Entered December 19, 1939

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. 6700 Order No. R-6219

APPLICATION OF DOYLE HARTMAN FOR AN UNORTHODOX WELL LOCATION, A 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 17 and December 12, 1979, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 19th day of December, 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 a 120-acre non-standard gas proration unit in the Jalmat Gas Pool comprising the NW/4 NW/4 and S/2 NW/4 of Section 29, Township 25 South, Range 37 East, NMPM, Lea County, New Mexico, to be dedicated to his B.B. & S. Bates Well No. 1, to be drilled at an unorthodox location on said proration unit.

(3) That the applicant originally requested that said well be drilled at an unorthodox location 2310 feet from the North line and 330 feet from the West line of said Section 29, and subsequently amended the proposed location to be 1870 feet from the North line and 280 feet from the West line of said Section 15. -2-Case No. 6700 Order No. R-6219

(4) That no offset operator objected to the unorthodox location as amended.

(5) That said unorthodox location, as amended, will better enable the applicant to produce the gas underlying the proposed proration unit and will not cause waste nor impair correlative rights.

(6) That approval of the proposed non-standard gas proration unit will afford the applicant the opportunity to produce his just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unneccessary 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 the applicant further seeks a finding that the proposed well is necessary to effectively and efficiently drain that portion of the existing proration unit which cannot be so drained by the existing well.

(8) That the evidence indicates that the proposed infill well on the subject 120-acre non-standard proration unit may recover as much as 1.4 billion cubic feet of gas underlying the NW/4 NW/4 and S/2 NW/4 of Section 29, Township 25 South, Range 37 East, NMPM, which cannot be produced by the existing well on the proration unit.

IT IS THEREFORE ORDERED:

(1) That the applicant, Doyle Hartman, is hereby authorized to drill his B.B. & S. Bates Well No. 1 at an unorthodox location 1870 feet from the North line and 280 feet from the West line of Section 29, Township 25 South, Range 37 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, as an infill well in said Jalmat Gas Pool inasmuch as this well is necessary to effectively and efficiently drain that portion of the existing proration unit which cannot be so drained by the existing well on the unit.

(2) That the applicant is hereby authorized to dedicate to the above-described well a 120-acre non-standard gas proration unit comprising the NW/4 NW/4 and S/2 NW/4 of said Section 29.

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

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

STATE OF NEW MEXICO OLL CONSERVATION DIVISION 1 H. Uni V ť, JOE D. RAMEY Director

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