

Entered November 28, 1979  
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STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 6708  
Order No. R-6185

APPLICATION OF DOYLE HARTMAN FOR  
AN UNORTHODOX WELL LOCATION, NON-  
STANDARD PRORATION UNIT, AND  
APPROVAL OF INFILL DRILLING,  
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on October 31, 1979, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 28th day of November, 1979, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Doyle Hartman, seeks approval of an 80-acre non-standard gas proration unit comprising the SW/4 NE/4 and SE/4 NW/4 of Section 36, Township 24 South, Range 36 East, NMPM, to be dedicated to a well to be drilled at an unorthodox location 2310 feet from the North line and 1650 feet from the East line of said Section 36, Jalmat Gas Pool, Lea County, New Mexico.

(3) That the applicant further seeks a finding that the drilling of said well is necessary to effectively and efficiently drain that portion of the proration unit which cannot be so drained by the existing well thereon.

(4) That the entire non-standard proration unit may reasonably be presumed productive of gas from the Jalmat Gas Pool and that the entire non-standard gas proration unit can be efficiently and economically drained and developed by the proposed new well.

(5) That the SE/4 of the NW/4 of said Section 36 was previously a portion of a communitized 160-acre non-standard proration unit which was dedicated to the Warrior, Inc. Shell State Well No. 2 located in Unit F of said section.

(6) That the communitization agreement for said 160-acre proration unit expired under its own terms prior to February 1, 1972.

(7) That the evidence presented demonstrated that said Shell State Well No. 2 had experienced severe water production problems, has little or no chance for successful workover operations, is to be plugged and abandoned, and cannot efficiently and effectively drain either the previous 160-acre proration unit or the proposed 80-acre proration unit.

(8) That the evidence presented further demonstrated that the drilling and completion of applicant's said new well should result in production of approximately 3 billion additional cubic feet of gas from said proration unit which would not otherwise be recovered from the proration unit.

(9) That such additional recovery will result in said unit being more efficiently and economically drained.

(10) That said new well is to be drilled as an "infill" well on the proposed 80-acre non-standard proration unit.

(11) That in order to permit the drainage of a portion of the reservoir covered by said 80-acre non-standard proration unit which cannot be effectively and efficiently drained by the existing well thereon, the subject application for infill drilling should be approved.

(12) That approval of the subject application for a non-standard proration unit and unorthodox location will afford the applicant the opportunity to produce his just and equitable share of the gas in the Jalmat Gas 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.

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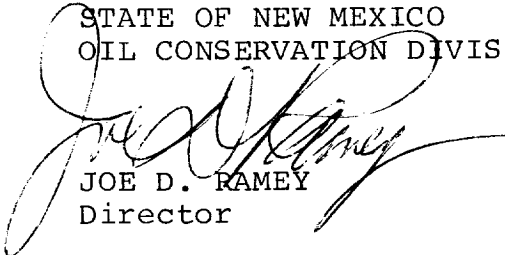
IT IS THEREFORE ORDERED:

(1) That an 80-acre non-standard gas proration unit in the Jalmat Gas Pool comprising the SW/4 NE/4 and SE/4 NW/4 of Section 36, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico, is hereby established and dedicated to an infill well to be drilled at an unorthodox location 2310 feet from the North line and 1650 feet from the East line of said Section 36, Jalmat Gas Pool, Lea County, New Mexico. The authorization for infill drilling granted by this order is necessary to permit the drainage of a portion of the reservoir covered by said 80-acre non-standard proration unit which cannot efficiently and economically be drained by any existing well thereon.

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

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

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
JOE D. RAMEY  
Director

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