

CASE 5437: ATLANTIC RICHFIELD COMPANY
FOR TWO UNORTHODOX LOCATIONS AND SIMUL-
TANEOUS DEDICATION, LEA COUNTY, NM

CASE No.

5437

Application,

Transcripts,

Small Exhibits

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
March 5, 1975

EXAMINER HEARING

IN THE MATTER OF:

Application of Atlantic Richfield Com-
pany for two unorthodox locations and
simultaneous dedication, Lea County,
New Mexico.

Case No.
5437

BEFORE: Richard L. Stamets, Examiner.

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil
Conservation Commission:

William Carr, Esq.
Legal Counsel for the
Commission
State Land Office Bldg.
Santa Fe, New Mexico

For the Applicant:

Clarence Hinkle, Esq.
HINKLE, BONDURANT, COX
& EATON
Hinkle Building
Roswell, New Mexico

I N D E X

PAGE

LOUIS C. SOILEAU, IV

Direct Examination by Mr. Hinkle

3

E X H I B I T S

Marked

Admitted

Applicant's Exhibits 1, 2, and 3 --

8

MR. STAMETS: We call the next Case, 5437.

MR. CARR: Case 5437. Application of Atlantic Richfield Company for two unorthodox locations and simultaneous dedication, Lea County, New Mexico.

MR. HINKLE: Clarence Hinkle, Hinkle, Bondurant, Cox & Eaton, appearing on behalf of Atlantic Richfield. We have one witness.

MR. STAMETS: If he will stand and be sworn, please.

(Witness sworn.)

MR. HINKLE: We have three Exhibits; there are the official ones and there is another copy.

LOUIS C. SOILEAU, IV

called as a witness, having been first duly sworn, was examined and testified as follows:

DIRECT EXAMINATION

BY MR. HINKLE:

Q State your name, residence, and by whom you are employed.

A My name is Louis C. Soileau, IV; I am a resident of Midland, Texas, and am employed by Atlantic Richfield Company as a Petroleum Engineer.

Q Have you previously testified before this

Commission?

A I have.

Q And qualified as a Petroleum Engineer?

A Yes, sir.

Q Have you made a study of the area on which the subject unit is located?

A Yes. The subject unit is located in the Jaimat Gas Pool which is one of the areas of my responsibility.

MR. HINKLE: Are the Witness' qualifications sufficient?

MR. STAMETS: They are.

BY MR. HINKLE:

Q Have you prepared or has there been prepared under your direction certain exhibits for introduction in this Case?

A Yes.

Q Are those Exhibits marked 1, 2, and 3?

A Yes.

Q You are also familiar with the Application of Atlantic Richfield in this Case?

A Yes.

Q What is Atlantic Richfield seeking?

A Atlantic Richfield is seeking approval of a

640-acre standard Jalmat gas proration unit, approval of two unorthodox locations within that unit, and simultaneous dedication of acreage.

Q Refer to Exhibit 1 and explain what this is?

A Exhibit 1 is a map showing the proposed unit area hatched in blue composed entirely of Section 14, Township 22 South, Range 36 East in Lea County, New Mexico. Within that Section arrows designate the four wells currently classified as Jalmat gas wells within that section.

Also shown are offset operators and offset Jalmat gas wells.

Please note that Section 14 is presently composed of two Jalmat gas proration units, composed of the North Half of Section 14 dedicated to the McDonald State Well No. 25 and No. 11 and the South Half of Section 14 dedicated to the McDonald State Well No. 1 and No. 27. The North Half is a marginal unit and the South Half is a non-marginal unit.

Q What is the present status of the wells which are shown on Exhibit 1?

A Although four wells are currently designated as Jalmat gas producers, Wells No. 1 in the South Half and No. 25 in the North Half are currently non-productive. Well No. 1 has produced in excess of 13 billion cubic feet of gas from the Jalmat pool; it is an open hole completion which

has begun producing water, subsequently damaging the Yates Zone and is currently non-productive. Atlantic Richfield intends to plug and abandon that well. Well No. 25 was drilled and completed I believe in July of 1974; it was severely damaged upon completion we feel within our attempts to stimulate Jalmat gas production, and will not produce Jalmat gas or associated liquids in economic quantities. Well No. 11 is currently producing in excess of 100 mcf per day and Well No. 27 produced 1873 mcf per day in December of '74, but is capable of producing the entire 640 unit allowable.

Q So you do not anticipate any problem so far as allowable is concerned by dedicating the whole 640 acres to these two wells?

A No, sir. One other comment: Section 14 is offset to the north by Section 11, which is the 640-acre marginal proration unit, to the northwest by the H.S. Record Lease, which is a non-marginal Jalmat proration unit, to the west by a marginal proration unit and to the south by a non-marginal proration unit and to the southeast by a marginal proration unit.

Q Were all the offset owners given copies of the Application in this Case?

A Yes, all offset owners have been notified and provided with copies of the Application.

Q Have you had any objections from any of them?

A None to date.

Q Now, refer to Exhibits 2 and 3 and explain these.

A Exhibits 2 and 3 are forms C-102 showing in the cross-hatched bounded area Section 14 the proposed Jalmat preration unit and the locations of Wells Nos. 11 and 27. Section 2 specifically shows that Well No. 11 is located in Unit B at an unorthodox location 990 feet from the north and west lines, and Exhibit 3 specifically shows the location of Well No. 27, also an unorthodox location, located 660 feet from the south line and 2310 from the east line.

Q In your opinion, this Application's approval would be in the interests of conservation, prevention of waste, and tend to protect correlative rights?

A Yes.

Q Do you have any further comment on any of these?

A No.

MR. HINKLE: I would like to offer into evidence Exhibits 1, 2, and 3.

MR. STAMETS: Exhibits 1 through 3 will be admitted.

SOILEAU-DIRECT

CASE 5437

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(Whereupon, Applicant's

Exhibits Nos. 1, 2, and 3 were
admitted into evidence.)

MR. HINKLE: That's all we have.

MR. STAMETS: Any questions of this Witness?

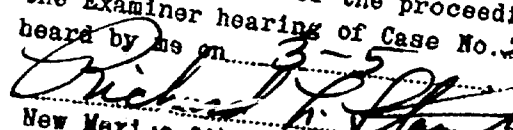
If not he may be excused. Anything further in this Case?

We will take the Case under advisement.

STATE OF NEW MEXICO)
) SS.
COUNTY OF SANTA FE)

I, RICHARD L. NYE, Court Reporter, do hereby certify that the foregoing and attached Transcript of Hearing before the New Mexico Oil Conservation Commission was reported by me, and the same is a true and correct record of the said proceedings, to the best of my knowledge, skill and ability.


RICHARD L. NYE, Court Reporter

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 5437 heard by me on 3-5-75.

Richard L. Nye, Examiner
New Mexico Oil Conservation Commission



OIL CONSERVATION COMMISSION

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

I. R. TRUJILLO
CHAIRMAN

LAND COMMISSIONER
PHIL R. LUCERO
MEMBER

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

March 11, 1975

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

Re: CASE NO. 5437
ORDER NO. R-4984

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.
Secretary-Director

ALP/ir

Copy of order also sent to:

Hobbs OCC	<u> x </u>
Artesia OCC	<u> </u>
Aztec OCC	<u> </u>

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. 5437
Order No. R-4984

APPLICATION OF ATLANTIC RICHFIELD
COMPANY FOR TWO UNORTHODOX WELL
LOCATIONS AND SIMULTANEOUS DEDICATION,
LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 5, 1975, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 11th day of March, 1975, 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, is the operator of two 320-acre non-standard gas proration units comprising the N/2 and S/2, respectively, of Section 14, Township 22 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico.

(3) That the applicant seeks to form a standard 640-acre gas proration unit consisting of All of said Section 14 and to dedicate, thereto, its McDonald State WN Well No. 11 and Well No. 27 located at unorthodox gas well locations in Units D and O, respectively, of said Section 14.

(4) That the applicant further seeks to produce the unit allowable from either of said McDonald State WN Wells Nos. 11 and 27 in any proportion.

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Case No. 5437
Order No. R-4984

(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.

(6) That the appropriate portion of Commission Order No. R-4716 and Order No. R-4795 should be superseded.

IT IS THEREFORE ORDERED:

(1) That the applicant, Atlantic Richfield Company, is hereby authorized two non-standard gas well locations for its McDonald State WN Wells Nos. 11 and 27 located, respectively, in Unit D and Unit O of Section 14, Township 22 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico.

(2) That effective at 7:00 a.m. April 1, 1975, the applicant is hereby authorized to simultaneously dedicate a standard 640-acre gas proration unit comprising all of said Section 14 to said McDonald State WN Wells Nos. 11 and 27 with unit production to be taken from said wells in any proportion.

(3) That the portion of Commission Order No. R-4716 relating to the N/2 of Section 14, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, and Order No. R-4795 are 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, Chairman

Phil R. Lucero
PHIL R. LUCERO, Member

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

S E A L

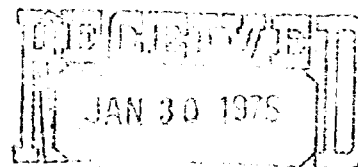
dr/

Atlantic Richfield Company

North American Producing Division
Permian District
Post Office Box 1610
Midland, Texas 79701
Telephone 915 682 8631

January 21, 1975

Mr. A. L. Porter
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501



Dear Mr. Porter:

Atlantic Richfield Company requests administrative approval of a standard 640-acre Jalmat Gas Proration Unit comprised entirely of Section 14, Township 22 South, Range 36 East, Lea County, New Mexico, and simultaneous dedication of this proposed unit to the McDonald State WN Well No. 11, located 990' FN and WL in said section and the McDonald State WN Well No. 27, located 660' FSL and 2310' FEL, with the unit allowable to be produced from any of these wells in any proportion.

It should be noted that Section 14 is currently comprised of two 320-acre non-standard Jalmat Gas Proration Units with an approved non-standard location for each gas well in the units (NMOCC Orders pertaining to these Units are attached). The McDonald State WN Well No. 25, which was drilled through the Yates formation, was severely damaged when completed and will not produce gas or associated liquid hydrocarbons in economic quantities and is presently temporarily abandoned. State WN No. 11, is still productive in the Jalmat Pool and supports the contention that this area of the Jalmat Pool is gas productive. The McDonald State WN No. 1 is also severely damaged in the open hole Yates zone and is shut in.

Attached is a map showing the proposed gas proration unit and offset operators. Also attached are Well Location and Acreage Dedication Plats and a list of offset operators. All offset operators have been furnished copies of this application by certified mail. In support of this application, we submit the following:

1. The proposed standard unit is within a single governmental section.
2. The entire proposed standard unit area may be reasonably presumed to be productive of gas.
3. The length or width of the proposed gas unit does not exceed 5280 feet.

Very truly yours,


L. C. Soileau IV

LCS/agp

DOCKET MAILED

Date 2-20-75

Case 5437

Offset Operators
Section 14, T-22S, R-36E
Lea County, New Mexico

Continental Oil Company
P. O. Box 460
Hobbs, New Mexico 88240

Marathon Oil Company
P. O. Box 552
Midland, Texas 79701

Sun Oil Company
P. O. Box 1861
Midland, Texas 79701

Texas Pacific Oil Company
P. O. Box 4067
Midland, Texas 79701

Case 5437

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLATForm C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section

JAN 30 1975

Operator Atlantic Richfield Company			Lease McDonald Statel CONSERVATION COM		Well No. 11
Unit Letter D	Section 14	Township 22S	Range 36E	County Lea	State Santa Fe
Actual Footage Location of Well:					
990 feet from the North line and		990 feet from the West line			
Ground Level Elev. 3529'	Producing Formation Yates	Pool Jalmat Gas	Dedicated Acreage: 640 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?

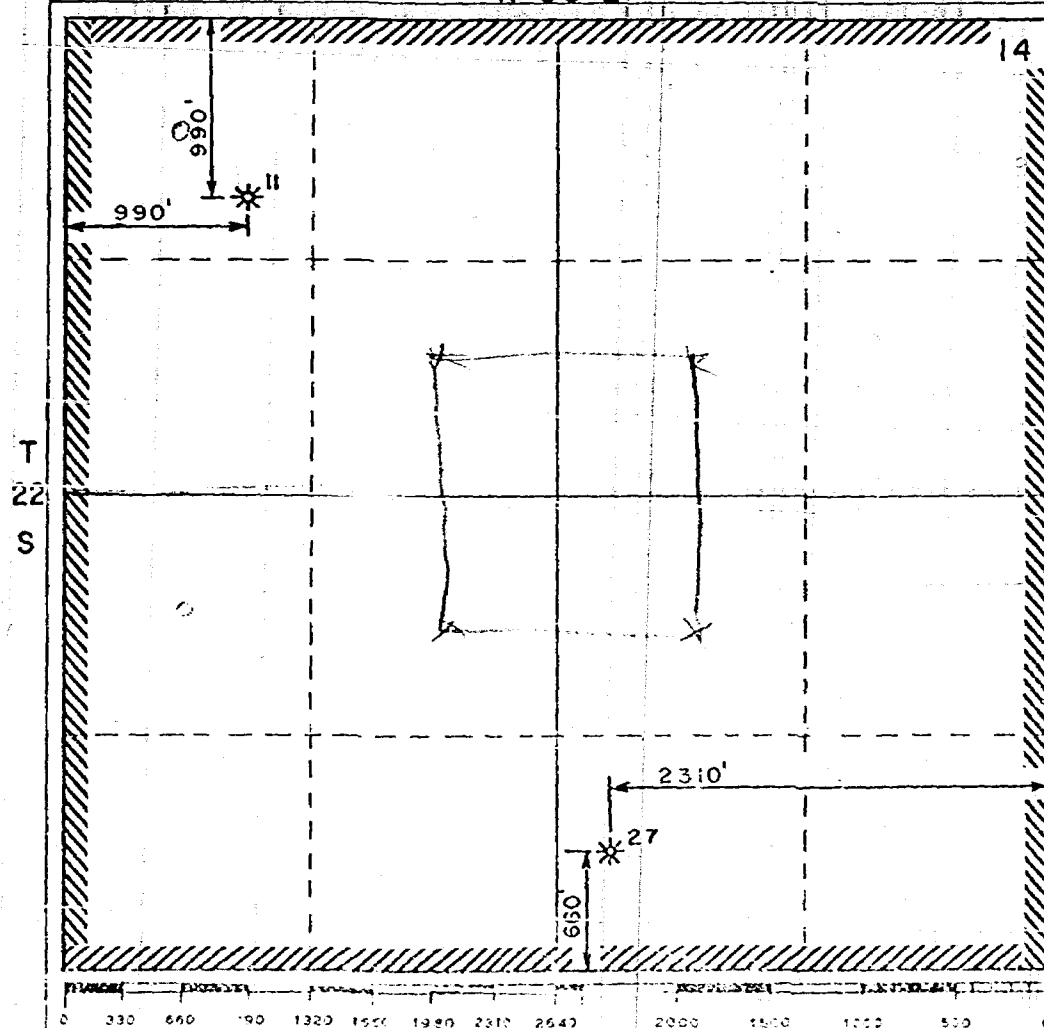
☐ Yes ☐ No

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.

R 36 E



CERTIFICATION

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

L. C. Soileau IV

Position

Operations Engineer

Company

Atlantic Richfield Co.

Date

January 16, 1975

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.

