

**STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

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

**CASE NO. 12360
ORDER NO. R-9073-D**

**APPLICATION OF DOYLE HARTMAN, OIL OPERATOR FOR RESCISSION
AND RECONSIDERATION OF PORTIONS OF DIVISION ORDER NO. R-9073,
AS AMENDED, AFFECTING LANDS IN TOWNSHIPS 22 AND 23 SOUTH,
RANGE 36 EAST, LEA COUNTY, NEW MEXICO.**

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on May 4, 2000, at Santa Fe, New Mexico before Examiner David R. Catanach.

NOW, on this 30th day of May, 2000, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner,

FINDS THAT:

(1) Due public notice has been given and the Division has jurisdiction of this case and its subject matter.

(2) By Order No. R-9073, as amended, issued in Case No. 9775 on December 14, 1989, the Division approved, upon application of Hal J. Rasmussen Operating Inc. ("Rasmussen"):

- (a) the redesignation of acreage in certain existing gas spacing and proration units in the Jalmat Gas Pool in Townships 22 and 23 South, Range 36 East, NMPM, Lea County, New Mexico, thereby forming one standard 640-acre gas proration unit and sixteen non-standard gas proration units;
- (b) the location of any existing Jalmat gas well within the subject area that became unorthodox as a result of the acreage rededication;

- (c) the simultaneous dedication of the existing Jalmat wells on each of the redesignated gas proration units; and
- (d) a special gas metering provision whereby the total gas production from each of the 17 gas proration units shall be metered, and this production allocated back to each well by means of a 48-hour monthly well test.

(3) The applicant, Doyle Hartman, Oil Operator ("Hartman"), seeks there consideration and rescission of certain special gas metering provisions set forth in Order No. R-9073, as amended.

(4) Hartman is the operator of leases that offset certain non-standard gas proration units approved by Order No. R-9073, as amended.

(5) Raptor Resources, Inc. ("Raptor") is the successor operator of Rassmussen's Jalmat gas proration units.

(6) Both Raptor and Hartman appeared at the hearing through legal counsel.

(7) Raptor and Hartman presented the parties' stipulation, Exhibit No. 1.

(8) Adoption of the stipulated agreement, Exhibit 1, and proposed amendment of Division Order No. R-9073, as amended, is in the best interest of conservation and protection of correlative rights and should therefore be approved.

IT IS THEREFORE ORDERED THAT:

(1) The application of Doyle Hartman, Oil Operator, for reconsideration and rescission of certain special gas metering provisions set forth in Order No. R-9073, as amended, is hereby approved.

(2) Ordering Paragraph (3) of Division Order No. R-9073, as amended, is hereby amended to read in its entirety as follows:

(3) Special metering provisions for Jalmat gas production within each of the aforementioned units, as described in Finding Paragraph No. (13) above, is hereby approved provided that such approval is not

inconsistent with the following agreement between Doyle Hartman, Oil Operator, and Raptor Resources, Inc.:

The operator of certain Jalmat Pool gas wells, presently Raptor Resources, Inc., shall comply with NMOCD Rule 403.A by proceeding with due diligence to separately meter the below described seven (7) wells and any future wells drilled or recompleted on the following properties:

S/2 of Section 8 and the SW/4 of Section 9 in T-22-S, R-36-E (encompassing Well Nos. 54, 24 and 4)

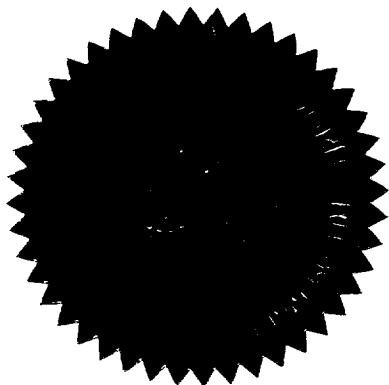
SE/4 of Section 3, the NE/4 of Section 10 and the N/2 of Section 11 in T-23-S, R-36-E (encompassing Well No. 58). Raptor is not required to meter Well No. 64 in Section 3 since it is a marginal well nor is Raptor required to meter Well No. 81 in Section 10 since it is outside of the NE/4 and is a marginal well.

SW/4 of Section 14, the S/2 of Section 15, the W/2 of Section 22 and the NW/4 of Section 23 in T-23-S, R-36-E (encompassing the Matkins No. 3, the Matkins No. 6, and Well No. 72).

(3) All other provisions contained within Order No. R-9073, as amended, shall remain in full force and effect.

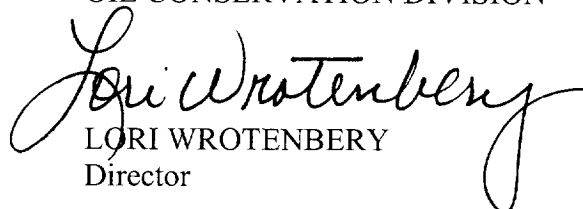
(4) Jurisdiction is hereby retained for the entry of such further orders as the Division may deem necessary.

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



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STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


LORI WROTENBERY
Director