

CASE 5827: ATLANTIC RICHFIELD CO. *pany*  
FOR UNORTHODOX LOCATIONS & SIMUL-  
TANEOUS DEDICATION, LEA COUNTY

CASE NO.

5827

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APPLICATION,  
TRANSCRIPTS,  
SMALL EXHIBITS,  
ETC.

**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. 5827  
Order No. R-5323-A

APPLICATION OF ATLANTIC RICHFIELD  
COMPANY FOR AN UNORTHODOX GAS WELL  
LOCATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 5, 1977, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 25th day of January, 1977, 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 a previously established 275-acre Eumont gas proration unit comprising the W/2 E/2, N/2 NW/4, and SE/4 NW/4 of Section 19, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico.

(3) That the applicant seeks to simultaneously dedicate to said non-standard unit its State 176 Wells Nos. 2, 3, 4, and 6, located at unorthodox locations in Units O, J, G, and C, respectively, of said Section 19.

(4) That the above-described wells at said unorthodox locations will better enable applicant to produce the gas underlying the proration unit.

(5) That no offset operator objected to the proposed unorthodox locations.

-2-

Case No. 5827

Order No. R-5323-A

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

(7) That Commission Order No. R-5323 dated November 30, 1976, which approved the aforesaid non-standard proration unit dedicated to the State 176 Wells Nos. 3 and 6 only, should be superseded.

IT IS THEREFORE ORDERED:

(1) That the applicant, Atlantic Richfield Company, is hereby authorized to simultaneously dedicate to a previously approved 275-acre Eumont gas proration unit comprising the W/2 E/2, N/2 NW/4, and SE/4 NW/4 of Section 19, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico, its State 176 Wells Nos. 2, 3, 4, and 6, located at unorthodox locations in Units O, J, G, and C, respectively, of said Section 19.

(2) That the allowable assigned to the above-described gas proration unit shall be based upon the unit size of 275 acres, and that the operator may produce the allowable assigned to the unit from the subject wells in any proportion.

(3) That Commission Order No. R-5323 is hereby superseded.

(4) 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

PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member

JOE D. RAMEY, Member & Secretary

dr/

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
January 5, 1977

EXAMINER HEARING

IN THE MATTER OF:

Application of Atlantic Richfield ) CASE  
Company for four unorthodox locations ) 5827  
and simultaneous dedication, Lea County, )  
New Mexico. )

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil      Lynn Teschendorf, Esq.  
Conservation Commission:      Legal Counsel for the Commission  
State Land Office Building  
Santa Fe, New Mexico

For the Applicant:      Clarence E. Hinkle, Esq.  
HINKLE, COX, EATON, COFFIELD  
AND HENSLEY  
Attorneys at Law  
Hinkle Building  
Roswell, New Mexico

sid morrish reporting service  
General Court Reporting Service  
225 Calle Mejia, No. 122, Santa Fe, New Mexico 87501  
Phone (505) 982-9212

I N D E X

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Page

RICHARD S. PRENTICE

Direct Examination by Mr. Hinkle

3

Cross Examination by Mr. Nutter

6

EXHIBIT INDEX

Offered

Admitted

Applicant's Exhibit One, Form C-102

4

6

Applicant's Exhibit Two, Plat

5

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*General Court Reporting Service*  
 825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501  
 Phone (505) 982-9212

1 MR. NUTTER: We will call Case Number 5827.

2 MS. TESCHENDORF: Case 5827, application of Atlantic  
 3 Richfield Company for four unorthodox locations and simultaneous  
 4 dedication, Lea County, New Mexico.

5 MR. HINKLE: Let the record show the same appearance  
 6 in this case as in the previous case.

7 MR. NUTTER: The record will so show.

8 MR. HINKLE: And the witness previously sworn will be  
 9 sworn in this case.

10 MR. NUTTER: Mr. Prentice is still under oath.

11 MR. HINKLE: And do you want me to repeat the qualifica-  
 12 tions?

13 MR. NUTTER: No, that's not necessary.

14 MR. HINKLE: Let the record show that his qualifica-  
 15 tions are as previously shown in the previous case.

16  
 17 RICHARD S. PRENTICE

18 called as a witness, having been previously sworn, was  
 19 examined and testified as follows:

20  
 21 DIRECT EXAMINATION

22 BY MR. HINKLE:

23 Q Are you familiar with the application of Atlantic  
 24 Richfield in this case?

25 A Yes, I am.



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Phone (505) 982-9212

1 Q. What is Atlantic Richfield seeking to accomplish?

2 A. Atlantic Richfield seeks authority to simultaneously  
3 dedicate a previously approved two hundred and seventy-five acre  
4 Eumont gas proration unit comprising the west half of the east  
5 half, the north half of the northwest quarter and the southeast  
6 quarter of the northwest quarter of Section 19, Township 21  
7 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico  
8 to its State 176 Wells Nos. 2, 3, 4 and 6 located at unorthodox  
9 locations in Units O, J, G and C, respectively, of Section 19.

10 Q. Have you prepared or has there been prepared under  
11 your direction exhibits for introduction in this case?

12 A. Yes.

13 Q. Are they the ones marked Exhibits One and Two?

14 A. Yes, they are.

15 Q. Refer to Exhibit One and explain this?

16 A. Exhibit One is a Form C-102, a Well Location and  
17 Acreage Dedication Plat, showing the exact locations of all  
18 four wells and the size of the unit.

19 Q. What is the present status of these wells shown on  
20 Exhibit One?

21 A. Well No. 3 is the only active Eumont gas producer  
22 in the unit. Wells 2, 4 and 6 are shut in Eumont oil wells.

23 Q. Do you intend to rework these wells?

24 A. Yes, we do.

25 Q. In what way?

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1 A. We intend to plug off the Eumont oil and come up hole  
2 and recomplete in the Eumont gas zone.

3 Q. Do you anticipate that they can be completed as gas  
4 wells?

5 A. Yes, we do.

6 Q. And if they are completed do you anticipate that they  
7 will make the allowable?

8 A. Yes.

9 Q. Assigned to the unit?

10 A. Yes.

11 Q. Refer to Exhibit Two and explain this?

12 A. Exhibit Two is a plat showing production on the unit  
13 and production of offset wells around the unit, Eumont gas  
14 production.

15 Q. Did you furnish all of the offset owners with copies  
16 of the application.

17 A. Yes, we did.

18 Q. Have you had any protests?

19 A. No, sir.

20 Q. In your opinion if this application is approved  
21 will it be in the interest of conservation, prevention of  
22 waste and protect correlative rights?

23 A. Yes, it will.

24 MR. HINKLE: We would like to offer Exhibits One  
25 and Two.

1 MR. NUTTER: Applicant's Exhibits One and Two will  
2 be admitted in Case 5827.

3 (THEREUPON, Applicant's Exhibits One  
4 and Two were admitted into evidence.)

5 MR. HINKLE: That's all we have.

6

7 CROSS EXAMINATION

8 BY MR. NUTTER:

9 Q Mr. Prentice, you stated that the only active  
10 Eumont gas well on the unit is the No.3, is that correct?

11 A Yes, sir.

12 Q But the No. 6 has also been authorized as a unit  
13 well for this unit?

14 A Yes, sir, it has.

15 Q So in effect what you are adding today would be  
16 the Nos. 2 and 4?

17 A Yes, sir.

18 Q And is the No. 3 well incapable of making the Eumont  
19 Gas Unit's allowable?

20 A That's correct, it's a marginal unit.

21 MR. NUTTER: Are there any further questions of  
22 the witness? He may be excused.

23 (THEREUPON, the witness was excused.)

