

CASE No.

4975

Application,

Transcripts,

Small Exhibits

ETC.

dearnley, meier & associates

209 SIMMS BLDG., P.O. BOX 1092, PHONE 243-6691, ALBUQUERQUE, NEW MEXICO 87103
1216 FIRST NATIONAL BANK BLDG. EAST, ALBUQUERQUE, NEW MEXICO 87108

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BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
CONFERENCE ROOM, STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO

May 23, 1973

EXAMINER HEARING

IN THE MATTER OF:

Application of Atlantic
Richfield Company for a
non-standard proration
unit, simultaneous dedication,
and an unorthodox location,
Lea County, New Mexico.

Case No. 4975

BEFORE: Elvis A. Utz,
Examiner.

TRANSCRIPT OF HEARING

1 MR. UTZ: Case 4975.

2 MR. CARR: Case 4975: Application of Atlantic
3 Richfield Company for a non-standard proration unit,
4 simultaneous dedication, and an unorthodox location, Lea
5 County, New Mexico.

6 MR. HINKLE: Clarence Hinkle, of Hinkle, Bondurant,
7 Cox and Eaton, Roswell, appearing on behalf of Atlantic
8 Richfield Company. We have the same witness, and two
9 exhibits.

10 MR. UTZ: Let the record show that the witness was
11 sworn in the previous case, and is still under oath.

12 * * * *

13 DARRYL W. BOSE,
14 was called as a witness, and having been already duly sworn,
15 testified as follows:

16 DIRECT EXAMINATION

17 BY MR. HINKLE:

18 Q Please state your name, residence, and by whom you
19 are employed.

20 A Darryl Bose, Midland, Texas. I am employed as a
21 petroleum engineer with Atlantic Richfield Company.

22 Q You have just previously testified with respect to
23 your qualifications as an engineer in Case 4974, is
24 that right?

25 A Right.

- 1 Q And your qualifications have been accepted by the
2 Examiner?
- 3 A Yes.
- 4 Q Are you familiar with the application of Atlantic
5 Richfield in this case, Case 4975?
- 6 A I am.
- 7 Q What is Atlantic Richfield seeking to accomplish in
8 this case?
- 9 A Atlantic Richfield is requesting approval for a
10 non-standard 320-acre gas proration unit comprising the
11 Northwest Quarter, the North half of the Southwest
12 Quarter, and the West half of the Northeast quarter of
13 Section 11, Township 20 South, Range 36 East, Eumont
14 Gas Pool, Lea County, New Mexico to be simultaneously
15 dedicated to its W.P. Byrd Wells No. 5, a non-standard
16 location 1650 feet from the north line and 330 feet
17 from the west line, and its W.P. Byrd Well No. 7,
18 located 990 feet from the north line and 1980 feet
19 from the west line of Section 11.
- 20 Q Have you prepared, or has there been prepared under
21 your direction and supervision, Exhibits One and Two
22 in this case?
- 23 A Yes, sir.
- 24 Q Please refer to Exhibit One, and explain what this shows.
- 25 A Exhibit One shows, outlined in green, the 320- acre

dearnley, meier & associates

209 SIMMS BLDG. • P.O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO 87103
1216 FIRST NATIONAL BANK BLDG. EAST • ALBUQUERQUE, NEW MEXICO 87103

1 non-standard gas proration unit which at the present
2 time is dedicated to the William P. Byrd Well No. 7.

3 The W.P. Byrd No. 7 is currently classified as
4 a non-marginal Eumont Gas Well. However, at this time,
5 it is not capable of making its non-marginal allowable.

6 The William P. Byrd No. 5, which is at a
7 non-standard location located in the Southwest quarter
8 of the Northwest quarter of Section 11, Township 20
9 South, Range 36 East at the present time is completed
10 in the Eunice-Monument Pool. However, the well has
11 declined to uneconomical limits.

12 Q And you intend to recomplete the well as a gas well?

13 A We do.

14 Q What will you have to do in order to complete it as
15 a gas well?

16 A Well, temporarily abandon the Eunice-Monument Pool and
17 recomplete in the Eumont.

18 Q Is this a non-standard location for a gas well?

19 A Yes, it is.

20 Q What about the No. 2 gas well in this section? Is
21 it also non-standard?

22 A Yes, it is a Eumont gas well at a non-standard location.

23 Q That's the one which it would offset?

24 A Right.

25 Q Now, upon completion of this well, you intend to

1 dedicate 320 acres which are outlined on Exhibit One
2 to both wells so that the allowable can be produced
3 from either or both wells, is that right?

4 A Yes, we do.

5 Q What else does this exhibit show?

6 A It shows the offset operators, and labels the gas wells
7 as being Eumont wells, Eumont gas wells; and the oil
8 wells are Eunice-Monument wells.