Case 5437

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

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 McDonald State WN		Well No. 11
Unit Letter D	Section 14	Township 22S	Range 36E	County CONSERVATION COMM Leadanta Fo
Actual Footage Location of Well:				
990 feet from the North line and		990 feet from the West line		
Ground Level Elev. 3529'	Producing Formation Yates	Pool Jalmat Gas	Dedicated Acreage: 640 Acres	

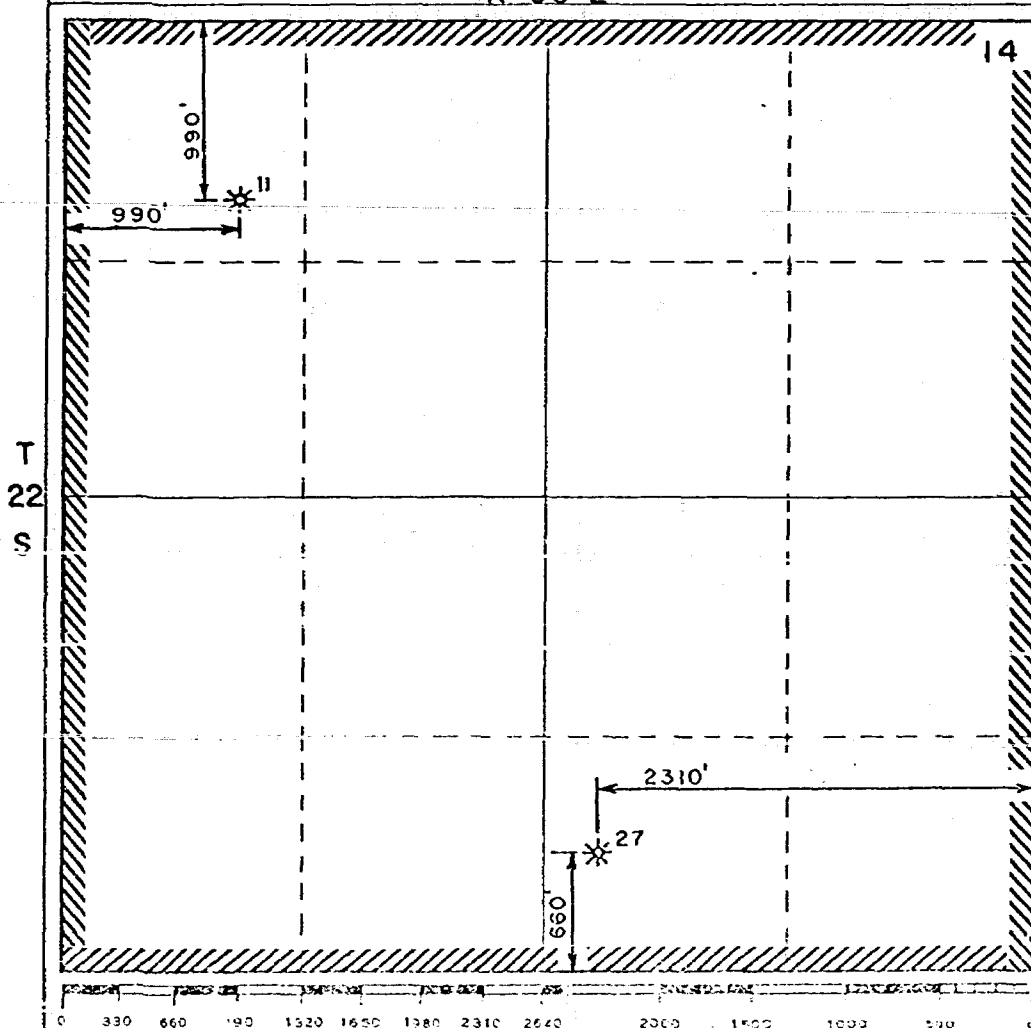
1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
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L. C. Soileau IV
L. C. Soileau IV

Position
Operations Engineer

Company
Atlantic Richfield Co.

Date
January 16, 1975

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.

Case 5437

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

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 McDonald State Well Conservation Comm		Well No. 5437
Unit Letter D	Section 14	Township 22S	Range 36E	County Lea
Actual Fontage Location of Well:				
990 feet from the North line and		990 feet from the West line		
Ground Level Elev. 3529'	Producing Formation Yates	Pool Jalmat Gas	Dedicated Acreage: 640 Acres	

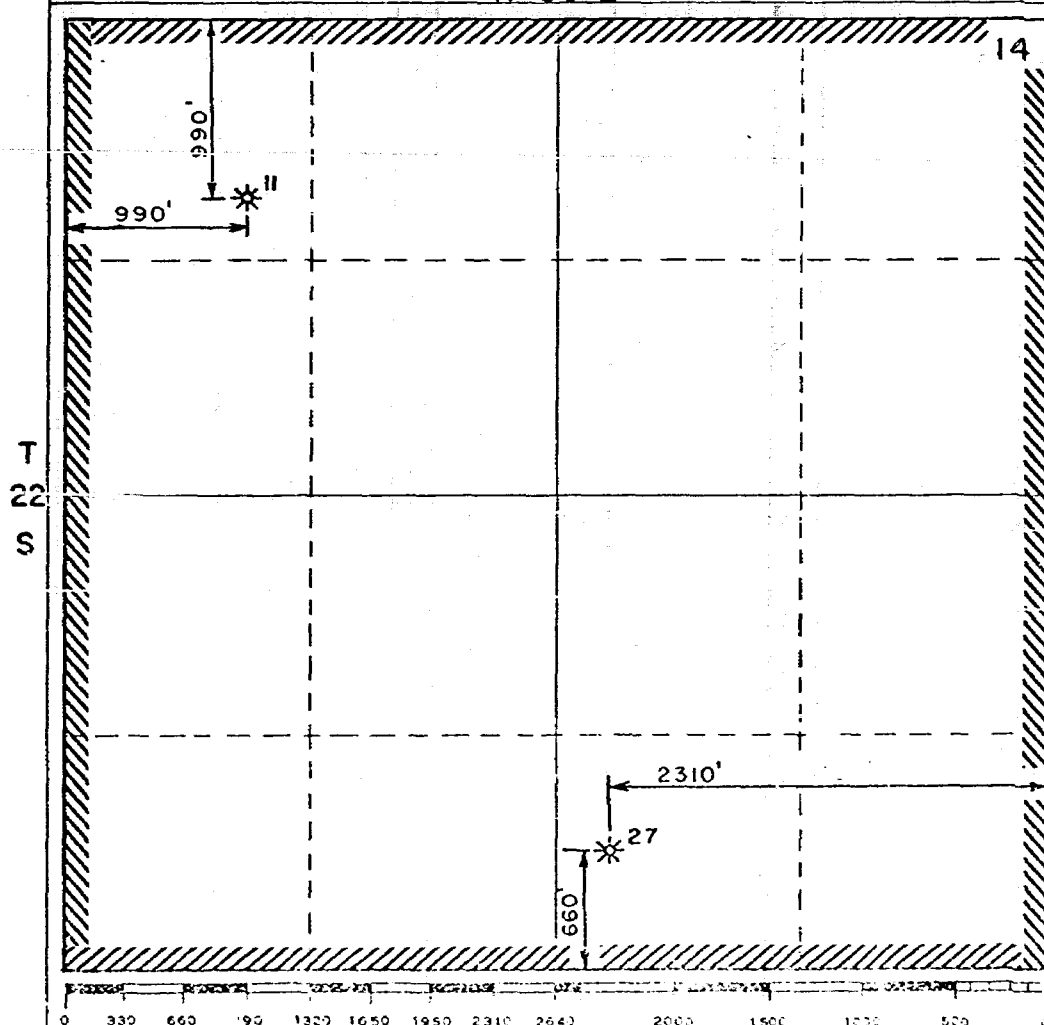
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L. C. Soileau IV
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Position
Operations Engineer

Company
Atlantic Richfield Co.

Date
January 16, 1975

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Date Surveyed

Registered Professional Engineer
and/or Land Surveyor

Certificate No.

Case 5437

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

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 McDonald State		Well No. 11
Unit Letter D	Section 14	Township 22S	Range 36E	County Lea
Actual Footage Location of Well: 990 feet from the North line and 990 feet from the West line				
Ground Level Elev. 3529'	Producing Formation Yates	Pool Jalmat Gas	Dedicated Acreage: 640 Acres	

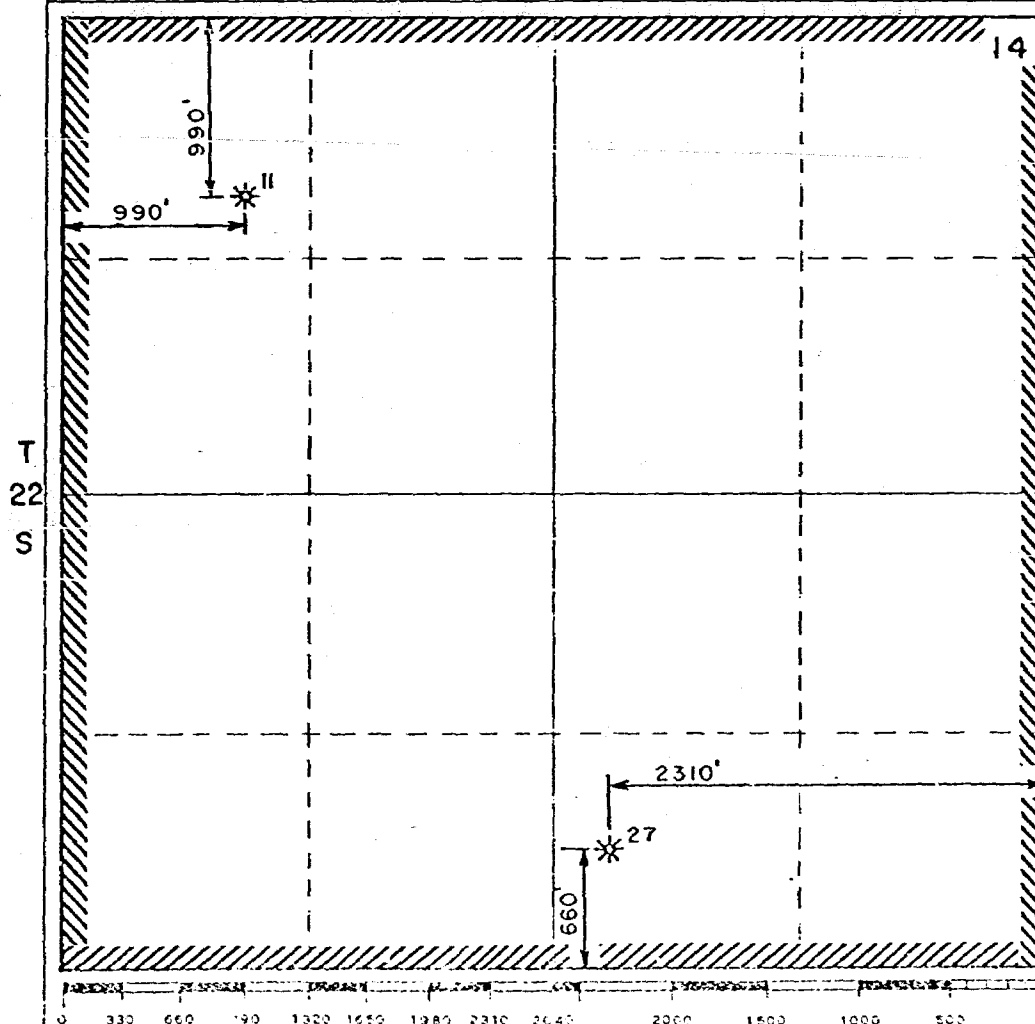
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L. C. Soileau IV
L. C. Soileau IV

Position

Operations Engineer

Company

Atlantic Richfield Co.

Date

January 16, 1975

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.

Case 5437

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

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 McDonald State Well Conservation		Well No. 27
Unit Letter O	Section 14	Township 22S	Range 36E	County Lea
Actual Footage Location of Well: 660 feet from the South line and 2310 feet from the East line				
Ground Level Elev. 3497'	Producing Formation Yates	Pool Jalmat Gas	Dedicated Acreage: 640 Acres	

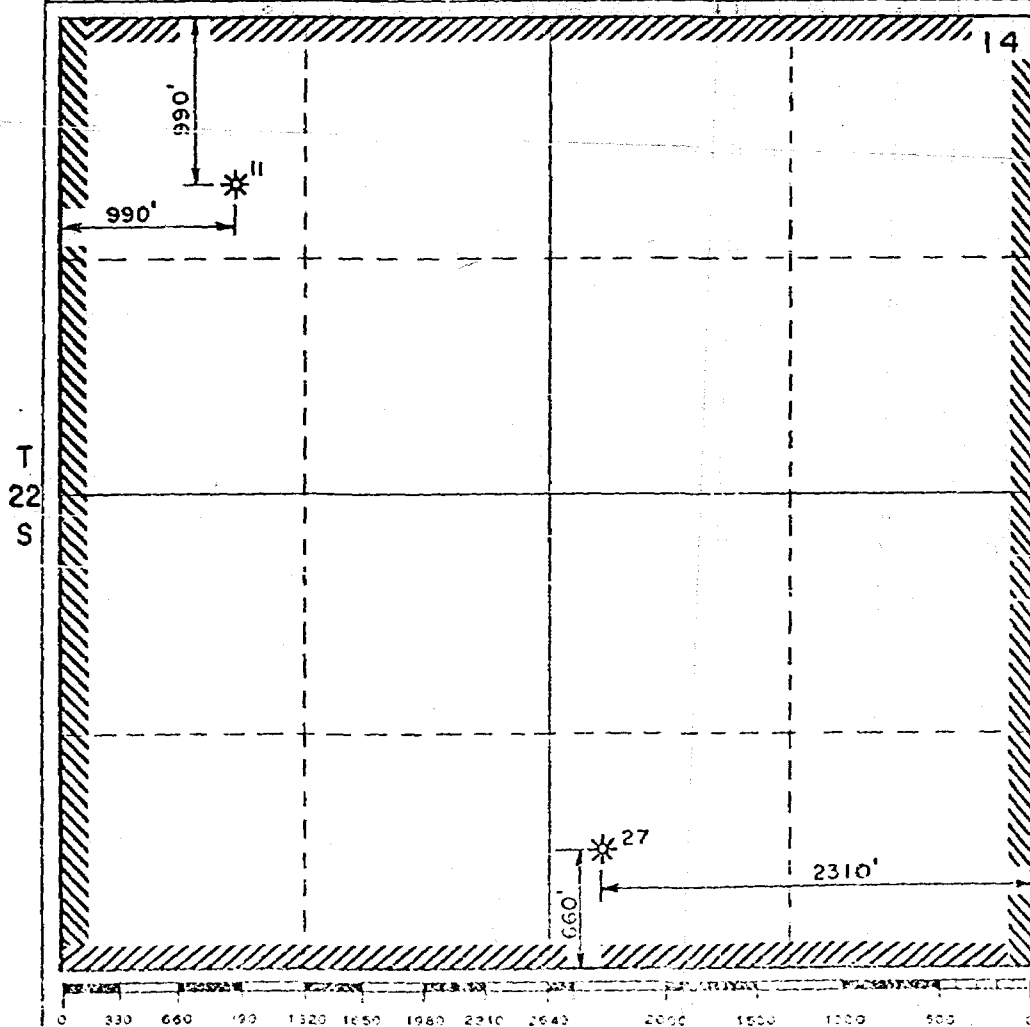
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☐ Yes ☐ No If answer is "yes," type of consolidation _____

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R 36 E



CERTIFICATION

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

Name *L. C. Soileau IV*
L. C. Soileau IV

Position
Operations Engineer

Company
Atlantic Richfield Co.