24 MR. NUTTER: Do you have anything further in this  
25 case, Mr. Hinkle?

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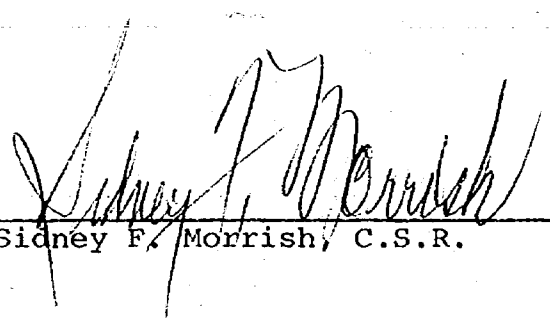
MR. HINKLE: That's all.

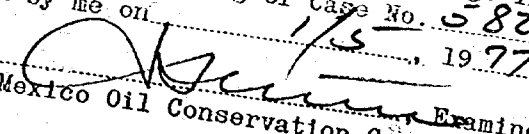
MR. NUTTER: Does anyone have anything to offer in  
case 5827? We will take the case under advisement.

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*General Court Reporting Service*  
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Phone (505) 982-9212

REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand Reporter,  
do hereby certify that the foregoing and attached Transcript  
of Hearing before the New Mexico Oil Conservation Commission  
was reported by me, and the same is a true and correct record  
of the said proceedings to the best of my knowledge, skill and  
ability.

  
Sidney F. Morrish, C.S.R.

I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the Examiner hearing of Case No. 5827  
heard by me on 1/5, 1977.  
  
Examiner  
New Mexico Oil Conservation Commission

**sid morrish reporting service**

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825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501  
Phone (505) 982-9212

Dockets Nos. 3-77 and 5-77 are tentatively set for hearing on January 19 and February 2, 1977. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - TUESDAY - JANUARY 4, 1977

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205,  
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 5824: Application of Raymond Eaves for an exception to Order No. R-3221, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks, as an exception to the provisions of Commission Order No. R-3221, permission to construct and operate an earthen evaporation pit in the NE/4 SW/4 of Section 2, Township 20 South, Range 30 East, Eddy County, New Mexico, for the disposal of produced water from oil and gas wells in Eddy and Lea Counties, New Mexico.

Docket No. 2-77

DOCKET: EXAMINER HEARING - WEDNESDAY - JANUARY 5, 1977

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

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

CASE 5820: (Continued & Readvertised)

Application of Texas Oil & Gas Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the W/2 of Section 4, Township 22 South, Range 26 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 5825: Application of Harvey E. Yates Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the S/2 of Section 36, Township 17 South, Range 26 East, Atoka-Pennsylvanian Gas Pool, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 5826: Application of Atlantic Richfield Company for three unorthodox locations and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to simultaneously dedicate a previously approved 185-acre Eumont gas proration unit comprising the SW/4 and SW/4 NW/4 of Section 19, Township 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, to its State "F" DE Wells Nos. 1, 3, and 4 located at unorthodox locations in Units E, K, and M, respectively, of said Section 19.

CASE 5827: Application of Atlantic Richfield Company for four unorthodox locations and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to simultaneously dedicate a previously approved 275-acre Eumont gas proration unit comprising the W/2 E/2, N/2 NW/4, and SE/4 NW/4 of Section 19, Township 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, to its State 176 Wells Nos. 2, 3, 4, and 6 located at unorthodox locations in Units O, J, G, and C, respectively, of said Section 19.

CASE 5828: Application of Atlantic Richfield Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox gas well location of its Robinson Gas Com Well No. 1 to be drilled 1850 feet from the North line and 660 feet from the West line of Section 27, Township 17 South, Range 29 East, Grayburg-Morrow Gas Pool, Eddy County, New Mexico, the N/2 of said Section 27 to be dedicated to the well.

OIL CONSERVATION COMMISSION  
Hobbs DISTRICT

Case 5827

OIL CONSERVATION COMMISSION  
BOX 2088  
SANTA FE, NEW MEXICO

DATE December 14, 1976

RE: Proposed MC \_\_\_\_\_  
Proposed DHC \_\_\_\_\_  
Proposed NSL \_\_\_\_\_  
Proposed SWD \_\_\_\_\_  
Proposed WFX \_\_\_\_\_  
Proposed PMX \_\_\_\_\_  
NSP X

Gentlemen:

I have examined the application dated \_\_\_\_\_  
for the Atlantic Richfield Co. State 176 #2, #3, #4, & #6 19-21-36  
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

O.K.---J.S.  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Yours very truly,

*Jerry Sexton*

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

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

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

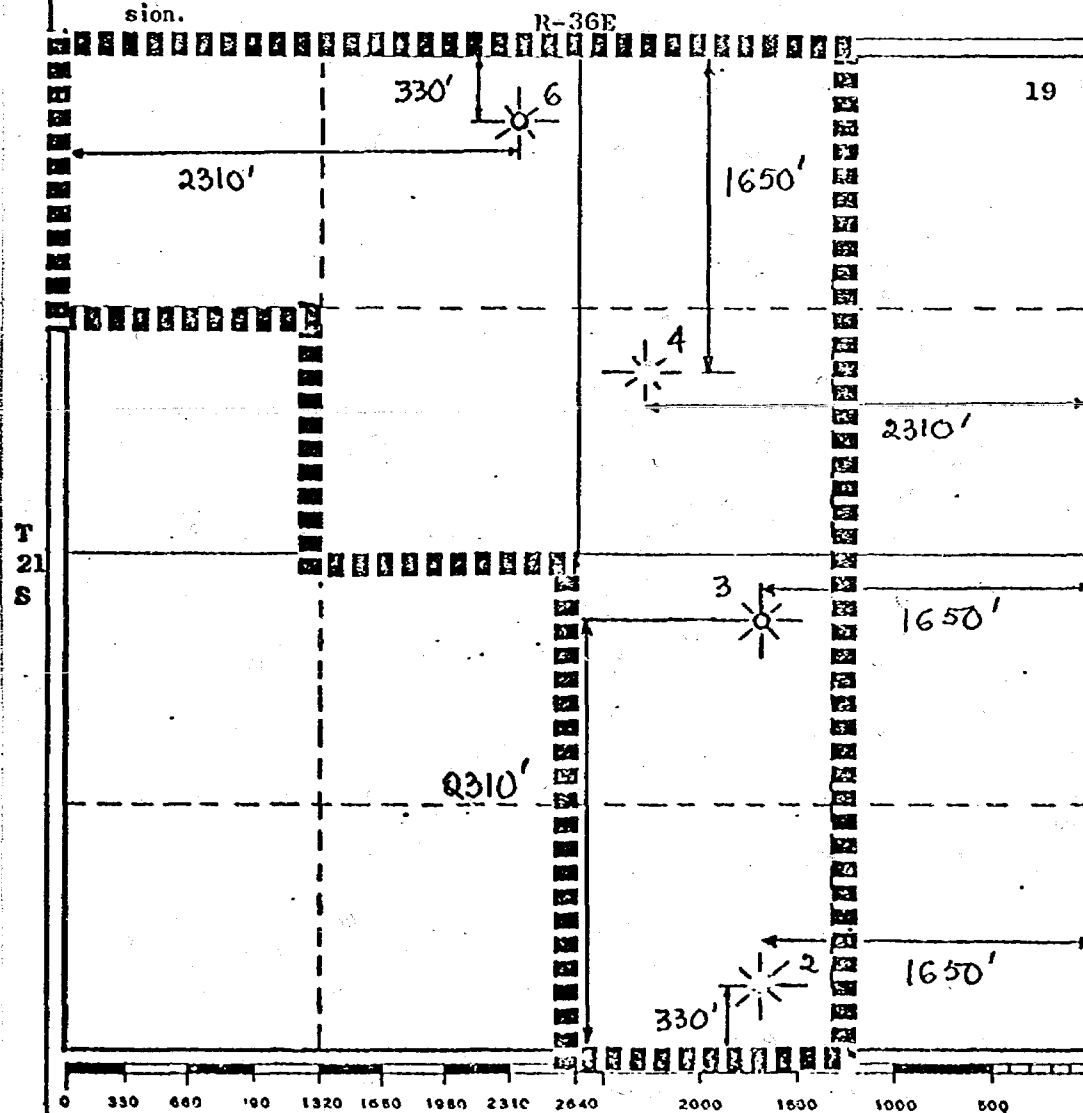
Operator <b>ATLANTIC RICHFIELD COMPANY</b>		Lease <b>STATE 176</b>		Well No. <b>4</b>
Unit Letter <b>G</b>	Section <b>19</b>	Township <b>21 South</b>	Range <b>36 East</b>	County <b>Lea</b>
Actual Footage Location of Well:				
1650' feet from the North line and		2310' feet from the East line		
Ground Level Elev. <b>3645'</b>	Producing Formation <b>Queen</b>	Pool <b>Sumont</b>	Dedicated Acreage <b>275</b> 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 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.

