

Case No.

839

---

Application, Transcript,  
Small Exhibits, Etc.

CASE 839: Application of E. G. Rodman for  
non-standard gas oration unit, Jaimat  
Gas Pool

January 18, 1955

New Mexico Oil Conservation Commission  
P. O. Box 871  
Santa Fe, New Mexico

Gentlemen:

By this letter of application E. G. Rodman wishes to state the following:

- (a) That the E. G. Rodman Hadfield Lease covers 160 acres consisting of the E/2 of SE/4 and the SW/4 of SE/4 of Section 21 and the NE/4 of the NE/4 of Section 28 in Township 25 South Range 37 East, Lea County, New Mexico
- (b) That the Hadfield No. 1 gas well is located 660 North of the South line and 1980' West of the East line of Section 21
- (c) That the Hadfield No. 1 gas well now has a 120 acre proration unit assigned to it consisting of the E/2 of SE/4 and the SW/4 of SE/4
- (d) That the 40 acres of this lease in the NE/4 of NE/4 of Section 28 is not assigned to any proration unit
- (e) That we propose the entire 160 acres of the Hadfield lease be considered as the gas proration unit of Hadfield No. 1
- (f) That the proposed non standard gas proration unit is the same royalty interest
- (g) That the proposed non-standard gas proration unit does not exceed 5280 in length or width, and consists of contiguous quarter-sections
- (h) That the proposed non-standard gas proration unit may reasonably be presumed to be productive of gas
- (i) That by copy of this letter all offset operators are notified

Therefore E. G. Rodman requests that this matter be set for hearing and that after said hearing to grant permission in order that applicant may increase the gas unit for this well to 160 acres.

Respectfully Submitted,

*E. G. Rodman*  
E. G. Rodman  
P. O. Box 871  
Santa Fe, New Mexico

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

March 22, 1955

Mr. Clarence Hinkle, Attorney  
Hervey, Dow and Hinkle  
ROSWELL, NEW MEXICO

Dear Sir:

In behalf of your client, Mr. E. G. Rodman, we attach  
copy of Order R-608 issued under date of March 16, 1955,  
in Case 839, which was presented at the February 16  
hearing on Mr. Rodman's application.

Very truly yours,

W. B. Macey  
Secretary-Director

WBM:nr

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

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

CASE NO. 839  
Order No. R-608

THE APPLICATION OF E. G. RODMAN  
FOR AN ORDER GRANTING APPROVAL  
OF AN EXCEPTION PURSUANT TO RULE  
5 (a) OF THE SPECIAL RULES AND  
REGULATIONS FOR THE JALMAT GAS  
POOL OF ORDER NO. R-520 IN ESTABLISH-  
MENT OF A 160-ACRE NON-STANDARD GAS  
PRORATION UNIT CONSISTING OF THE E/2  
SE/4 AND SW/4 SE/4 OF SECTION 21, AND  
THE NE/4 NE/4 OF SECTION 28, TOWNSHIP  
25 SOUTH, RANGE 37 EAST, NMPM, LEA  
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on February 16, 1955, At Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this 16 day of March, 1955, the Commission, a quorum being present, having considered the records and testimony adduced, and being fully advised in the premises,

FINDS:

(1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof,

(2) That pursuant to provisions of Rule 5 (a) of the Special Rules and Regulations for the Jalmat Gas Pool of Order No. R-520, the Commission has power and authority to permit the formation of a gas proration unit consisting of other than a legal section after notice and hearing by the Commission.

(3) That applicant, E. G. Rodman, is the owner of an oil and gas lease in Lea County, New Mexico, the land consisting of other than a legal section, and described as follows, to-wit:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM  
E/2 SE/4 and SW/4 SE/4 of Section 21;  
NE/4 NE/4 of Section 28

containing 160 acres, more or less.

(4) That applicant, E. G. Rodman, has a producing well on the aforesaid lease known as Hadfield Well No. 1, located 660 feet from the south line and 1980 feet from the east line of Section 21, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.

