Entered January 16, 1100

### 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. 6774 Order No. R-6245

APPLICATION OF DOYLE HARTMAN FOR AN UNORTHODOX 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 January 3, 1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>l6th</u> day of January, 1980, 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 comprising the NW/4 NW/4 of Section 6, Township 25 South, Range 37 East, and the W/2 SW/4 of Section 31, Township 24 South, Range 37 East, NMPM, to be dedicated to his Federal Jalmat Com Well No. 1 at an unorthodox location 590 feet from the North line and 660 feet from the West line of said Section 6.

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

(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 aforesaid well. -2-Case No. 6774 Order No. R-6245

(5) That a well at said unorthodox location will better enable applicant to produce the gas underlying the proration unit.

(6) That no offset operator objected to the proposed unorthodox location.

(7) That the evidence in this case indicates that the proposed well at the requested unorthodox location should recover at least 134 million cubic feet of gas from the Jalmat Gas Pool which cannot be produced by the existing well on the proration unit.

(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 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 a 120-acre non-standard gas proration unit in the Jalmat Gas Pool comprising the NW/4 NW/4 of Section 6, Township 25 South, Range 37 East, and the W/2 SW/4 of Section 31, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby established and dedicated to the Doyle Hartman Federal Jalmat Com Well No. 1 to be drilled at an unorthodox location, hereby approved, 590 feet from the North line and 660 feet from the West line of said Section 6. The authorization for infill drilling in the Jalmat Gas Pool granted by this order is necessary to permit the drainage of a portion of the reservoir covered by the 120acre 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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