*Huan Quoc Pham*

Name  
**Huan Quoc Pham**  
Position  
**Operations Engineer**  
Company  
**Atlantic Richfield Co.**  
Date  
**December 9, 1976**

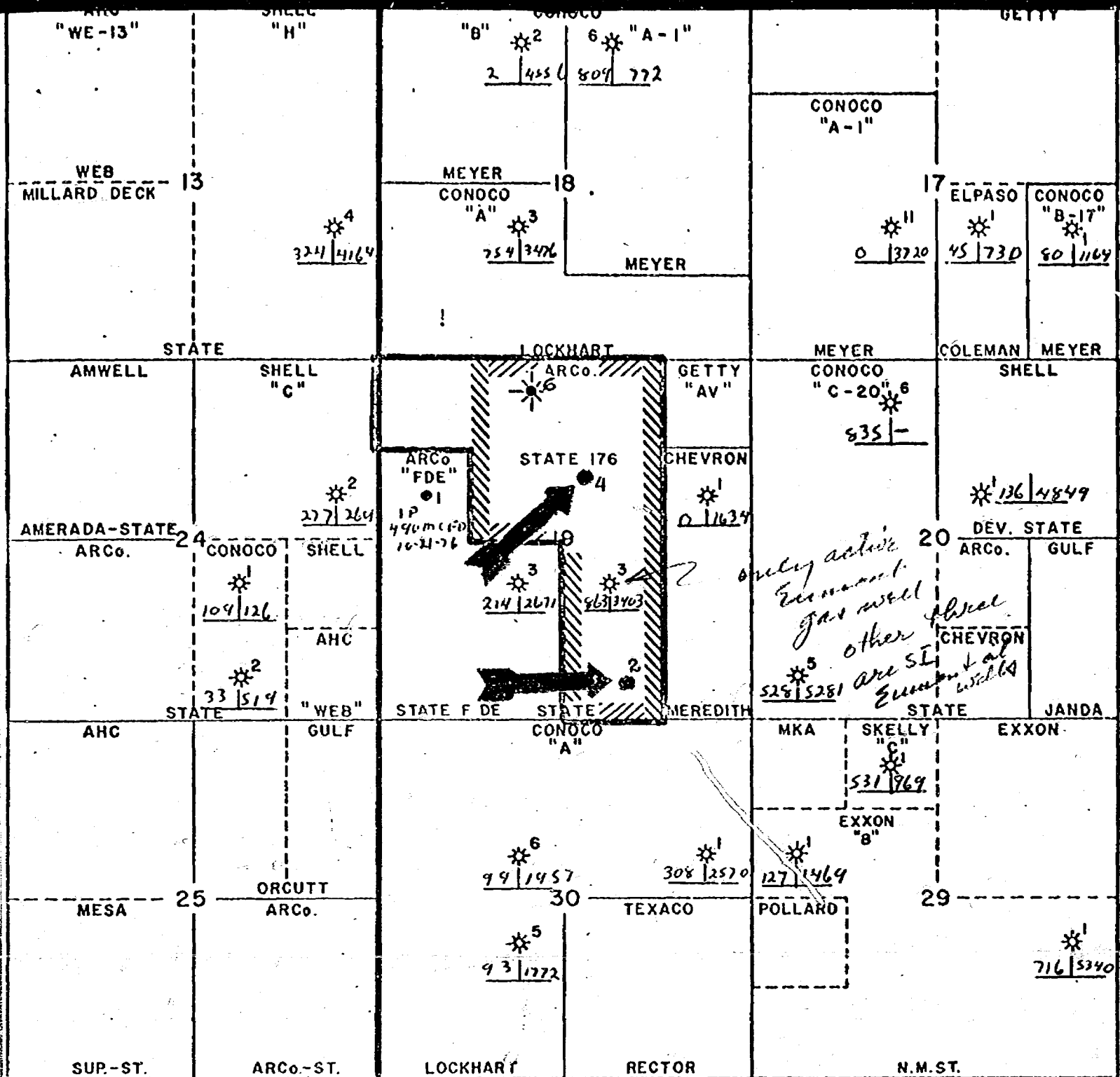
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed  
Registered Professional Engineer and/or Land Surveyor

Certificate No.

BEFORE EXAMINER NUTTER  
OIL CONSERVATION COMMISSION  
EXHIBIT NO. **1**  
CASE NO. **5827**





# LEGEND

EXISTING UNIT

Atlantic Richfield Company  
North American Producing Division  
Permian District Midland, Texas

STATE 176

EUMONT GAS PRODUCTION

LEA COUNTY, NEW MEXICO

MC-FD (10-76) Cum. mmcf (1-76)

By	HUAN PHAM	Drawn By	M.R.	Date	7-7-76
Date		Revised By		Date	
Case		Case			

BEFORE EXAMINER NUTTER  
OIL CONSERVATION COMMISSION  
EXHIBIT NO. 2  
CASE NO. 5827

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102  
Supersedes C-120  
Effective 1-1-65