9 Q Now, what is the regular spacing for the unit gas pool?

10 A Six hundred forty acres.

11 Q Have you furnished the offset operators with copies
12 of this application?

13 A We have.

14 Q Have you had objections to this application from any
15 of the offset operators?

16 A No objections have been received.

17 Q In your opinion,-- Would you refer to Exhibit Number
18 Two, and explain what that shows?

19 A Exhibit Two is an acreage dedication plat showing the
20 location of the William P. Byrd No. 5 and William P.
21 Byrd No. 7 Wells. The William P. Byrd No. 7 is at
22 a standard location, however the William P. Byrd No.
23 5 is at a non-standard location located 330 feet from
24 the west line and 1650 feet from the north line of
25 Section 11, Township 20 South, Range 36 East.

1 Q And this application was filed with the Oil Conservation
2 Commission?

3 A Yes.

4 Q In your opinion, if the application is granted, will
5 it be in the interest of conservation, the prevention
6 of waste, and the protection of correlative rights?

7 A It will.

8 MR. HINKLE: We offer Exhibits One and Two.

9 MR. UTZ: Without objection, Exhibits One and
10 Two will be entered into the record of this case.

11 (Whereupon Applicant's Exhibits One and Two,
12 respectively, were entered in evidence.)

13 MR. UTZ: Are there any questions of the witness?

14 (No response)

15 MR. UTZ: If not, he may be excused.

16 (Witness excused.)

17 MR. UTZ: Any statements in this case?

18 (No response)

19 MR. UTZ: Case 4975 will be taken under advisement.

20 * * * *

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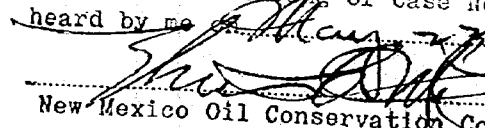
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25

1 STATE OF NEW MEXICO)
2 COUNTY OF BERNALILLO) SS
3

4 I, RICHARD E. McCORMICK, a Certified Shorthand
5 Reporter, in and for the County of Bernalillo, State of
6 New Mexico, do hereby certify that the foregoing and attached
7 Transcript of Hearing before the New Mexico Oil Conservation
8 Commission was reported by me; and that the same is a true
9 and correct record of the said proceedings to the best of
10 my knowledge, skill and ability.

11
12 
13 CERTIFIED SHORTHAND REPORTER
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22 I do hereby certify that the foregoing is
23 a complete record of the proceedings in
24 the Examiner hearing of Case No. 4975,
25 heard by me on May 27, 1973.

Examiner
New Mexico Oil Conservation Commission

I N D E XWITNESSPAGE

DARRYL W. BOSE

Direct Examination by Mr. Hinkle

3

E X H I B I T SEXHIBITADMITTEDOFFERED

Applicant's #1 Plat

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4

Applicant's #2 Plat

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6



OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO
P. O. BOX 2088 - SANTA FE
87501

**GOVERNOR
BRUCE KING
CHAIRMAN**

**LAND COMMISSIONER
ALEX J. ARMIJO
MEMBER**

**STATE GEOLOGIST
A. L. PORTER, JR.
SECRETARY - DIRECTOR**

June 25, 1973

**Mr. Clarence Hinkle
Hinkle, Roudurant, Cox & Eaton
Attorneys at Law
Post Office Box 10
Roswell, New Mexico 88201**

Re: Case No. 4974
Order No. R-4562 & R-4563
Applicant:
Atlantic Richfield Company

Dear Sir:

Enclosed herewith are two copies of the above-referenced Commission order recently entered in the subject case.

Very truly yours,

A. L. Porter, Jr.
A. L. PORTER, Jr.
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC _____ x
Artesia OCC _____
Aztec OCC _____
Other _____

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 4975
Order No. R-4563

APPLICATION OF ATLANTIC RICHFIELD
COMPANY FOR A NON-STANDARD PRORATION
UNIT, SIMULTANEOUS DEDICATION, AND AN
UNORTHODOX LOCATION, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 23, 1973,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 25th day of June, 1973, the Commission, a
quorum being present, 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 Commission has jurisdiction of this cause and the
subject matter thereof.
- (2) That the applicant, Atlantic Richfield Company, seeks
approval for a non-standard 320-acre gas proration unit comprising
the NW/4, N/2 SW/4, and W/2 NE/4 of Section 11, Township 20 South,
Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico, to
be simultaneously dedicated to its W. P. Byrd Wells Nos. 5, a
non-standard location 1650 feet from the North line and 330 feet
from the West line, and No. 7, located 990 feet from the North
line and 1980 feet from the West line of said Section 11, with
unit production to be taken from said wells in any proportion.
- (3) That the proposed non-standard gas proration unit can
be efficiently and economically drained and developed by the
subject wells.
- (4) That approval of the subject application will afford
the applicant the opportunity to produce its just and equitable
share of the gas in the Eumont Gas Pool and will otherwise
prevent waste and protect correlative rights.

-2-

Case No. 4975
Order No. R-4563

IT IS THEREFORE ORDERED:

(1) That effective at 7:00 a.m., July 1, 1973, the applicant, Atlantic Richfield Company, is hereby authorized to simultaneously dedicate its non-standard 320-acre gas proration unit comprising the NW/4, N/2 SW/4, and W/2 NE/4 of Section 11, Township 20 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico, to its W. P. Byrd Wells Nos. 5, a non-standard location 1650 feet from the North line and 330 feet from the West line, and No. 7, located 990 feet from the North line and 1980 feet from the West line of said Section 11, with unit production to be taken from said wells in any proportion.

