

CASE 5747: ATLANTIC RICHFIELD CO.
FOR A NON-STANDARD GAS PRORATION
UNIT, UNORTHODOX LOCATION AND
SIMULTANEOUS DEDICATION, LEA CO. *ny*

CASE NO.

5747

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.

NEW MEXICO OIL CONSERVATION COMMISSION

EXAMINER HEARING

SANTA FE, NEW MEXICO

Case
5747

Hearing Date SEPTEMBER 1, 1976 TIME: 9:00 A.M.

NAME	REPRESENTING	LOCATION
Clarence H. Hume	Atlantic Richfield	Midland, TX
Don Stevenson	"	Odessa, TX
Joe V. Thacker	"	"
Richard L. Pendergast	Atlantic Richfield	Midland, TX
Huan Q. Pham	Atlantic Richfield	Midland, TX
William J. Fuller	Phillips Petroleum Co.	Odessa, TX
W. B. Taylor, Jr.	Phillips Petroleum Co.	Odessa, TX
Jason Kellum	Kellum & Son	Santa Fe
Bob Brown	Permian & Bonbright	Santa Fe
MM Campbell	Bonbright Co.	Midland, TX
Burg E. Euse	Permian Co. Inc.	Midland
Jim Ellis	Susco	Dallas, TX
Ed Shannock	Susco	Dallas
Alvin Lopez	Montgomery Ward	Santa Fe
DEAN R. FELLOWS	R. L. Strong Corp.	Dallas, TX
LARRY O. HULSEY	EFWDIS (S. H. STOVALL)	GRANITE, TEXAS
HARRY M. BETTIS	"	GRANITE, TEXAS
E. F. MOTTIER	CITICORP SERVICE	MIDLAND

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
September 1, 1976

EXAMINER HEARING

IN THE MATTER OF:

Application of Atlantic Richfield) CASE
Company for a non-standard gas proration) 5747
unit, unorthodox location and)
simultaneous dedication, Lea County,)
New Mexico.)

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil	William F. Carr, Esq.
Conservation Commission:	Legal Counsel for the Commission
	State Land Office Building
	Santa Fe, New Mexico
For the Applicant:	Clarence E. Hinkle, Esq.
	HINKLE, BONDURANT, COX & EATON
	Attorneys at Law
	Hinkle Building
	Roswell, New Mexico

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General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

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I N D E X

Page

RICHARD S. PRENTICE

Direct Examination by Mr. Hinkle	3
Cross Examination by Mr. Nutter	7

EXHIBIT INDEX

Offered Admitted

Applicant's Exhibit One, Plat	5	7
Applicant's Exhibit Two, Plat	6	7

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1 MR. NUTTER: The hearing will come to order, please.
2 The first case this morning will be Case Number 5747.

3 MR. CARR: Case 5747, application of Atlantic Richfield
4 Company for a non-standard gas proration unit, unorthodox
5 location and simultaneous dedication, Lea County, New Mexico.

6 MR. HINKLE: Clarence Hinkle, Hinkle, Bondurant, Cox
7 and Eaton appearing on behalf of Atlantic Richfield Company
8 and we have one witness and two exhibits.

9 (THEREUPON, the witness was duly sworn.)

10
11 RICHARD S. PRENTICE
12 called as a witness, having been first duly sworn, was
13 examined and testified as follows:

14
15 DIRECT EXAMINATION

16 BY MR. HINKLE:

17 Q State your name, your residence and by whom you
18 are employed?

19 A My name is Richard S. Prentice, I live in Midland,
20 Texas and I work for Atlantic Richfield Company.

21 Q What is your position with Atlantic Richfield?

22 A I'm employed as an Operation Engineer with Atlantic
23 Richfield.

24 Q Are you familiar with the application in this case?

25 A Yes, I am.

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1 Q What is Atlantic Richfield seeking to accomplish?

2 A Atlantic Richfield seeks approval for a previously
3 established hundred-and-eighty-five acre non-standard Eumont
4 gas proration unit comprising the southwest quarter and the
5 southwest quarter of the northwest quarter of Section 19,
6 Township 21 South, Range 36 East, Lea County, New Mexico to be
7 simultaneously dedicated to Atlantic Richfield State "F" DE
8 Wells No. 1 and No. 3 at unorthodox locations in Units E and
9 K, respectively of Section 19.

10 Q Have you previously testified before the Commission?

11 A No, sir, I have not.

12 Q State briefly your educational background and
13 experience as a petroleum engineer?

14 A I have a BA in Chemistry from Austin College in
15 Sherman, Texas and a Master of Science degree in Chemical
16 Engineering from Texas Tech University.

17 Q What has been your experience?

18 A I have worked for Atlantic Richfield for two years
19 as an Operational Engineer and Petroleum Engineer.

20 Q Are you familiar with the operations in New Mexico?

21 A Yes, I am.

22 Q Are you familiar with the area that is involved in
23 this case?

24 A Yes, I am.

25 Q And have you made a study of that area?

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1 A Yes, sir.

2 MR. HINKLE: Are his qualifications sufficient?

3 MR. NUTTER: Yes, they are.

4 Q (Mr. Hinkle continuing.) Have you prepared or has
5 there been prepared under your direction, exhibits for
6 introduction in this case?

7 A Yes, there have.

8 Q They are the ones that have been marked Exhibits
9 One and Two?

10 A Yes, sir.

11 Q Refer to Exhibit One and explain what this is and
12 what it shows?

13 A Exhibit One is a plat of the offset Eumont, active
14 Eumont gas wells in the area. It shows the hundred-and-
15 eighty-five acre non-standard unit in hash marks. It shows
16 the location of both the State "F" DE No. 3 and the State "F"
17 DE No. 1.

18 Q It also shows all of the wells producing from the
19 Eumont gas pool?

20 A Yes, sir.

21 Q Did Atlantic Richfield give notice to all offset
22 owners of this application?

23 A Yes, sir, they did.

24 Q Have you had any response to your notice?

25 A No, sir, we have not.

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1 Q No protests?

2 A No protests.

3 Q Refer to Exhibit Two and explain what this and what
4 it shows?

5 A Exhibit Two is an allocation and dedication
6 plat. It shows the exact location of the State "F" DE No. 1
7 and the State "F" DE No. 3. It shows the non-standard proration
8 unit outlined in hash marks.

9 Q Both of the wells shown are non-standard wells,
10 are they not?

11 A Yes, sir.

12 Q Have these locations heretofore been approved by
13 the Commission?

14 A Yes, they have.

15 Q What is the status of the "F" DE No. 1?

16 A The State "F" DE No. 1 is presently completed in
17 the Eumont oil zone and is shut in.

18 Q Then is that the well you propose to recomplete in
19 the Eumont gas pool?

20 A Yes, it is.

21 Q Do you propose to dedicate the production from both
22 of these wells to this unit?

23 A Yes, we do.

24 Q Do you anticipate that both wells will make the
25 allowable for this unit?

1 A. Yes, we do.

2 Q. In your opinion if the Commission approves this
3 application will it be in the interest of conservation,
4 prevention of waste and protect correlative rights?

5 A. Yes, it will.

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

7 MR. NUTTER: Exhibits One and Two will be admitted
8 into evidence.

9 (THEREUPON, Applicant's Exhibits One and
10 Two were admitted into evidence.)

11
12 CROSS EXAMINATION

13 BY MR. NUTTER:

14 Q. Mr. Prentice, what is the current status of the
15 proration unit here?

16 A. Currently the proration unit is a marginal unit. The
17 State "F" DE No. 3 presently makes about a hundred-and-forty
18 MCF a day and that makes the unit marginal.

19 Q. So it will make the allowable non-marginal and that
20 is the purpose for reCompleting the other well in the unit?

21 A. That is correct.

22 MR. NUTTER: Are there further questions of the
23 witness? He may be excused.

24 (THEREUPON, the witness was excused.)

25 MR. NUTTER: Is there anything further, Mr. Hinkle?

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MR. HINKLE: That's all.

MR. NUTTER: Does anyone have anything to offer in
Case 5747? We will take the case under advisement.

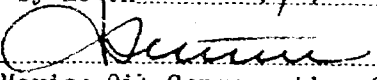
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Phone (505) 982-9212

REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand 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.


Sidney F. Morrish, C.S.R.

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Phone (505) 982-9212

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of case No. 5747
heard by us on 9/1, 1976.
 , Examiner
New Mexico Oil Conservation Commission

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. 5747
Order No. R-5280

APPLICATION OF ATLANTIC RICHFIELD
COMPANY FOR A NON-STANDARD GAS PRORATION
UNIT, AN UNORTHODOX LOCATION 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 September 1, 1976, at Santa Fe, New Mexico, before Examiner, Daniel S. Nutter.

NOW, on this 16th day of September, 1976, 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 a previously established 185-acre non-standard Eumont gas proration unit comprising the SW/4 and SW/4 NW/4 of Section 19, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico.

