Entered January 25, 1984

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. 8011 Order No. R-7433

APPLICATION OF DOYLE HARTMAN FOR DIRECTIONAL DRILLING, UNORTHODOX GAS WELL LOCATION, NON-STANDARD GAS SPACING UNIT AND SIMULTANEOUS DEDICATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on November 22, 1983, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 25th day of January, 1984, 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 authority to directionally drill his Winningham Well No. 8 from a surface location at a point between 960 feet to 1260 feet from the South line and between 1400 feet to 1700 feet from the East line of Section 19, Township 25 South, Range 37 East, to bottom hole location within the Langlie Mattix Pool at an unorthodox location at a point within 100 feet of a point 2380 feet from the South line and 260 feet from the East line of said Section 19.
- (3) That the applicant further proposes to complete said well as a Jalmat oil well at a bottom hole location within 100 feet of a point 1865 feet from the South line and 874 feet from the East line of said Section 19. (There is to be no completion of said well in the Langlie Mattix Pool.)

-2-Case No. 8011 Order No. R-7433

- (4) That if the well should be completed as a Jalmat gas well, applicant seeks approval of a 480-acre non-standard proration unit comprising the E/2 SE/4 of said Section 19 and the E/2 and the E/2 NW/4 of Section 30 to be simultaneously dedicated to the Winningham Wells Nos. 1, 2, 3, 7 and 8.
- (5) That the unorthodox surface location and directional drilling are necessitated to avoid homes and buildings within the City of Jal.
- (6) That the applicant should be required to determine the subsurface location of the bottom of the hole by means of a continuous multi-shot directional survey conducted subsequent to said directional drilling, if said well is to be completed as a producing well.
- (7) That there was insufficient evidence presented upon which to make findings that the entire proposed 480-acre proposed non-standard gas proration unit is productive of gas from the Jalmat Gas Pool, or that such unit could be efficiently drained by the wells proposed or currently producing thereon, or that such unit could be produced without violation of correlative rights.
- (8) That that portion of the subject application seeking approval of a 480-acre non-standard proration unit should be denied.
- (9) That approval of the remainder of the subject application will prevent the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Doyle Hartman, is hereby authorized to directionally drill his Winningham Well No. 8 from a surface location at a point between 960 feet to 1260 feet from the South line and between 1400 feet to 1700 feet from the East line of Section 19, Township 25 South, Range 37 East, to a bottom hole location within the Langlie Mattix Pool at an unorthodox location at a point within 100 feet of a point 2380 feet from the South line and 260 feet from the East line of said Section 19.

PROVIDED HOWEVER, that prior to the above-described directional drilling, the applicant shall establish the location of the kick-off point by conducting a continuous multi-shot directional survey of the well.

PROVIDED FURTHER, that subsequent to the above-described directional drilling, should said well be a producer, a continuous multi-shot directional survey shall be made of the wellbore from total depth to the kick-off point with shot points not more than 100 feet apart; that the operator shall cause the surveying company to forward a copy of the survey report directly to the Santa Fe office of the Division, P. O. Box 2088, Santa Fe, New Mexico 87501, and that the operator shall notify the Division's Hobbs District Office of the date and time said survey is to be commenced.

- (2) That the applicant is authorized to complete said well in the Jalmat Pool at a bottom hole location within 100 feet of a point 1865 feet from the South line and 874 feet from the East line of said Section 19.
- (3) That Form C-105 shall be filed in accordance with Division Rule 1105 and the operator shall indicate thereon true vertical depth in addition to measured depths.
- (4) That the application for a 480-acre non-standard Jalmat Gas proration unit comprising the E/2 SE/4 of said Section 19 and the E/2 and the E/2 NW/4 of Section 30, to be simultaneously dedicated to the Winningham Wells Nos. 1, 2, 3, 7 and 8, is hereby denied.
- (5) That said Winningham Well No. 8 shall not under any circumstances be completed in the Langlie Mattix Pool.
- (6) 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

COLL CONSERVATION DIVISION

JOE D. RAMEY, Director

S E A L