(2) That the allowable assigned to the above-described non-standard gas proration unit shall be based upon the unit size of 320 acres, and that the operator may produce the allowable assigned to the unit from the subject wells in any proportion.

(3) That Administrative Order MSP-260 is hereby superseded.

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

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



I. R. Trujillo

I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member

A. L. Porter, Jr.

A. L. PORTER, Jr., Member & Secretary

S E A L

ac/

Case 4975

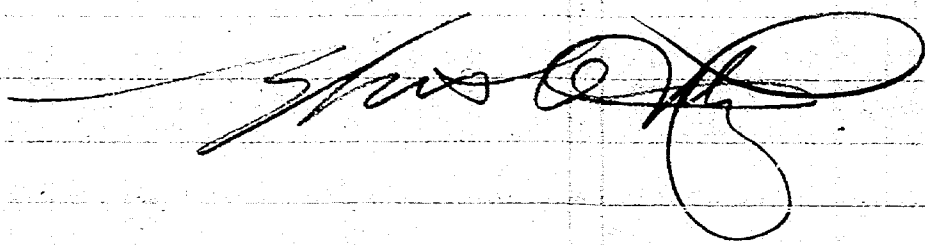
Leard. 5-23-73

Rec. 5-30-73

Leard. Atlantic a MSP
consisting of NW/4, W/2 NE/4, &
N/2 SW/4. 320 Ac. and dual
well dedications of its Byrd
#5 & 7.

Also approve NSL for #5 1650/N
330/W.

The #7 is lth, located 980/N,
1980/W. of 11.



Docket No. 14-73

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 23, 1973

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Elvis A. Utz, Examiner, or Richard L. Stamets, Alternate Examiner:

CASE 4683: (Reopened) (Continued from the April 11, 1973 Examiner Hearing)

In the matter of Case 4683 being reopened pursuant to the provisions of Order No. R-4286, which order established special rules and regulations for the West Tres Papalotes-Pennsylvanian Pool, Lea County, New Mexico, including a provision for 160-acre proration units. All interested parties may appear and show cause why said pool should not be developed on less than 160-acre units.

CASE 4946: (Continued from the May 9, 1973 Examiner Hearing)

Application of Union Texas Petroleum for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Crosby-Fusselman Pool, Lea County, New Mexico, including a provision for classification of oil wells and gas wells, 320-acre spacing for all wells, and a limiting gas-oil ratio of 5000 to one.

CASE 4966: (Continued from the May 9, 1973 Examiner Hearing)

Application of Read & Stevens, Inc. for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying the N/2 of Section 36, Township 12 South, Range 30 East, Chaves County, New Mexico, to be dedicated to a well to be drilled to the Queen formation in Unit B of said Section 36, in the Southeast Chaves Queen Gas Area. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a 200 percent charge for risk involved in drilling said well.

CASE 4969: Application of Amoco Production Company for a special depth bracket allowable, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the assignment of a special depth bracket allowable of 764 barrels of oil per day for the Tociito Dome Pennsylvanian "D" Oil Pool, San Juan County, New Mexico, to replace the current regular depth bracket allowable for said pool of 382 barrels per day.

CASE 4970: Application of Robert G. Cox for directional drilling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to re-enter his Federal "EA" Well No. 1, a crooked hole the surface location of which is 330 feet from the North and West lines of

(Case 4970 continued from page 1)

Section 12, Township 18 South, Range 27 East, Empire-Abo Pool, Eddy County, New Mexico, to set a whipstock at a depth of 4,200 feet and to drill in such a manner as to return the hole to the vertical, and to bottom said well at a depth of 6,200 feet approximately beneath the surface location.

CASE 4971: Application of Tesoro Petroleum Corporation for a secondary recovery project, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a secondary recovery project by injection of water and/or gas into the Hospah sand in its Santa Fe RR "A" Well No. 84 to be located five feet from the South line and 2,950 feet from the East line of Section 1, Township 17 North, Range 9 West, South Hospah-Lower Sand Oil Pool, McKinley County, New Mexico.

CASE 4972: Application of Skelly Oil Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Forty-Niner Ridge Unit Area comprising 7,679 acres, more or less, of State, Federal, and Fee lands in Township 23 South, Range 30 East, Eddy County, New Mexico.

CASE 4973: Application of Clayton W. Williams, Jr. for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Badger Unit Area comprising 10,158 acres, more or less, of State and Federal lands in Township 22 South, Range 31 East, Eddy County, New Mexico.

CASE 4974: Application of Atlantic Richfield Company for a non-standard gas proration unit and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the approval of a non-standard 160-acre unit comprising the W/2 NE/4 and E/2 NW/4 of Section 12, Township 24 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to its Cooper Wells Nos. 1, 2, and 3 located in Units G, F, and B, respectively, of said Section 12.