(3) That the applicant seeks to simultaneously dedicate to said non-standard unit its State "F" DE Well No. 1 at an unorthodox location 2310 feet from the North line and 330 feet from the West line of said Section 19, and its State "F" DE Well No. 3, located 1980 feet from the South line and 1815 feet from the West line of said Section 19.

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

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

-2-

Case No. 5747
Order No. R-5280

(6) That Commission Order No. R-594, dated February 28, 1955, which approved the aforesaid non-standard proration unit dedicated to the State "F" DE Well No. 3 only, should be superseded.

IT IS THEREFORE ORDERED:

(1) That the applicant, Atlantic Richfield Company, is hereby authorized to simultaneously dedicate a previously established 185-acre non-standard gas proration unit comprising the SW/4 and SW/4 NW/4 of Section 19, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico, to its State "F" DE Well No. 1 at an unorthodox location 2310 feet from the North line and 330 feet from the West line of said Section 19, and to its State "F" DE Well No. 3, located 1980 feet from the South line and 1815 feet from the West line of said Section 19.

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

(3) That Commission Order No. R-594 is hereby superseded.

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

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

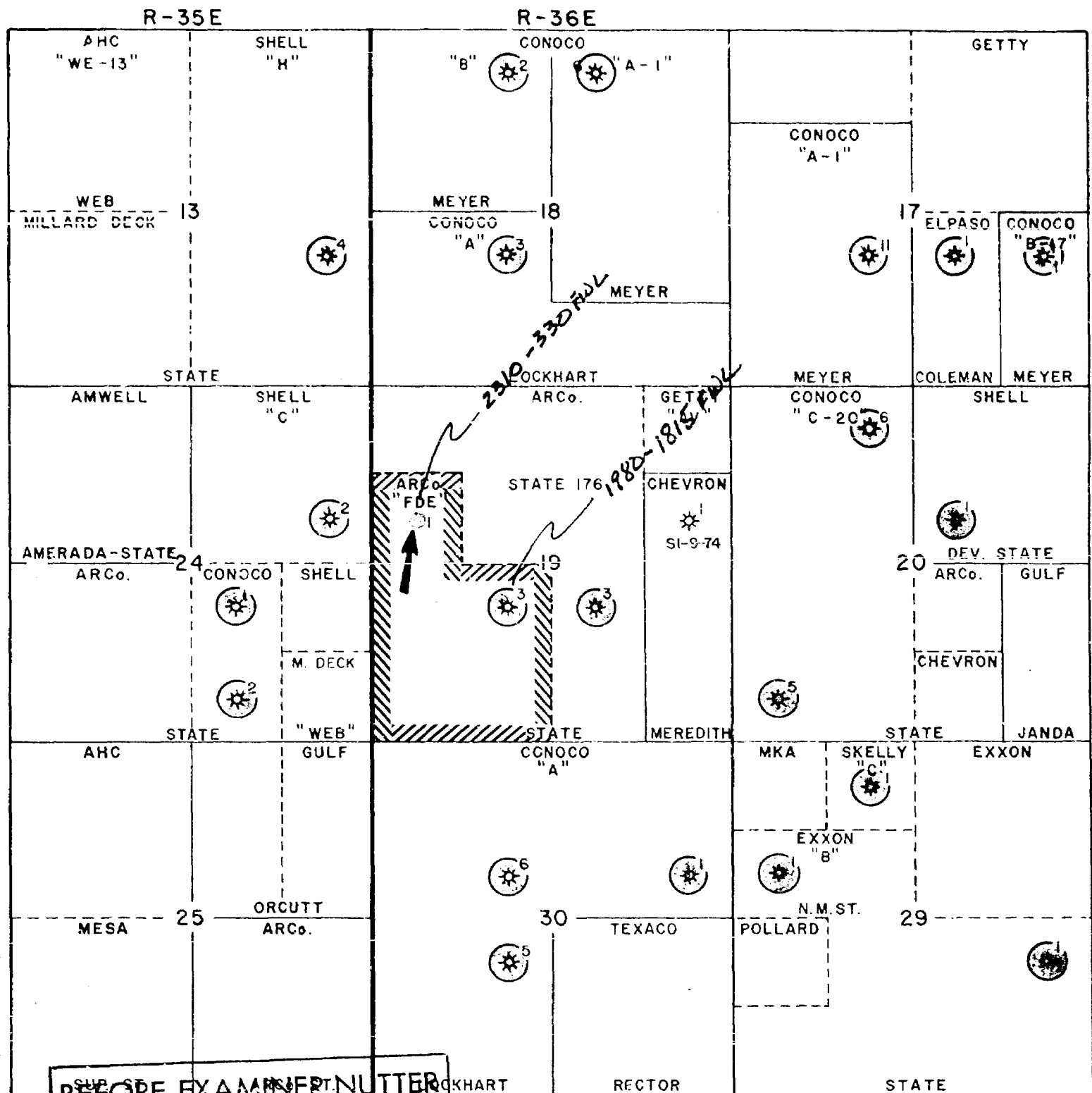

Phil R. Lucero
PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member

Joe D. Ramey
JOE D. RAMEY, Member & Secretary

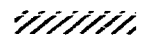
S E A L

dr/



BEFORE EXAMINER NUTTER
 OIL CONSERVATION COMMISSION
 EXHIBIT NO. 1
 CASE NO. 5747

LEGEND



185 ACRE EUMONT GAS UNIT



ACTIVE EUMONT GAS PRODUCERS (MAY '76)

Atlantic Richfield Company
 North American Producing Division
 Permian District, Midland, Texas

STATE F DE LEASE
 EUMONT GAS PRODUCTION

LEA COUNTY, NEW MEXICO

SCALE - 1" = 2000'

By R. PRENTICE	Drawn By M.R.	Date 7-7-76
Revised By	AVT.	Date 8-24-76
Check By		

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-124
Effective 1-1-65

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

Operator Atlantic Richfield Company			Lease State "F" D. E		Well No. 1
Unit Letter E	Section 19	Township 21S	Range 36E	County Lea	
Actual Footage Location of Well: 2310 feet from the North line and 330 feet from the West line					
Ground Level Elev. 3627	Producing Formation Queen		Pool Eumont		Dedicated Acreage 185 Acres

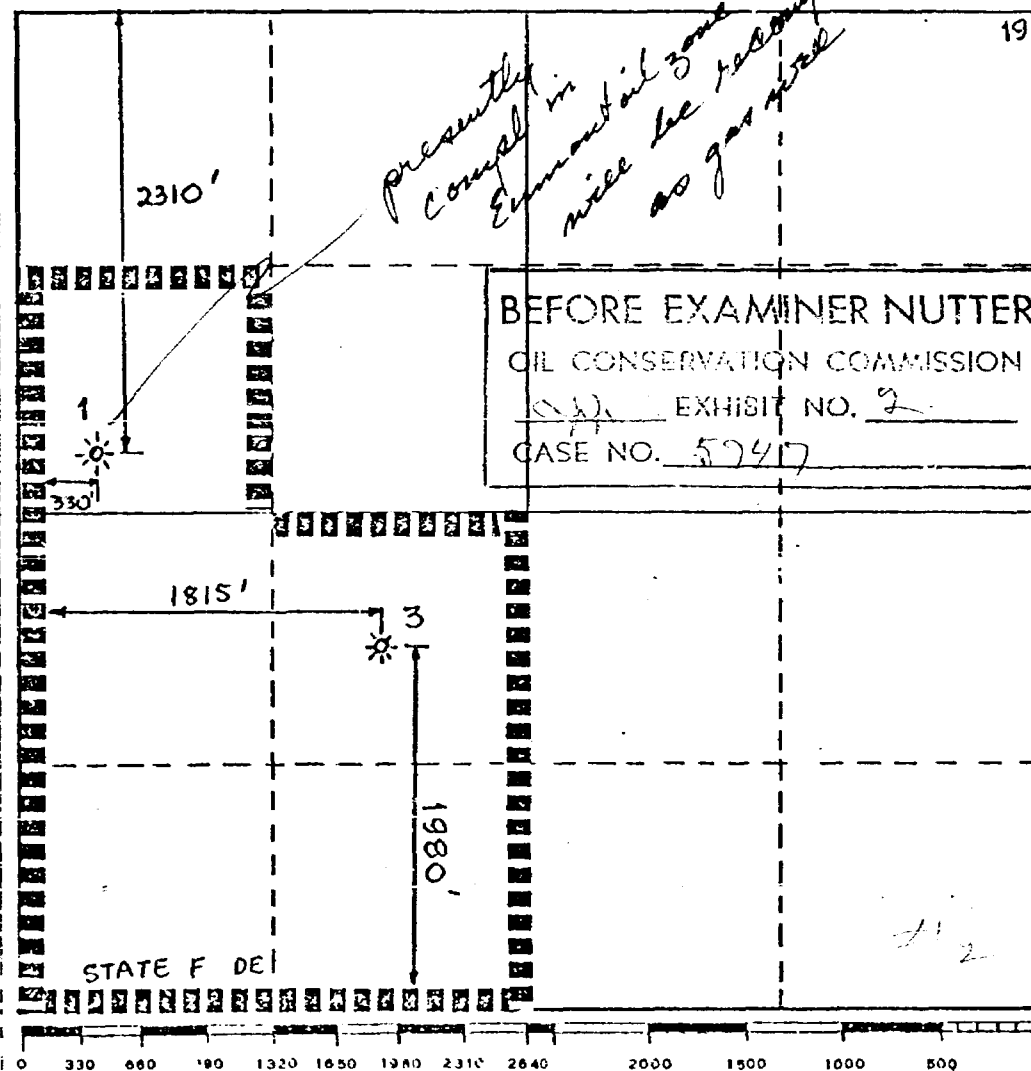
1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is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

