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Texaco, Inc., Box 3109, Midland, Texas

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Case 4704

Form C-102
Substitution C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

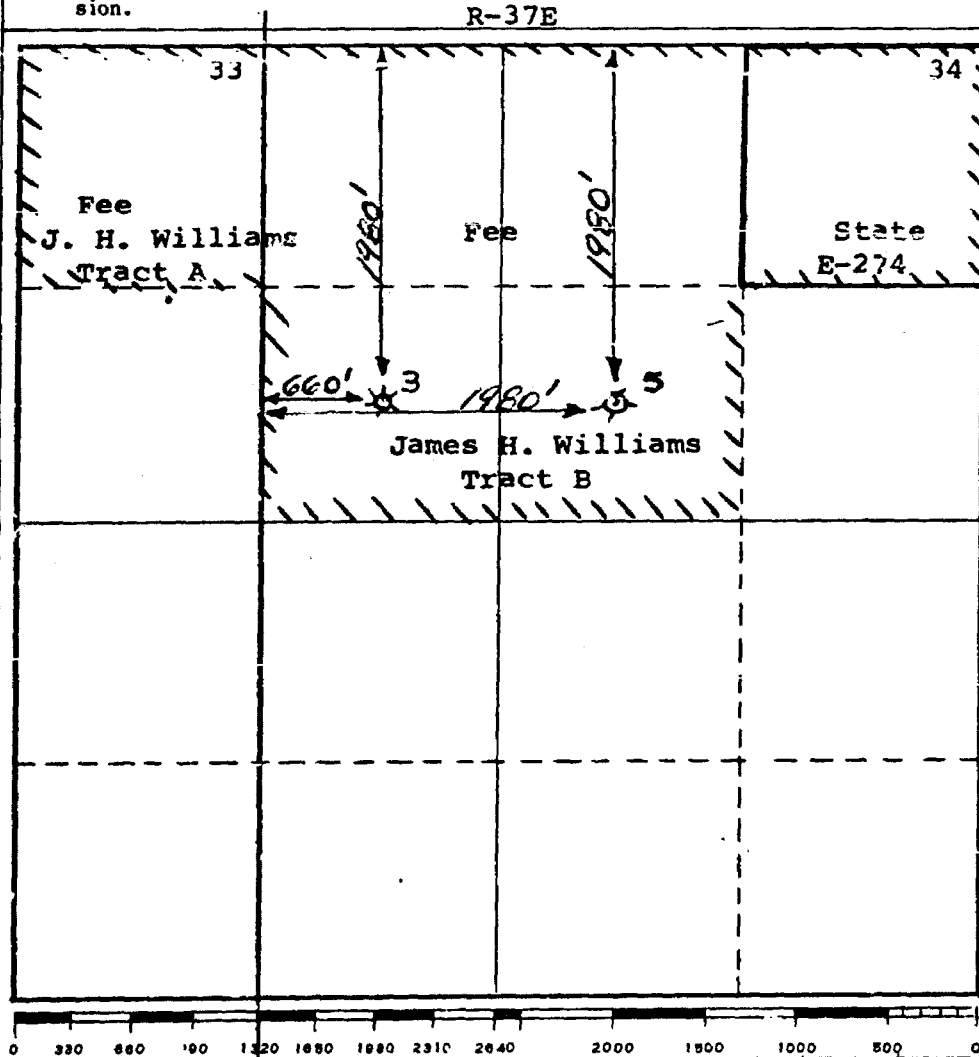
Operator Atlantic Richfield Company		Lease James H. Williams COM		Well No. 10113 MM
Unit Letter E	Section 34	Township 19-S	Range 37-E	County Lea
Actual Footage Location of Well: 1980 feet from the North line and 660 feet from the West line				
Ground Level Elev. 3565' GR	Producing Formation Queen	Pool Eumont Gas	Dedicated Acreage: 240 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
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T
19
S

CERTIFICATION	
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
<i>O. D. Bretches</i>	
Name	O. D. Bretches
Position	Dist. Drlg. Supervisor
Company	Atlantic Richfield Co.
Date	March 21, 1972
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	
Registered Professional Engineer and/or Land Surveyor	
Certificate No.	

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

March 28, 1972

Atlantic Richfield Company
Permian District
P. O. Box 1610
Midland, Texas 79701

Case 4704
DOCKET NUMBER

Date *4-21-72*

Attention: Mr. W. P. Tomlinson

Re: Application for a non-standard
gas proration unit, J. H.
Williams Com., Eumont Gas Pool,
Sections 33 and 34, Township 19
South, Range 37 East, Lea County,
New Mexico

Gentlemen:

As this application is not eligible for administrative approval, it has been set up for an examiner hearing on May 5, 1972. A copy of the docket will be mailed to you.

Very truly yours,

GEORGE M. HATCH
Attorney

GMB/gr

C
O
P
Y

DRAFT

GMH/dr

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 4704

Order No. R-4301

APPLICATION OF ATLANTIC RICHFIELD
COMPANY FOR REDEDICATION OF ACREAGE,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 5, 1972,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this day of May, 1972, the Commission, a
quorum being present, 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 Commission has jurisdiction of this cause and the subject
matter thereof.

(2) That the applicant, Atlantic Richfield Company, is
the operator of the J. H. Williams "Com" Well No. 3, located in
Unit E of Section 34 and the J. H. Williams Well No. 5, located
in Unit F of Section 34, Township 19 South, Range 37 East, NMPM,
Lea County, New Mexico.

~~(3) That Order No. R-1932, dated April 10, 1971,~~

(3) That by Order No. R-1932, ~~effective~~ *dated April 10, 1961*, ~~197~~ ^{non-}, a 240-acre standard gas proration unit in the Eumont Gas Pool comprising the NE/4 NE/4 of Section 33 and the NW/4 and NW/4 NE/4 of Section 34 was established and ~~simultaneously~~ dedicated to the ~~J. H. Williams~~ ^{J. H. Williams} "Com" Well No. ~~3~~ ³ and the ~~J. H. Williams Well No. 5~~, located, ~~respectively~~, in Units ~~E and F~~ ^{E and F} of said Section 34.

(4) That the J. H. Williams "Com" Well No. 3 ^{is a marginal} ~~has been~~ ~~reclassified as a~~ Eumont gas well.

(5) That the above-described Well No. ~~5~~ ^{has been} ~~is~~ shut-in ~~since~~ ^{since}

(6) That the applicant, Atlantic Richfield Company seeks the amendment of Order No. R-1932 to permit the simultaneous dedication of the above-described unit to its above-described Wells Nos. 3 and 5.

(7) That the subject gas proration unit can be efficiently and economically drained and developed by the J. H. Williams "Com" Well No. 3 and the J. H. Williams Well No. 5.

(8) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Eumont Gas Pool, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That, effective as of May 1, 1972, the applicant, Atlantic Richfield Co. is hereby authorized to dedicate the 240-acre ^{non-} standard gas proration unit in the Eumont Gas Pool comprising the NE/4 NE/4 of Section 33 and the NW/4 and NW/4 NE/4 of Section 34, Township 19 South, Range 37 East, NMPM, Lea County, New Mexico, authorized by Order No. R-1932, to its J. H. Williams "Com" Well No. 3, located in Unit E, and its J. H. Williams Well No. 5, located in Unit F of said Section 34.

-3-
CASE NO. 4704
Order No. R-

(2) That Order No. R-1932 shall in all other respects remain the same.

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

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