

CASE 5052: Appli. of ATLANTIC  
FOR A NON-STANDARD GAS PRORATION  
UNIT & SIMULTANEOUS WELL DEDICA-  
TION

CASE No.

5052

Application,

Transcripts,

Small Exhibits

ETC.

dearnley, meier & associates

209 SIMMS BLDG. P.O. BOX 1062 PHONE 243-6691 ALBUQUERQUE, NEW MEXICO 87103  
1210 FIRST NATIONAL BANK BLDG. EAST ALBUQUERQUE, NEW MEXICO 87108

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

August 22, 1973

EXAMINER HEARING

IN THE MATTER OF:

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

Case No. 5052

BEFORE: Richard L. Stamets,  
Examiner.

TRANSCRIPT OF HEARING

1 MR. STAMETS: Case 5052.

2 MR. DERRYBERRY: Case 5052: Application of  
3 Atlantic Richfield Company for a non-standard gas proration  
4 unit and simultaneous well dedication, Lea County, New Mexico.

5 MR. HINKLE: Clarence Hinkle, appearing on behalf  
6 of Atlantic Richfield. We have one witness and three exhibits.

7 MR. STAMETS: Are there any other appearances in  
8 this case?

9 (No response)

10 \* \* \* \*

11 DARREL BOSE,  
12 was called as a witness, and after being duly sworn according  
13 to law, testified as follows:

14 DIRECT EXAMINATION

15 BY MR. HINKLE:

16 Q Will you state your name, residence, and by whom you  
17 are employed?

18 A Darrel Bose, Midland, Texas. I am employed by Atlantic  
19 Richfield as a petroleum engineer.

20 Q Have you previously testified before the Oil Conservation  
21 Commission?

22 A Yes, I have.

23 Q And have you had your qualifications as a petroleum  
24 engineer accepted as a matter of record?

25 A Yes, sir.

dearnley, meier & associates

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1216 FIRST NATIONAL BANK BLDG. EAST • ALBUQUERQUE, NEW MEXICO 87108

1 MR. HINKLE: Are the witness's qualifications  
2 acceptable?

3 MR. STAMETS: They are.

4 Q (By Mr. Hinkle) Are you familiar with the application  
5 of Atlantic Richfield in this case?

6 A Yes, I am.

7 Q What is the Applicant seeking to accomplish in this case?

8 A The Applicant seeks approval for a non-standard 320-acre  
9 gas proration unit comprising of the Northwest quarter,  
10 the East half of the Northeast quarter, the Southwest  
11 quarter of the Northeast quarter, and the Northeast  
12 quarter of the Southeast quarter of Section 35, Township  
13 23 South, Range 36 East, Jalmat Gas Pool, Lea County,  
14 New Mexico, to be simultaneously dedicated to its  
15 J. P. Combest Wells Nos. 1 and 4 located in Units H  
16 and E, respectively, of said Section 35.

17 Q Have you prepared, or has there been prepared under  
18 your direction, Exhibits One through Three?

19 A Yes.

20 Q Referring to Exhibit Number One, would you explain what  
21 this shows?

22 A Exhibit One is an area plat of the proposed proration  
23 unit. The proration unit is outlined in red, and is  
24 comprised of the Northwest quarter, the East half of  
25 the Northeast quarter, the Southwest quarter of the

1 Northeast quarter, and the Northeast of the Southeast  
2 quarter of Section 35, Township 23 South, Range 36 East.

3 Q Does it also show the acreage in the area surrounding  
4 the sections?

5 A Yes, it shows the acreage, the operators, and those  
6 wells producing from the Jalmat Gas Pool.

7 Q State briefly the history of the No. 1 Well.

8 A The No. 1 Well is currently classified as a marginal  
9 Jalmat Gas Well.

10 Q What about the No. 4 Well which was recently drilled  
11 by Atlantic Richfield?

12 A The No. 4 Well was tested on a half-inch choke for  
13 908 MCF a day.

14 Q Is the well capable of making its present allowable for  
15 320 acres?

16 A Yes.

17 Q And you are seeking to produce these wells in any  
18 proportion you desire in order to make the allowable  
19 for the 320, is that right?

20 A Yes, we are.

21 Q We are also going to have the proration unit reclassified  
22 as a non-marginal proration unit, is that correct?

23 A Yes.

24 Q Referring you to Exhibits Two and Three, will you  
25 explain these?

1 A Exhibits Two and Three are well locations and acreage  
2 dedication plats. Also outlined are the current  
3 proration units assigned.

4 Q In your opinion, will approval of this application be  
5 in the interest of conservation and the prevention of  
6 waste and tend to protect correlative rights?

7 A Yes.

8 MR. HINKLE: We would like to offer Exhibits One,  
9 Two and Three.

10 MR. STAMETS: Without objection, Exhibits One,  
11 Two and Three will be admitted in evidence.

12 (Whereupon Applicant's Exhibits One, Two and Three  
13 were admitted in evidence.)

14 MR. HINKLE: That's all we have on direct.

15 \* \* \* \*

16 CROSS EXAMINATION

17 BY MR. STAMETS:

18 Q I believe you stated what the current proration unit was?

19 A The Northwest quarter, the East half of the Northeast  
20 quarter, the Southwest quarter of the Northeast quarter,  
21 and the Northeast quarter of the Southeast quarter of  
22 Section 35, Township 23 South, Range 36 East.