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

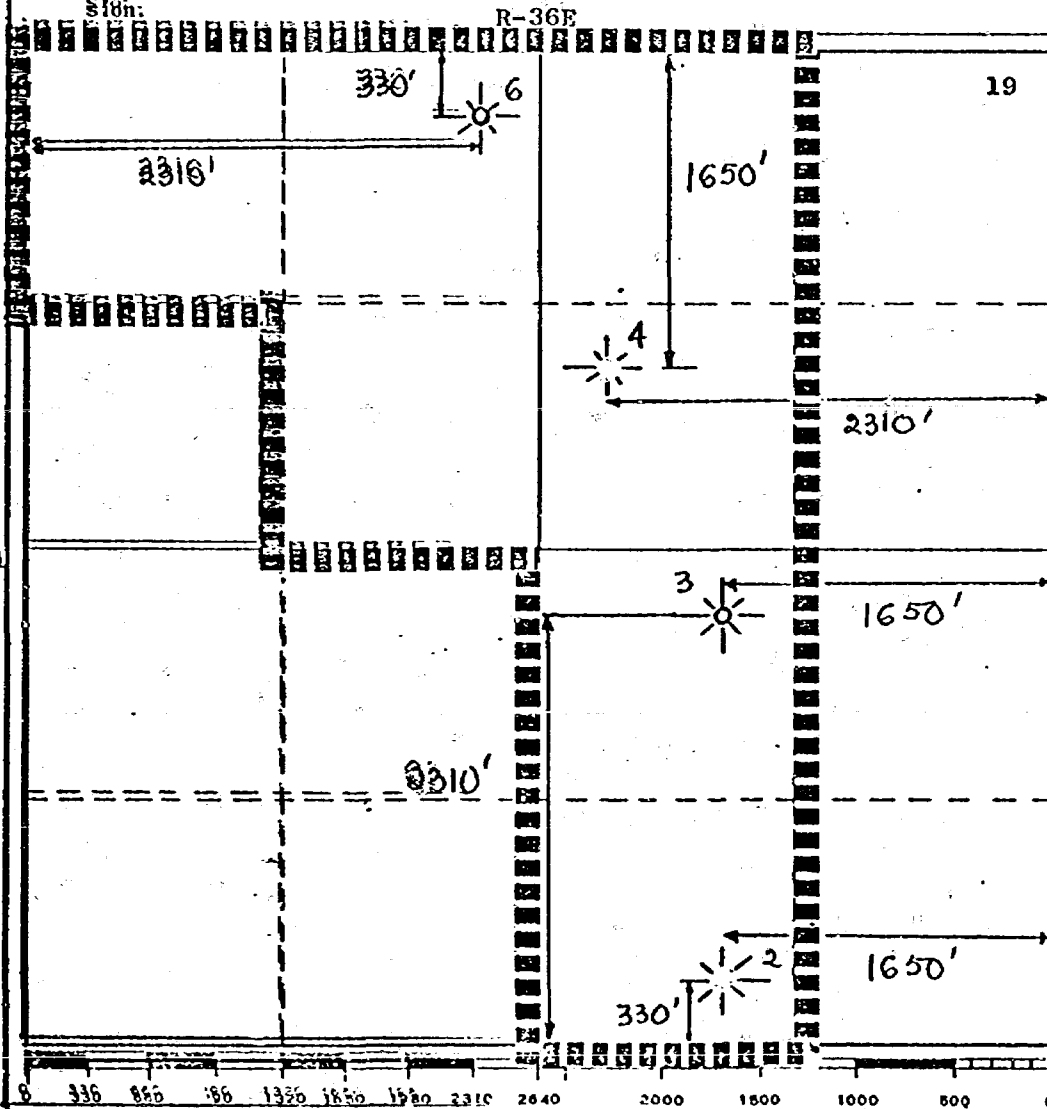
Operator <b>ATLANTIC RICHFIELD COMPANY</b>			Lease <b>STATE 176</b>		Well No. <b>4</b>
Unit Letter <b>6</b>	Section <b>19</b>	Township <b>21 South</b>	Range <b>36 East</b>	County <b>Lea</b>	
Actual Location of Well: <b>1650'</b> feet from the <b>North</b> line and <b>2310'</b> feet from the <b>East</b> line					
Ground Level Elev. <b>3645'</b>	Producing Formation <b>Queen</b>		Pool <b>Numont</b>		Dedicated Acreage: <b>275</b> 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 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.

*Huan Quoc Pham*

Name  
**Huan Quoc Pham**  
Position  
**Operations Engineer**  
Company  
**Atlantic Richfield Co.**  
Date  
**December 9, 1976**

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

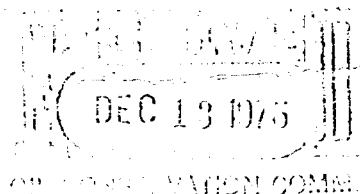
Certificate No.

Case 5827  
Exhibit 1



Atlantic Richfield Company

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



December 10, 1976

Mr. Joe Ramey  
New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Re: Non-Standard Eumont Gas Unit  
State 176 No. 4 and No. 2  
Section 19, T-21S, R-36E  
Lea County, New Mexico

*Set for hearing*  
*Case 5827*

Dear Mr. Ramey:

Atlantic Richfield Company requests administrative approval to simultaneously dedicate a previously established non-standard 275-acre Eumont gas proration unit to four wells, the State 176 No. 2, No. 3, No. 4, and No. 6. Currently, the unit, W/2 E/2, N/2 NW/4, and SE/4 NW/4 of Section 19, T-21S, R-36E, Lea County, New Mexico is classified as marginal with all acreage dedicated to the State 176 No. 3 and No. 6.

The non-standard 275-acre unit was approved by the New Mexico Oil Conservation Commission Order No. R-5323, Case Number 5801 on the 30th of November, 1976. The State 176 Nos. 2 and 4 are completed in the Eumont oil, which Atlantic Richfield plans to abandon and recomplete in the Eumont gas.

Atlantic Richfield Company believes approval of this request will protect correlative rights, promote conservation, and encourage the efficient recovery of gas reserves. Attached are an acreage dedication plat, a map of the area, and a list of offset operators who are being notified by a copy of this application.

Very truly yours,

*J. L. Tweed*  
J. L. Tweed / *W. J. Porter*

HQP/agp

cc: New Mexico Oil Conservation Commission  
Hobbs Area Supervisor  
P. O. Box 1980  
Hobbs, New Mexico

*#4*  
*1936*  
*#*  
*1935*  
*Placed in Eumont by*  
*R-520*  
*11/1/55*

OFFSET OPERATORS

State 176 Lease

- 1) Chevron  
P. O. Box 1660  
Midland, Texas 79701
- 2) Conoco  
P. O. Box 460  
Hobbs, New Mexico
- 3) Getty  
P. O. Box 1231  
Midland, Texas 79701
- 4) Shell  
P. O. Box 1509  
Midland, Texas 79701