(5) That applicant, E. G. Rodman, has a second gas well completed on the aforesaid lease within the same vertical limits as the above-described Hadfield Well No. 1 known as the Hadfield Well No. 2, located 660 feet from the south and east lines of Section 21, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.

(6) That it is impractical to pool applicant's said lease with adjoining acreage in the Jalmat Gas Pool, and that the owners of adjoining acreage in said area have not objected to the formation of the proposed proration unit of 160 acres.

(7) That unless a proration unit consisting of applicant's aforesaid acreage is permitted, applicant will be deprived of the opportunity to recover its just and equitable share of the natural gas in the Jalmat Gas Pool.

(8) That creation of a proration unit consisting of the aforesaid acreage will not cause but will prevent waste, and will protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of E. G. Rodman for approval of an unorthodox proration unit consisting of the following described acreage:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM  
E/2 SE/4 and SW/4 SE/4 of Section 21, and  
NE/4 NE/4 of Section 28

be and the same is hereby approved, and a proration unit consisting of aforesaid acreage is hereby created.

(2) That applicant's wells, Hadfield Well No. 1 and Hadfield Well No. 2, both located in the S/2 SE/4 of Section 21, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico, shall be granted an allowable in the proportion that the above described 160-acre gas proration unit bears to the standard or orthodox gas proration unit for said pool. Either one of applicant's two wells may produce all or any portion of the unit allowable, so long as the total production of the two wells does not exceed the total allowable for said unit, and further, that the production from each well shall be reported individually each month to the Commission.

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



STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

*John F. Smith*  
JOHN F. SMITH, Chairman

*E. S. Walker*  
E. S. WALKER, Member

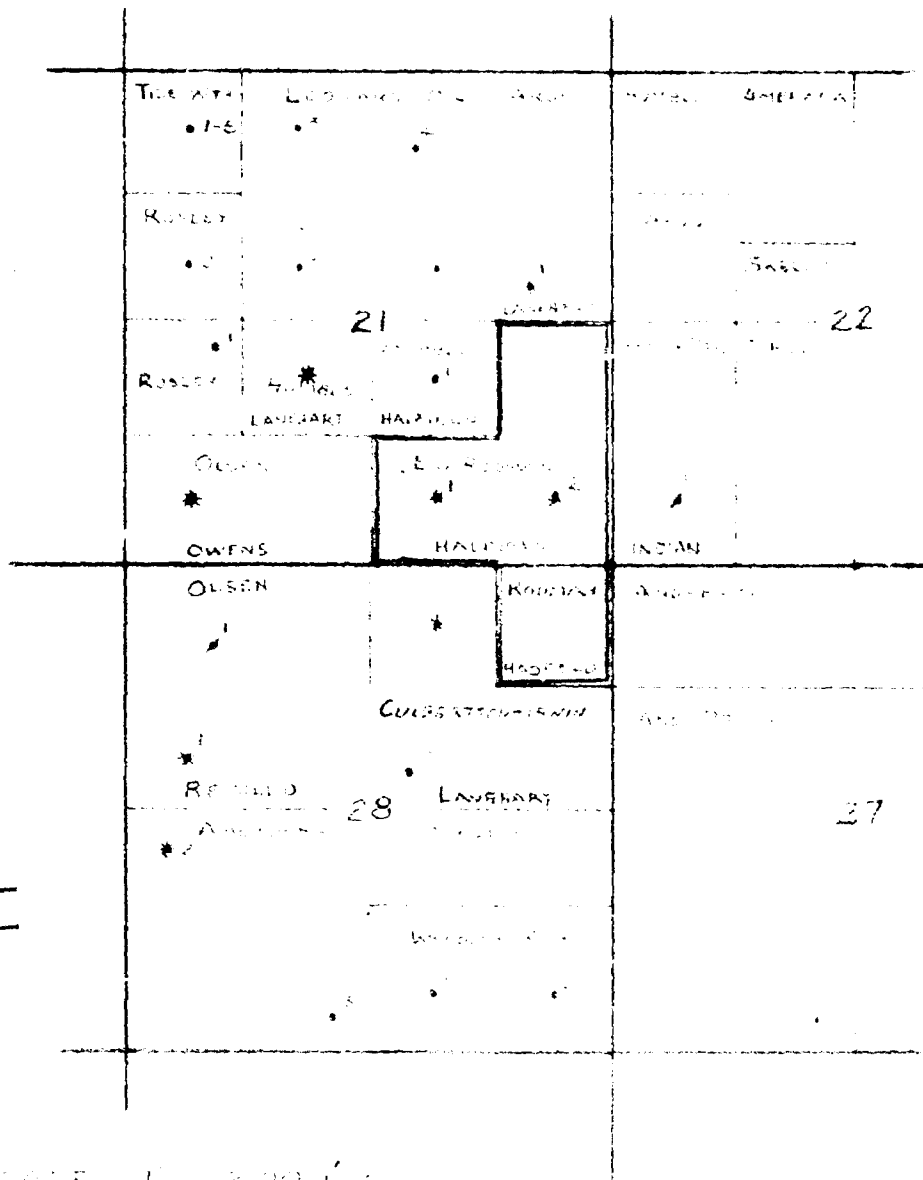
*W. B. Macey*  
W. B. MACEY, Member and Secretary