23 Q And this is currently dedicated to the No. 1 Well?

24 A Right.

25 MR. HINKLE: In other words, it is the same proration

1 unit, you are not changing it?

2 THE WITNESS: That's right.

3 Q (By Mr. Stamets) And the reclassification would be on  
4 the first of the month following the issuance of this  
5 order?

6 MR. HINKLE: Yes.

7 MR. STAMETS: Are there other questions of the  
8 witness?

9 (No response)

10 MR. STAMETS: He may be excused.

11 (Witness excused.)

12 MR. STAMETS: Is there anything further in this case?

13 (No response)

14 MR. STAMETS: The case will be taken under  
15 advisement.

16 \* \* \* \*

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1 STATE OF NEW MEXICO )  
 ) SS  
 2 COUNTY OF BERNALILLO )  
 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 *Richard E. McCormick*  
 13 CERTIFIED SHORTHAND REPORTER  
 14  
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 21

22 I do hereby certify that the foregoing is  
 23 a complete record of the proceedings in  
 the Examiner Hearing of Case No. 5052  
 heard by me on August 22, 1973.

24 *Richard L. Hammett*, Examiner  
 25 New Mexico Oil Conservation Commission

dearnley, meier & associates

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dearnley, meier & associates

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13	<u>E X H I B I T S</u>			
14	<u>EXHIBIT</u>		<u>ADMITTED</u>	<u>OFFERED</u>
15	Applicant's #1	Area plat	6	4
16	Applicant's #2	Plat	6	6
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# OIL CONSERVATION COMMISSION

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

**I. R. TRUJILLO**  
**CHAIRMAN**  
**LAND COMMISSIONER**  
**ALEX J. ARMIJO**  
**MEMBER**  
**STATE GEOLOGIST**  
**A. L. PORTER, JR.**  
**SECRETARY - DIRECTOR**

September 17, 1973

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

Re: CASE NO. 5052  
ORDER NO. R-4625  
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. 5052  
Order No. R-4625

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 22, 1973, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 13th day of September, 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 the approval for a non-standard 320-acre gas proration unit comprising the NW/4, E/2 NE/4, SW/4 NE/4, and NE/4 SE/4 of Section 35, Township 23 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico.

(3) That the applicant seeks to simultaneously dedicate to said non-standard unit its J. P. Combest Wells Nos. 1-Y and 4, located in Units H and E, respectively, of said Section 35, with unit production to be taken from said wells in any proportion.

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

-2-

Case No. 5052  
Order No. R-4625

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

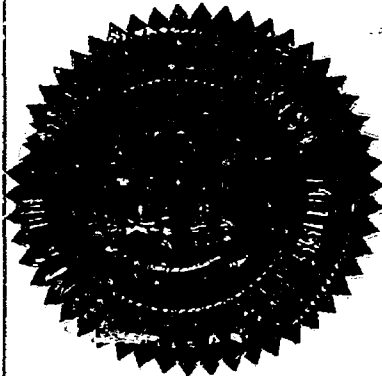
IT IS THEREFORE ORDERED:

(1) That effective at 7:00 a.m. October 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, E/2 NE/4, SW/4 NE/4, and NE/4 SE/4 of Section 35, Township 23 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, to its J. P. Combest Wells Nos. 1-Y and 4, located in Units H and E, respectively, of said Section 35 with unit production to be taken from said wells in any proportion.

(2) That the allowable assigned to the above-described 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 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

dr/

(Case 5050 continued from Page 1)

to dispose of produced salt water into the Montoya formation in the perforated interval from 6225 feet to 6245 feet in its Federal "I." Well No. 1, located in Unit B of Section 21, Township 6 South, Range 27 East, Haystack-Cisco Pool, Chaves County, New Mexico.

CASE 5051: Application of Hillin Production Company for special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Winchester-Morrow Gas Pool, Eddy County, New Mexico, including a provision for 320-acre spacing and specified well locations.

CASE 5052: Application of Atlantic Richfield Company for a non-standard gas proration unit and simultaneous well dedication, 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, E/2 NE/4, SW/4 NE/4, and NE/4 SE/4, of Section 35, Township 23 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to its J. P. Combust Wells Nos. 1 and 4 located in Units H and E, respectively, of said Section 35.

CASE 5053: Southeast nomenclature case calling for the creation, extension and contraction of certain pools in Eddy and Lea Counties, New Mexico.

(a) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the Burton Flat-Atoka Gas Pool. The discovery well is the Monsanto Company Miller Federal No. 1 located in Unit G of Section 3, Township 21 South, Range 27 East, NMPM. Said pool described as:

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

(b) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Strawn production and designated as the Burton Flat-Strawn Gas Pool. The discovery well is the Monsanto Company, Burton Flat Deep Unit No. 3 located in Unit V of Section 3, Township 21 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM  
Section 3: S/2

(c) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Canyon production and designated as the Carlsbad-Canyon Gas Pool. The discovery well is the Morris R. Antweil Randall No. 1 located in Unit K of Section 21, Township 22 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM  
Section 21: S/2

(d) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Happy Valley-Morrow

DOCKET: EXAMINER HEARING - WEDNESDAY - AUGUST 22, 1973

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

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

CASE 4548: (Reopened) (Continued from the August 9, 1973, Examiner Hearing)

In the matter of Case No. 4548 being reopened pursuant to the provisions of Order No. R-4157, which order established special rules and regulations for the Catclaw Draw-Morrow Gas Pool, Eddy County, New Mexico, including a provision for 640-acre proration units. All interested parties may appear and show cause why said pool should not be developed on 320-acre spacing.