Date
January 16, 1975

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

Case 5437
Form G-102
Supersedes G-128
Effective 1-1-65
OIL CONSERVATION COMMISSION

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

Operator Atlantic Richfield Company		Lease McDonald State WN		Well No. 27
Unit Letter 0	Section 14	Township 22S	Range 36E	County Lea
Actual Footage Location of Well: 660 feet from the South line and 2310 feet from the East line				
Ground Level Elev. 3497'	Producing Formation Yates	Pool Jalmat Gas	Dedicated Acreage 640 Acres	

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R 36 E

	<p>CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>L. C. Soileau IV</i> Name L. C. Soileau IV Position Operations Engineer Company Atlantic Richfield Co. Date January 16, 1975</p> <p>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.</p> <p>Date Surveyed _____ Registered Professional Engineer and/or Land Surveyor _____ Certificate No. _____</p>
	<p>0 330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 0</p>

Case 5437

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-123
Effective 1-1-65

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

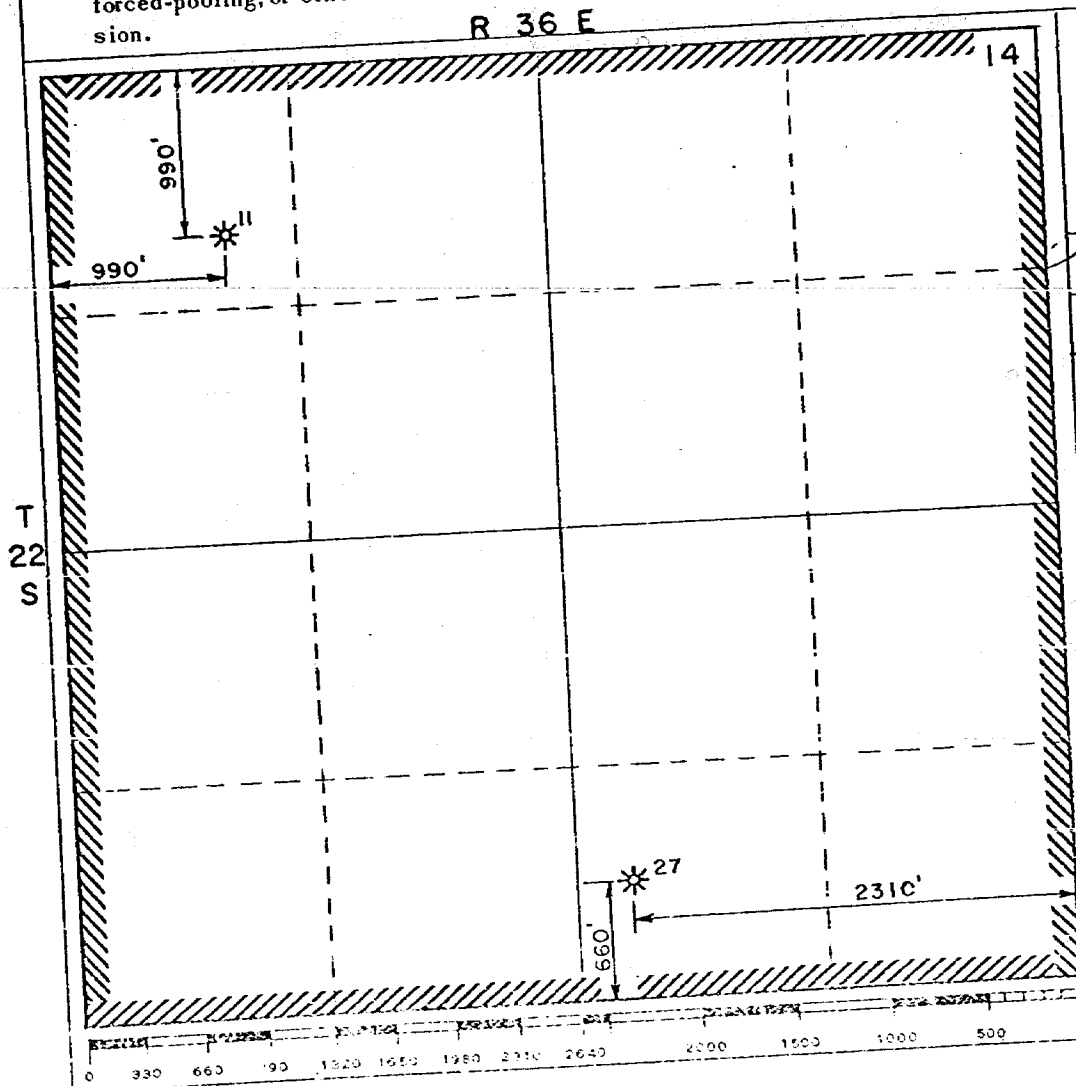
Operator Atlantic Richfield Company			Lease McDonald State WN		Well No. 27
Unit Letter O	Section 14	Township 22S	Range 36E	County Lea	
Actual Footage Location of Well: 660 feet from the South line and 2310 feet from the East line					
Ground Level Elev. 3497'	Producing Formation Yates		Pool Jalmat Gas	Dedicated Acreage: 640 Acres	

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CERTIFICATION

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

Name: L. C. Soileau IV

Position: Operations Engineer

Company: Atlantic Richfield Co.

Date: January 16, 1975

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. _____

Case 5437

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

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 McDonald State WY		Well No. 27/111
Unit Letter 0	Section 14	Township 22S	Range 36E	County Lea
Actual Footage Location of Well: 660 feet from the South line and 2310 feet from the East line				
Ground Level Elev. 3497'	Producing Formation Yates	Pool Jalmat Gas	Dedicated Acreage 640 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

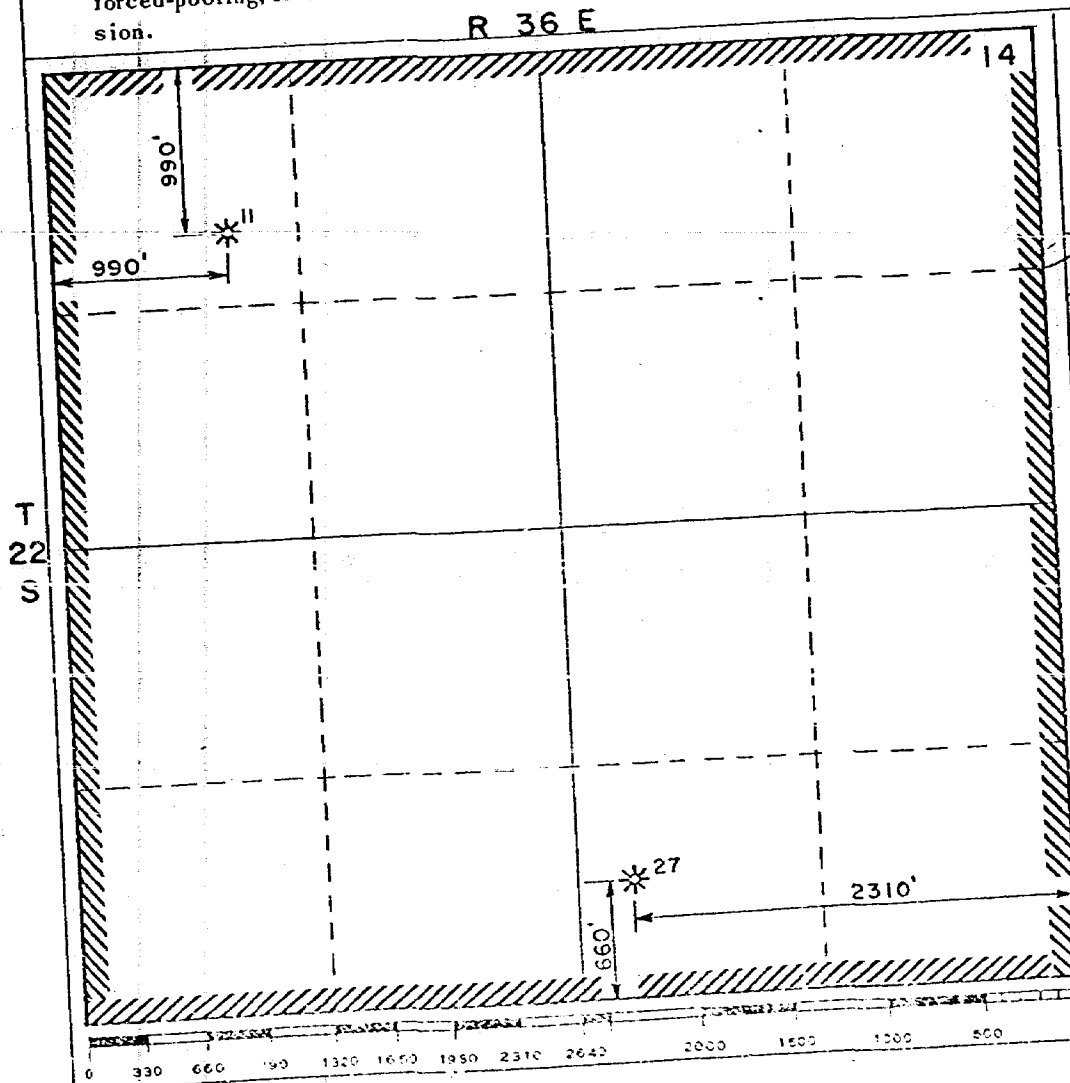
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

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.

Name *L. C. Soileau IV*
L. C. Soileau IV

Position
Operations Engineer

Company
Atlantic Richfield Co.

Date
January 16, 1975

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.

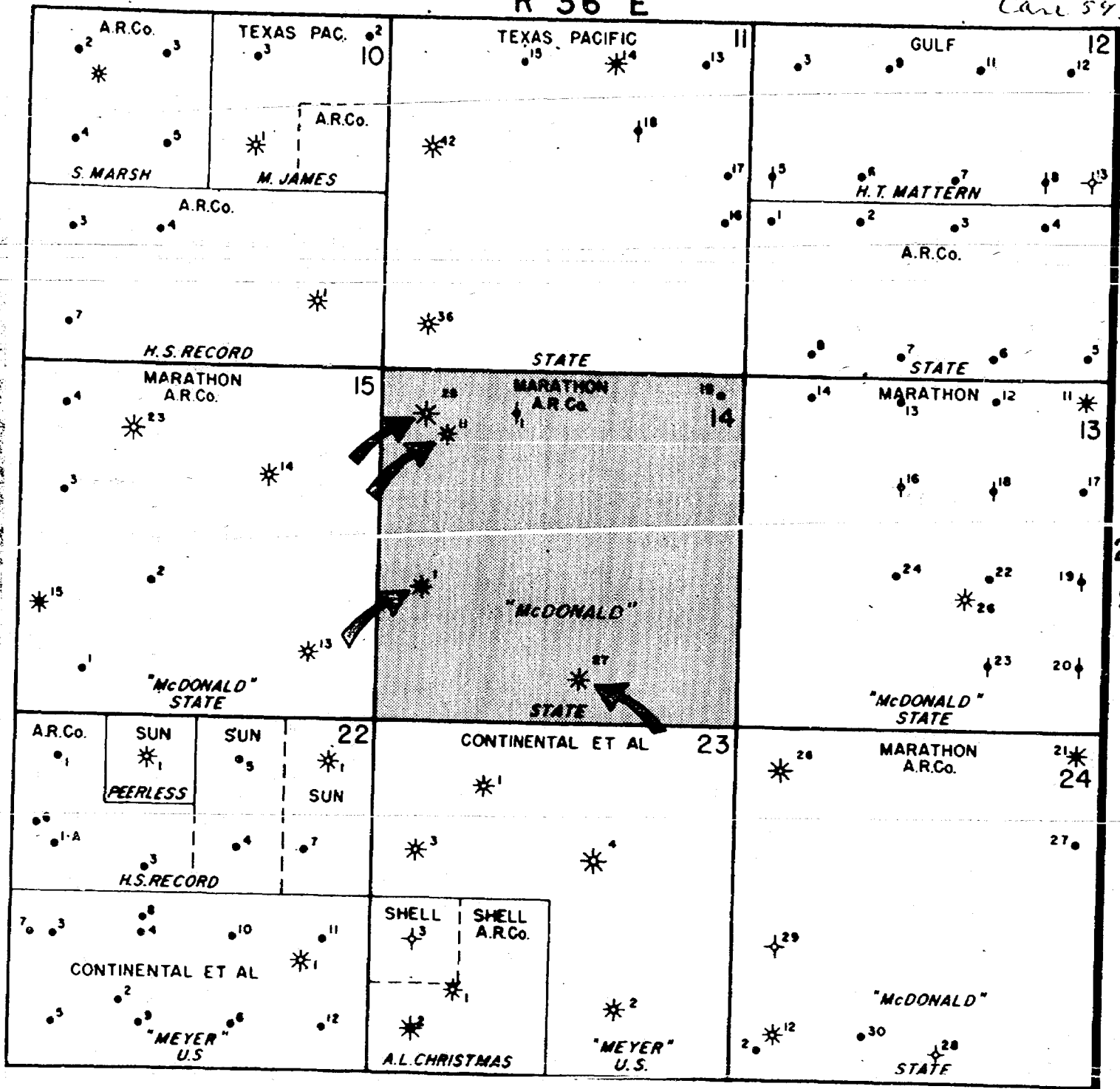
Date Surveyed

Registered Professional Engineer and/or Land Surveyor

Certificate No.

R 36 E

Case 5437



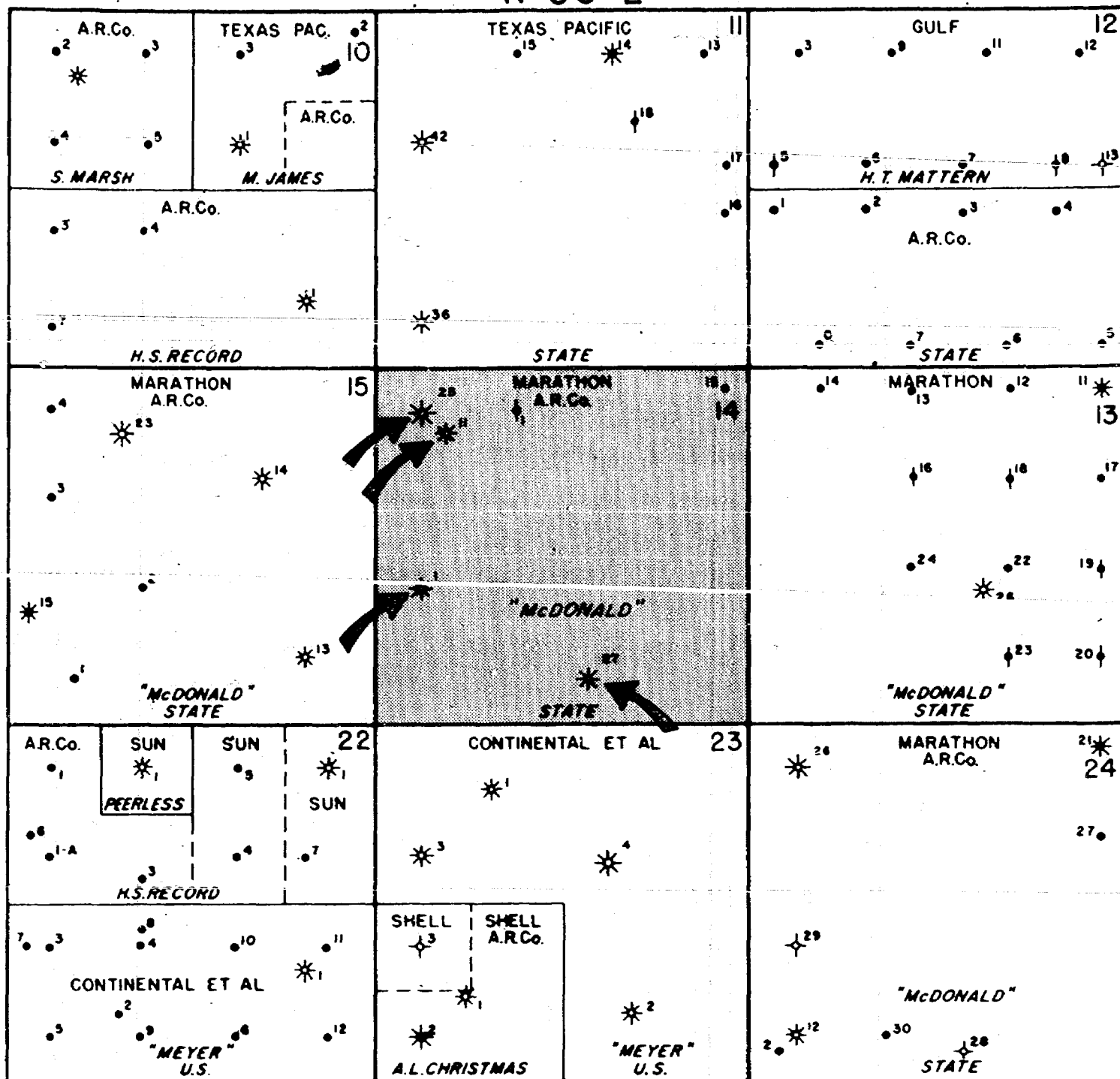
T
22
S



Atlantic Richfield Company	
North American Producing Division	
Houston, Texas	
PROPOSED	
JALMAT (YATES) GAS UNIT	
LEA COUNTY, NEW MEXICO	
640 ACRES	
SEC. 14, T-22-S, R-36-E	
By L. SOULEAU	Checked by
Date 1-78	W. H. P.