Huan Q. Pham

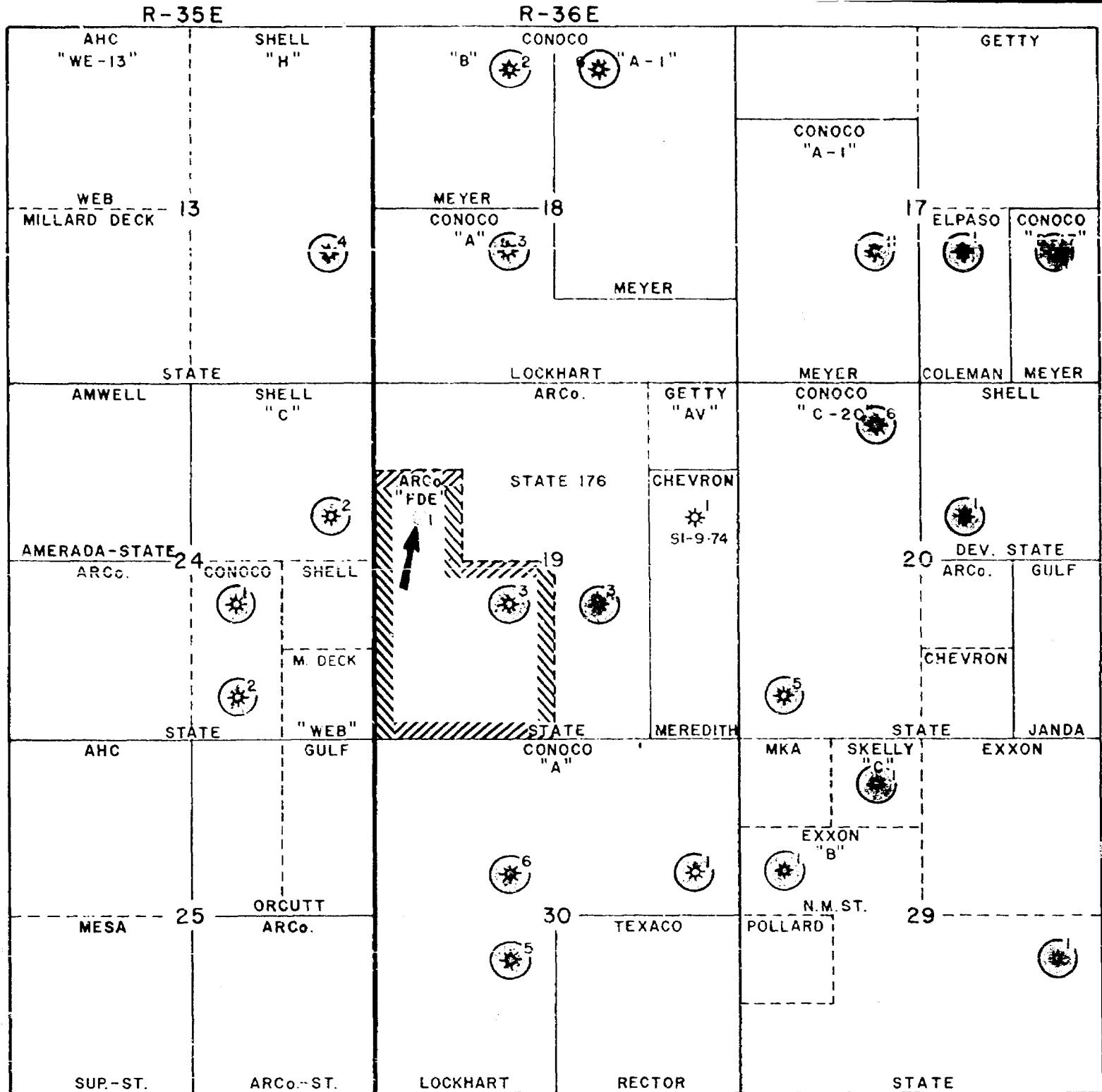
Name
Huan Quoc Pham
Position
Operation Engineer
Company
Atlantic Richfield
Date
July 26, 1976

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.

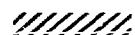
Date Surveyed

Registered Professional Engineer and/or Land Surveyor

Certificate No. _____



LEGEND



185 ACRE EUMONT GAS UNIT



ACTIVE EUMONT GAS PRODUCERS (MAY '76)

*Exhibit 1
Case 5747*

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

STATE F DE LEASE
EUMONT GAS PRODUCTION
LEA COUNTY, NEW MEXICO
SCALE - 1" = 2000'

By R.S. PRENTICE	Drawn By M.R.	Date 7-7-76
Check	Rev. 100 P.	AVT. Date 8-24-76
Done	Eng. 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 State "F" D.E		Well No. 1
Unit Letter E	Section 19	Township 21S	Range 36E	County Lea	
Actual Footage Location of Well:					
2310 feet from the North line and		330 feet from the West line			
Ground Level Elev. 3627	Producing Formation Queen	Pool Eumont	Dedicated Acreage: 185 Acres		

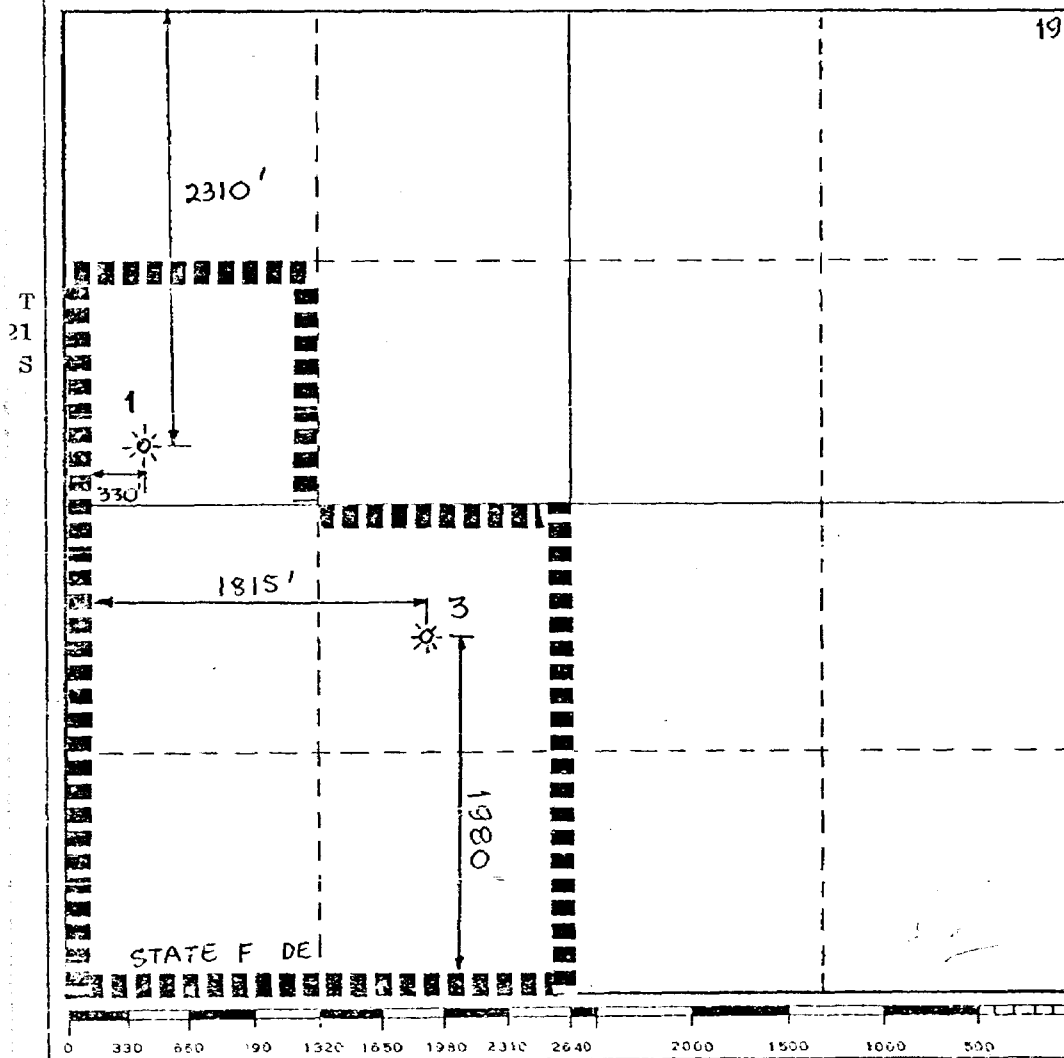
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is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