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

DEC 13 1976

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

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

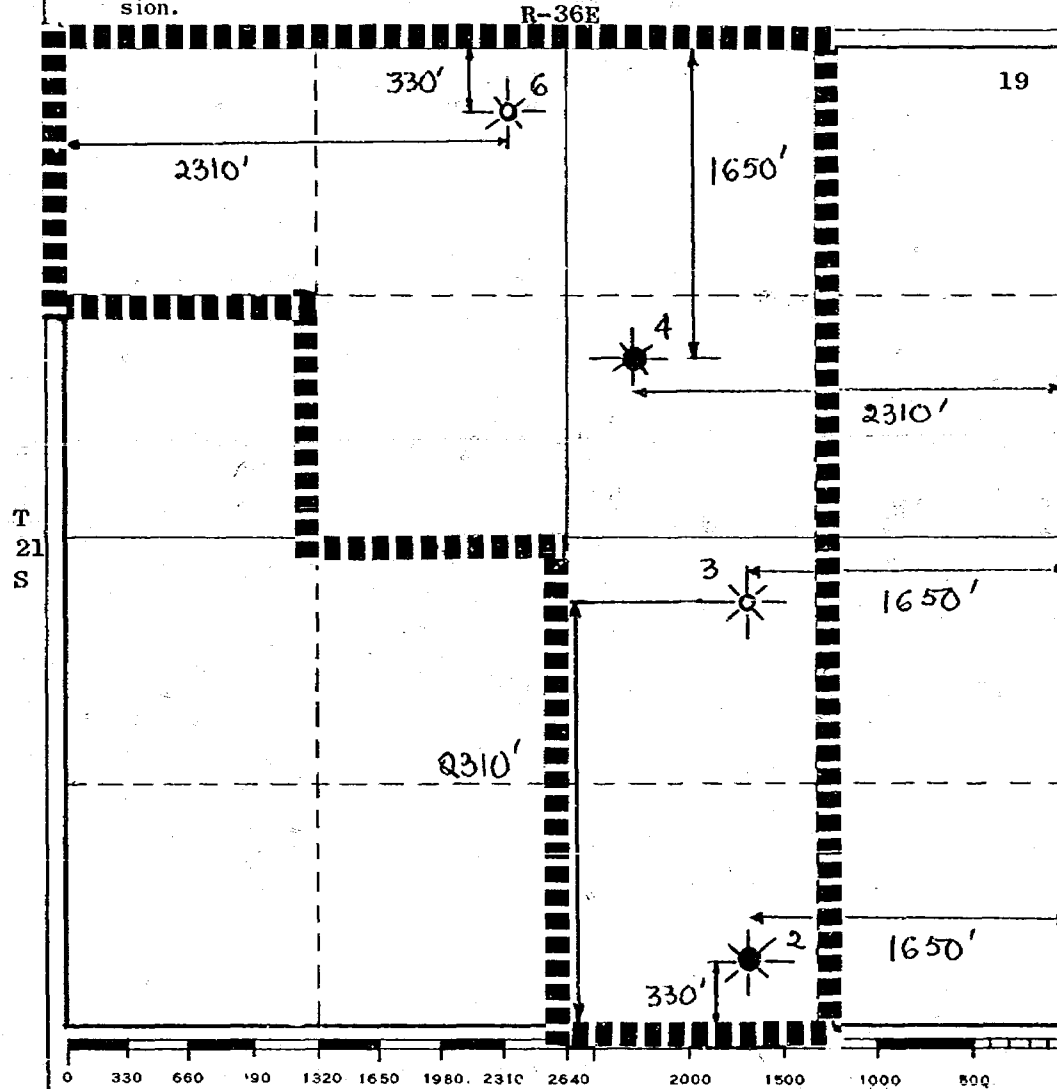
Operator <b>ATLANTIC RICHFIELD COMPANY</b>			Lease <b>STATE 176</b>		Well No. <b>4</b>
Unit Letter <b>G</b>	Section <b>19</b>	Township <b>21 South</b>	Range <b>36 East</b>	County <b>Lea</b>	
Actual Footage Location of Well: <b>1650'</b> feet from the <b>North</b> line and <b>2310'</b> feet from the <b>East</b> line					
Ground Level Elev: <b>3645'</b>	Producing Formation <b>Queen</b>		Pool <b>Eumont</b>		Dedicated Acreage: <b>275</b> 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.

*Huan Quoc Pham*

Name

Huan Quoc Pham

Position

Operations Engineer

Company

Atlantic Richfield Co.

Date

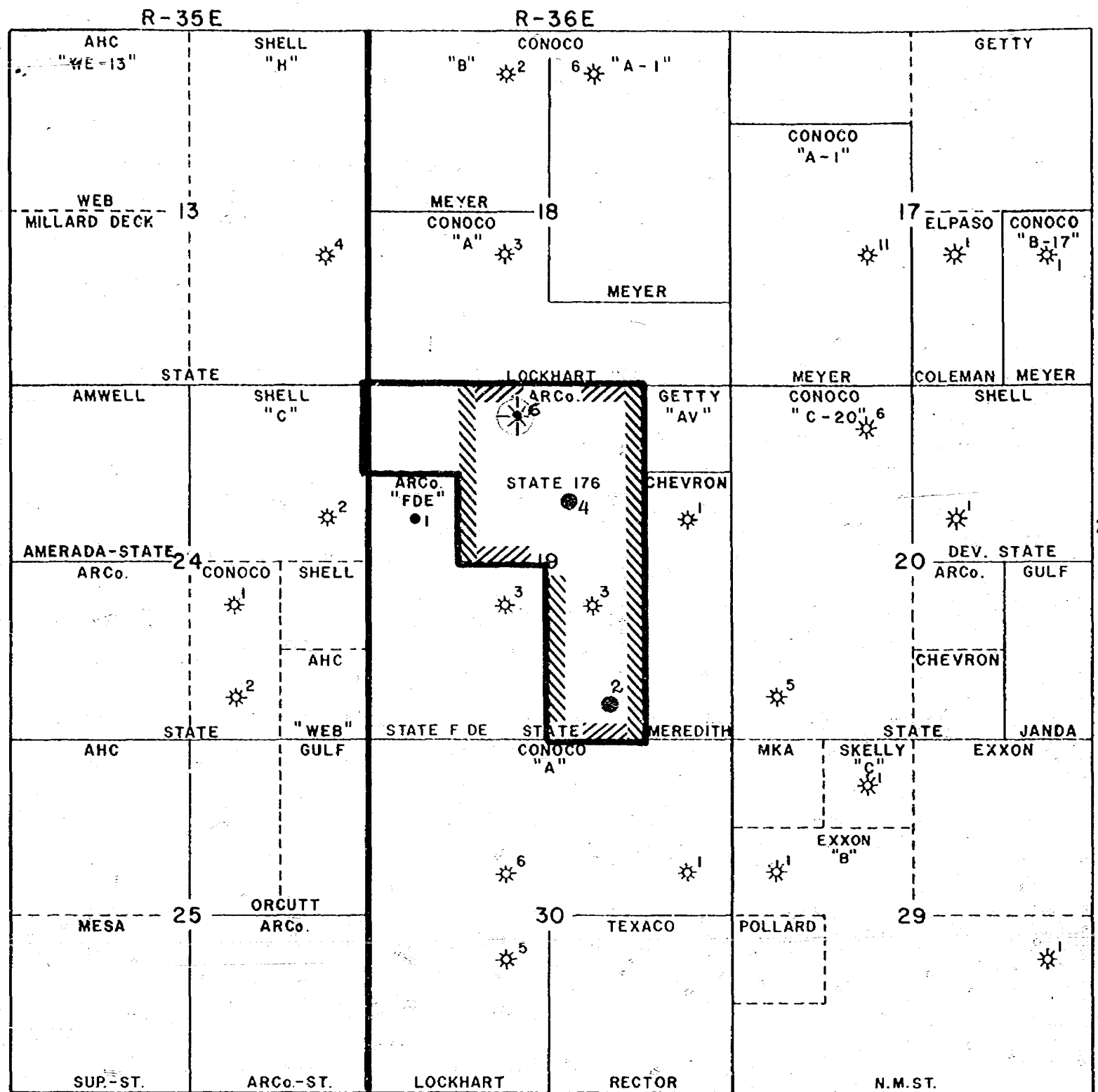
December 9, 1976

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.