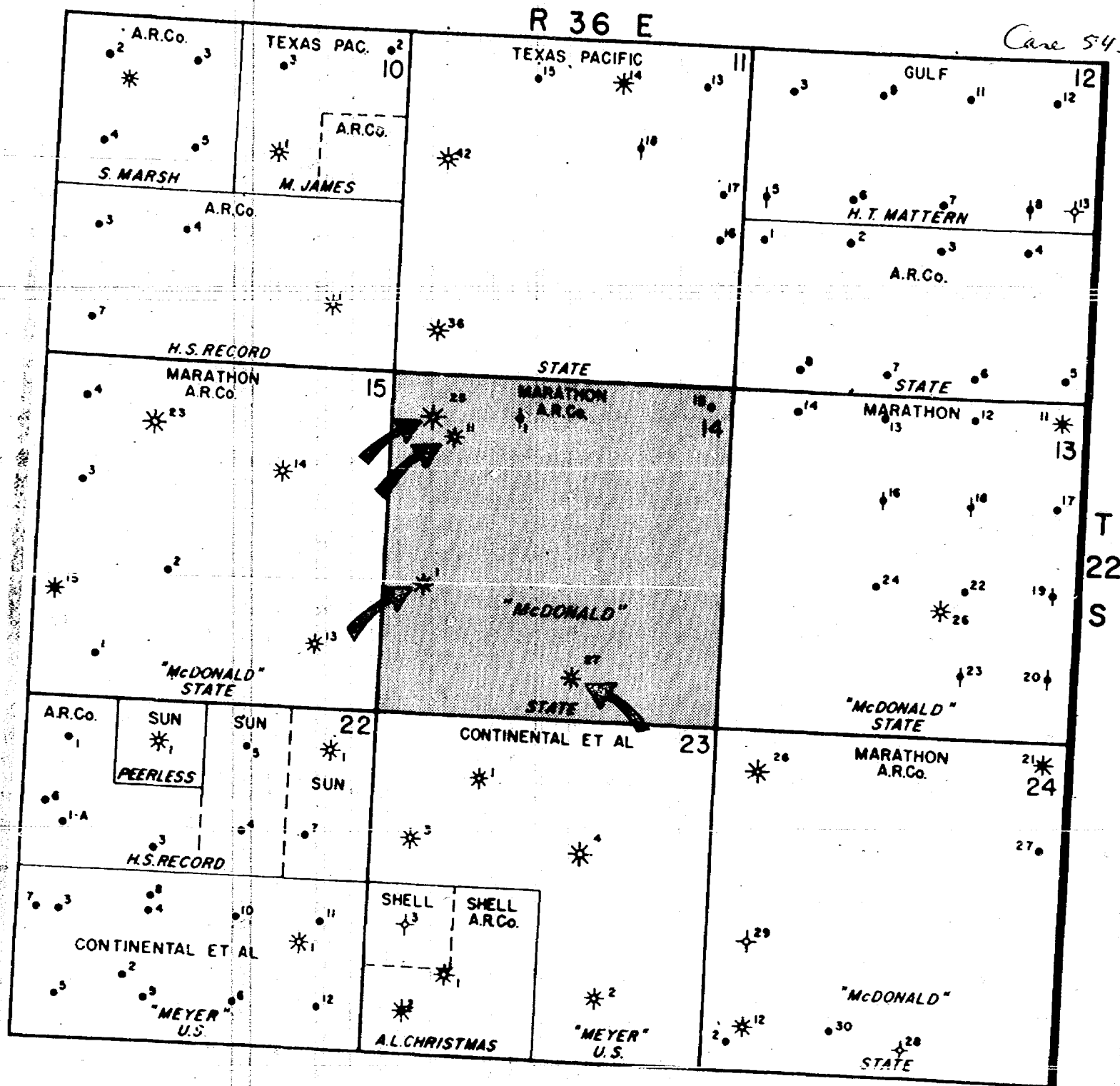
R 36 E

Case 5437



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22
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Atlantic Richfield Company		
Proposed Gas Unit		
PROPOSED		
JALMAT (YATES) GAS UNIT		
LEA COUNTY, NEW MEXICO		
640 ACRES		
SEC. 14, T-22-S, R-36-E		
BY L. SOILEAU	DATE 1-75	BY
BY WEST AREA ENGINEERING	DATE	BY



Atlantic Richfield Company
North American Producing Division
Petroleum District - Midland, Texas

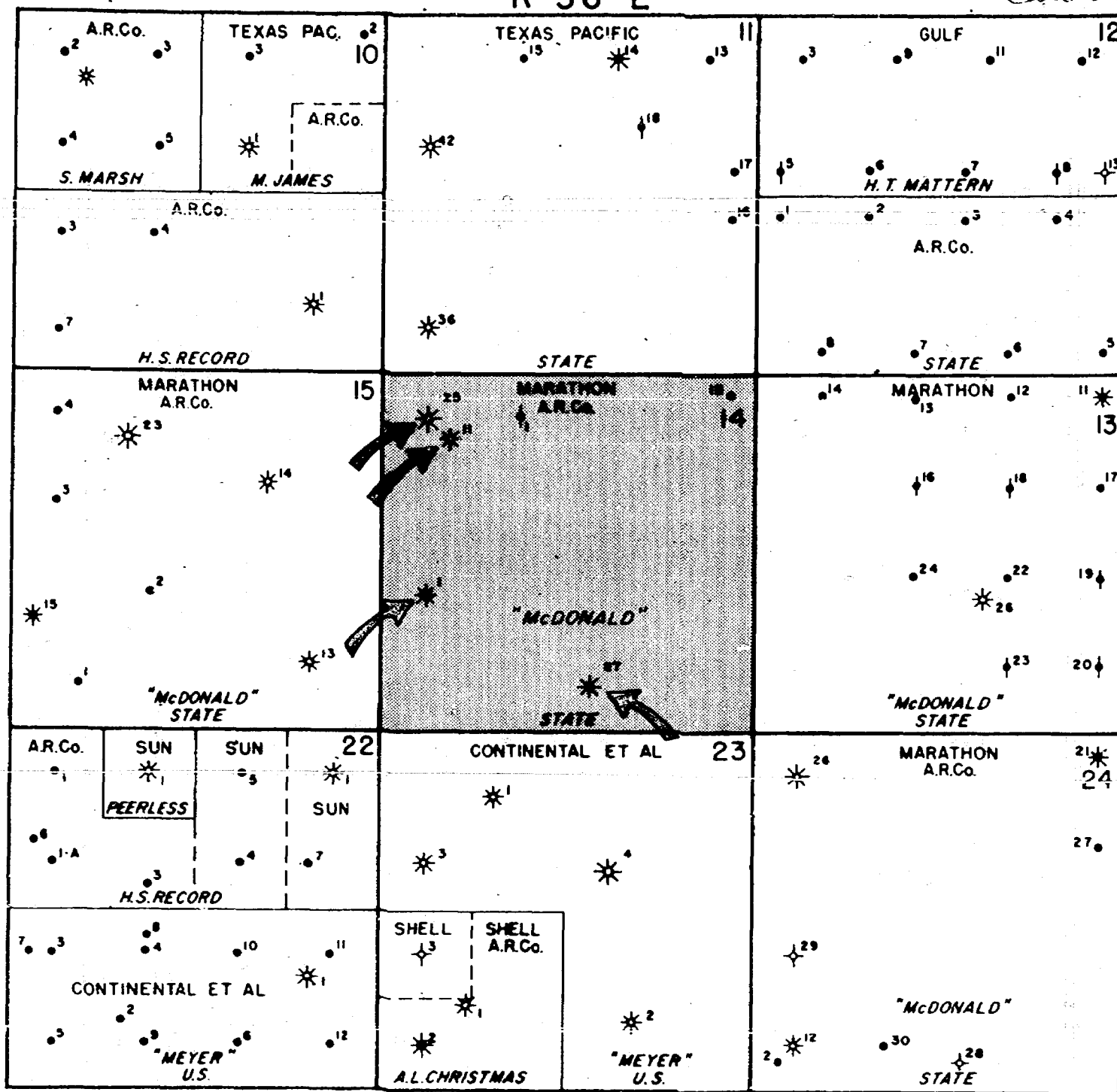
**PROPOSED
JALMAT (YATES) GAS UNIT
LEA COUNTY, NEW MEXICO
640 ACRES
SEC. 14, T-22-S, R-36-E**

BY L. SOULEAU
DATE 1-78
BY WEST AREA ENGINEERING

REVIEWED BY
DATE
BY

R 36 E

Case 5437



T
22
S



Atlantic Richfield Company	
North American Producing Division	
Purvis District, Dallas, Texas	
<p>PROPOSED</p> <p>JALMAT (YATES) GAS UNIT</p> <p>LEA COUNTY, NEW MEXICO</p> <p>640 ACRES</p> <p>SEC. 14, T-22-S, R-36-E</p>	
BY L. SOULEAU	DATE 1-75
CHK WEST AREA ENGINEERING	DATE

Case 5437

STATE OF NEW MEXICO
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. 5234
Order No. R-4795

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 8, 1974,
at Santa Fe, New Mexico, before Examiner, Richard L. Stamets.

NOW, on this 28th day of May, 1974, 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 of a 320-acre non-standard gas proration unit comprising
the S/2 of Section 14, Township 22 South, Range 36 East, NMPM,
Jalmat Gas Pool, Lea County, New Mexico, to be simultaneously
dedicated to its McDonald WN State Wells Nos. 1 and 27 located
in Units L and O, respectively, of said Section 14, 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 the entire S/2 of said Section 14 may reasonably
be presumed productive of gas from the Jalmat Gas Pool.

(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.

-2-

Case No. 5234
Order No. R-4795

IT IS THEREFORE ORDERED:

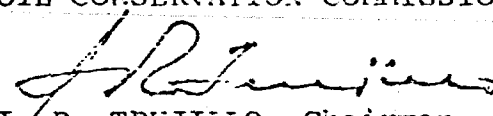
(1) That effective at 7:00 a.m. June 1, 1974, the applicant, Atlantic Richfield Company, is hereby authorized to simultaneously dedicate its non-standard 320-acre gas proration unit comprising the S/2 of Section 14, Township 22 South, Range 36 East, NMPN, Jalmat Gas Pool, Lea County, New Mexico, to its McDonald W. State Wells Nos. 1 and 27, located in Units L and O, respectively, of said Section 14 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 on 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, Chairman

ALEX J. ARMIJO, Member


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

S E A L

cc/

IN RE: THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

Case 5437

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

CASE NO. 5234
Order No. R-4795

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 8, 1974,
at Santa Fe, New Mexico, before Examiner, Richard L. Stamets.

NOW, on this 28th day of May, 1974, 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 of a 320-acre non-standard gas proration unit comprising
the S/2 of Section 14, Township 22 South, Range 36 East, NMPM,
Jalmat Gas Pool, Lea County, New Mexico, to be simultaneously
dedicated to its McDonald WN State Wells Nos. 1 and 27 located
in Units L and O, respectively, of said Section 14, 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 the entire S/2 of said Section 14 may reasonably
be presumed productive of gas from the Jalmat Gas Pool.

(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.

-2-

Case No. 5234

Order No. R-4795

IT IS THEREFORE ORDERED:

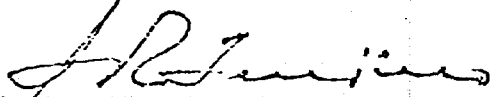
(1) That effective at 7:00 a.m. June 1, 1974, the applicant, Atlantic Richfield Company, is hereby authorized to simultaneously dedicate its non-standard 320-acre gas proration unit comprising the S/2 of Section 14, Township 22 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, to its McDonald WN State Wells Nos. 1 and 27, located in Units L and O, respectively, of said Section 14 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 on 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.

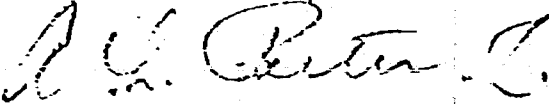
(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member


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

S E A L

dr/

Case 5432

IN 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. 5234
Order No. R-4795

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 8, 1974,
at Santa Fe, New Mexico, before Examiner, Richard L. Stamets.

NOW, on this 28th day of May, 1974, 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 of a 27-acre non-standard gas proration unit comprising
the S/2 of Section 14, Township 22 South, Range 36 East, NMPM,
Jalmat Gas Pool, Lea County, New Mexico, to be simultaneously
dedicated to its McDonald WM State Wells Nos. 1 and 27 located
in Units L and O, respectively, of said Section 14, 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 the entire S/2 of said Section 14 may reasonably
be presumed productive of gas from the Jalmat Gas Pool.

(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.

-2-

Case No. 5234
Order No. R-4795

IT IS THEREFORE ORDERED:

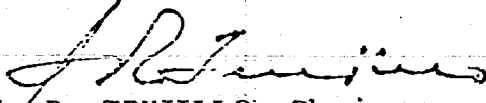
(1) That effective at 7:00 a.m. June 1, 1974, the applicant, Atlantic Richfield Company, is hereby authorized to simultaneously dedicate its non-standard 320-acre gas proration unit comprising the S/2 of Section 14, Township 22 South, Range 36 East, NMPN, Jalmat Gas Pool, Lea County, New Mexico, to its McDonald WII State Wells Nos. 1 and 27, located in Units L and O, respectively, of said Section 14 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 on 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.

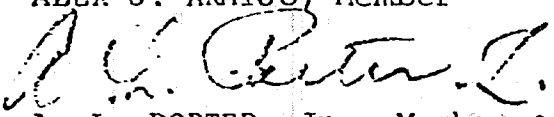
(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member


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

S E A L

dr/

Case 5437

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. 5234
Order No. R-4795

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 8, 1974,
at Santa Fe, New Mexico, before Examiner, Richard L. Stamets.