CASE 5046: Application of David Fasken for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill a gas well at an unorthodox location 660 feet from the South and West lines of Section 7, Township 18 South, Range 26 East, West Atoka-Morrow Gas Pool, Eddy County, New Mexico, to which well the S/2 of said Section 7 would be dedicated.

CASE 5047: Application of Chace Oil Company for the amendment of Order No. R-4555, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of the special rules and regulations for the South Lindrith Gallup-Dakota Pool, Rio Arriba County, New Mexico, as promulgated by Order No. R-4555, to provide for the classification of oil wells and gas wells, the assignment of 320-acre units to gas wells, and to provide for approval of unorthodox locations for wells drilled as oil wells but classified as gas wells upon completion.

CASE 5048: Application of Roger C. Hanks for creation of a pool and special rules therefor, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of the South Dagger Draw-Upper Pennsylvanian Pool for his Preston Federal Well No. 1 located in Unit L of Section 35, Township 20 South, Range 24 East, Eddy County, New Mexico. Applicant further seeks the promulgation of special rules for said pool, including a provision for 320-acre spacing for all wells in said pool, for the classification of oil wells and gas wells, for a limiting gas-oil ratio of 8,000 to 1, and for the assignment of a depth bracket allowable for oil wells of 267 barrels of oil per day.

CASE 5049: Application of Mobil Oil Corporation for a triple completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the triple completion (conventional) of its Federal "LL" Well No. 1 located in Unit N of Section 13, Township 23 South, Range 26 East, South Carlsbad Field, Eddy County, New Mexico, to produce gas from the Canyon, Atoka, and Morrow formations through three strings of tubing.

CASE 5050: Application of Read and Stevens, Inc. for salt water disposal, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority

(Case 5053 continued from Page 3)

(k) Extend the Penasco Draw San Andres-Yeso Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM  
Section 32: W/2

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM  
Section 5: W/2 NW/4 and NE/4 NW/4

(l) Extend the Rock Tank-Lower Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 24 EAST, NMPM  
Section 11: E/2, E/2 SW/4, S/2 SE/4 NW/4  
and NE/4 SE/4 NW/4

(m) Extend the Round Tank-Queen Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 28 EAST, NMPM  
Section 36: NE/4

(n) Extend the Shugart Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM  
Section 12: SE/4 SE/4  
Section 13: E/2 NE/4

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

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM  
Section 34: E/2

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM  
Section 2: N/2

(p) Contract the vertical limits of the Townsend Pennsylvanian Pool in Lea County, New Mexico, to include the Cisco formation only and redesignate said pool the Townsend-Cisco Pool comprising:

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

CASE 4745: (Reopened) (Continued from the August 9, 1973, Examiner Hearing)

In the matter of Case No. 4745 being reopened pursuant to the provisions of Order No. R-4365, which order established special rules and regulations for the Penasco Draw San Andres-Yeso Pool, Eddy County, New Mexico, including a provision for classification of oil wells and gas wells, the spacing thereof, and a limiting gas-oil ratio of 3000 to 1. All interested parties may appear and show cause why said pool rules should remain in effect.



(Case 5053 continued from Page 2)

Gas Pool. The discovery well is The Superior Oil Company State Q Com No. 1 located in Unit L of Section 34, Township 21 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM  
Section 34: W/2

(e) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Lahuerta-Morrow Gas Pool. The discovery well is the Cities Service Oil Company Cawley A Com No. 1 located in Unit K of Section 28, Township 21 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM  
Section 28: S/2

(f) Extend the East Empire Yates-Seven Rivers Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM  
Section 28: NE/4 SE/4

(g) Extend the Fowler-Devonian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM  
Section 10: SE/4

(h) Extend the Hat Mesa-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM  
Section 1: S/2  
Section 2: All

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

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM  
Section 24: SE/4

(j) Extend the Parrish Ranch-Upper Pennsylvanian Pool in Eddy County, New Mexico, to include therein:

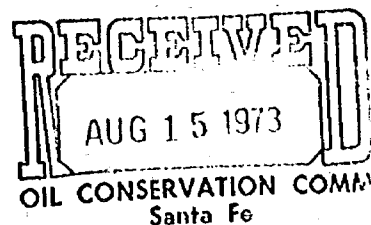
TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM  
Section 13: E/2 SE/4

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM  
Section 18: N/2 S/2 and SE/4 NE/4

Atlantic Richfield Company

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

Duncan W. Holt, Jr., Attorney



August 13, 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 Rededication of Acreage, Jalmat  
Pool, Lea County, New Mexico  
(Case No. 5052)

Gentlemen:

Amerada Hess Corporation is an off-set operator  
to our acreage involved in the captioned appli-  
cation as so stated in my letter to you dated  
July 30, 1973.