CASE 4975: Application of Atlantic Richfield Company for a non-standard proration unit, simultaneous dedication, and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a non-standard 320-acre gas proration unit comprising the NW/4, N/2 SW/4, and W/2 NE/4 of Section 11, Township 20 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to its W. P. Byrd Wells Nos. 5, a non-standard location 1650 feet from the North line and 330 feet from the West line, and No. 7, located 990 feet from the North line and 1980 feet from the West line of said Section 11.

CASE 4951: (Continued from the April 25, 1973 Examiner Hearing)

Application of Atlantic Richfield Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying the N/2 of Section 15, Township 21 South, Range 26 East, Eddy County, New Mexico, to be dedicated to a well to be drilled by the applicant at a standard location to test the Morrow formation. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator and the risk involved in drilling said well.

CASE 4976: Application of The Petroleum Corporation for a dual completion, creation of two gas pools and special rules therefor, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete its Parkway West Unit Well No. 1 located in Unit C of Section 28, Township 19 South, Range 29 East, Eddy County, New Mexico, to produce gas and associated liquid hydrocarbons from the Strawn and Atoka formations through parallel strings of tubing. Applicant further seeks the designation of a Strawn pool and an Atoka pool for said well and the promulgation of special pool rules for each, including classification of oil wells and gas wells and special gas-oil ratio limitations.

CASE 4977: Application of Michael P. Grace II for compulsory pooling and an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying the N/2 of Section 12, Township 22 South, Range 26 East, South Carlsbad Gas Field, Eddy County, New Mexico, to be dedicated to a well to be drilled to the Morrow formation at an unorthodox location 1440 feet from the North line and 1880 feet from the East line of said Section 12. Also to be considered will be the cost of drilling and completing said well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of the applicant as operator of the well, and the establishment of a 200 percent risk factor for the well.

CASE 4978: Application of Adobe Oil Company for a dual completion and non-standard gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete its Smith Federal Well No. 2 in such a manner as to produce gas from an undesignated Atoka gas pool and from the Rock Tank-Upper Morrow gas pool through parallel strings of tubing. Applicant further seeks approval for the non-standard location of said well for the Atoka formation at a point 660 feet from the South line and 330 feet from the East line of Section 11, Township 23 South, Range 24 East, Rock Tank Gas Field, Eddy County, New Mexico, said location having previously been approved for the Upper Morrow formation by Order No. R-4456.

CASE 4979: Application of Michael P. Grace II for directional drilling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to set a whip-stock in his Airport Grace Well No. 1, the surface location of which is 1980 feet from the South line and 2164 feet from the West line of Section 36, Township 22 South, Range 26 East, South Carlsbad Gas Field, Eddy County, New Mexico, and to directionally drill said well in such a manner as to bottom the well in the Morrow formation at a point approximately 500 feet Northeast of the surface location.

CASE 4980: Application of Pubco Petroleum Corporation for pool creation, an oil discovery allowable, and surface commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of the Humble City-Wolfcamp Pool and the assignment of approximately 47,970 barrels of oil discovery allowable to the discovery well for said pool, applicant's Shipp Well No. 4 located in Unit L of Section 11, Township 17 South, Range 37 East, Lea County, New Mexico. Applicant further seeks authority to commingle production from said pool with production from the Humble City-Strawn Pool underlying applicant's Shipp lease after separately metering the Wolfcamp production.

CASE 4981: Southeastern nomenclature case calling for an order for the creation and extension of certain pools in Eddy, Lea, and Chavez Counties, New Mexico:

(a) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Cisco production and designated as the West Atoka-Cisco Gas Pool. The discovery well is the Coquina Oil Corporation Five Mile No. 1 located in Unit H of Section 14, Township 18 South, Range 25 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM
Section 14: E/2

(b) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Cabin Lake-Morrow Gas Pool. The discovery well is the Phillips Petroleum Company James A Com No. 1 located in Unit O of Section 2, Township 22 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 30 EAST, NMPM
Section 2: S/2

(c) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the West Sand Dunes-Morrow Gas Pool. The discovery well is the El Paso Natural Gas Company Mobil Federal No. 1 located in Unit J of Section 29, Township 23 South, Range 31 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM
Section 29: E/2

(d) Create a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the North Shoe Bar-Wolfcamp Pool. The discovery well is the Pubco Petroleum Corporation Skelly State No. 1 located in Unit I of Section 14, Township 16 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
Section 14: SE/4

(e) Extend the West Atoka-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 18: S/2

(f) Extend the Blinebry Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM
Section 1: NE/4

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 6: N/2

(g) Extend the East Brunson-McKee Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 24: SW/4

(h) Extend the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 27 EAST, NMPM
Section 11: E/2

(i) Extend the Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 2: Lots 1 through 8
Section 3: Lots 1 through 8

(j) Extend the East Caprock-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 12 SOUTH, RANGE 32 EAST, NMPM
Section 10: SE/4

(k) Extend the Catclaw Draw-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM
Section 30: All

(l) Extend the Cedar Canyon-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 29 EAST, NMPM
Section 10: All

(m) Extend the Double L-Queen Associated Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 29 EAST, NMPM
Section 35: All

TOWNSHIP 15 SOUTH, RANGE 30 EAST, NMPM
Section 5: NE/4

(n) Extend the East EK-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM
Section 21: S/2 SE/4