BEFORE THE  
OIL CONSERVATION COMMISSION  
SANTA FE, NEW MEXICO  
*Rodman* EXHIBIT No. 1  
CASE 339

SCALE 1" = 200'

Plat showing E. G. Rodman gas lease in Sections 21 and 28, Township-25-South, Range-37-East, Lea County, New Mexico.



BEFORE THE  
Oil Conservation Commission  
SANTA FE, NEW MEXICO  
February 11, 1955

IN THE MATTER OF:

CASE NO. 5011

TRANSCRIPT OF PROCEEDINGS

ADA DEARNLEY AND ASSOCIATES  
COURT REPORTERS  
ROOMS 105, 106, 107 EL CORTEZ BUILDING  
TELEPHONE 7-9546  
ALBUQUERQUE, NEW MEXICO



BEFORE THE  
OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
February 17, 1955

IN THE MATTER OF:

The application of E. G. Rodman for approval  
of a non-standard gas proration unit.

Applicant, in the above-styled cause, seeks  
an order approving the creation of a 160-acre  
non-standard gas proration unit in exception  
to Rule 5(a) of the Special Rules and Regu-  
lations for the Jalmat Gas Pool, as set forth  
in Order R-520; said unit to consist of E/2  
SE/4 and SW/4 SE/4 of Section 21, and NE/4  
NE/4 of Section 28 in Township 25 South,  
Range 37 East, Lea County, New Mexico.

Case No. 839

BEFORE:

Honorable John F. Simms  
Mr. E. S. (Johnny) Walker  
Mr. William B. Macey

TRANSCRIPT OF HEARING

MR. MACEY: The next case on the docket is Case 839.

MR. HINKLE: If the Commission please, Clarence Hinkle,  
Roswell, representing E. G. Rodman. I would like to have Mr.  
Rodman sworn.

E A R L G. R O D M A N ,

called as a witness, having been first duly sworn, testified as  
follows:

DIRECT EXAMINATION

By MR. HINKLE:

- Q State your name, please.
- A Earl Rodman, Junior.
- Q Where do you live?

A Ollesa, Texas?

Q What business are you engaged in?

A Gas production.

Q Do you have any gas production in Lea County?

A Yes, sir.

Q What is your profession?

A Petroleum Engineer.

Q Are you a graduate engineer?

A Yes, sir.

Q What schools?

A University of Texas.

Q When did you graduate?

A 1949.