NOW, on this 28th day of May, 1974, 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 of a 320-acre non-standard gas proration unit comprising
the S/2 of Section 14, Township 22 South, Range 36 East, NMPM,
Jalmat Gas Pool, Lea County, New Mexico, to be simultaneously
dedicated to its McDonald W. State Wells Nos. 1 and 27 located
in Units L and O, respectively, of said Section 14, 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 the entire S/2 of said Section 14 may reasonably
be presumed productive of gas from the Jalmat Gas Pool.

(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. June 1, 1974, the applicant, Atlantic Richfield Company, is hereby authorized to simultaneously dedicate its non-standard 320-acre gas proration unit comprising the S/2 of Section 14, Township 22 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, to its McDonald Well State Wells Nos. 1 and 27, located in Units L and O, respectively, of said Section 14 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 on 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.

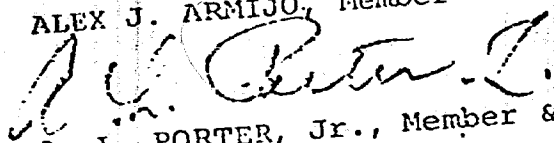
(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member


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

SEAL

dr/

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

Case 5437

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

CASE NO. 5133
Order No. R-4716

APPLICATION OF ATLANTIC RICHFIELD
COMPANY FOR FOUR NON-STANDARD GAS
PROPRATION UNITS AND SIMULTANECUS
DEDICATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 3, 1974,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 24th day of January, 1974, 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 the following four non-standard 320-acre gas
proration units in Township 22 South, Range 36 East, NMPM,
Jalmat Gas Pool, Lea County, New Mexico:

The N/2 of Section 34 to be simultaneously dedicated
to the Curran Jones Wells Nos. 1 and 10, located in
Units A and C, respectively, of Section 34, with the
allowable to be produced from either well in any
proportion;

{ The N/2 of Section 14 to be dedicated to the McDonald
State Wells Nos. 11 and 25, both located in Unit D of
Section 14, with the allowable to be produced from
either well in any proportion;

The E/2 of Section 26 to be dedicated to the McDonald
State Wells Nos. 22, 9, and 8, located in Units A, G,
and P, respectively, of Section 26, with the allowable
to be produced from any of said wells in any proportion,
and

-2-

Case No. 5150
Order No. R-4716

{The W/2 of Section 24 to be dedicated to the McDonald State Wells Nos. 26 and 12 located in Units D and E, respectively, of Section 26, with the allowable to be produced from either well in any proportion.

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

(4) That the existing wells with the proposed non-standard gas proration units are capable of marginal production only.

(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. February 1, 1974, or when the affected wells are completed and connected, whichever date is later, the applicant, Atlantic Richfield Company, is hereby authorized to simultaneously dedicate the following four non-standard 320-acre gas proration units in Township 22 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, as follows with unit production to be taken from the wells to which the units are dedicated in any proportion:

The N/2 of Section 34 to be dedicated to applicant's Curran Jones Wells Nos. 1 and 10, located in Units A and C, respectively, of Section 34;

The N/2 of Section 14 to be dedicated to applicant's McDonald State Wells Nos. 11 and 25 both located in Unit D of Section 14;

The E/2 of Section 26 to be dedicated to applicant's McDonald State Wells Nos. 22, 9, and 8 located in Units A, G, and P, respectively, of Section 26; and

The W/2 of Section 24 to be dedicated to applicant's McDonald State Wells Nos. 26 and 12 located in Units D and E, respectively, of Section 24.

(2) That the allowable assigned to each of the above-described gas proration units shall be based upon the unit size of 320 acres and the operator may produce the allowable assigned to the unit from the wells to which the unit is dedicated in any proportion.

Case 5432

-3-

Case No. 5135
Order No. N-4716

(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
ALEX. J. ARMIJO, Member

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

SEAL

dr/

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

Case 5437

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

CASE NO. 5133
Order No. R-4716

APPLICATION OF ATLANTIC RICHFIELD
COMPANY FOR FOUR NON-STANDARD GAS
PROPRATION UNITS AND SIMULTANEOUS
DEDICATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 3, 1974,
at Santa Fe, New Mexico, before Examiner Daniel S. Mutter.

NOW, on this 24th day of January, 1974, 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 the following four non-standard 320-acre gas
propration units in Township 22 South, Range 36 East, NMPM,
Jalmat Gas Pool, Lea County, New Mexico:

The N/2 of Section 34 to be simultaneously dedicated
to the Curran Jones Wells Nos. 1 and 10, located in
Units A and C, respectively, of Section 34, with the
allowable to be produced from either well in any
proportion;

{ The N/2 of Section 14 to be dedicated to the McDonald
State Wells Nos. 11 and 25, both located in Unit D of
Section 14, with the allowable to be produced from
either well in any proportion;

The E/2 of Section 26 to be dedicated to the McDonald
State Wells Nos. 22, 9, and 8, located in Units A, G,
and P, respectively, of Section 26, with the allowable
to be produced from any of said wells in any proportion,
and

-2-

Case No. 5150
Order No. R-4716

{ The W/2 of Section 24 to be dedicated to the McDonald State Wells Nos. 26 and 12 located in Units D and M, respectively, of Section 26, with the allowable to be produced from either well in any proportion.

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

(4) That the existing wells with the proposed non-standard gas proration units are capable of marginal production only.

(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. February 1, 1974, or when the affected wells are completed and connected, whichever date is later, the applicant, Atlantic Richfield Company, is hereby authorized to simultaneously dedicate the following four non-standard 320-acre gas proration units in Township 22 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, as follows with unit production to be taken from the wells to which the units are dedicated in any proportion:

The N/2 of Section 34 to be dedicated to applicant's Curran Jones Wells Nos. 1 and 10, located in Units A and C, respectively, of Section 34;

The N/2 of Section 14 to be dedicated to applicant's McDonald State Wells Nos. 11 and 25 both located in Unit D of Section 14;

The E/2 of Section 26 to be dedicated to applicant's McDonald State Wells Nos. 22, 9, and 8 located in Units A, G, and P, respectively, of Section 26; and

The W/2 of Section 24 to be dedicated to applicant's McDonald State Wells Nos. 26 and 12 located in Units D and M, respectively, of Section 24.

(2) That the allowable assigned to each of the above-described gas proration units shall be based upon the unit size of 320 acres and the operator may produce the allowable assigned to the unit from the wells to which the unit is dedicated in any proportion.

-3-
Case No. 5135
Order No. R-4716

Case 5437.

(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
ALEX. J. ARMILLO, Member

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

S E A L

dr/

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

Case 5437

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

CASE NO. 5133
Order No. R-4716

APPLICATION OF ATLANTIC RICHFIELD
COMPANY FOR FOUR NON-STANDARD GAS
PRODUCTION UNITS AND SIMULTANEOUS
DEDICATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 3, 1974,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 24th day of January, 1974, 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 the following four non-standard 320-acre gas
production units in Township 22 South, Range 36 East, NMPM,
Jalmat Gas Pool, Lea County, New Mexico:

The N/2 of Section 34 to be simultaneously dedicated
to the Curran Jones Wells Nos. 1 and 10, located in
Units A and C, respectively, of Section 34, with the
allowable to be produced from either well in any
proportion;

{ The N/2 of Section 14 to be dedicated to the McDonald
State Wells Nos. 11 and 25, both located in Unit D of
Section 14, with the allowable to be produced from
either well in any proportion;

The E/2 of Section 26 to be dedicated to the McDonald
State Wells Nos. 22, 9, and 8, located in Units A, G,
and P, respectively, of Section 26, with the allowable
to be produced from any of said wells in any proportion,
and

{ The W/2 of Section 24 to be dedicated to the McDonald State Wells Nos. 26 and 12 located in Units D and M, respectively, of Section 26, with the allowable to be produced from either well in any proportion.

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

(4) That the existing wells with the proposed non-standard gas proration units are capable of marginal production only.

(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. February 1, 1974, or when the affected wells are completed and connected, whichever date is later, the applicant, Atlantic Richfield Company, is hereby authorized to simultaneously dedicate the following four non-standard 320-acre gas proration units in Township 22 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, as follows with unit production to be taken from the wells to which the units are dedicated in any proportion:

The N/2 of Section 34 to be dedicated to applicant's Curran Jones Wells Nos. 1 and 10, located in Units A and C, respectively, of Section 34;

The N/2 of Section 14 to be dedicated to applicant's McDonald State Wells Nos. 11 and 25 both located in Unit D of Section 14;

The E/2 of Section 26 to be dedicated to applicant's McDonald State Wells Nos. 22, 9, and 8 located in Units A, G, and P, respectively, of Section 26; and

The W/2 of Section 24 to be dedicated to applicant's McDonald State Wells Nos. 26 and 12 located in Units D and M, respectively, of Section 24.

(2) That the allowable assigned to each of the above-described gas proration units shall be based upon the unit size of 320 acres and the operator may produce the allowable assigned to the unit from the wells to which the unit is dedicated in any proportion.

Case 5437

-3-
Case No. 5135
Order No. R-4716

(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
ALEX. J. ARMIJO, Member

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

S E A L

dr/

DEPT. OF THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

Case 5437

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

CASE NO. 5133
Order No. R-4716

APPLICATION OF ATLANTIC RICHFIELD
COMPANY FOR FOUR NON-STANDARD GAS
PROPRATION UNITS AND SIMULTANEOUS
DEDICATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 3, 1974,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 24th day of January, 1974, 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 the following four non-standard 320-acre gas
proration units in Township 22 South, Range 36 East, NMPM,
Jalmat Gas Pool, Lea County, New Mexico:

The N/2 of Section 34 to be simultaneously dedicated
to the Curran Jones Wells Nos. 1 and 10, located in
Units A and C, respectively, of Section 34, with the
allowable to be produced from either well in any
proportion;

{ The N/2 of Section 14 to be dedicated to the McDonald
State Wells Nos. 11 and 25, both located in Unit D of
Section 14, with the allowable to be produced from
either well in any proportion;

The E/2 of Section 26 to be dedicated to the McDonald
State Wells Nos. 22, 9, and 8, located in Units A, G,
and P, respectively, of Section 26, with the allowable
to be produced from any of said wells in any proportion,
and

{ The W/2 of Section 24 to be dedicated to the McDonald State Wells Nos. 26 and 12 located in Units D and M, respectively, of Section 24, with the allowable to be produced from either well in any proportion.

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

(4) That the existing wells with the proposed non-standard gas proration units are capable of marginal production only.

(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. February 1, 1974, or when the affected wells are completed and connected, whichever date is later, the applicant, Atlantic Richfield Company, is hereby authorized to simultaneously dedicate the following four non-standard 320-acre gas proration units in Township 22 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, as follows with unit production to be taken from the wells to which the units are dedicated in any proportion:

The N/2 of Section 34 to be dedicated to applicant's Curran Jones Wells Nos. 1 and 10, located in Units A and C, respectively, of Section 34;

The N/2 of Section 14 to be dedicated to applicant's McDonald State Wells Nos. 11 and 25 both located in Unit D of Section 14;

The E/2 of Section 26 to be dedicated to applicant's McDonald State Wells Nos. 22, 9, and 8 located in Units A, G, and P, respectively, of Section 26; and

The W/2 of Section 24 to be dedicated to applicant's McDonald State Wells Nos. 26 and 12 located in Units D and M, respectively, of Section 24.

(2) That the allowable assigned to each of the above-described gas proration units shall be based upon the unit size of 320 acres and the operator may produce the allowable assigned to the unit from the wells to which the unit is dedicated in any proportion.

-3-

Case No. 5135
Order No. R-4716

Case 5437

(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

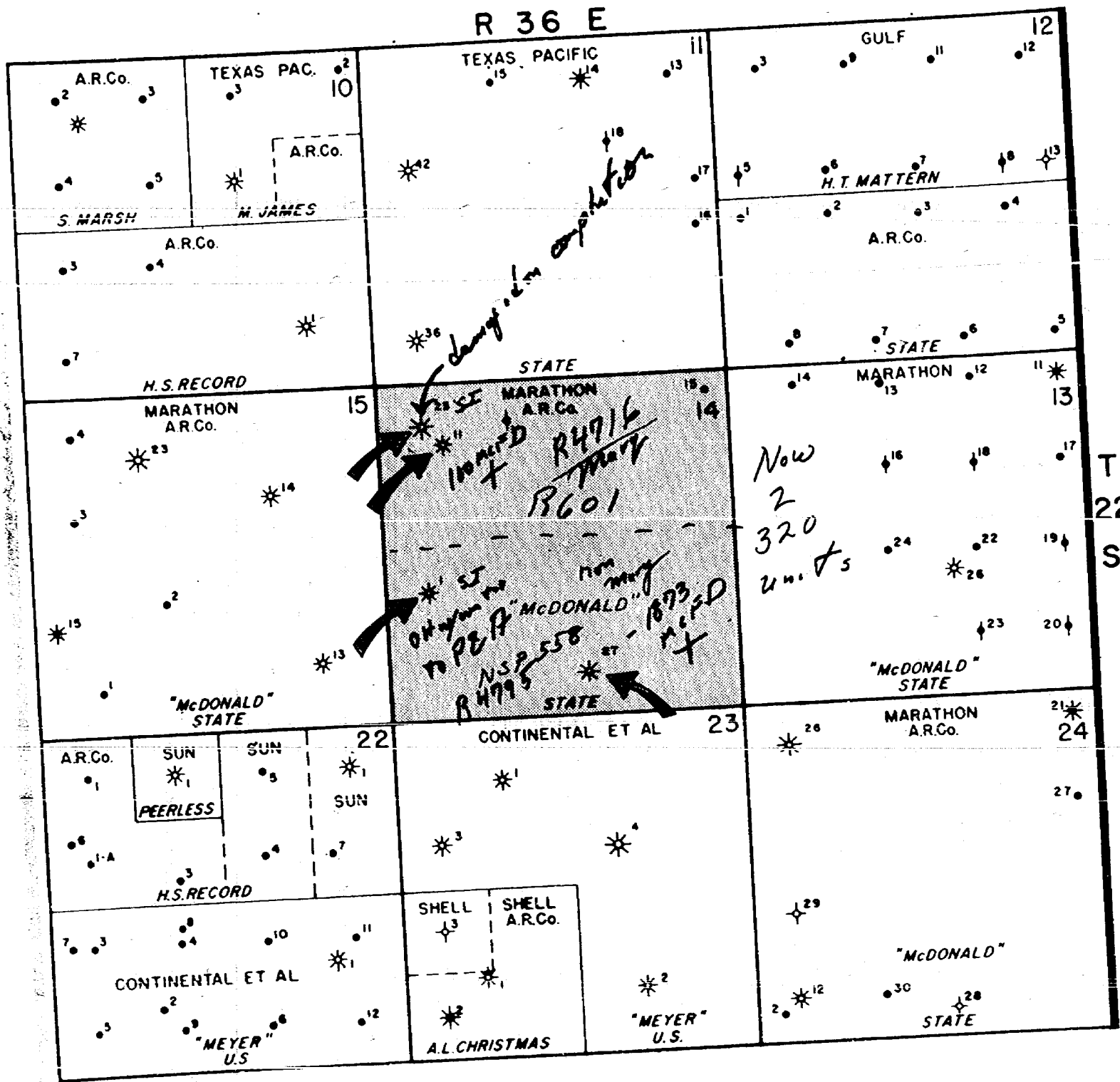
I. R. Trujillo
I. R. TRUJILLO, Chairman

Alex J. Armijo
ALEX J. ARMIJO, Member

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

S E A L

dr/



BEFORE EXAMINER STAMETS
OIL CONSERVATION COMMISSION
 EXHIBIT NO. 1
 CASE NO. 54137
 Submitted by ATLANTIC RICHFIELD
 Hearing Date MARCH 5, 1975