(o) Extend the Golden Lane-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 29 EAST, NMPM
Section 5: Lots 1, 2, 7, 8, 9, 10,
15 and 16

(p) Extend the Grayburg-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM
Section 28: N/2

(q) Extend the Justis-Montoya Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
Section 13: SE/4

(r) Extend the Sand Dunes-Cherry Canyon Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM
Section 23: SW/4 SE/4

(s) Extend the West Sawyer-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 37 EAST, NMPM

Section 22: SE/4

Section 23: E/2 SW/4

(t) Extend the West Tres Papalotes-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM

Section 29: NW/4

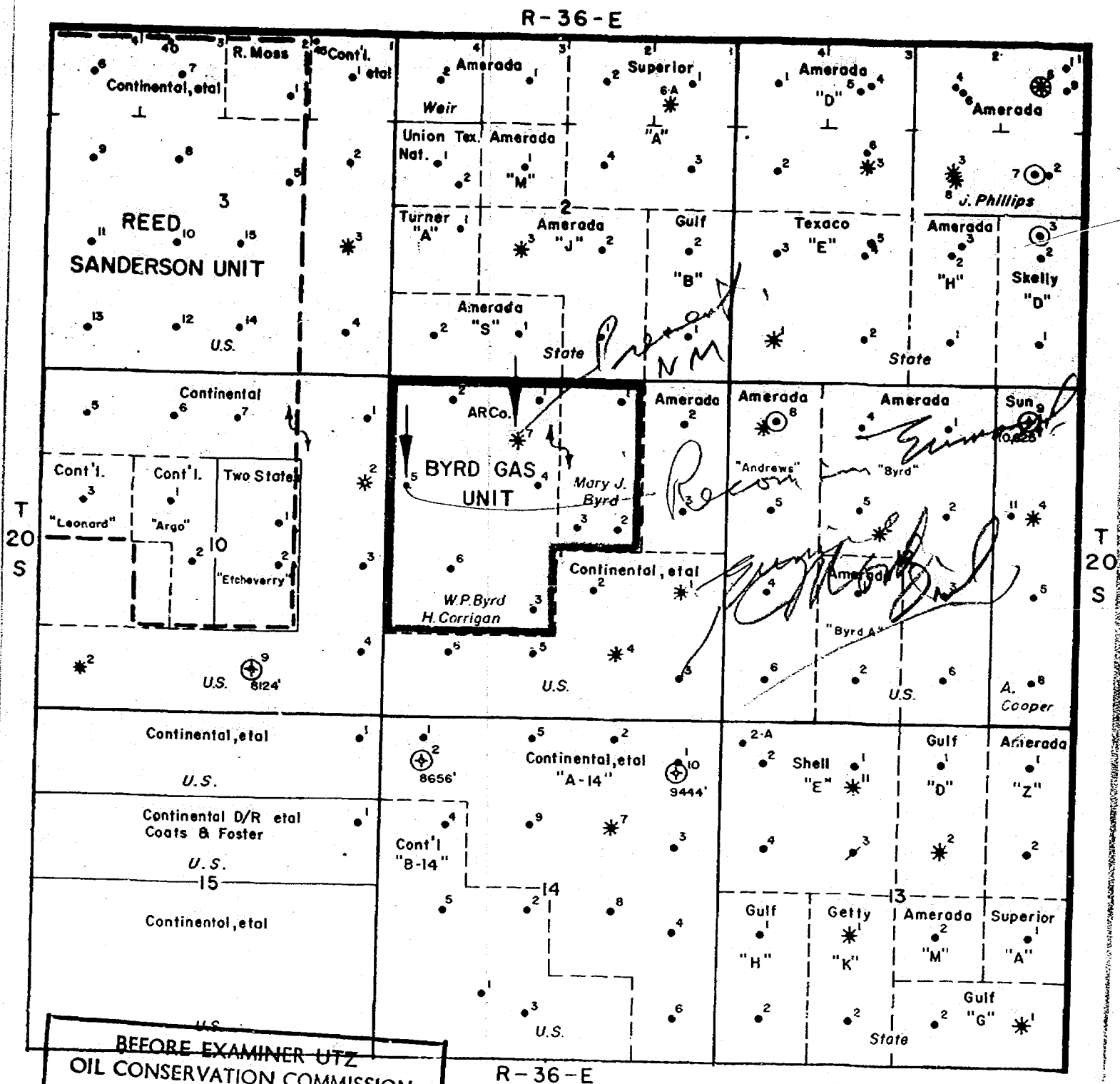
(u) Extend the Twin Lakes-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 28 EAST, NMPM

Section 1: SE/4 NW/4 and NE/4 SW/4

CASE 4943: (Continued from the May 9, 1973 Examiner Hearing)

Application of M. W. Staples for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to produce oil from his Vanderverter Well No. 2 located 1310 feet from the North line and 1330 feet from the East line of Section 20, Township 18 South, Range 28 East, Artesia Pool, Eddy County, New Mexico. Said well was drilled as an injection well at said location pursuant to authority granted by Order No. R-3341.



BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
EXHIBIT NO. 1
CASE NO. 4975
Submitted by Oil-Record
Hearing Date May 23/73

EXHIBIT 1

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT AMENDED**

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

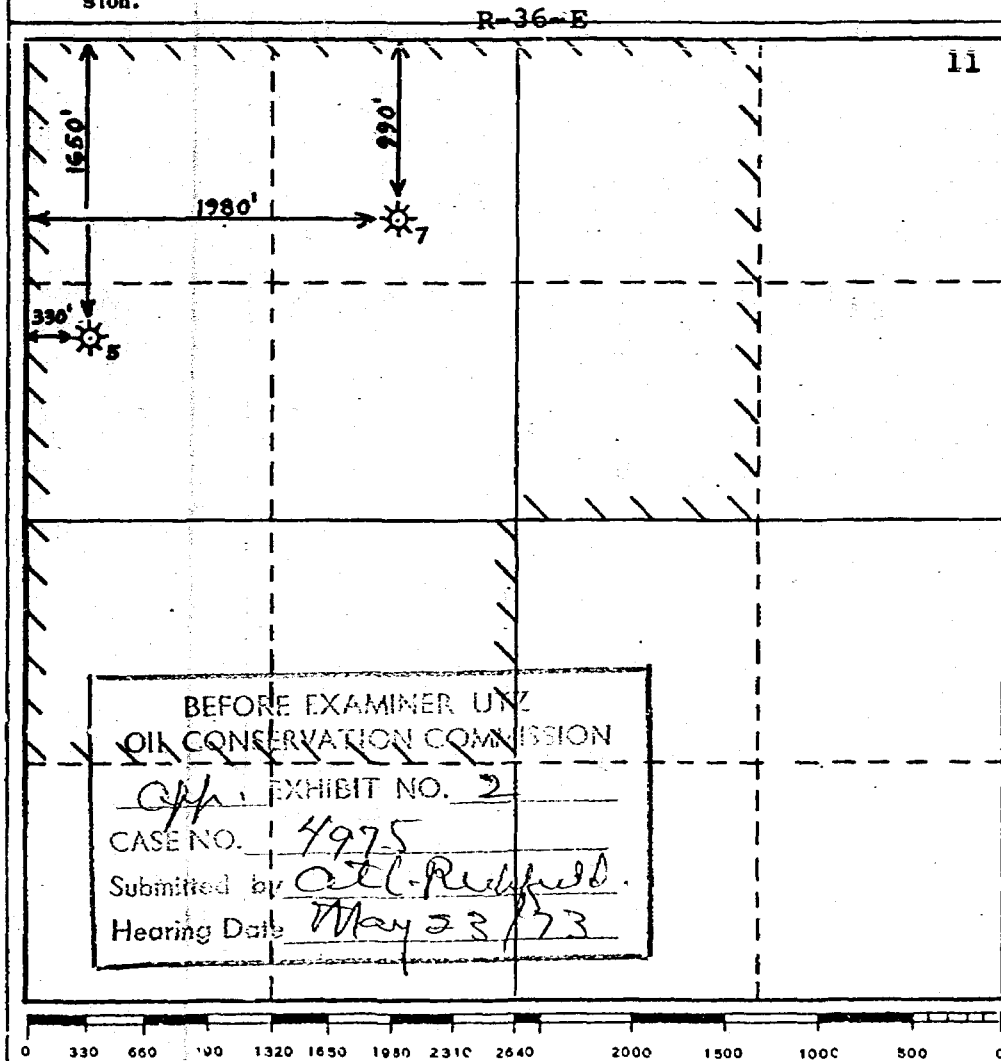
Operator Atlantic Richfield Company			Lease Byrd Gas Com		Well No. 5 & 7
Unit Letter C & D	Section 11	Township 20-S	Range 36-E	County Lea	
Actual Footage Location of Well:					
feet from the		line and	feet from the		line
Ground Level Elev.	Producing Formation Queen Gas	Pool Eumont	Dedicated Acreage: 320 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

O. D. Bretches
Name

O. D. Bretches

Position
Dist. Drlg. Supervisor

Company
Atlantic Richfield Co.

Date
May 3, 1973

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

Registered Professional Engineer and/or Land Surveyor

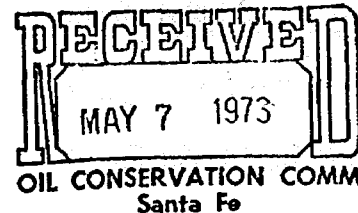
Certificate No.

EXHIBIT 2

Atlantic Richfield Company

Legal Division
Post Office Box 2819
Dallas, Texas 75221
Telephone 214 747 6461

Duncan W. Holt, Jr., Attorney



May 3, 1973

Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: Application of Atlantic Richfield Company
for Non-Standard Gas Unit and Location and
Rededication of Acreage, Eumont Gas Pool,
Lea County, New Mexico

Gentlemen:

Enclosed in triplicate is a revised application of
Atlantic Richfield Company in the above matter,
which sets out the location of the W. P. Byrd Well
No. 5 - a non-standard location.

It is my understanding that the hearing is set on
the May 23rd docket.