# L E G E N D

— EXISTING UNIT

Atlantic Richfield Company  
North American Producing Division  
Permian District - Midland, Texas

STATE 176

EUMONT GAS PRODUCTION

LEA COUNTY, NEW MEXICO

By HUAN PHAM	Drawn By M.R.	Date 7-7-76
Date	Revised By	Date
Dept	Dwg No	



December 10, 1976

Mr. Joe Ramey  
New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Re: Non-Standard Eumont Gas Unit  
State 176 No. 4 and No. 2  
Section 19, T-21S, R-36E  
Lea County, New Mexico

Dear Mr. Ramey:

Atlantic Richfield Company requests administrative approval to simultaneously dedicate a previously established non-standard 275-acre Eumont gas proration unit to four wells, the State 176 No. 2, No. 3, No. 4, and No. 6. Currently, the unit, W/2 E/2, N/2 NW/4, and SE/4 NW/4 of Section 19, T-21S, R-36E, Lea County, New Mexico is classified as marginal with all acreage dedicated to the State 176 No. 3 and No. 6.

The non-standard 275-acre unit was approved by the New Mexico Oil Conservation Commission Order No. R-5323, Case Number 5801 on the 30th of November, 1976. The State 176 Nos. 2 and 4 are completed in the Eumont oil, which Atlantic Richfield plans to abandon and recomplete in the Eumont gas.

Atlantic Richfield Company believes approval of this request will protect correlative rights, promote conservation, and encourage the efficient recovery of gas reserves. Attached are an acreage dedication plat, a map of the area, and a list of offset operators who are being notified by a copy of this application.

Very truly yours,

*J. L. Tweed*  
J. L. Tweed / *W. J. Porter*

HQP/agg

cc: New Mexico Oil Conservation Commission  
Hobbs Area Supervisor  
P. O. Box 1980  
Hobbs, New Mexico



OFFSET OPERATORS

State 176 Lease

- 1) Chevron  
P. O. Box 1660  
Midland, Texas 79701
- 2) Conoco  
P. O. Box 460  
Hobbs, New Mexico
- 3) Getty  
P. O. Box 1231  
Midland, Texas 79701
- 4) Shell  
P. O. Box 1509  
Midland, Texas 79701

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

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

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

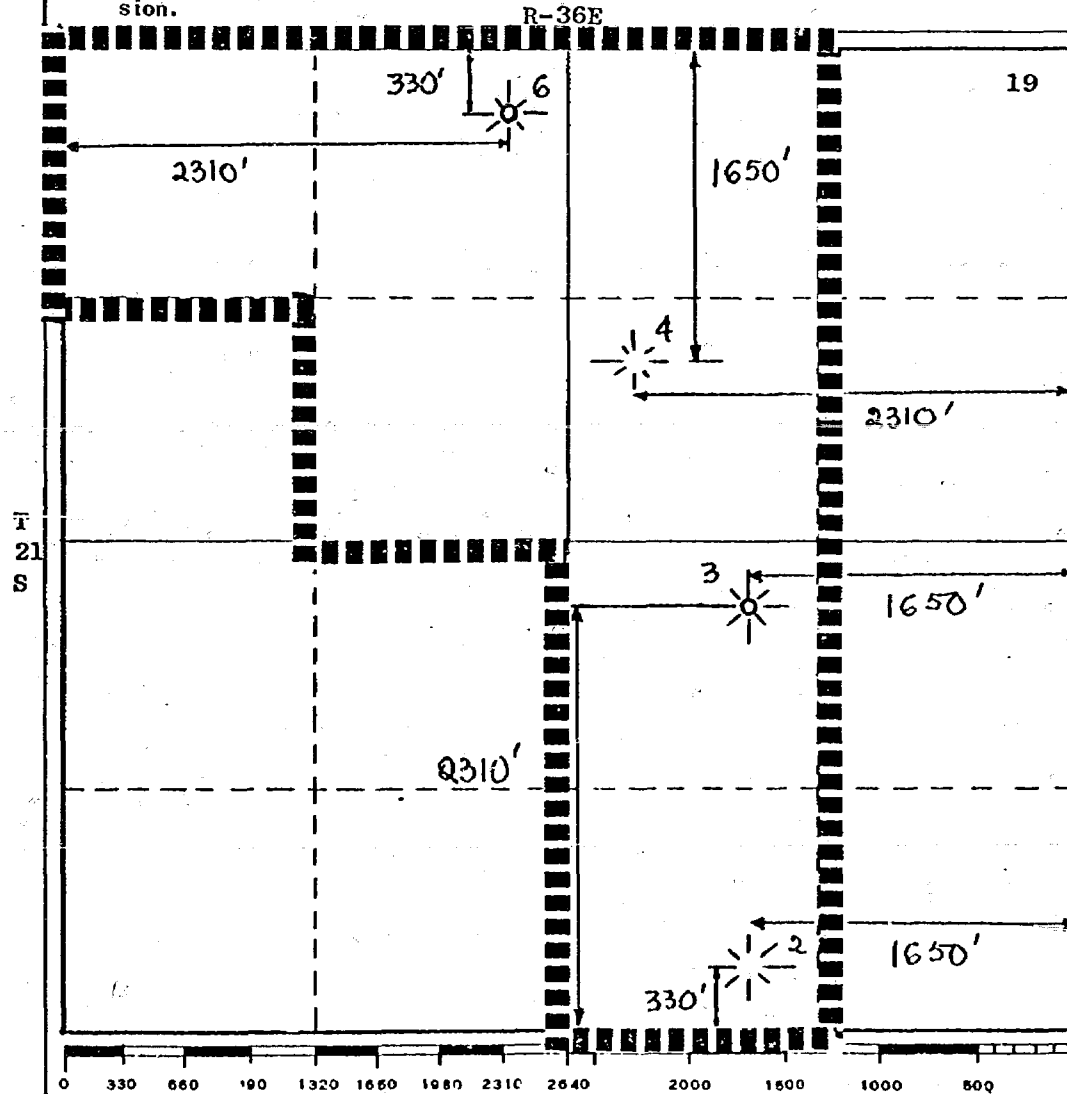
Operator <b>ATLANTIC RICHFIELD COMPANY</b>			Lease <b>STATE 176</b>		Well No. <b>4</b>
Unit Letter <b>G</b>	Section <b>19</b>	Township <b>21 South</b>	Range <b>36 East</b>	County <b>Lea</b>	
Actual Footage Location of Well: <b>1650'</b> feet from the <b>North</b> line and <b>2310'</b> feet from the <b>East</b> line					
Ground Level Elev: <b>3645'</b>	Producing Formation <b>Queen</b>	Pool <b>Fumont</b>		Dedicated Acreage: <b>275</b> 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.

*Huan Quoc Pham*

Name

Huan Quoc Pham

Position

Operations Engineer

Company

Atlantic Richfield Co.