Huan Q. Pham

Name

Huan Quoc Pham

Position

Operation Engineer

Company

Atlantic Richfield

Date

July 26, 1976

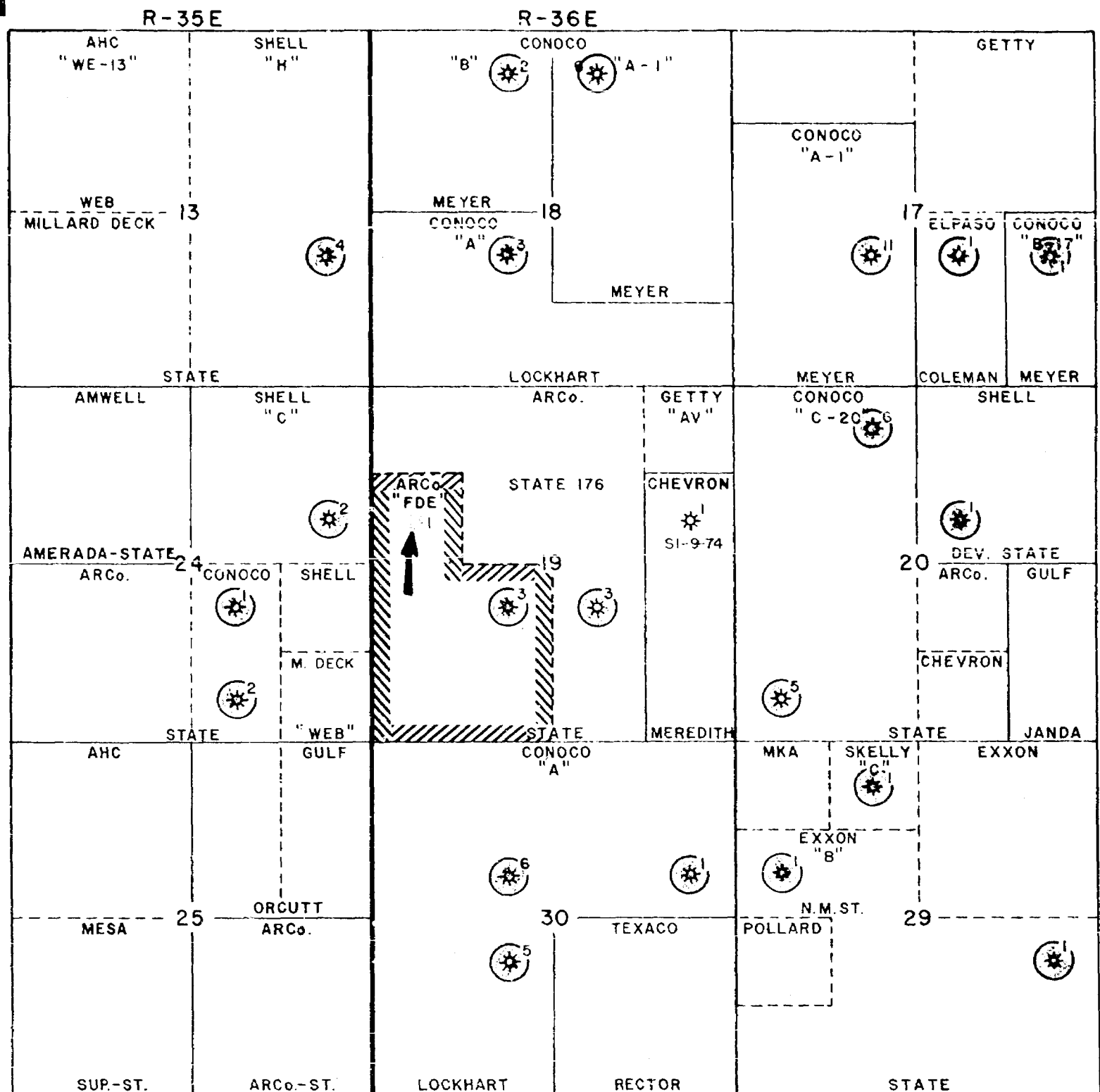
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

Registered Professional Engineer and/or Land Surveyor

Certificate No.

Exhibit 2
Case 5747



LEGEND



185 ACRE EUMONT GAS UNIT



ACTIVE EUMONT GAS PRODUCERS (MAY '76)

*Exhibit 1
Case 5747*

Atlantic Richfield Company
North American Producing Division
Permian District Midland Texas

STATE F DE LEASE

EUMONT GAS PRODUCTION

LEA COUNTY, NEW MEXICO

SCALE-1"=2000'

By R.S. PRENTICE	Drawn By M.R.	Date 7-7-76
Check	Reviewed By A.V.T.	Date 8-24-76
Draw	Eng. 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 State "F" D.E		Well No. 1
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Actual Footage Location of Well:					
2310 feet from the North line and		330 feet from the West line			
Ground Level Elev. 3627	Producing Formation Queen	Pool Eumont	Dedicated Acreage: 185 Acres		

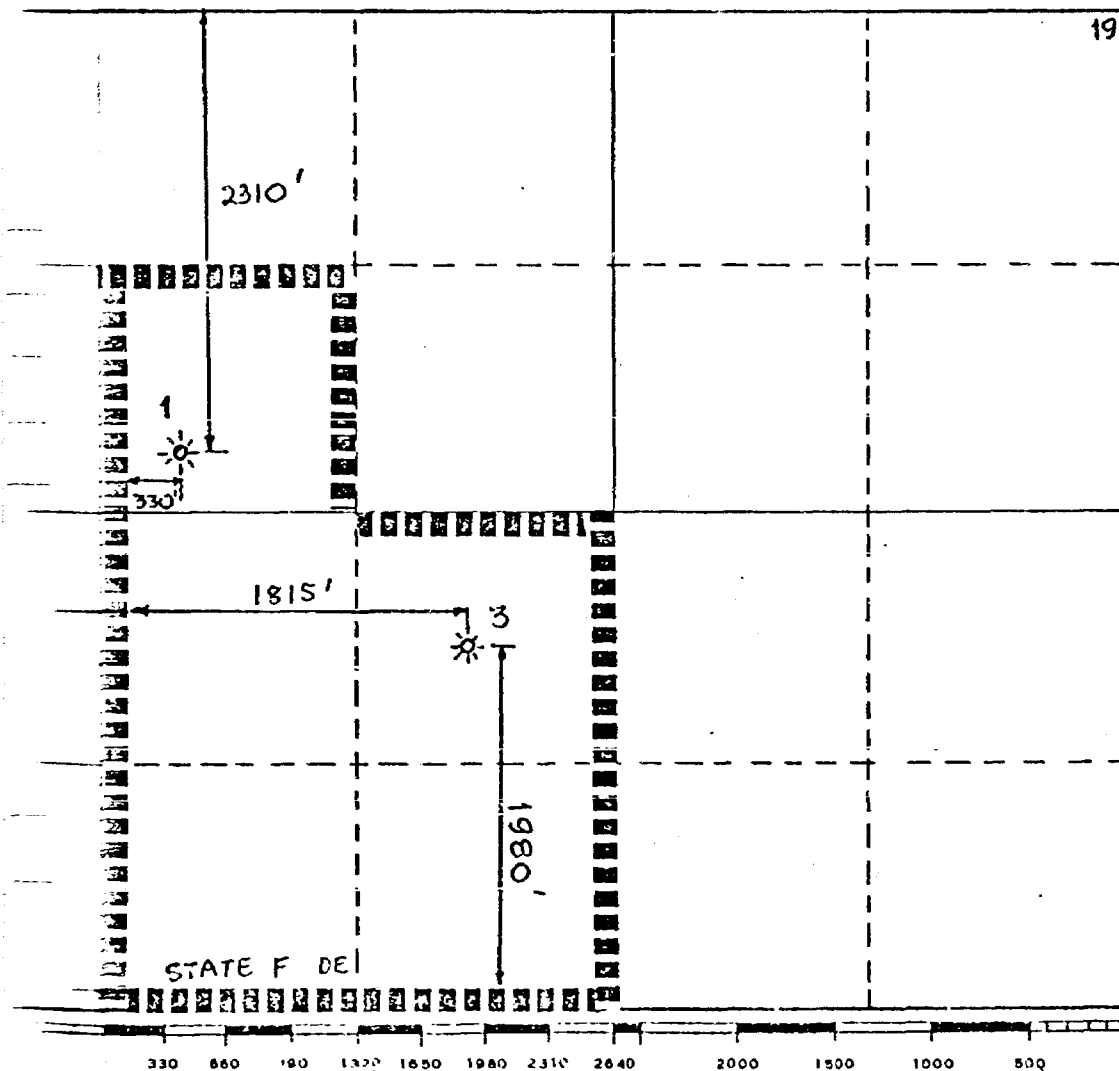
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R 36 E



CERTIFICATION

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

Huan Q. Pham
Name

Huan Quoc Pham

Position

Operation Engineer

Company

Atlantic Richfield

Date

July 26, 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.