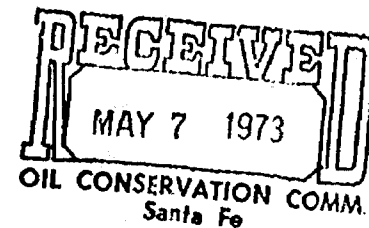
Very truly yours,

A handwritten signature in cursive script that reads "Duncan W. Holt, Jr.".

Duncan W. Holt, Jr.

DWH/jm
encl.

cc: Mr. Clarence E. Hinkle
Amerada-Division of Amerada Hess Corp.
Continental Oil Company
Gulf Oil Company



BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

APPLICATION OF ATLANTIC RICHFIELD COMPANY
FOR NON-STANDARD GAS UNIT AND LOCATION AND
REDEDICATION OF ACREAGE, EUMONT GAS POOL,
LEA COUNTY, NEW MEXICO

CASE NO. _____

Atlantic Richfield Company hereby makes application to the Commission for an order amending existing rules or orders of the Commission pertaining to a certain gas proration unit to permit a non-standard gas unit and location and the rededication of the acreage to certain wells thereon and in support thereof would show:

1.

Atlantic Richfield Company is the operator of the acreage hereinafter described and the wells located thereon and hereinafter mentioned which are completed in the Eumont Gas Pool and that certain of said wells are marginal as will be shown upon hearing hereof.

2.

Applicant hereby seeks an order to permit a non-standard 320-acre gas unit consisting of the NW $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$ and W $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 11, Township 20 South, Range 36 East, Lea County, New Mexico and a non-standard location for the W. P. Byrd Well No. 5, located 1650' from the North line and 330' from the West line of said Section 11. There are presently two wells in said NW $\frac{1}{4}$; namely, the W. P. Byrd Well No. 5, and the W. P. Byrd Well No. 7, located in the NE $\frac{1}{4}$ of NW $\frac{1}{4}$. Applicant requests that said order permit it to produce one allowable from said unit, with the allowable to be produced in any quantity from either well, or both.

Attached is a map of the proposed proration unit.

3.

That the subject gas proration unit can be efficiently and economically drained and developed from the respective wells located thereon.

4.

That because of the marginal status of certain of the wells on said proposed proration unit, approval of this application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Eumont Gas Pool and will otherwise prevent waste and protect correlative rights.

WHEREFORE, Applicant prays that notice be issued on this application as required by law; that the application be set for hearing before an examiner at Santa Fe, New Mexico at the earliest convenient date and after hearing, a special order be entered approving this application for said proposed gas proration unit.

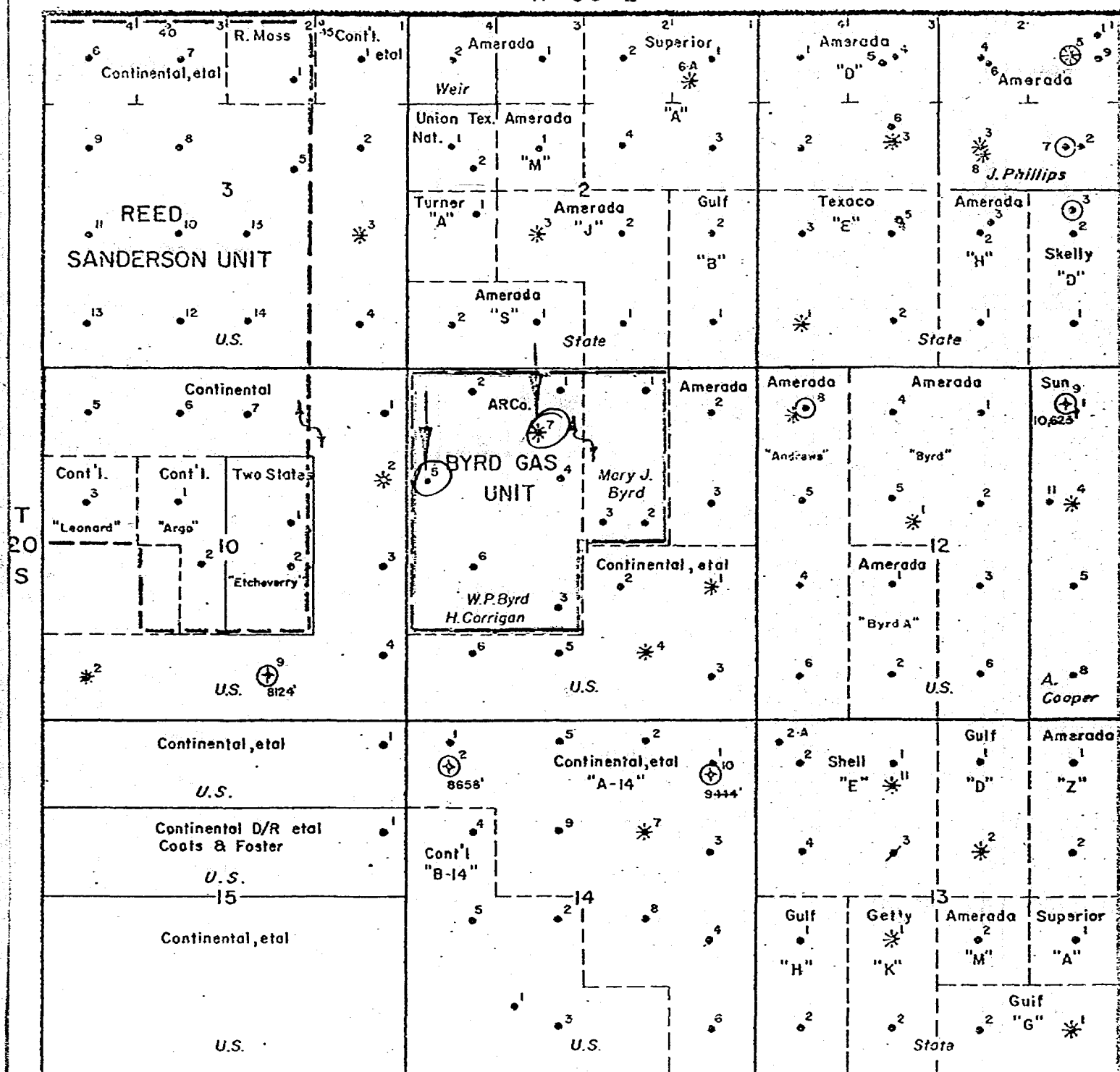
Duncan W. Holt, Jr.