PROPOSED
JALMAT (YATES) GAS UNIT
 LEA COUNTY, NEW MEXICO
 640 ACRES
 SEC. 14, T-22-S, R-36-E

L. SOILEAU
 1-76
 WEST AREA ENGINEERING

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-103
Supersedes C-128
Effective 1-1-55

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

Operator Atlantic Richfield Company		Lease McDonald State WN		Well No. 11
Unit Letter D	Section 14	Township 22S	Range 36E	County Lea
Actual Footage Location of Well:				
990 feet from the North line and		990 feet from the West line		
Ground Level Elev. 3523'	Producing Formation Yates	Pool Jalmat Gas	Dedicated Acreage: 640 Acres	

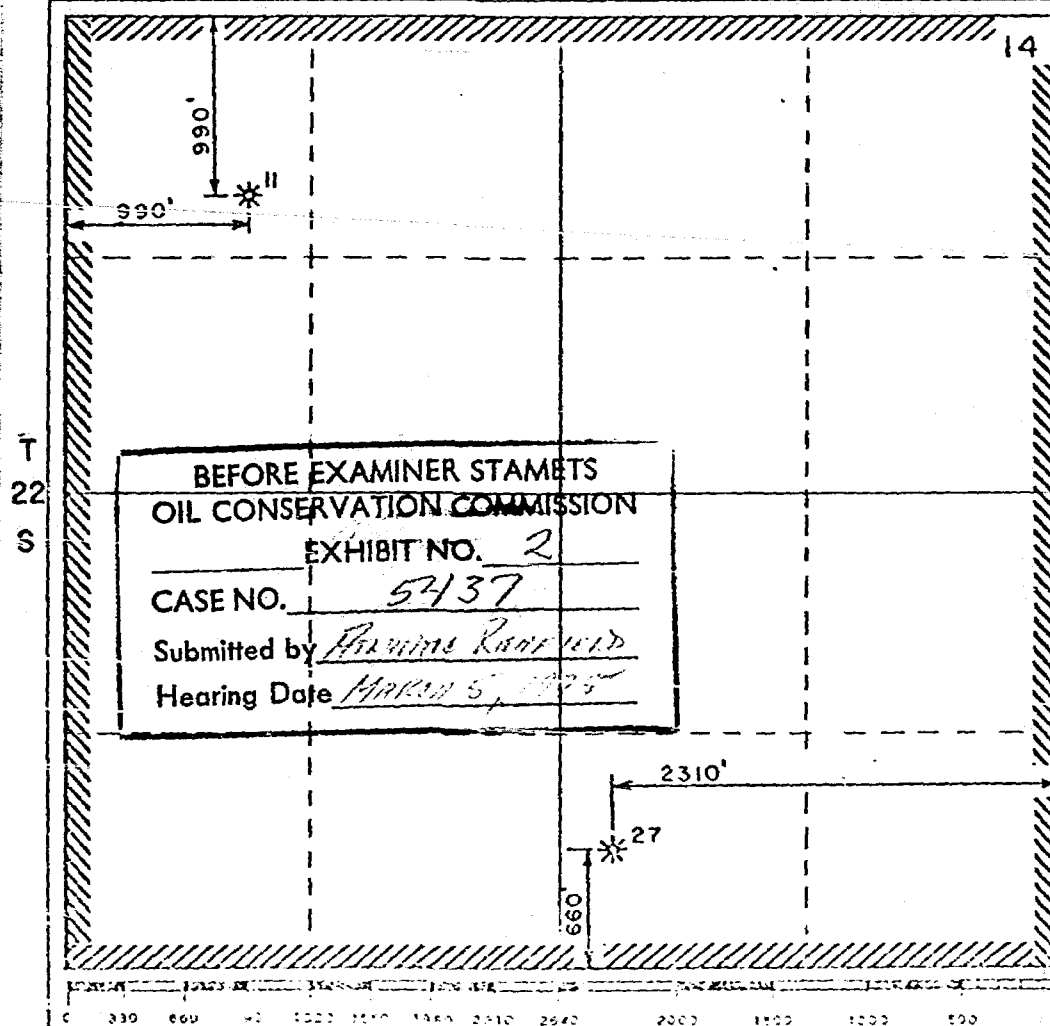
1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is 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.

L. C. Soileau IV
L. C. Soileau IV

Position

Operations Engineer

Company

Atlantic Richfield Co.

Date

January 16, 1975

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

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 McDonald State WN		Well No. 27
Unit Letter O	Section 14	Township 22S	Range 36E	County Lea	
Actual Footage Location of Well: 660 feet from the South line and 2310 feet from the East line					
Ground Level Elev. 3497'	Producing Formation Yates		Pool Jalmat Gas		Dedicated Acreage: 640 Acres

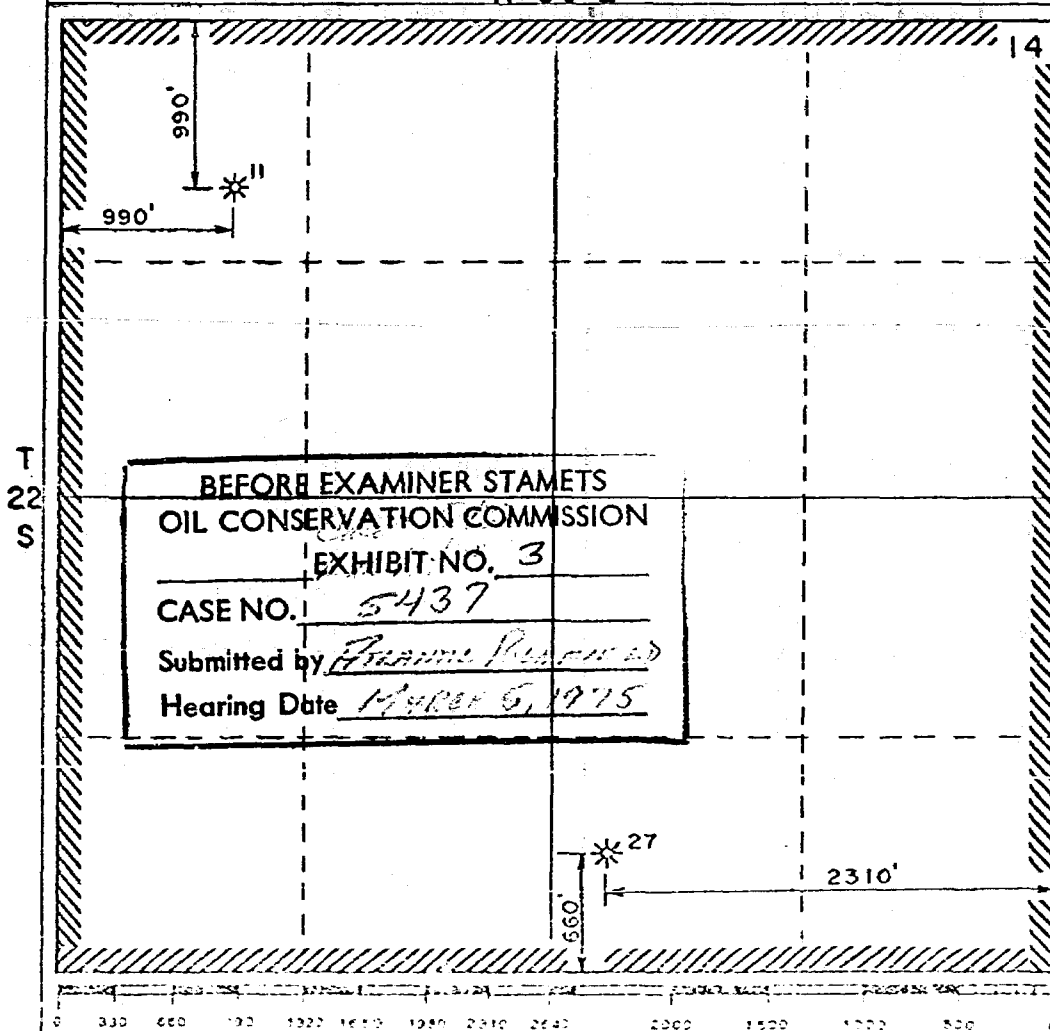
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is 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.

R 36 E



CERTIFICATION

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

[Signature]
Name: **L. C. Soileau IV**

Position
Operations Engineer

Company
Atlantic Richfield Co.

Date
January 16, 1975

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. _____

OIL CONSERVATION COMMISSION
Hobbs DISTRICT

Case 5439

OIL CONSERVATION COMMISSION
BOX 2088
SANTA FE, NEW MEXICO

DATE June 22, 1976

RE: Proposed MC _____
Proposed DHC _____
Proposed NSL _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____
NSP X

Gentlemen:

I have examined the application dated _____
for the Atlantic Richfield Co. McDonald WN State #11, #27 & #28 14-22-36
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

O.K.---J.S.

Yours very truly,

RECEIVED
JUN 23 1976
OIL CONSERVATION COMM.
Santa Fe

Jerry Septon

OIL CONSERVATION COMMISSION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

June 18, 1976

Atlantic Richfield Company
P. O. Box 1610
Midland, Texas 79701

Attention: Mr. Jerry L. Tweed

Gentlemen:

Administrative approval is hereby granted to dedicate Section 14, Township 22 South, Range 36 East, Lea County, New Mexico, a 640-acre proration unit in the Jalmat Gas Pool, to your McDonald State WW Wells Nos. 11, 27, and 28.

McDonald State Well No. 28 is to be drilled 2310 feet from the North line and 2310 feet from the West line of said Section 14.

Very truly yours,

JOE D. RAMEY,
Secretary-Director

JDR/JEK/dr

cc: Jerry Sexton, Oil Conservation
Commission - Hobbs
Ms. Celia Roybal, OCC, Santa Fe
Well Files 11, 27, 28
Case File 5437

C
O
P
Y

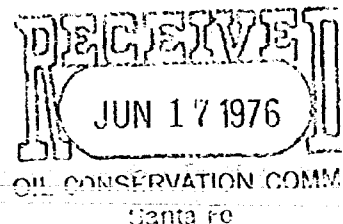
Atlantic Richfield Company

North American Producing Division
Permian District
Post Office Box 1610
Midland, Texas 79701
Telephone 915 682 8631



June 14, 1976

Mr. Joe D. Ramey
New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501



Re: Simultaneous Dedication
McDonald State WN Nos. 11, 27, 28
Jalmat Tansill Yates Seven Rivers Gas
Section 14, T-22S, R-36E
Lea County, New Mexico

Gentlemen:

Atlantic Richfield Company respectfully requests administrative approval to simultaneously dedicate a previously approved 640-acre standard Jalmat gas proration unit to three wells, the McDonald State Nos. 11, 27, and 28. Presently the unit, all of Section 14, T-22S, R-36E, is classified as non-marginal, but has accumulated a large underage. Permission to produce the unit allowable from either or both wells 11 and 27 was granted to Atlantic Richfield Company by New Mexico Oil Conservation Commission Order R-4984 on March 11, 1975. Atlantic Richfield Company plans to drill the McDonald State No. 28 in an orthodox location 2310' from the north and west lines of Section 14. It is felt that producing the unit allowable from any or all three of the wells in Section 14 will permit the reduction in the underage and prevent the unit from being classified as marginal.

Atlantic Richfield Company believes approval of this request will protect correlative rights, promote conservation, and encourage the efficient recovery of gas reserves. Attached are an acreage dedication plat, a map of the area, and a list of offset operators who are being notified with a copy of this application.

Very truly yours,

Jerry L. Tweed
District Engineer

RSP/agp

cc: New Mexico Oil Conservation Commission
Hobbs Area Supervisor
P. O. Box 1980
Hobbs, New Mexico

OFFSET OPERATORS

1. Continental Oil Company
P. O. Box 460
Hobbs, New Mexico 88240
2. Marathon Oil Company
P. O. Box 552
Midland, Texas 79701
3. Sun Oil Company
P. O. Box 1861
Midland, Texas 79701
4. Texas Pacific Oil Company, Inc.
P. O. Box 4067
Midland, Texas 79701

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

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

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

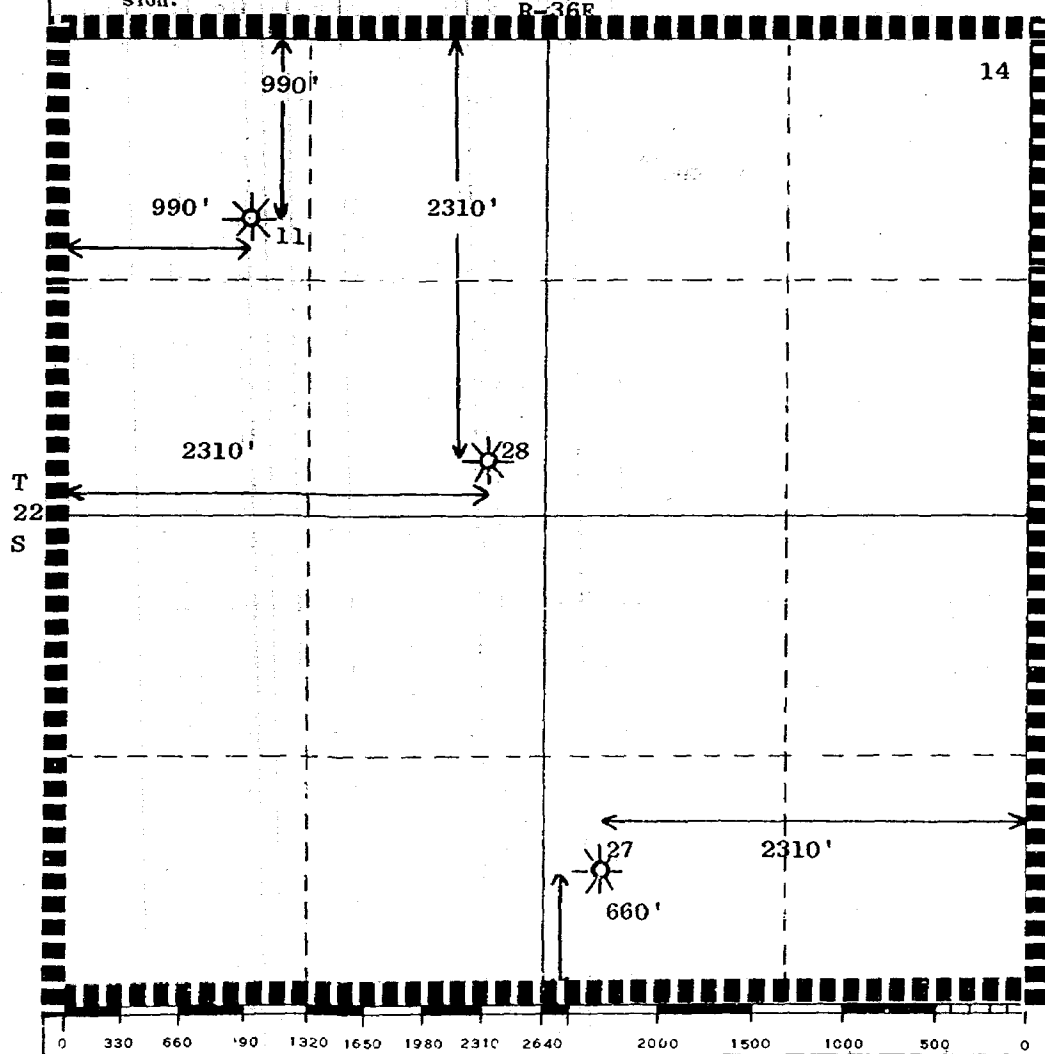
Operator ATLANTIC RICHFIELD COMPANY			Lease McDonald State WN		Well No. 28
Unit Letter F	Section 14	Township 22South	Range 36East	County Lea	
Actual Footage Location of Well:					
2310 feet from the north line and		2310 feet from the west line			
Ground Level Elev. 3500'	Producing Formation Yates		Pool Jalmat Tansill Yates Gas	Dedicated Acreage: 640 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).
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.