Q Are you familiar with operations in Southeast New Mexico for gas and oil production?

A Yes.

Q Do you represent your father in his leasehold interests in Lea County, New Mexico?

A Yes, sir.

Q That is E. G. Rodman?

A Yes, sir.

Q Does he have an oil and gas lease covering lands in Sections 21 and 28 in Township 25 South, Range 37 East?

A Yes, sir.

Q Have you prepared a plat showing the location of this lease?

A Yes, sir, I have.

(Labeled E. G. Rodman's Exhibit No. 1, for identification.)

Q Will you refer to Exhibit 1 and state to the Commission what it shows?

A Exhibit 1 shows acreage outlined in red, covered by the E. G. Rodman Hatfield Lease. It consists of 160 acres.

Q That covers the east half of the southeast quarter and the southwest of the southeast of Section 21?

A Yes, sir.

Q And, the northeast of the northeast of Section 28, does it not?

A Yes, sir.

Q In what gas pool is that located?

A That is in the Jalmat Gas Pool.

Q Is that lease owned by your father, E. G. Rodman?

A Yes, it is.

Q Are you in charge of the operation and development of that lease?

A Yes, sir.

Q Are you familiar with the entire area?

A Yes, I am.

Q Does that plat also show the wells which have been drilled on the lease and surrounding it?

A Yes, sir, it does.

Q Is the royalty ownership of the entire lease uniform?

A Yes, sir, it is.

Q Where is Well No. 1 located?

A Well No. 1 is located 1250 feet from the east line and 650 feet from the south line of Section 21.

Q What was that well drilled?

A It was drilled and completed as a gas well in 1947.

Q What is the potential or the deliverability for that well?

A That well showed an open-flow potential of 6,000,000 cubic feet per day.

Q Is that at the present time? A Yes, sir.

Q Do you have a pipeline connection for the well?

A Yes, El Paso Natural.

Q It is connected at the present time?

A Yes.

Q Is that well completed within the vertical limits of the Jalmat?

A Yes, sir, it is.

Q Where is Well No. 2 located?

A Well No. 2 is located 660 feet from the east and 660 feet from the south lines of Section 21.

Q When was that well completed?

A That well was completed in 1949.

Q At what depth?

A Around 3,000 feet.

Q Is that in the Yates formation?

A Yes, sir, it is.

Q That is within the vertical limits of the Jalmat?

A Yes, sir.

Q Are both of these wells productive from the same reservoir, in your opinion?

A Yes, they are.

Q What is the potential or the deliverability of Well No. 2?

A Well No. 2 will show an open-flow of around three and a half million cubic feet.

Q Are both of these wells on the production schedule at the

present time and have pipeline connections?

A No, sir, they are not.

Q Which one is shown on the proration schedule?

A Number 1 is carried on the proration schedule.

Q Why is it that No. 2 hasn't been shown on the proration schedule?

A No. 2 was carried on the proration schedule for awhile with an 80-acre allowable, but in May it was dropped and 120 acres was assigned to No. 1. Previous to that time No. 1 was carried with 40-acre allowable, and No. 2 with 80, but sometime between April and May they dropped No. 2 and --

Q (Interrupting) Did you request the Commission to do that, or how did that happen?

A We didn't request the Commission to do that, no.

Q It was just put on the proration schedule that way. As a result of it the gas has all been taken since May, from Well No. 1?

A Yes, No. 1 has a 120-acre allowable now.

Q Do you have a pipeline connection for No. 2?

A Yes.

Q You can produce gas from either or both of them at the present time?

A Yes, sir, we can.

Q Mr. Rodman, state whether or not, in your opinion, either or both of those wells will effectively and efficiently drain all of the acreage in the lease, including the northeast, northeast of Section 28?

A I believe either one of them will drain the acreage. Either one will produce enough to drain that acreage.

Q Is it your opinion that all of this acreage, the entire 160 acres is productive of gas?

A Yes, sir, it is.