We have been advised by Amerada that the  
following address will pertain to off-set  
notices, etc., for West Texas and New Mexico  
areas:

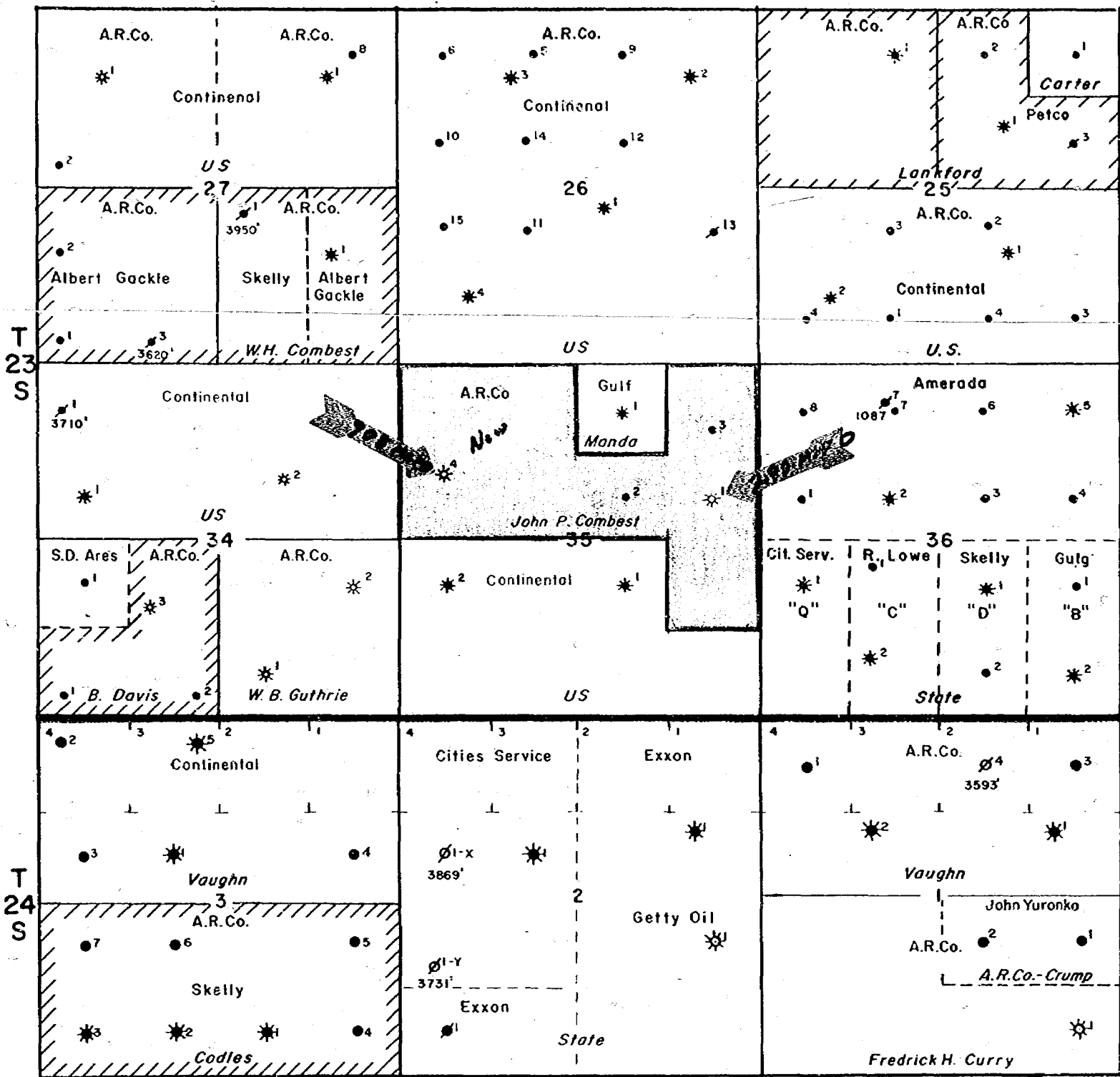
Amerada Hess Corporation  
Drawer 817  
Seminole, Texas 79360  
Attention: Tech Services Mgr.

Yours very truly,

*Duncan W. Holt, Jr.*  
Duncan W. Holt, Jr.