Richard S. Prentice

Name

R. S. Prentice

Position

Operations Engineer

Company

Atlantic Richfield Co.

Date

June 14, 1976

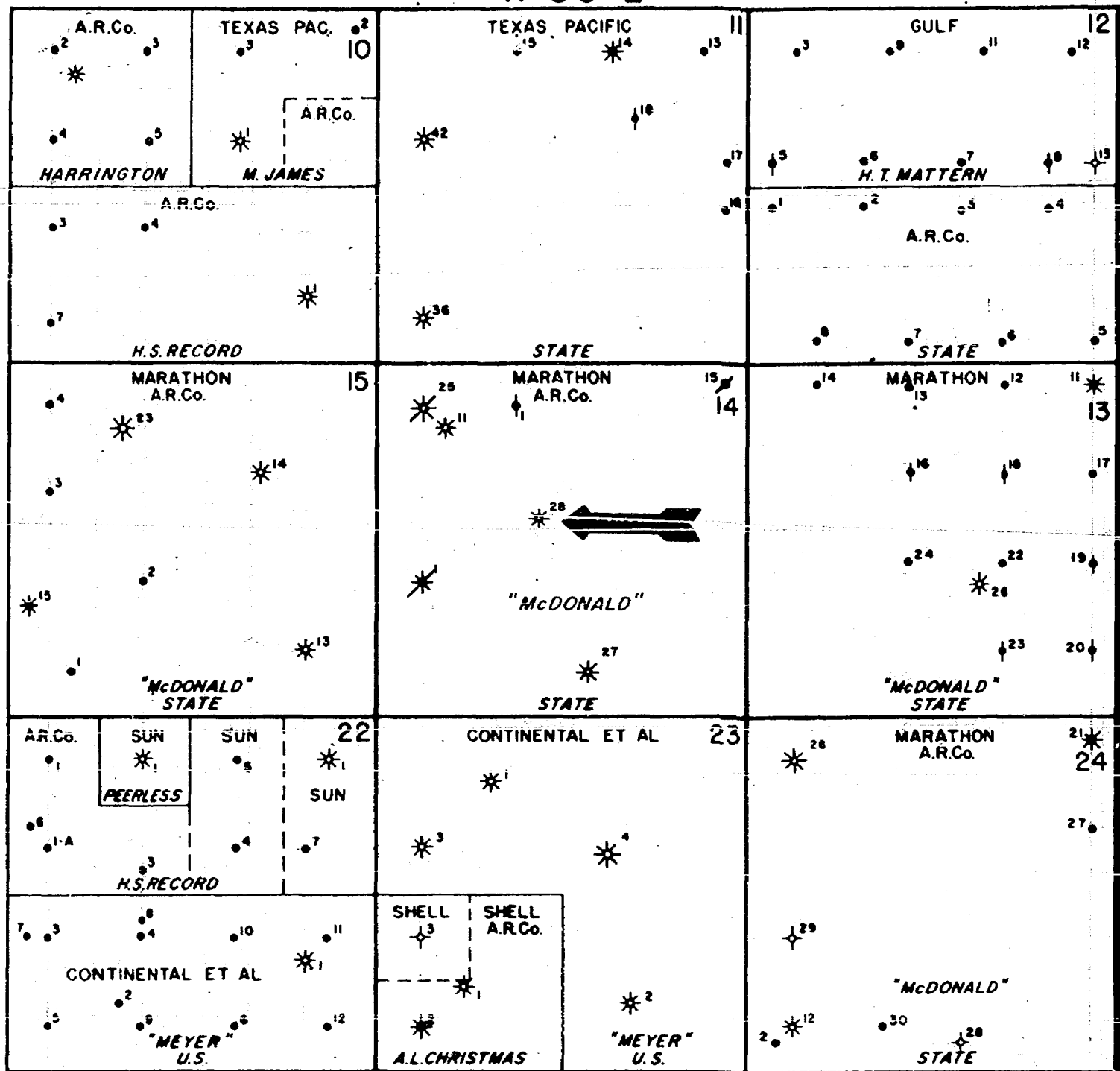
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

Registered Professional Engineer and/or Land Surveyor

Certificate No.

R 36 E



Atlantic Richfield Company
North American Producing Division
Petroleum Division, Houston, Texas

McDONALD STATE LEASE
JALMAT GAS WELLS
LEA COUNTY, NEW MEXICO
640 ACRES
SEC. 14, T-22-S, R-36-E

W. S. PRENTICE
4-76
WEST AREA ENGINEERS

GROUP
REVENUE
DATE

BY M.L.B.

CASE 5437: Application of Atlantic Richfield Company for two unorthodox locations and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the simultaneous dedication of a standard 640-acre gas proration unit comprising all of Section 14, Township 22 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico, to its McDonald State WN Wells Nos. 11 and 27, located, respectively, in Units D and O of said Section 14.

CASE 5430: Southeastern New Mexico nomenclature case calling for the creation, abolishment, extension and contraction of certain pools in Eddy, Lea and Roosevelt 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 Avalon-Atoka Gas Pool. The discovery well is the Atlantic Richfield Company State BR Well No. 1, located in Unit K of Section 16, Township 21 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM
SECTION 16: S/2

(b) CREATE A new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the South-east Bagley-Wolfcamp Pool. The discovery well is the Anderson Oil & Gas Company, Inc. Hess State Well No. 1 located in Unit L of Section 34, Township 11 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM
SECTION 34: SW/4

(c) CREATE A new pool in Lea County, New Mexico, classified as a gas pool for Atoka production and designated as the South Flying "M"-Atoka Gas Pool. The discovery well is the Phillips Petroleum Company Marg "A" Com Well No. 1 located in Unit K of Section 25, Township 9 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 9 SOUTH, RANGE 32 EAST, NMPM
SECTION 25: S/2

(d) CREATE A new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the North Pearl-Morrow Gas Pool. The discovery well is the Dorchester Exploration, Inc. Henry Record Well No. 1, located in Unit I of Section 26, Township 19 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM
SECTION 26: S/2

(e) ABOLISH the Arrowhead-Drinkard Pool in Lea County, New Mexico, described as:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
SECTION 36: SW/4

(f) EXTEND the Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
SECTION 36: SE/4

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
SECTION 31: SW/4

(g) CONTRACT the vertical limits of the South Flying "M"-Pennsylvanian Pool in Lea County, New Mexico, to include only the Bough formations and redesignate said South Flying "M"-Pennsylvanian Pool as the South Flying "M"-Bough Pool.

(h) EXTEND the Atoka-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
SECTION 1: E/2
SECTION 12: E/2

(i) EXTEND the Blinebry Oil and Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
SECTION 36: SE/4

(j) EXTEND the Bluitt-Wolfcamp Gas Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 37 EAST, NMPM
SECTION 34: SW/4

TOWNSHIP 8 SOUTH, RANGE 37 EAST, NMPM
SECTION 3: W/2
SECTION 10: NW/4

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

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
SECTION 15: All
SECTION 28: All

(l) EXTEND the Cemetary-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM
SECTION 7: E/2
SECTION 21: W/2

(m) EXTEND the South Empire-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM
SECTION 31: N/2

(n) EXTEND the Forty Nine Ridge-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 30 EAST, NMPM
SECTION 21: N/2

(o) EXTEND the Kennedy Farms-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
SECTION 27: N/2

(p) EXTEND the La Rica-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM
SECTION 33: All

(q) EXTEND the Red Lake-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM
SECTION 18: S/2

(r) EXTEND the Todd Wolfcamp Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 35 EAST, NMPM
SECTION 27: NE/4

(s) EXTEND the Tubb Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
SECTION 2: SE/4

Dockets Nos. 7-75 and 8-75 are tentatively set for hearing on March 19 and April 2, 1975. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 5, 1975

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 Daniel S. Nutter, Alternate Examiner:

CASE 5425: (Continued and Readvertised)

Application of Continental Oil Company for an unorthodox location and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the simultaneous dedication of a non-standard 480-acre gas proration unit, comprising the W/2 of Section 13 and the E/2 E/2 of Section 14, Township 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, to its Lockhart B Wells Nos. 4 and 8, located at unorthodox locations in Units H and P, respectively, of Section 14, and to its Lockhart B Well No. 7, at an unorthodox location in Unit D of said Section 13.

CASE 5408: (Continued from the February 5, 1975, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit W. E. Medlock and Reliance Insurance Company and all other interested parties to appear and show cause why the Queen Ridge No. 1 Well located in Unit M of Section 36, Township 10 South, Range 26 East, Chaves County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5414: (Continued and Readvertised)

Application of Continental Oil Company for an unorthodox gas well location and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a non-standard 360-acre gas proration unit comprising the SE/4 and E/2 SW/4 of Section 28 and the N/2 NE/4 and NE/4 NW/4 of Section 33, both in Township 20 South, Range 37 East, Eumont Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to its Meyer B-28 A Com Acct. 2 Wells Nos. 2 and 3, located, respectively, in Unit O of said Section 28 and in Unit C of said Section 33.

CASE 5429: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Charles M. Goad and United States Fidelity & Guaranty Company and all other interested parties to appear and show cause why the Charles M. Goad, State No. 1 Well located in Unit M of Section 28, Township 2 South, Range 26 East, De Baca County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

- CASE 5431: Application of David C. Collier for an unorthodox well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of his Kersey Well No. 1-Y, to be drilled 1980 feet from the South line and 2330 feet from the West line of Section 33, Township 18 South, Range 28 East, Artesia Pool, Eddy County, New Mexico.
- CASE 5432: Application of American Quasar Petroleum Co. of New Mexico for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Robinia Draw Unit Area, comprising 4,739 acres, more or less, of State and Federal lands in Townships 22 and 23 South, Ranges 23 and 24 East, Eddy County, New Mexico.
- CASE 5433: Application of Southern Union Gas Company for suspension and amendment of certain provisions of Rules 14(A), 15(A), and 15(B), of the General Rules and Regulations for the prorated gas pools of Southeastern New Mexico as applied to the Indian Basin-Upper Pennsylvanian Gas Pool, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks suspension for a period of one year from April 1, 1975, of those provisions of Rules 14(A), 15(A), and 15(B), of the General Rules and Regulations for the prorated gas pools of Southeastern New Mexico promulgated by Order No. R-1670, as amended, that provide for the cancellation of underproduction and the shutting-in of overproduced wells as applied to the Indian Basin-Upper Pennsylvanian Gas Pool, Eddy County, New Mexico.
- CASE 5434: Application of Amoco Production Company for a pilot pressure maintenance project, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pilot pressure maintenance project by the injection of gas through its Navajo Tribal "U" Wells Nos. 3 and/or 8, located, respectively, in Units M and F of Section 16, Township 26 North, Range 18 West, Tocito Dome-Pennsylvanian "D" Oil Pool, San Juan County, New Mexico.
- CASE 5435: Application of Mesa Petroleum Co. for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Nash Unit Well No. 1, located in Unit H of Section 13, Township 23 South, Range 29 East, Eddy County, New Mexico, in such a manner as to produce gas from the Strawn formation through tubing and gas from the Morrow formation through the casing-tubing annulus by means of a cross-over assembly.
- CASE 5436: Application of William G. Ross 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 in formations of Pennsylvanian age or older underlying the E/2 of Section 3, Township 18 South, Range 26 East, Atoka-Pennsylvanian Gas Pool, Eddy County, New Mexico, to be dedicated to a well to be drilled at an unorthodox location 660 feet from the South and East lines, or in the alternative 990 feet from the South line and 660 feet from the East line of said Section 3. 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 the applicant as the operator of the well and a charge for the risk involved in drilling said well.

Case 5437

Offset Operators
Section H, T-22S, R-36E
Lea County, New Mexico

Continental Oil Company
P. O. Box 460
Hobbs, New Mexico 88240

Marathon Oil Company
P. O. Box 552
Midland, Texas 79701

Sun Oil Company
P. O. Box 1861
Midland, Texas 79701

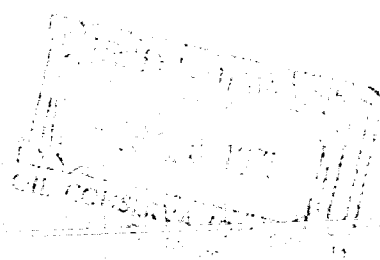
Texas Pacific Oil Company
P. O. Box 4067
Midland, Texas 79701

Atlantic Richfield Company

Legal Division
Post Office Box 2819
Dallas, Texas 75221
Telephone 214 651 4873

Duncan W. Holt, Jr.
Attorney

Case 5437



February 7, 1975

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

Re: Application of Atlantic Richfield Company
for a Standard Proration Unit, and
Unorthodox Location and Simultaneous
Dedication of Acreage, Jalmat Pool, Lea
County, New Mexico

Gentlemen:

Enclosed in triplicate is application of Atlantic Richfield Company in the above matter. It is my understanding it has been already set for hearing on March 5, 1975.

The off-set operators are shown on the attached list. Each has been furnished a copy of the application.

Very truly yours,

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

DWH:ih

Enclosure

cc: Mr. Clarence E. Hinkle

Clarence E. Hinkle

DOCKETED

Date

BEFORE THE OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

APPLICATION OF ATLANTIC RICHFIELD)
COMPANY FOR A STANDARD PRORATION)
UNIT, AND UNORTHODOX LOCATION)
AND SIMULTANEOUS DEDICATION OF)
ACREAGE, JALMAT POOL, LEA COUNTY,)
NEW MEXICO)

CASE NO. 5437

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 standard proration unit, unorthodox locations and simultaneous dedication of 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 standard 640-acre Jalmat gas proration unit, covering Section 14, Township 22 South, Range 36 East, Lea County, New Mexico, to be simultaneously dedicated to the McDonald State WN Well No. 11 located 990 feet from the North Line and 990 feet from the West Line of said Section 14 and the McDonald State Well No. 27, located 660 feet from the South Line and 2310 feet from the East Line of said Section 14, both unorthodox locations, with the unit allowable to be produced from either or both wells in any proportion.

Attached is a map of the proposed proration unit.

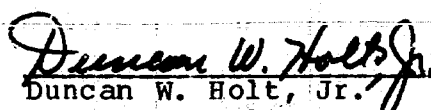
3.