Duncan W. Holt, Jr.
P. O. Box 2819, Dallas, Texas 75221

Clarence E. Hinkle
Hinkle, Bondurant, Cox & Eaton
P. O. Box 10, Roswell, New Mexico 88201

ATTORNEYS FOR APPLICANT
ATLANTIC RICHFIELD COMPANY

R-36-E



DRAFT

dr

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 4975

Order No. R-4563

APPLICATION OF ATLANTIC RICHFIELD
COMPANY FOR A NON-STANDARD PRORATION
UNIT, SIMULTANEOUS DEDICATION, AND AN
UNORTHODOX LOCATION, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 23, 1973,
at Santa Fe, New Mexico, before Examiner Elvis A. UTZ.

NOW, on this day of June, 1973, the Commission,
a quorum being present, 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 Commission has jurisdiction of this cause and the subject
matter thereof.

(2) That the applicant, Atlantic Richfield Company,
seeks approval for a non-standard 320-acre gas proration unit
comprising the NW/4, N/2 SW/4, and W/2 NE/4 of Section 11,
NMPM,
Township 20 South, Range 36 East, Eumont Gas Pool, Lea County,
New Mexico *to be simultaneously dedicated to*

-2-
Case No. 4975
Order No. R-

~~(3) That the applicant seeks to simultaneously dedicate to said non-standard unit its W. P. Byrd Wells Nos. 5, a non-standard location 1650 feet from the North line and 330 feet from the West line, and No. 7, located 990 feet from the North line and 1980 feet from the West line of said Section 11, with unit production to be taken from said wells in any proportion.~~

(3) That the proposed non-standard gas proration unit can be efficiently and economically drained and developed by the subject wells.

(4) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Eumont Gas Pool and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That effective at 7:00 a.m., July 1, 1973, the applicant, Atlantic Richfield Company, is hereby authorized to simultaneously dedicate its non-standard 320-acre gas proration unit comprising the NW/4, N/2 SW/4, and W/2 NE/4 of Section 11, to its W. P. Byrd Wells Nos. 5, a non-standard location 1650 feet from the North line and 330 feet from the West line, and No. 7, located 990 feet from the North line and 1980 feet from the West line of said Section 11, Township 20 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico, with unit production to be taken from said wells in any proportion.

(2) That the allowable assigned to the above-described non-standard gas proration unit shall be based upon the unit size of 320 acres, and that the operator may produce the allowable assigned to the unit from the subject wells in any proportion.

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

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

(3) That Administrative Order NSP-260 is hereby superseded.

Case 4975

W. A. Byrd # 5

11-200 36 E ✓

Sea

→ 990' FNL 1980' FWL ✓

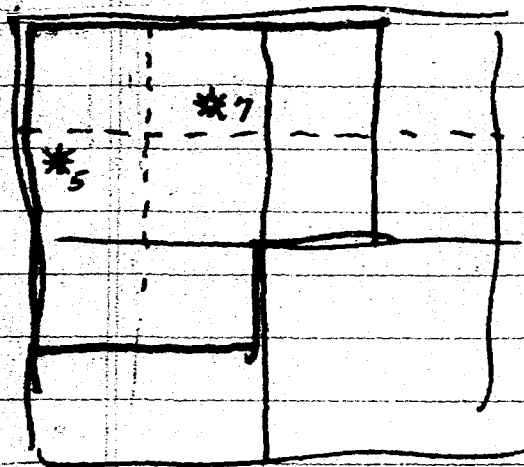
→ 1650 FNL 330' FWL ✓

320-acre unit

NW 1/4 ✓

N 1/2 SW 1/4 ✓

W 1/2 NE 1/4 ✓



NSP 260

NW 1/4 N 1/2 SW 1/4 W 1/2 NE 1/4