DWH:ih

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



R-36-E

EXHIBIT I

Lea County, New Mexico

BEFORE EXAMINER STAMETS	
OIL CONSERVATION COMMISSION	
Att-Rich	#1
CASE NO. 5052	
SUB	off.
H.	Aug 22/23

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

Form C-102  
Supersedes C-101  
Effective 1-1-65

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

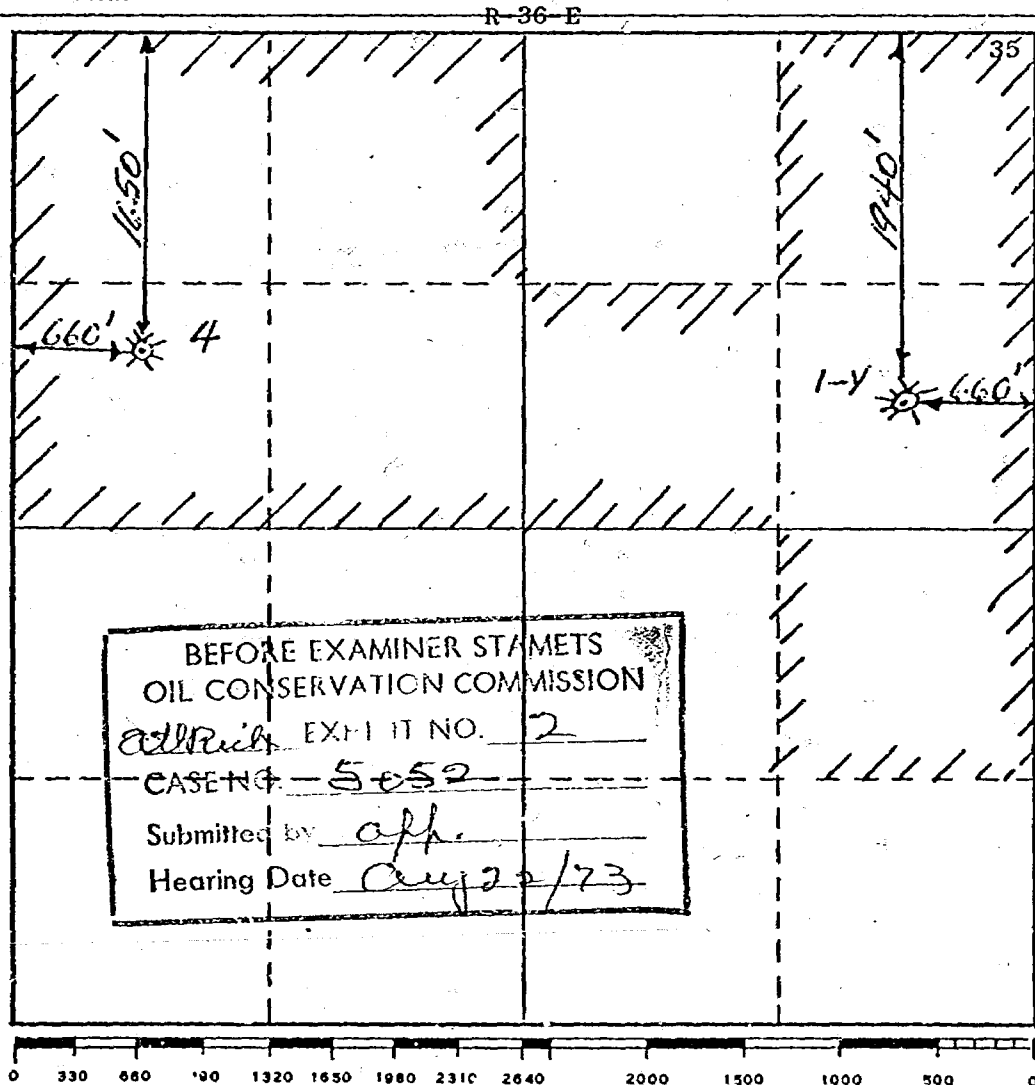
Operator <b>ATLANTIC RICHFIELD COMPANY</b>		Lease <b>John P. Combest WN</b>		Well No. <b>1-Y</b>
Unit Letter <b>H</b>	Section <b>35</b>	Township <b>23-S</b>	Range <b>36-E</b>	County <b>Lea</b>
Actual Footage Location of Well: <b>1940</b> feet from the <b>North</b> line and <b>660</b> feet from the <b>East</b> line				
Ground Level Elev. <b>3344' GR</b>	Producing Formation <b>Yates-7 Rivers</b>		Pool <b>Jalmat Gas</b>	Dedicated Acreage: <b>320*</b> Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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). \* Joint dedication to Well #4 and Well #1-Y
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  
**July 25, 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. \_\_\_\_\_