Exhibit 2
Case 5747

Dockets Nos. 25-76 and 26-76 are tentatively set for hearing on September 15 and 29, 1976. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 1, 1976

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

The following cases will be heard before Daniel S. Matter, Examiner, or Richard L. Stamets, Alternate Examiner:

- CASE 5747: Application of Atlantic Richfield Company for a non-standard gas proration unit, unorthodox location, and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a previously established 185-acre non-standard Huront gas proration unit comprising the SW/4 and SW/4 NW/4 of Section 19, Township 21 South, Range 36 East, Lea County, New Mexico, to be simultaneously dedicated to applicant's State "F" DE Wells Nos. 1 and 3, at unorthodox locations in Units E and K, respectively, of said Section 19.
- CASE 5748: Application of TERRAPFT Management Corporation for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled at a point 990 feet from the South and West lines of Section 31, Township 14 South, Range 28 East, Buffalo Valley-Pennsylvanian Gas Pool, Chaves County, New Mexico.
- CASE 5749: Application of Southern Union Supply Company for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Gallagher State "8" Well No. 3, proposed to be drilled at a point 660 feet from the South line and 1980 feet from the East line of Section 8, Township 17 South, Range 34 East, West Vacuum Field, Lea County, New Mexico.
- CASE 5750: Application of Cities Service Oil Company for an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Southeast Maljamar G-SA Unit-Tract 1 Well No. 4 to be located 1355 feet from the South line and 1135 feet from the East line of Section 30, Township 17 South, Range 33 East, Maljamar Grayburg-San Andres Pool, Lea County, New Mexico.
- CASE 5751: Application of Phillips Petroleum Company for a special allowable, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a capacity allowable for its U. S. Minerals Well No. 4 located in Unit O of Section 30, Township 17 South, Range 33 East, Maljamar Grayburg-San Andres Pool, Lea County, New Mexico, said well being a direct offset to an active waterflood project.
- CASE 5752: Application of Bettis, Boyle & Stovall for a special allowable, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a capacity allowable for its V. H. Justis Well No. 2 located in Unit D of Section 20, Township 25 South, Range 37 East, Jalmat Oil Pool, Lea County, New Mexico, said well being a direct offset to an active waterflood project.
- CASE 5262: (Reopened)
- In the matter of Case 5262 being reopened pursuant to the provisions of Order No. R-4822-B, which order extended the special pool rules for Southwest Media-Entrada Oil Pool, Sandoval County, New Mexico, including a provision for 160-acre spacing and proration units and a special depth bracket allowable of 750 barrels of oil per day. All interested parties may appear and show cause why said pool should not be developed on 40-acre spacing and why the special depth bracket allowable should not be rescinded.
- CASE 5737: (Continued & Readvertised)
- Application of Howard Boatright for amendment of Order No. R-5208, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-5208 which authorized salt water disposal into the Delaware formation through applicant's State CS Well No. 1, located in Unit L of Section 17, Township 21 South, Range 27 East, Eddy County, New Mexico. Applicant seeks to increase the maximum injection pressure for said well from 400 psi to 800 psi, and also to amend the specified packer setting depth from 2975 feet to 2585 feet.
- CASE 5736: (Continued from August 18, 1976, Examiner Hearing)
- Application of ECO Inc. for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle production from the Basin Dakota Gas Pool and Lybrook-Gallup Oil Pool and undesignated Greenhorn and Mancos production in the wellbore of its Dunn Well No. 2, located in Unit F of Section 10, Township 23 North, Range 7 West, Rio Arriba County, New Mexico.

AtlanticRichfieldCompany

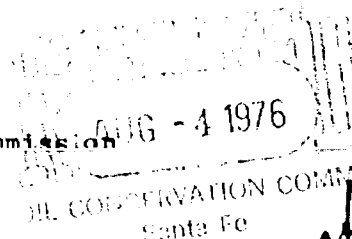
North American Producing Division
Permian District
Post Office Box 1616
Midland, Texas 79701
Telephone 915 682 3631

Line 5747



July 26, 1976

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



Re: State "F" DE No. 1
Eumont Gas Recompletion
Sec 19, T-21S, R-36E
Lea County, New Mexico

*non-sld loc
of State "F" DE #1
not eligible for
adm approval
Set for leg*

Dear Mr. Ramey:

Atlantic Richfield Company requests administrative approval to simultaneously dedicate a previously established 185-acre Eumont gas proration unit to two wells, the State "F" DE No. 1 and No. 3. Currently, the unit, SW/4 and SW/4 NW/4 of Section 19, T21S, R36E is classified as marginal with all acreage dedicated to the State "F" DE No. 3. The non-standard 185-acre unit was approved by the New Mexico Oil Conservation Commission Order No. R594, case No. 829 dated February 28, 1955. The State "F" DE No. 1 is completed in the Eumont oil. Atlantic Richfield plans to abandon that zone and recomplete in Eumont gas.

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,

J. L. Tweed

HQP/hkc

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

OFFSET OPERATORS
State "F" DE Lease

1. Shell Oil Company
Box 1509
Midland, TX 79701
2. Amerada Hess Corporation
Box 2040
Tulsa, OK 74102
3. Gulf Energy & Minerals Company - US
P. O. Box 1150
Midland, TX 79701
4. Conoco
Box 1959, Midland Savings Building
Midland, TX 79701

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-55

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

Operator Atlantic Richfield Company			Lease State "F" D.E		
Unit Letter E	Section 19	Township 21S	Range 36E	County Lea	
Actual Distance to center of Well:					
2310	feet from the	North	line and	330	feet from the
Ground Level Elev.		Section Township		West line	
3627	Queen		Eumont		Dedicated Acreage per 185 Acres

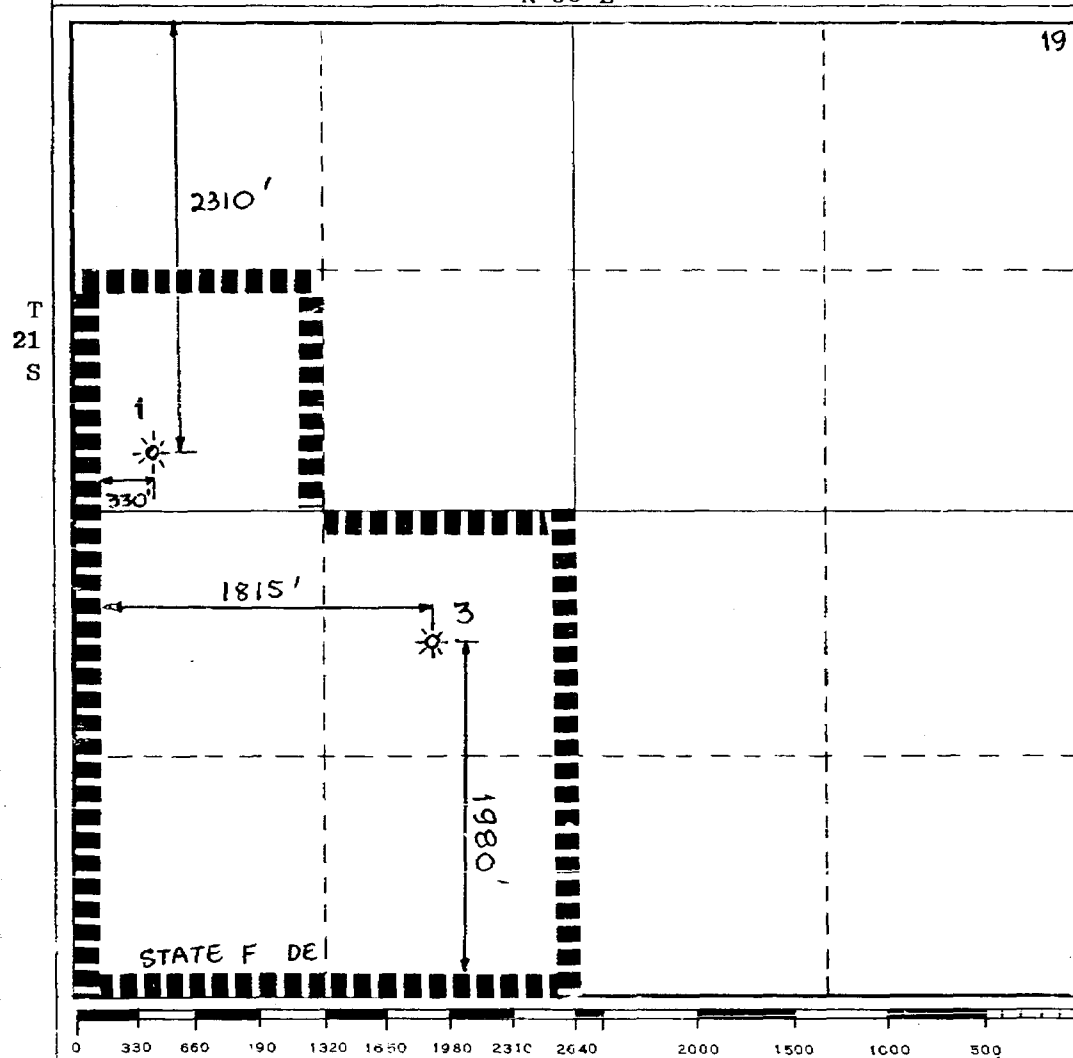
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is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

