

1 at CASE 5828: ATLANTIC RICHFIELD CO. *ny*  
FOR UNORTHODOX GAS WELL LOCATION,  
EDDY COUNTY, NEW MEXICO



CASE NO.

5828

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APPLICATION,  
TRANSCRIPTS,  
SMALL EXHIBITS,  
ETC.







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. 5828  
Order No. R-5356

APPLICATION OF ATLANTIC RICHFIELD COMPANY  
FOR AN UNORTHODOX GAS WELL LOCATION,  
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 5, 1977,  
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 25th day of January, 1977, 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 an unorthodox gas well location of its Robinson Gas  
Com Well No. 1 to be drilled 1850 feet from the North line and  
660 feet from the West line of Section 27, Township 17 South,  
Range 29 East, NMPM, to test the Morrow formation, Grayburg-  
Morrow Gas Pool, Eddy County, New Mexico.

(3) That the N/2 of said Section 27 is to be dedicated to  
the well.

(4) That a well at said unorthodox location will better  
enable applicant to produce the gas underlying the proration  
unit.

(5) That no offset operator appeared at the hearing to  
oppose the proposed unorthodox location.



-2-

Case No. 5828  
Order No. R-5356

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That an unorthodox gas well location for the Morrow formation is hereby approved for applicant's Robinson Gas Com Well No. 1 to be drilled 1850 feet from the North line and 660 feet from the West line of Section 27, Township 17 South, Range 29 East, NMPM, Grayburg-Morrow Gas Pool, Eddy County, New Mexico.

(2) That the N/2 of said Section 27 shall be dedicated to the above-described well.

(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

PHIL R. LUCERO, Chairman

  
*Emery C. Arnold*  
EMERY C. ARNOLD, Member

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

S E A L

dr/



BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
January 5, 1977

EXAMINER HEARING

IN THE MATTER OF:

Application of Atlantic Richfield  
Company for an unorthodox gas well  
location, Eddy County, New Mexico.

CASE  
5828

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil  
Conservation Commission:

Lynn Teschendorf, Esq.  
Legal Counsel for the Commission  
State Land Office Building  
Santa Fe, New Mexico

For the Applicant:

Clarence E. Hinkle, Esq.  
HINKLE, COX, EATON, COFFIELD  
AND HENSLEY  
Attorneys at Law  
Hinkle Building  
Roswell, New Mexico

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



I N D E X

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I. J. NATOUR

Direct Examination by Mr. Hinkle	3
Cross Examination by Mr. Nutter	10

EXHIBIT INDEX

Offered      Admitted

Arco Exhibit One, Land Map	5	9
Arco Exhibit Two, Form C-102	5	9
Arco Exhibit Three, Structure Map	5	9

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1 MR. NUTTER: We will call Case Number 5828.

2 MS. TESCHENDORF: Case 5828, application of Atlantic  
3 Richfield Company for an unorthodox gas well location,  
4 Eddy County, New Mexico.

5 MR. HINKLE: I would like for the record to show the  
6 same appearance in this case as in the two previous cases. We  
7 have one witness and three exhibits.

8 (THEREUPON, the witness was duly sworn.)

9  
10 I. J. NATOUR

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

13  
14 DIRECT EXAMINATION

15 BY MR. HINKLE:

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

18 A My name is I. J. Natour, I live in Midland, Texas  
19 and I'm employed by Atlantic Richfield.

20 Q What is your position with Atlantic Richfield?

21 A I'm an operations engineer.

22 Q Have you previously testified before the Oil  
23 Conservation Commission?

24 A No, sir.

25 Q State briefly your educational background and

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1 your qualifications as a petroleum engineer?

2 A. I received my B.S. degree from Texas Tech University  
3 in 1973 and my Master's degree in 1974 in chemical engineering  
4 and I've been practicing petroleum engineering for the last two  
5 and a half years, two of them are in Eddy County, New Mexico.

6 Q. Are you familiar with the area which is involved in  
7 this case?

8 A. Yes, sir.

9 Q. Have you made a study of this area and of all of the  
10 wells in the area?

11 A. Yes, sir.

12 MR. HINKLE: Are his qualifications sufficient?

13 MR. NUTTER: Yes, they are.

14 Q. (Mr. Hinkle continuing.) Are you familiar with the  
15 application of Atlantic Richfield in this case?

16 A. Yes, sir.

17 Q. What is Atlantic Richfield seeking to accomplish?

18 A. Atlantic Richfield is requesting an unorthodox  
19 location to be eighteen, fifty from the north and six, sixty  
20 from the west line of Section 27, 17 South, 29 East with the  
21 north half of the section dedicated to the well.

22 Q. Have you prepared or has there been prepared under  
23 your direction exhibits for introduction in this case?

24 A. Yes.

25 Q. They are the ones that have been marked One, Two and

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1 Three?

2 A. That's true.

3 Q. Refer to Exhibit One and explain what this is and what  
 4 it shows?

5 A. Exhibit One is a part of Eddy County, New Mexico, a  
 6 land map, it shows shallow and deep wells drilled on and around  
 7 the would-be dedicated acreage to the unorthodox location and  
 8 outlined in red it shows the dedicated acreage to the proposed  
 9 well.

10 Q. Does it show all of the wells that have been drilled  
 11 in the area?

12 A. Yes, sir.

13 Q. Including gas wells?

14 A. True.

15 Q. Refer to Exhibit Two and explain what this is?

16 A. Exhibit Two is the New Mexico Oil Conservation  
 17 Commission C-102. It's a location and acreage dedication plat  
 18 that shows the proposed well location and footage from each line.

