



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

August 14, 1996

Doyle Hartman, Oil Operator
Attention: Don Mashburn
P. O. Box 10426
Midland, Texas 79702

Roca Production, Inc.
Attention: James C. Brown
P. O. Box 10139
Midland, Texas 79702

Administrative Order NSP-143-A(L)(SD)

Dear Messrs. Mashburn and Brown:

Reference is made to: (i) the application filed by Doyle Hartman, Oil Operator ("Hartman") by letter dated June 20, 1996; (ii) the Division's initial response to said application from Mr. Michael E. Stogner by letter dated June 25, 1996; and, (iii) to the letter dated August 7, 1996 from Mr. Don Mashburn of Hartman's office in Midland, Texas; for authorization to divide the existing 315.98-acre non-standard gas spacing and proration unit ("GPU") in the Jalmat Gas Pool comprising Lots 1 and 2, the NE/4, and the E/2 NW/4 (N/2 equivalent) of Section 31, Township 23 South, Range 37 East, N.M.P.M., Lea County, New Mexico, into two separate gas spacing and proration units comprising 235.98 acres and 80 acres.

Said 315.98-acre GPU was authorized by Division Administrative Order NSP-143, dated June 8, 1996 and had dedicated thereon the Doyle Hartman R. W. Cowden "C" Well No. 4/OXY USA, Inc. Myers Langlie Mattix Unit Well No. 61 (API No. 30-025-10903), located at a standard gas well location for the 315.98-acre GPU 990 feet from the North line and 1980 feet from the West line (Unit C) of said Section 31, and, by Division Administrative Order NFL-71, dated February 22, 1983, the R. W. Cowden "C" Well No. 9 (API No. 30-025-27918), located at a standard gas well location 1650 feet from the North line and 800 feet from the East line (Unit H), now operated by Roca Production, Inc., was simultaneously dedicated to said 315.98-acre GPU.

It is our understanding by the subject application and related correspondence that:

- (1) Hartman will be operator of the proposed 235.98-acre non-standard GPU comprising Lots 1 and 2, the W/2 NE/4, and the E/2 NW/4 of said Section 31 in which said acreage is to be simultaneously dedicated to the aforementioned R. W. Cowden "C" Well No. 4 and to the proposed R. W. Cowden "C" Well No. 10 to be drilled at an unorthodox gas well location 1650 feet from the North line and 330 feet from the West line (Lot 2/Unit E) of said Section 31, and,
- (2) the remaining 80 acres comprising the E/2 NE/4 of said Section 31 is to be operated by Roca Production, Inc. and have dedicated to it the above-described R. W. Cowden "C" Well No. 9 now located at an unorthodox gas well location for the resulting 80-acre GPU.

The Division finds at this time that, the subject application of Doyle Hartman, Oil Operator has been duly filed under the provisions of Rule 104.F of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division"), revised by Division Order No. R-10533, issued by the Oil Conservation Commission in Case 11,351 on January 18, 1996 and Rule 2(d) of the *"General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Jalmat Gas Pool"*, as promulgated by Division Order No. R-8170, as amended. Pursuant to said rules no objection to the subject application has been received within the required 20-day waiting period. It should be further noted that Roca Production, Inc. has not responded to either Hartman's application or to the Division's letter dated June 25, 1996.

It is therefore ordered, by the authority granted me under the provisions of said rules, that Doyle Hartman, Oil Operator ("Hartman") is hereby authorized to operate the 235.98 acres, comprising Lots 1 and 2, the W/2 NE/4, and the E/2 NW/4 of said Section 31, as a non-standard gas spacing and proration unit ("GPU") within the Jalmat Gas Pool in which is to be simultaneously dedicated to the existing R. W. Cowden "C" Well No. 4/OXY USA, Inc. Myers Langlie Mattix Unit Well No. 61 (API No. 30-025-10903), located at a standard Jalmat gas well location for the 235.98-acre GPU 990 feet from the North line and 1980 feet from the West line (Unit C) of said Section 31 and to its proposed R. W. Cowden "C" Well No. 10 to be drilled at an unorthodox gas well location 1650 feet from the North line and 330 feet from the West line (Lot 2/Unit E) of said Section 31.

Also, Hartman is hereby authorized to simultaneously dedicate Jalmat gas production from the proposed R. W. Cowden "C" Well No. 10 with the existing R. W. Cowden "C" Well No. 4. Furthermore, Hartman is permitted to produce the allowable assigned the subject GPU from both wells in any proportion.

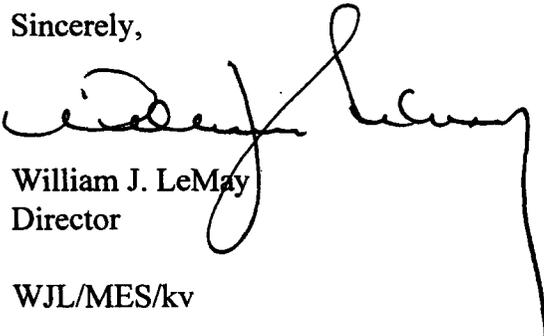
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It is further ordered that the remaining 80 acres comprising the E/2 NE/4 of said Section 31, operated by Roca Production, Inc.: (i) is no longer dedicated to producing Jalmat acreage; (ii) that the existing R. W. Cowden "C" Well No. 9 is producing without a proper assignment of allowable; and, (iii) that said well is considered to be at an unapproved unorthodox Jalmat gas well location. It is ordered however that Roca Production, Inc. is granted a temporary 45-day authorization to produce its R. W. Cowden "C" Well No. 9 with an acreage factor of 0.50 to be ascribe against the Jalmat allowable for said well. If however no formal application from Roca Production, Inc. has been submitted to the Division within this 45-day period, the temporary allowable shall be canceled and the well ordered to be shut-in until such application has been submitted and approved.

Said Division Orders NSP-143 and NFL-71 shall be placed in abeyance until further notice.

Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,



William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs
Michael E. Stogner, Chief Hearing Officer - OCD, Santa Fe
U. S. Bureau of Land Management - Carlsbad
File: NSP-143
NFL-71
NSP-1335