Huan Q. Pham

Name

Huan Quoc Pham

Position

Operation Engineer

Company

Atlantic Richfield

Date

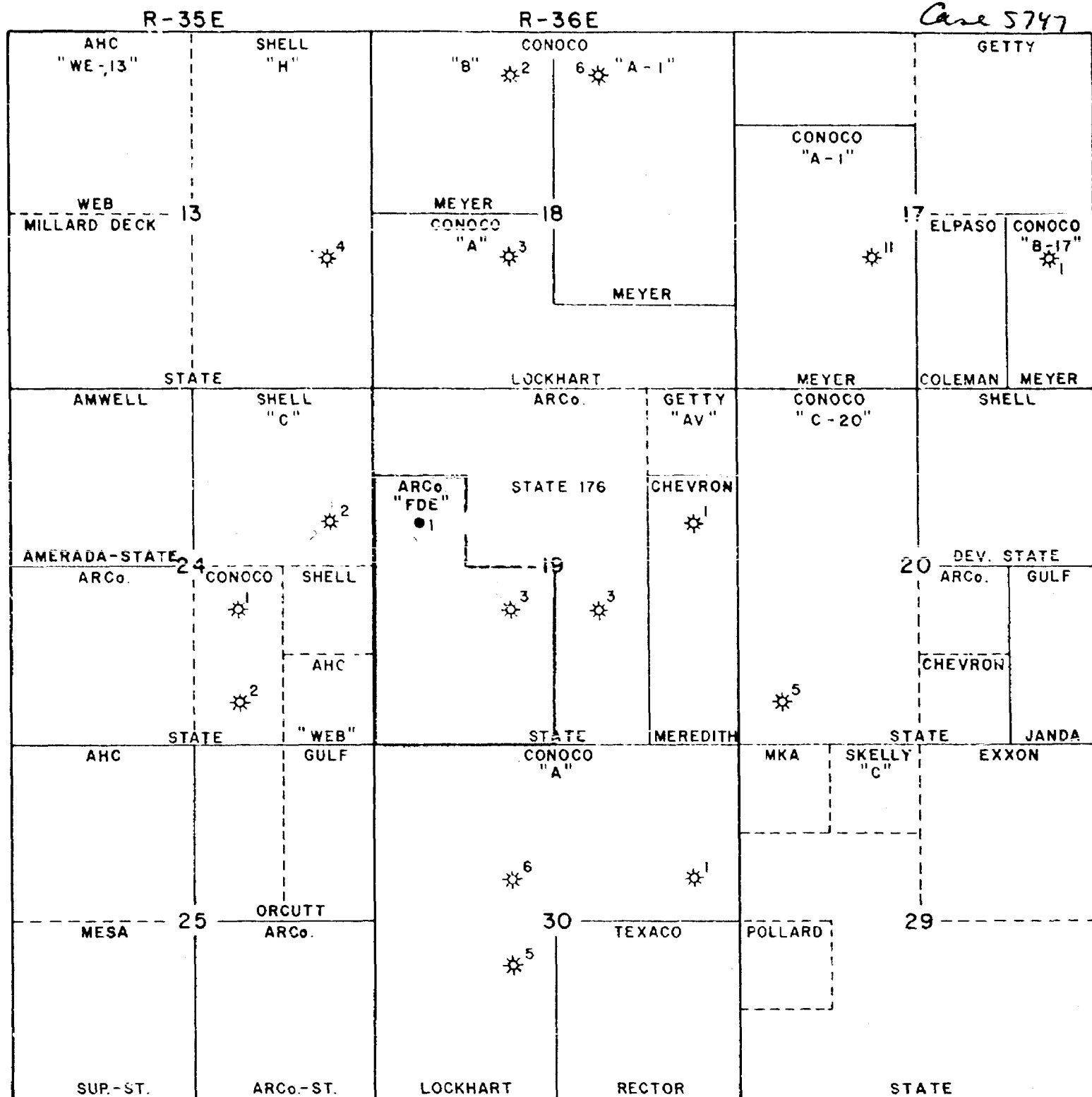
July 26, 1976

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.



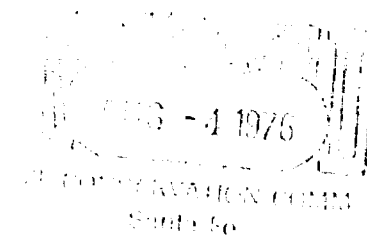
Atlantic Richfield Company 
 North American Producing Division
 Permian District Midland, Texas

STATE F DE LEASE
 EUMONT GAS PRODUCTION

By	Drawn By	M.R.	Date	7-7-70
Date	Revised By		Date	
Dept	Eng No			

Atlantic Richfield Company

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



July 26, 1976

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

Re: State "F" DE No. 1
Eumont Gas Recompletion
Sec 19, T-21S, R-36E
Lea County, New Mexico

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J. L. Tweed

HQP/hkc

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Hobbs Area Supervisor
P. O. Box 1980
Hobbs, New Mexico

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Midland, TX 79701
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Box 2040
Tulsa, OK 74102
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P. O. Box 1150
Midland, TX 79701
4. Conoco
Box 1959, Midland Savings Building
Midland, TX 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 State "F" D.E		Well No. 1
Unit Letter E	Section 19	Township 21S	Range 36E	County Lea	
Actual Footage Location of Well:					
2310 feet from the North line and		330 feet from the West line			
Ground Level Elev. 3627	Producing Formation Queen	Pool Eumont	Dedicated Acreage 185 Acres		

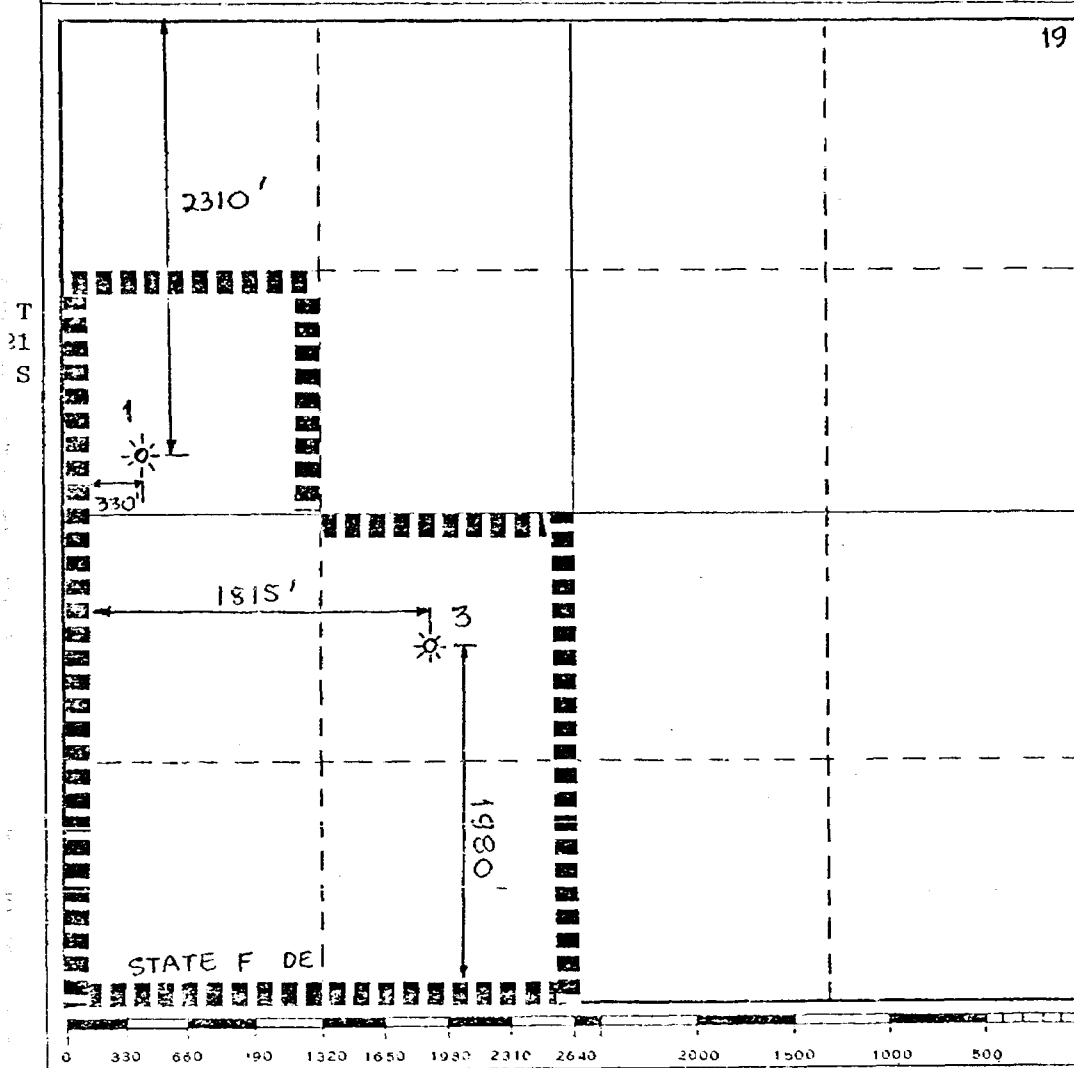
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R 36 E