Date

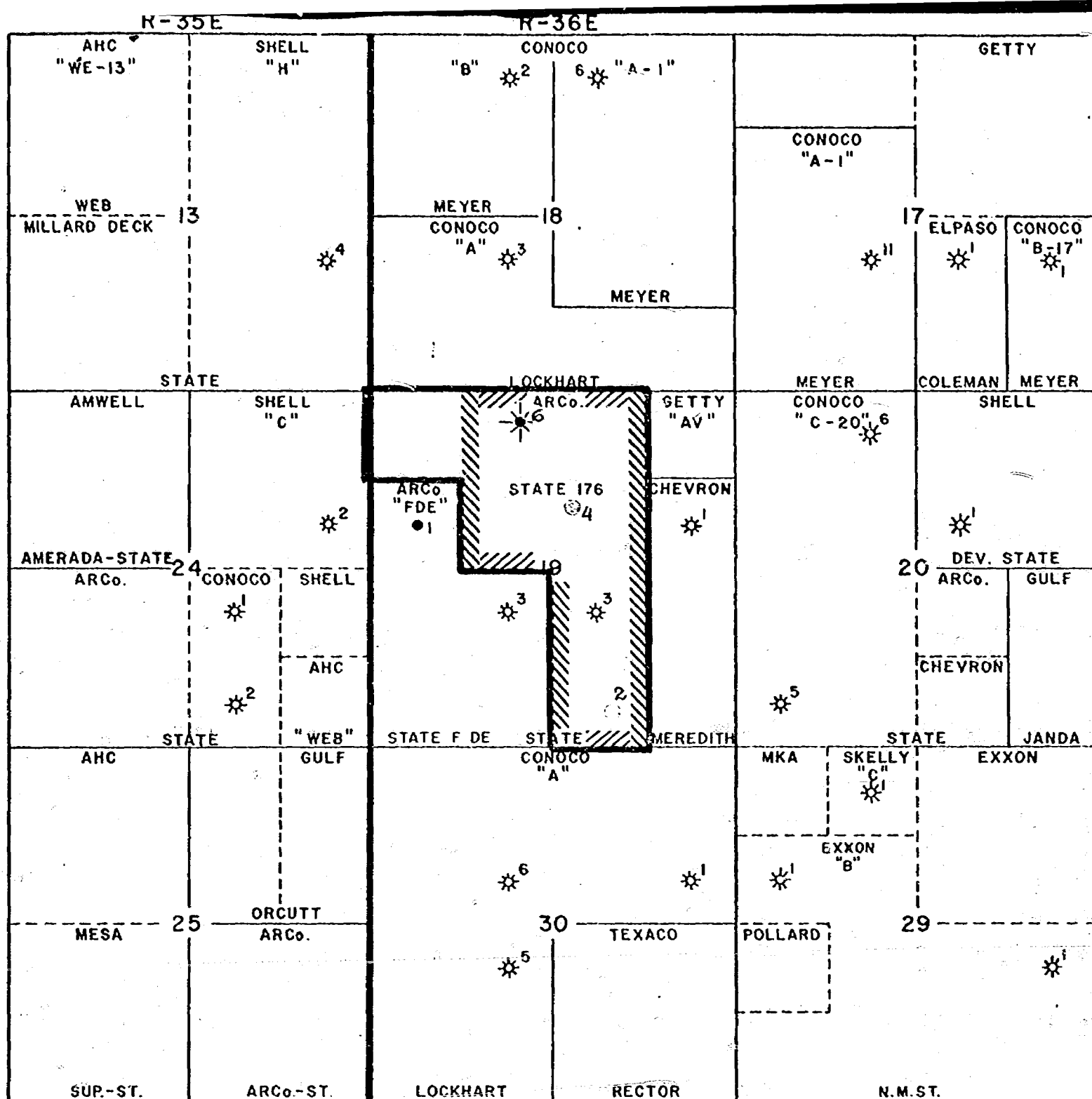
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Atlantic Richfield Company  
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Permian District Midland, Texas

STATE 176

EUMONT GAS PRODUCTION

LEA COUNTY, NEW MEXICO

By: HUAN PHAM	Drawn By: M.R.	Date: 7-7-76
Date:	Revised By:	Date:
Dept:	Eng. No:	

Atlantic Richfield Company

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



December 10, 1976

Mr. Joe Ramey  
New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

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**NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT**

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

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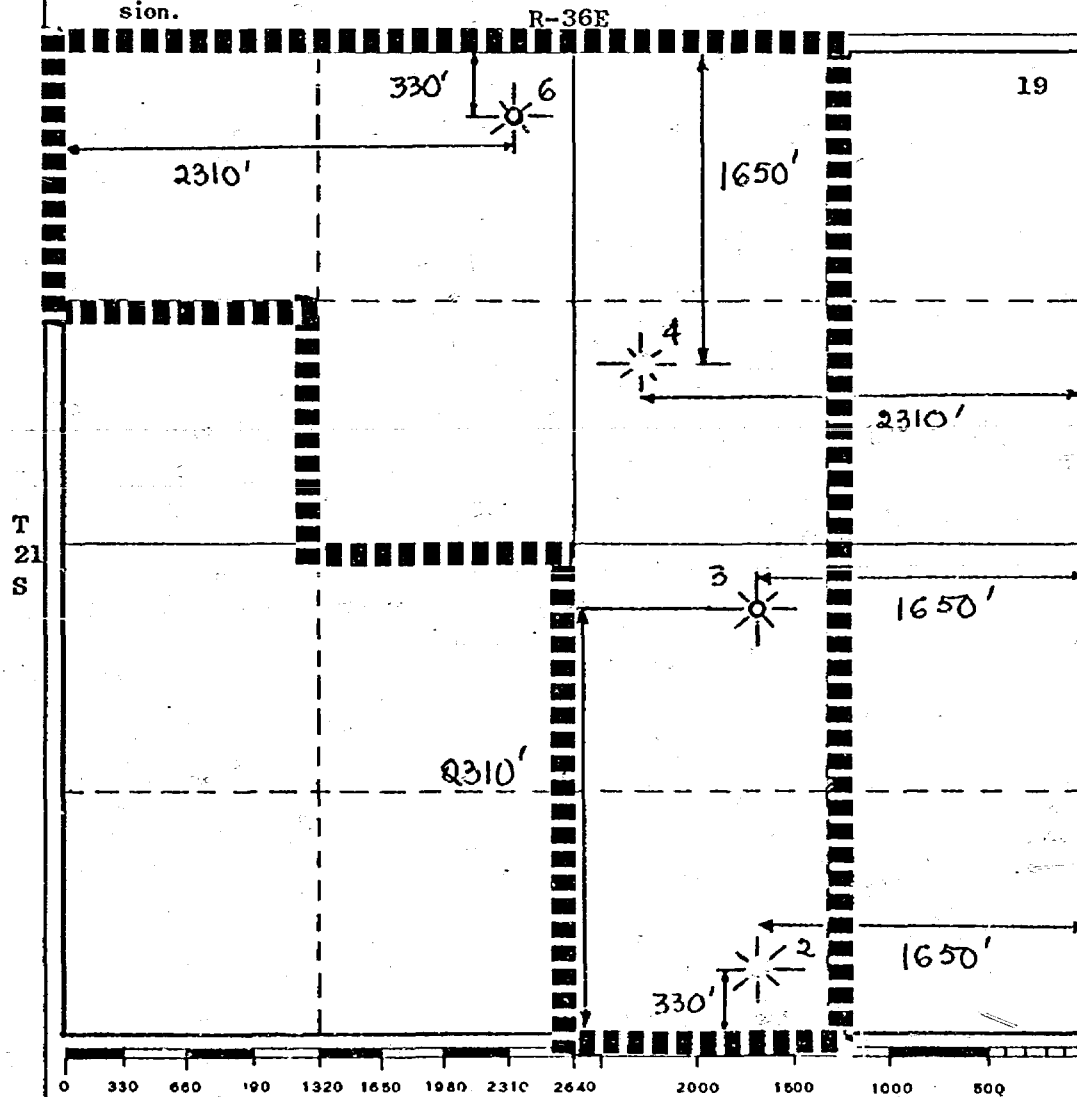
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I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