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 the 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.
P. O. Box 2819
Dallas, Texas 75221

Clarence E. Hinkle
Hinkle, Bondurant, Cox & Eaton
P. O. Box 10
Roswell, New Mexico 99201

ATTORNEYS FOR APPLICANT
ATLANTIC RICHFIELD COMPANY

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

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

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

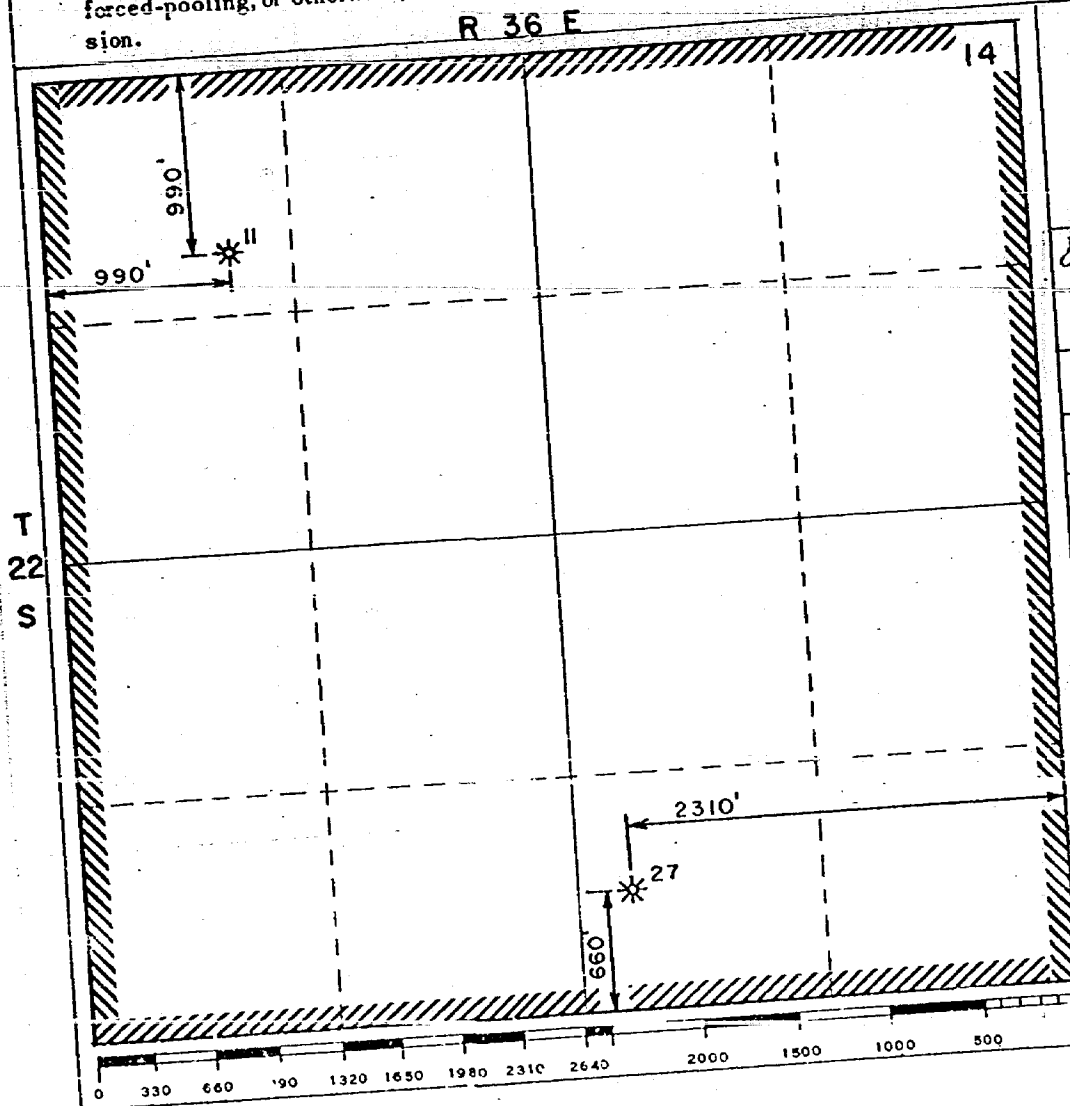
Operator Atlantic Richfield Company		Lease McDonald State WN		Well No. 11
Unit Letter D	Section 14	Township 22S	Range 36E	County Lea
Actual Footage Location of Well: 990 feet from the North line and 990 feet from the West line			Dedicated Acreage: 640 Acres	
Ground Level Elev: 3529'	Producing Formation Yates		Pool Jalmat Gas	

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).
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.

Name
L. C. Soileau IV

Position
Operations Engineer

Company
Atlantic Richfield Co.

Date
January 16, 1975

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

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

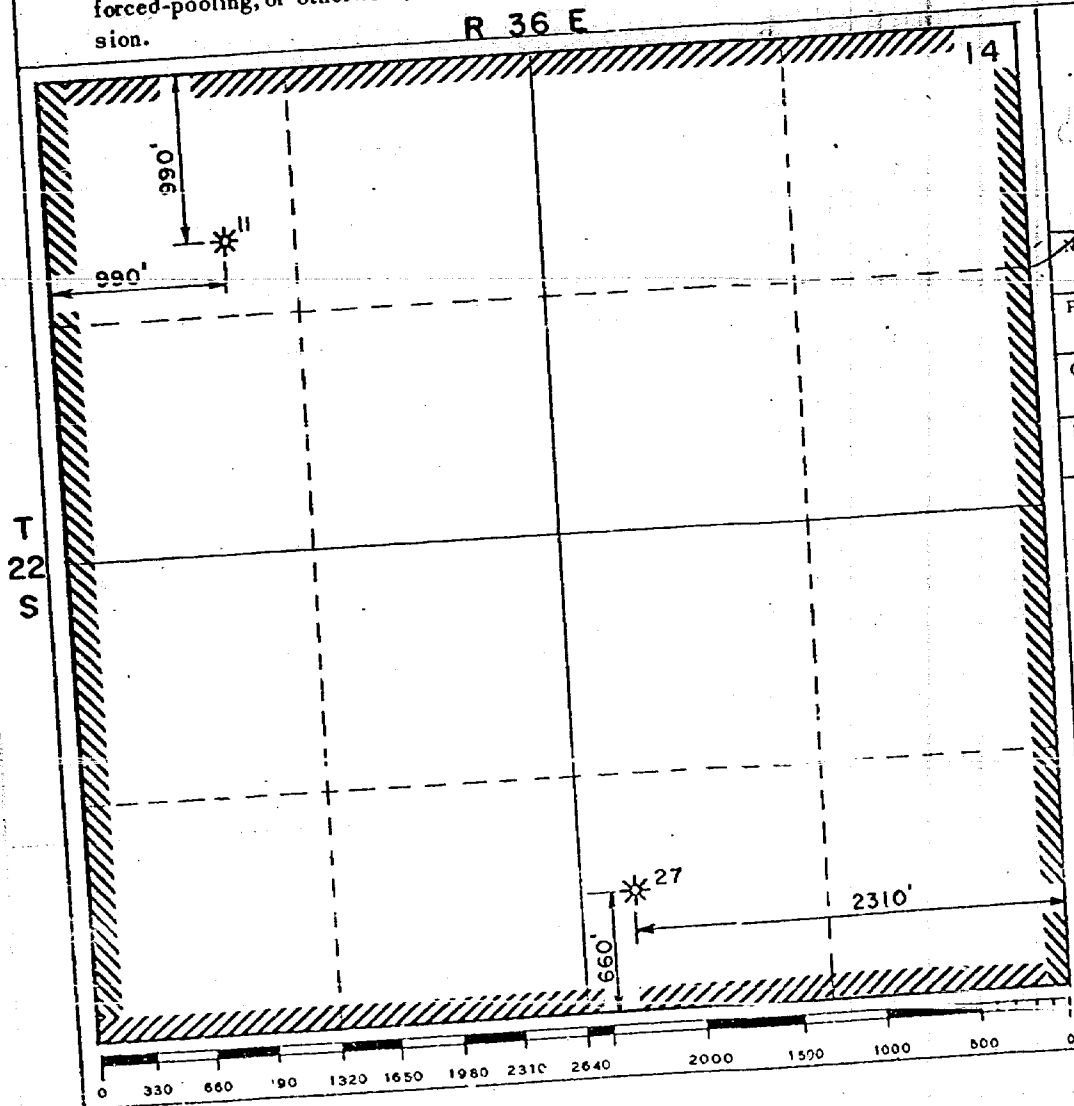
All distances must be from the outer boundaries of the Section.

Operator Atlantic Richfield Company			Lease McDonald State WN		Well No. 27
Unit Letter O	Section 14	Township 22S	Range 36E	County Lea	
Actual Footage Location of Well: 660 feet from the South line and 2310 feet from the East line					
Ground Level Elev. 3497'	Producing Formation Yates		Pool Jalmat Gas		Dedicated Acreage: 640 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).
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.

Name
I. C. Soileau IV
Position
Operations Engineer
Company
Atlantic Richfield Co.
Date
January 16, 1975

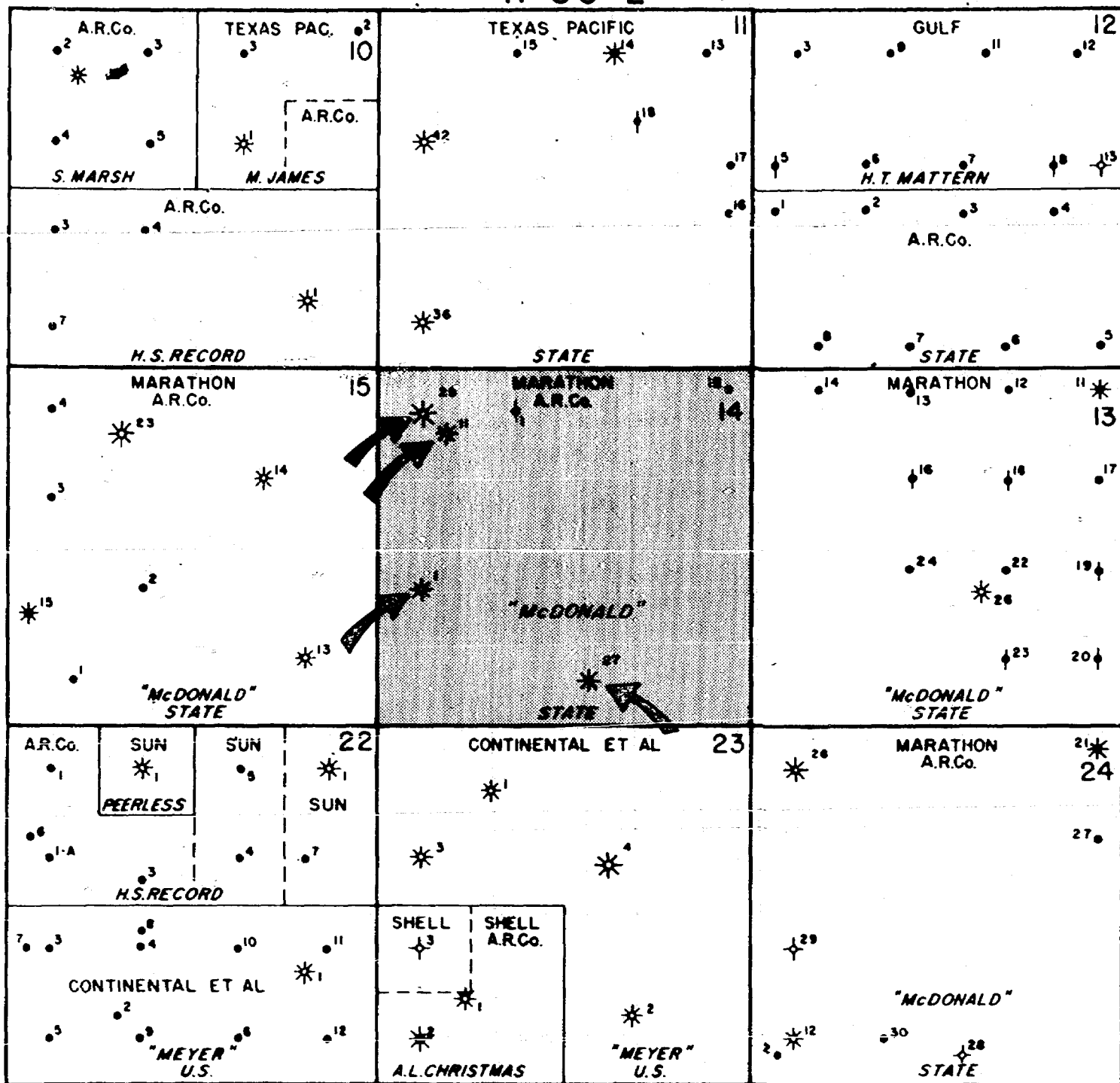
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

Registered Professional Engineer and/or Land Surveyor

Certificate No.

R 36 E



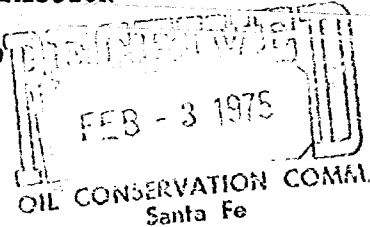
T
22
S

Atlantic Richfield Company			
North American Petroleum Division			
Houston, Texas			
PROPOSED			
JALMAT (YATES) GAS UNIT			
LEA COUNTY, NEW MEXICO			
640 ACRES			
SEC. 14, T-22-S, R-36-E			
<div style="border: 1px solid black; width: 100px; height: 10px; margin: 0 auto;"></div>			
BY	L. SOLEAU	DATE	10/1/75
CHKD	1-75	REVIEWED	10/1/75
APP	WEST AREA ENGINEERING	DATE	10/1/75

Case 5437

OIL CONSERVATION COMMISSION
Hobbs DISTRICT

OIL CONSERVATION COMMISSION
BOX 2088
SANTA FE, NEW MEXICO



DATE Jan. 30, 1975

RE: Proposed MC _____
Proposed DHC _____
Proposed NSL _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

NSP (Simultaneous
Dedication)

Gentlemen:

I have examined the application dated _____
for the Atlantic Richfield Co. McDonald WN State #11-D & #27-O 14-22-36
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

O.K.---J.D.R.

Yours very truly,

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. 5437

APPLICATION OF ATLANTIC RICHFIELD
COMPANY FOR TWO UNORTHODOX WELL
LOCATIONS AND SIMULTANEOUS
DEDICATION, LEA COUNTY,
NEW MEXICO.

Order No. R-4984

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 5, 1975
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this day of March, 1975, 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,
is the operator of two 320-acre non-standard gas proration
units ^{comprising the N/2 and S/2, respectively, of} Section 14, Township 22 South, Range 36 East, NMPM,
Jalmat Gas Pool, Lea County, New Mexico

(3) That the applicant seeks to form a standard 640-acre gas proration unit consisting of all of said Section 14 and to dedicate, thereto, its McDonald State WN Well No. 11 and Well No. 27 located at unorthodox gas well locations in Units D and O, respectively, of said Section 14.

(4) That the applicant further seeks to produce the unit allowable from either of said McDonald State WN Wells Nos. 11 and 27 in any proportion.

(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.

(6) That the appropriate portion of Commission Order No. R-4716 and Order No. R-4795 should be superseded.

IT IS THEREFORE ORDERED:

(1) That the applicant, Atlantic Richfield Company, is hereby authorized two non-standard gas well locations for its McDonald State WN Wells Nos. 11 and ²⁷~~21~~ located, respectively, in Unit D and Unit O of Section 14, Township 22 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico.

(2) That effective at 7:00 a.m. April 1, 1975, the applicant is hereby authorized to ~~xxx~~ simultaneously dedicate a standard 640-acre gas proration unit comprising all of said Section 14 to said McDonald State WN Wells Nos. 11 and 27 with unit production to be taken from said wells in any proportion.

(3) That ^{the portion} ~~the appropriate portion~~ of Commission Order ~~No. R-4716 and R-4795~~ ^{relating Order No. 10 to the N/2 of Section 14, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, and Order No. R-47795} are 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.

East NMPM, Lea County, New Mexico, and Order No. R-47795