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Huan Q. Pham

Name

Huan Quoc Pham

Position

Operation Engineer

Company

Atlantic Richfield

Date

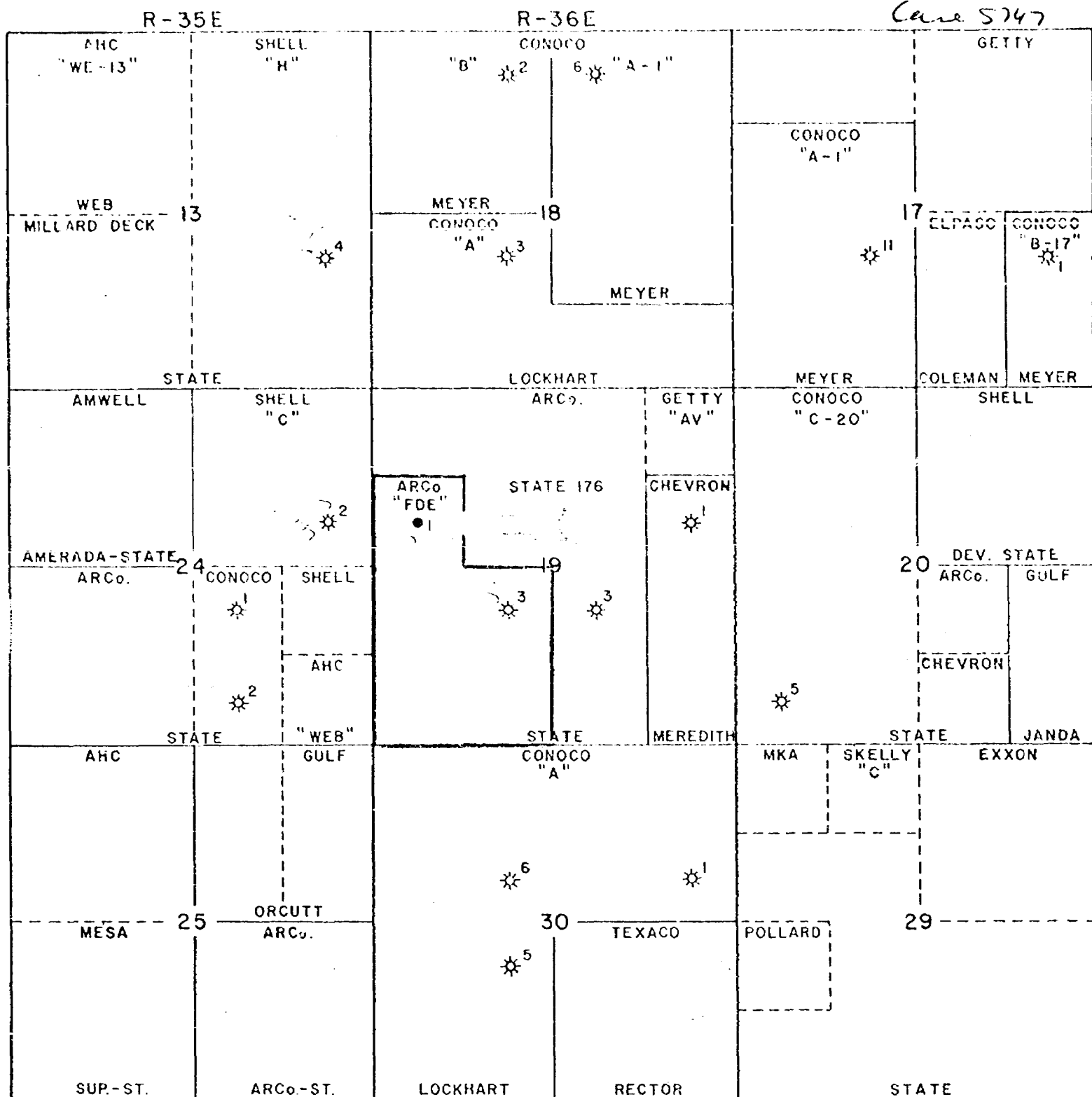
July 26, 1976

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Date Surveyed

Registered Professional Engineer and/or Land Surveyor

Certificate No.



Atlantic Richfield Company 
 North American Producing Division
 Permian District Midland, Texas

STATE F DE LEASE
 EUMONT GAS PRODUCTION

By: _____ Date: 7-7-77
 Check By: M.R. _____
 Date: _____

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



July 26, 1976

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

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Eumont Gas Recompletion
Sec 19, T-21S, R-36E
Lea County, New Mexico

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J. L. Tweed

HQP/hkc

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NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Case 5747

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 State "F" D.E		Well No. 21017
Unit Letter E	Section 19	Township 21S	Range 36E	County Lea	
Actual Footage Location of Well:					
2310 feet from the North line and		330 feet from the West line			
Ground Level Elev. 3627	Producing Formation Queen		Pool Eumont	Dedicated Acreage: 185 Acres	

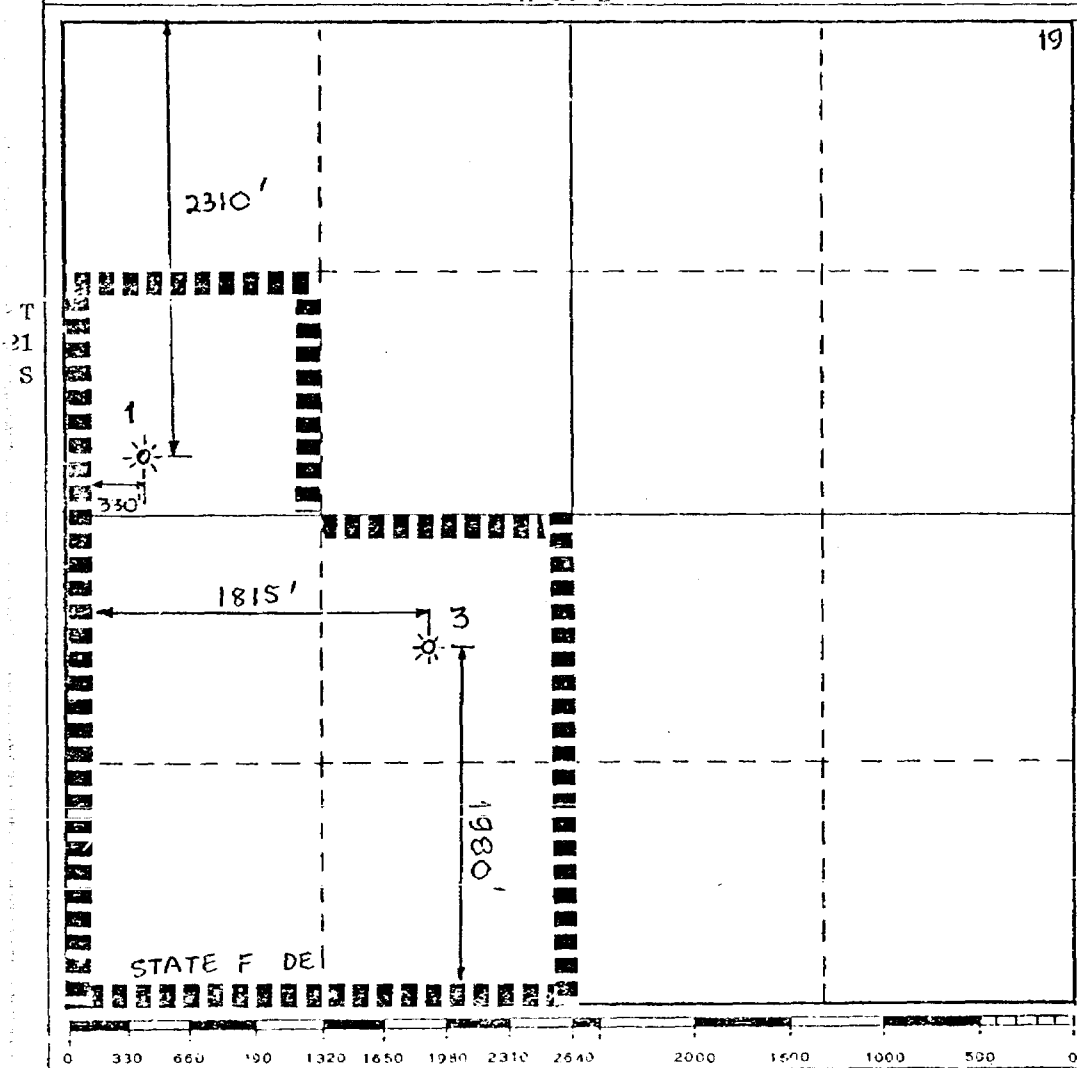
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R 36 E