*Huan Quoc Pham*

Name

**Huan Quoc Pham**

Position

**Operations Engineer**

Company

**Atlantic Richfield Co.**

Date

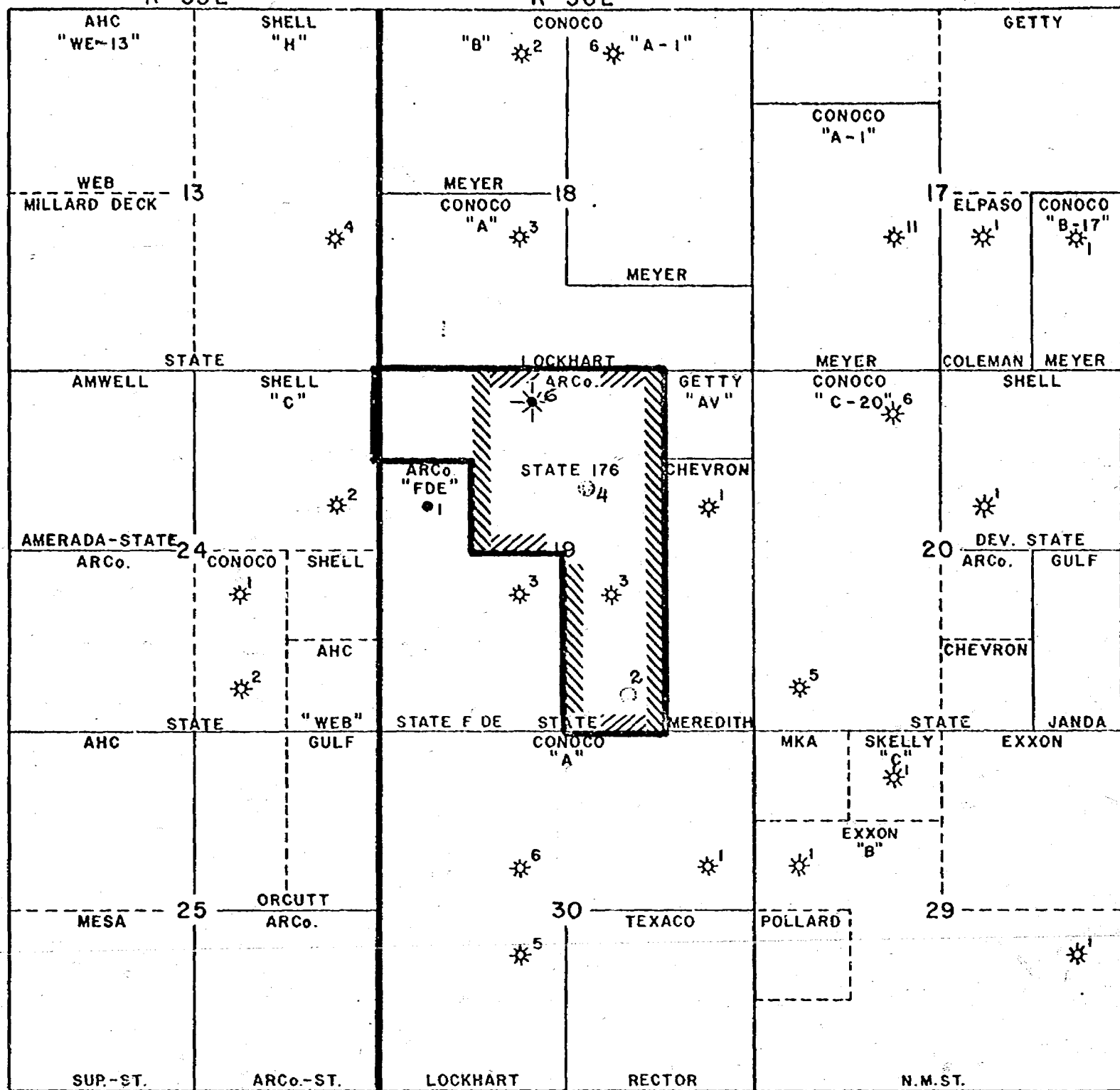
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# L E G E N D

— EXISTING UNIT

AtlanticRichfieldCompany  
North American Producing Division  
Permian District Midland, Texas

STATE 176

EUMONT GAS PRODUCTION  
LEA COUNTY, NEW MEXICO

By: HUAN PHAM	Drawn By: M.R.	Date: 7-7-76
Date:	Revised By:	Date:
Cost:	Cost:	

ROUGH

dr/

*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:

*JWR*

CASE NO. 5827  
Order No. R- 5323-17

APPLICATION OF ATLANTIC RICHFIELD COMPANY  
FOR AN UNORTHODOX GAS WELL LOCATION,  
LEA COUNTY, NEW MEXICO.

*BR*

*LL*  
*AM*

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 5, 1977,  
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this \_\_\_\_\_ day of January, 1977, 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, <sup>is the</sup> ~~seeks~~  
~~operator of a previously established~~  
~~approval for four unorthodox locations and simultaneous dedication~~  
~~of a~~ 275-acre Eumont gas proration unit comprising the W/2 E/2,  
N/2 NW/4, and SE/4 NW/4 of Section 19, Township 21 South, Range 36  
East, <sup>NMPM</sup> Eumont Gas Pool, Lea County, New Mexico, ~~to its State 176~~  
Wells Nos. 2, 3, 4, and 6, located at unorthodox locations in  
Units O, J, G, and C, respectively, of said Section 19.

~~(3) That the W/2 E/2, N/2 NW/4 and SE/4 NW/4 of said~~  
~~Section 19 is to be dedicated to the wells.~~

(4) That the above-described wells at said unorthodox  
locations will better enable applicant to produce the gas under-  
lying the proration unit.

(5) That no offset operator objected to the proposed  
unorthodox locations.

*(3) That the applicant seeks to simultaneously dedicate*  
*to said non-standard unit its State 176*



(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the ~~five unorthodox locations are hereby approved~~ *applicant, Atlantic Richfield Company, is hereby authorized to* simultaneously dedicate to a previously approved 275-acre Eumont gas proration unit comprising the W/2 E/2, N/2 NW/4, and SE/4 NW/4 of Section 19, Township 21 South, Range 36 East, <sup>NMPM</sup> Eumont Gas Pool, Lea County, New Mexico, ~~its~~ its State 176 Wells Nos. 2, 3, 4, and 6, located at unorthodox locations in Units O, J, G, and C, respectively, of said Section 19.

(2) That the ~~W/2 E/2, N/2 NW/4, and SE/4 NW/4 of said gas proration unit shall be based upon the unit size of 275 acres, and that the operator may produce the allowance assigned~~ *allowance assigned to the above-described* Section 19 shall be dedicated to the above-described wells.

(4) 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.

FINDING → (7) That Commission Order No. R-5323 dated November 30, 1976, which approved the aforesaid non-standard proration unit dedicated to the State 176 Wells Nos. 3 and 6 only, should be superseded.

ORDER → (3) That Commission Order No. R-5323 is hereby superseded.

to the unit from the subject wells in any proportion.