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

Form C-102  
Supersedes C-129  
Effective 1-1-55

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

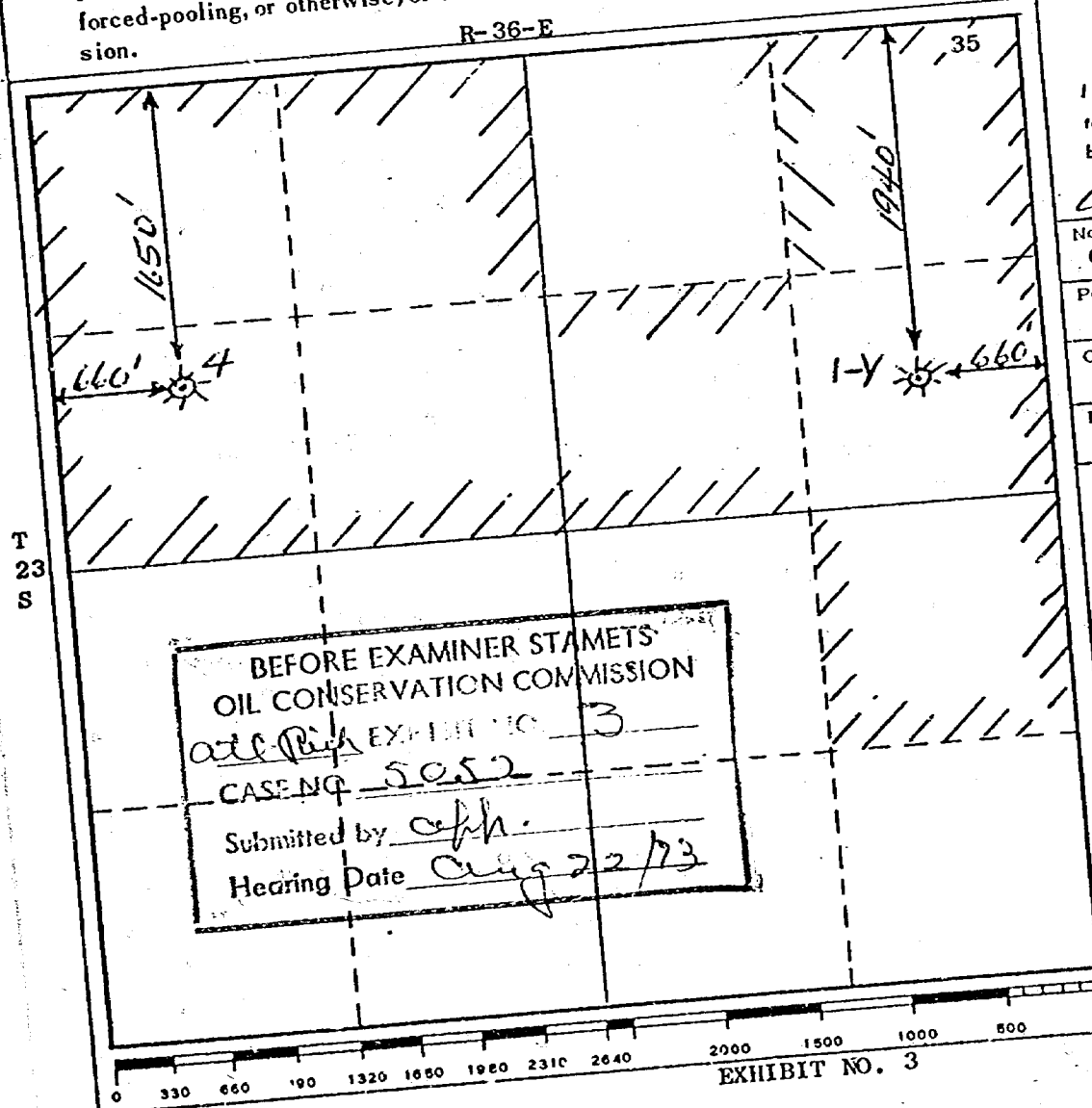
Operator <b>ATLANTIC RICHFIELD COMPANY</b>		Lease <b>John P. Combest WN</b>		Well No. <b>4</b>
Unit Letter <b>E</b>	Section <b>35</b>	Township <b>23-S</b>	Range <b>36-E</b>	County <b>Lea</b>
Actual Footage Location of Well: <b>1650</b> feet from the <b>North</b> line and <b>660</b> feet from the <b>West</b> line		Dedicated Acreage: <b>320*</b> Acres		
Ground Level Elev: <b>3362' GR</b>	Producing Formation <b>Yates, 7 Rivers</b>		Pool <b>Jalmit-Gas</b>	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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). \*Joint dedication to Wells No. 4 & 1-Y
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  
**July 25, 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.

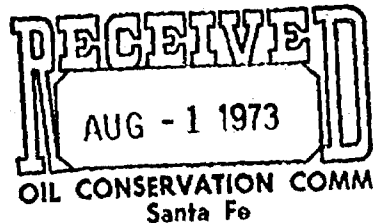
Date Surveyed \_\_\_\_\_  
Registered Professional Engineer and/or Land Surveyor \_\_\_\_\_

Certificate No. \_\_\_\_\_

Atlantic Richfield Company

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

Duncan W. Holt, Jr., Attorney



July 30, 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 Rededication of Acreage, Jalmat  
Pool, Lea County, New Mexico

*Case 5052*

Gentlemen:

Enclosed in triplicate is application of Atlantic Richfield Company in the above matter and request that it be set for hearing before an examiner at Santa Fe. We would appreciate the hearing being set at your earliest convenience.

The off-set operators are Amerada Hess Corporation, Box 591, Midland, Texas 79701; Continental Oil Company, Box 460, Hobbs, New Mexico 88240; Cities Service Oil Company, Box 4906, Midland, Texas 79701; Albert Gackle, Box 2038, Hobbs, New Mexico 88240 and Gulf Oil Corporation, Box 1150, Gulf Building, Midland, Texas 79701. A copy of the application has been sent to each.

Please let me know if this will be satisfactory with you.

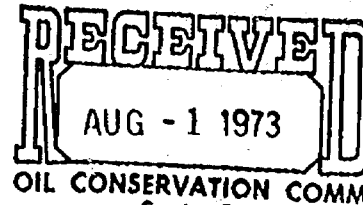
Very truly yours,

*Duncan W. Holt, Jr.*  
Duncan W. Holt, Jr.  
Attorney

DWH:ih  
Enclosures

cc: Mr. Clarence E. Hinkle

DOCKET MAILED  
Date 8/9/73



BEFORE THE OIL CONSERVATION COMMISSION

Santa Fe

STATE OF NEW MEXICO

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

CASE NO.

5052

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 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 Jalmat 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 $\frac{1}{4}$ , E $\frac{1}{2}$  NE $\frac{1}{4}$ , SW $\frac{1}{4}$  NE $\frac{1}{4}$  and NE $\frac{1}{4}$  SE $\frac{1}{4}$  of Section 35, Township 23 South, Range 36 East, Lea County, New Mexico. There are presently two wells thereon; namely, the John P. Combest Well No. 1-Y, located in the SE $\frac{1}{4}$  of NE $\frac{1}{4}$  and the John P. Combest Well No. 4, located in the SW $\frac{1}{4}$  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 Jalmat Gas Pool and will otherwise prevent waste and protect correlative rights.