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Huan Q. Pham

Name

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Position

Operation Engineer

Company

Atlantic Richfield

Date

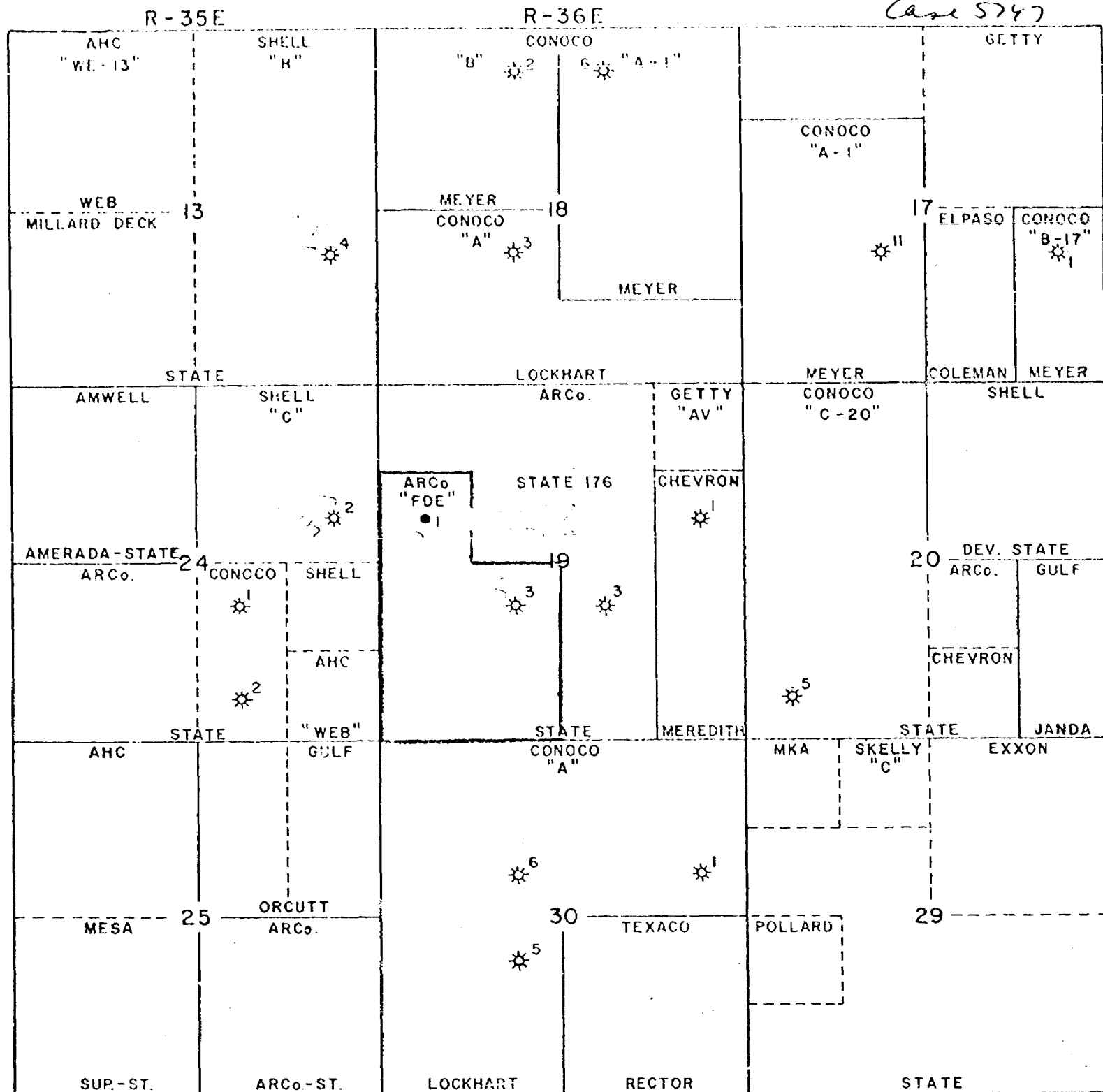
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Date Surveyed

Registered Professional Engineer and/or Land Surveyor

Certificate No.



Atlantic Richfield Company 
 North American Producing Division
 Permian District Midland, Texas

STATE F DE LEASE
 EUMONT GAS PRODUCTION

By	Drawn By	M.R.	Date	7-7-77
Check	Reviewed By		Date	

OIL CONSERVATION COMMISSION
Hobbs DISTRICTOIL CONSERVATION COMMISSION
BOX 2088
SANTA FE, NEW MEXICODATE Aug. 4, 1976RE: Proposed MC _____
Proposed DHC _____
Proposed NSL _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____
NSP X

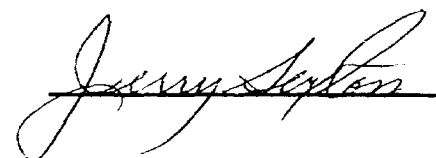
Gentlemen:

I have examined the application dated _____
for the Atlantic Richfield Co. State "F" DE #1-E & #3-K 19-21-36
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

O.K.---J.S.

Yours very truly,



DRAFT
jr/

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. 5747
Order No. R-5280

APPLICATION OF ATLANTIC RICHFIELD COMPANY
FOR A NON-STANDARD GAS PRORATION UNIT, AN
UNORTHODOX LOCATION 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 September 1, 1976,
at Santa Fe, New Mexico, before Examiner, Daniel S. Nutter.

NOW, on this _____ day of September, 1976, the Commission,
a quorum being present, having considered the testimony, the
record, and the recommendations of the Examiner, and being fully
advised in the premises,

FINDS:

(1) That due public notice having been given as required by
law, the Commission has jurisdiction of this cause and the subject
matter thereof.

(2) That the applicant, Atlantic Richfield Company, ^{seeks}
~~the approval for~~ a previously established 185-acre non-standard
Eumont gas proration unit comprising the SW/4 and SW/4 NW/4 of
Section 19, Township 21 South, Range 36 East, NMPM, Eumont Gas
Pool, Lea County, New Mexico.

(3) That the applicant seeks to simultaneously dedicate to
said non-standard unit its State "F" DE Well No. 1 at an unorthodox
location 2310 feet from the North line and 330 feet from the
West line of said Section 19, and its State "F" DE Well No. 3,
located 1900 feet from the South line and 1815 feet from
the West line of said Section 19.

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

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

(6) That Commission Order No. R-594, dated February 28,
1955, ~~and~~ which approved the aforesaid non-standard proration
unit dedicated to the State "F" DE Well No. 3 only, should be
superseded.

-2-
Case No. 5747
Order No. R-

IT IS THEREFORE ORDERED:

(1) That the applicant, Atlantic Richfield Company, is hereby authorized to simultaneously dedicate a previously established 185-acre non-standard gas proration unit comprising the SW/4 and SW/4 NW/4 of Section 19, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico, to its

State "F" DE Well No. 1 at an unorthodox location 2310 feet from the North line and 330 feet from the west line of said Section 19, and to its State "F" DE Well No. 3, located 1980 feet from the South line and 1815 feet from the west line of said Section 19.

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

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

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

(3) That Commission Order No. R-594 is hereby superseded.