Q That is reasonably proved, is it not, by the fact that you have two wells, one of them located on the east side and the other on the west side of the lease?

A Yes, sir.

Q Is the northeast quarter of the northeast quarter of Section 28 in any proration unit at the present time?

A No, sir, that 40 acres is not in any proration unit.

Q It is not included on the proration schedule?

A No, sir.

Q Do you know whether or not Culbertson and Irwin are regarding the balance of the 120 acres in the northeast quarter of 28 as a proration unit?

A Yes, they have a 120 acre unit.

Q Did you ever contact Culbertson and Irwin and obtain a waiver from them in regard to having the northeast northeast of Section 28 considered a part of your proration unit in the southeast of Section 21?

A Yes, sir, and I have that waiver with me.

Q At the time this application was filed, did you give notice to any of the adjoining leaseholders of the application?

A Yes, sir, I mailed application for the hearing to Argo, Humble, Olser, Culbertson-Irwin and Anderson-Fritchard.

Q That ownership is shown on the plat?

A Yes, sir.

Q Mr. Rodman, in your opinion, if the proration non-standard unit is approved by the Commission, will it be in the interest of

7  
conservation and prevention of waste?

A Yes, sir.

Q Will it tend to protect correlative rights?

A Yes, sir.

Q And, particularly the royalty ownership under the northeast northeast of Section 28, which is not included in any unit at the present time?

A Yes, sir.

MR. HINKLE: I believe that is all.

MR. MACEY: Any questions? Mr. Reider?

CROSS EXAMINATION

By MR. REIDER:

Q Does this well of yours show any spray oil, or do you have a separator?

A No, sir, we do not have a separator on that lease.

Q It has never been checked as to whether there was any oil being produced?

A What was the question?

Q You have never noted any oil being produced from it?

A No, sir, I have blown the wells down several times and never got any oil out of either of them.

Q Do you know that two locations to the north, the Leonard Oil Company's Leonard No. 1 is producing oil from the Yates?

A I didn't know they had an oil well on that 80-acre lease. I do know they have a gas well located down in the southwest corner that has an 80-acre production unit.

Q You say the southeast and the northeast?

A Their gas well is located 730 feet from the south end 730

feet from the west of that particular 80-acres directly north of our lease.

Q The east offset to that well is the well to which I had reference.

A That is an oil well.

Q That is producing oil from the Yates?

A We haven't had any indication of oil from any of our wells. Since we have two, we would be glad to make an oil well out of one of them and a gas well out of the other, if we get into that situation.

Q Would you mind answering why two wells on such small tracts?

A When those wells were drilled, the gas proration was quite a bit less complicated than it is today.

BY MR. RHODES:

Q You intend to split the allowable between the two wells for the time being?

A Well, we are not particularly interested in how the gas is taken out of the two wells. What we are primarily interested in is getting credit for the other 40 acres.

Q You intend to produce both wells regardless of what the ratio is?

A We will leave that up to the Commission. I feel it would be well to take the allowable out of No. 1, one well or the other. However, it doesn't make any difference how the 160 is divided up between the two wells. No. 1 is the best well.

BY MR. RHODES:

Q For your further information, the Hattie Hatfield No. 1, which is an immediate north offset to your No. 1, is also carried



on our schedule, productive of oil from the Yates?

A Yes, sir, that is a small oil well.

Q You believe that the northeast, or the southeast would still be productive of gas?

A North -- Yes, sir, I do. That lies in between two gas wells.

MR. REIDER: No further questions.

MR. MACEY: Anyone else? Do you have anything further?

MR. HINKLE: No.


MR. MACEY: If nothing further we will take the case under advisement.

(Witness excused.)

STATE OF NEW MEXICO )  
                          : ss.  
COUNTY OF BERNALILLO )

I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial seal this 28th day of February, 1955.

  
Notary Public, Court Reporter

My Commission Expires:  
June 19, 1955