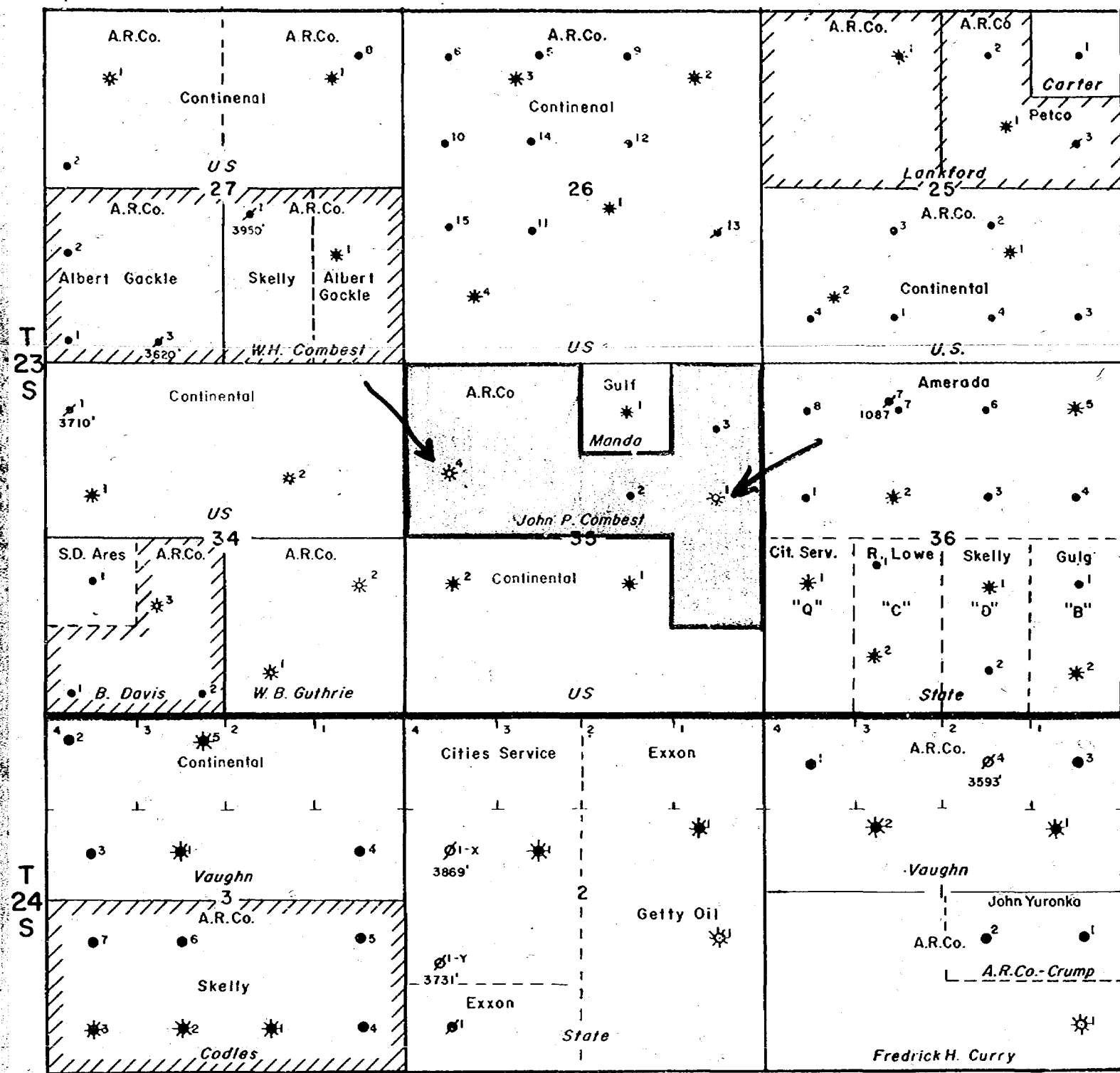
WHEREFORE, Applicant prays that notice be issued on this application as required by law; that the application be set for hearing before an examiner at Santa Fe, New Mexico at the earliest convenient date and after hearing, a special order be entered approving this application for said proposed gas proration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

EXHIBIT I

Lea County, New Mexico

Case 5-052

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

Form C-102  
Supersedes C-122  
Effective 1-1-65

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

Operator <b>ATLANTIC RICHFIELD COMPANY</b>		Lease <b>John P. Combest WN</b>		Well No. <b>1-Y</b>
Unit Letter <b>H</b>	Section <b>35</b>	Township <b>23-S</b>	Range <b>36-E</b>	County <b>Lea</b>
Actual Footage Location of Well: <b>1940</b> feet from the <b>North</b> line and <b>660</b> feet from the <b>East</b> line				
Ground Level Elev. <b>3344' GR</b>	Producing Formation <b>Yates-7 Rivers</b>	Pool <b>Jalmat Gas</b>	Dedicated Acreage: <b>320*</b> Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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). \* Joint dedication to Well #4 and Well #1-Y

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.

R-36-E

T 23 S

**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  
**July 25, 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. \_\_\_\_\_

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

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 <b>ATLANTIC RICHFIELD COMPANY</b>		Lease <b>John P. Combest WN</b>		Well No. <b>4</b>
Unit Letter <b>E</b>	Section <b>35</b>	Township <b>23-S</b>	Range <b>36-E</b>	County <b>Lea</b>
Actual Footage Location of Well: <b>1650</b> feet from the <b>North</b> line and <b>660</b> feet from the <b>West</b> line				
Ground Level Elev. <b>3362' GR</b>	Producing Formation <b>Yates, 7 Rivers</b>		Pool <b>Jalmat-Gas</b>	Dedicated Acreage: <b>320*</b> Acres

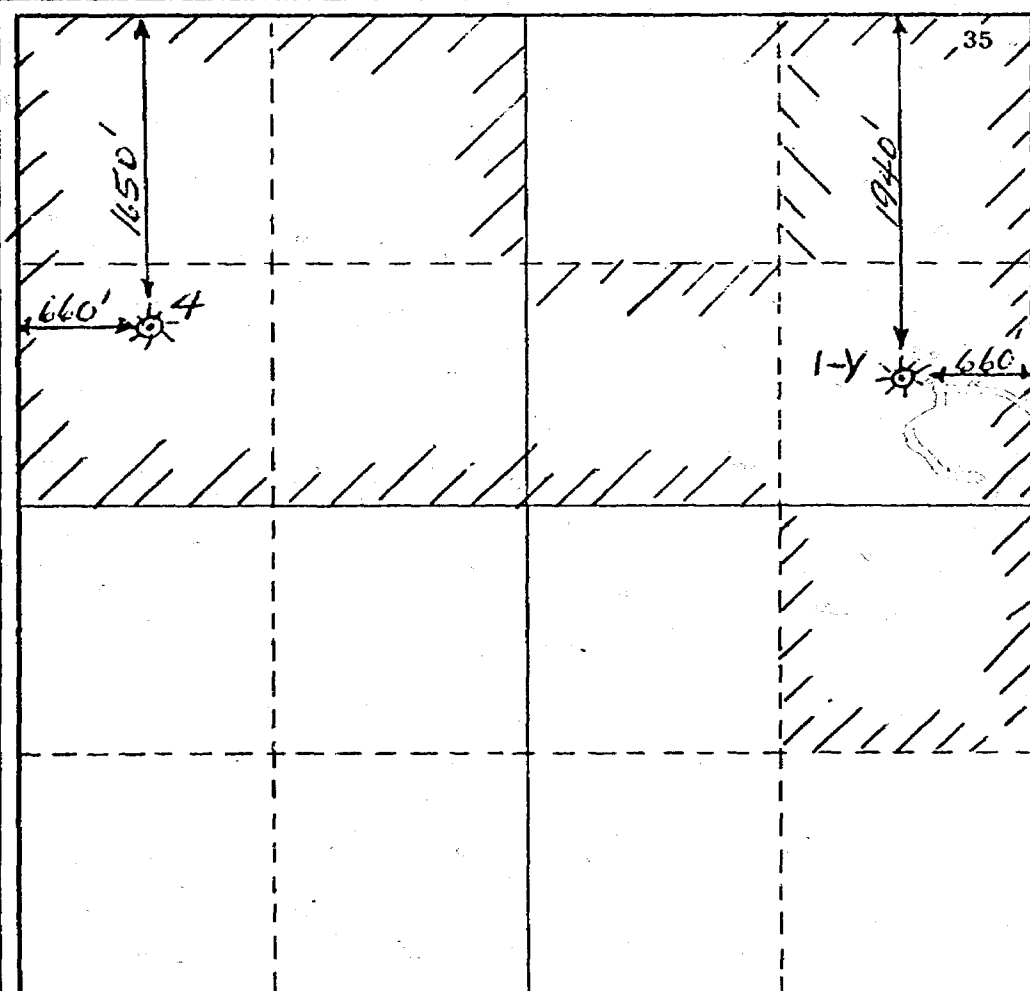
1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty). **\*Joint dedication to Wells No. 4 & 1-Y**
3. If more 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.

R-36-E



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  
**July 25, 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 NO. 3

*Case 5052*

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. 5052

Order No. R-4625

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 22, 1973,  
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this day of August, 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  
the approval for a non-standard 320-acre gas proration unit  
comprising the NW/4, E/2 NE/4, SW/4 NE/4, and NE/4 SE/4 of  
Section 35, Township 23 South, Range 36 East, NMPM, Jalmat Gas  
Pool, Lea County, New Mexico.

-2-

Case No. 5052

Order No. R-

(3) That the applicant seeks to simultaneously dedicate to said non-standard unit its J. P. Combest Wells Nos. 1<sup>y</sup> and 4, located in Units H and E, respectively, of said Section 35, with unit production to be taken from said wells in any proportion.

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

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

IT IS THEREFORE ORDERED:

(1) That effective at 7:00 a.m. October 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, E/2 NE/4, SW/4 NE/4, and NE/4 SE/4 of Section 35, Township 23 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, to its J. P. Combest Wells Nos. 1-<sup>y</sup> and 4, located in Units H and E, respectively, of said Section 35 with unit production to be taken from said wells in any proportion.

(2) That the allowable assigned to the above-described 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 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.