19 Q. And this is an unorthodox location?

20 A. Yes, sir.

21 Q. Refer to Exhibit Three and explain this?

22 A. Exhibit Three is a structure map contoured on a  
 23 marker inside of the Morrow formation. It shows a little  
 24 noseing effect to the southeast that covers part of our would-  
 25 be dedicated acreage. At the same time it shows deep wells



1 drilled around our proposed location with the green being the  
2 Atoka producers, the orange being the Morrow producers and  
3 the yellow being Atoka and/or Morrow dry hole.

4 Q What is the potential and the production history of  
5 the wells which offset your proposed location?

6 A Refer to Section 21, the well in the southeast  
7 southeast was drilled and completed in January of 1971 for  
8 a CAOF of four and a half million per day. The cumulative taken  
9 from the Commission books through October of 1976 was three  
10 and a half billion cubic feet and forty-eight point nine MBO.

11 MR. NUTTER: Which well was that again, please?

12 A The well in Section 21, the southeast of the southeast  
13 quarter.

14 MR. NUTTER: You said three and a half billion?

15 A Three and a half billion cumulative and forty-eight  
16 point nine MBO.

17 The October production of the well was seven hundred  
18 and fifty-three MCF per day and four barrels per day.

19 The well in the north half of Section 28 was completed  
20 in November of 1972 for a calculated potential of four point  
21 eight million cubic feet per day. The cumulative through  
22 October of 1976, taken from the New Mexico Oil Commission books,  
23 was two point nine billion cubic feet and forty-four thousand  
24 barrels of oil. The production during October was one thousand  
25 and eighty MCF per day and five barrels of oil per day.

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1 The well in the south half of Section 28 is a dual  
2 Morrow and Atoka completion. The well was completed in August  
3 of 1973 for a calculated potential from the Morrow of four  
4 hundred and seventy-five MCF per day and three point four  
5 million cubic feet per day from the Atoka zone. The cumulatives  
6 through October of 1976 are five hundred and eighteen million  
7 cubic feet from the Morrow and two point one billion cubic feet  
8 from the Atoka, plus twenty thousand three hundred and thirty-  
9 four barrels of oil.

10 The October production was as follows: The Morrow,  
11 a hundred and twenty MCF per day; the Atoka eleven hundred and  
12 fifty-two MCF per day, plus three barrels of oil per day. All  
13 three wells are operated by Horizon Oil & Gas Company.

14 Q What is the footage location of the well in the south-  
15 east quarter of the southeast quarter of 21?

16 A The southeast quarter of the southeast quarter of  
17 Section 21 is six sixty from each line, the south line and the  
18 east line.

19 Q And the other two wells is the north half and the  
20 south half of 28, are they regular locations?

21 A Yes, sir, they are legal locations.

22 Q What is the reason for your proposed unorthodox  
23 location in the north half of 27?

24 A The reason for this unorthodox location is going  
25 high on the structure to be able to drain our acreage more



1 sufficiently and also protect our correlative rights.

2 Q In the event this well is drilled and completed as a  
3 fairly good well, do you anticipate that any other wells will  
4 be drilled in 27?

5 A Yes, sir, if this well came in as a producer we will  
6 propose another well in the south half of Section 27.

7 Q Does Atlantic Richfield have the leasehold interests  
8 on the entire south half of 27?

9 A No, sir. We do have the lease on all except eighty  
10 acres owned by Tenneco Oil Company.

11 Q Which eighty acres is that?

12 A It's the west half of the southwest quarter.

13 Q In drilling this well you would contemplate working  
14 out a communitization agreement with Tenneco?

15 A That is correct.

16 Q Does Tenneco own the offset acreage in 28, Section  
17 28?

18 A It seems like they own an interest in the two wells  
19 in Section 28.

20 Q What about the well in Section 21?

21 A I really don't know.

22 Q But all three of these wells are operated by Horizon  
23 Oil Company?

24 A Yes, sir.

25 Q Do you have any further comments with respect to

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1 Exhibit Number Three?

2 A. No, sir.

3 Q. Were all of the offset owners furnished with copies  
 4 of your application in this case?

5 A. Yes, sir.

6 Q. Have you had any protests from any of them?

7 A. Yes, we did. We had a protest from Tenneco Oil  
 8 Corporation and from Dorchester Oil Company, Dorchester  
 9 Exploration, Incorporated.

10 Q. And copies of those letters have been furnished to  
 11 the Commission?

12 A. Yes, sir.

13 Q. Those are the only protests that you have had?

14 A. That is correct.

15 Q. In your opinion, if this application is approved  
 16 would it be in the interest of conservation, prevention of  
 17 waste and protect correlative rights?

18 A. Yes, sir.

19 Q. We would like to offer Exhibits One, Two and Three.

20 MR. NUTTER: Arco Exhibits One, Two and Three will  
 21 be admitted.

22 (THEREUPON, Arco's Exhibits One, Two and  
 23 Three were admitted into evidence.)

24 MR. HINKLE: That's all we have on direct.  
 25



CROSS EXAMINATION

BY MR. NUTTER:

Q What was your name?

A I. J. Natour, N-a-t-o-u-r.

Q Mr. Natour, what are these contours on your Exhibit Number Three based on?

A These contours are based on a shale break within the Morrow formation and this shale break, you can carry it all over the Morrow production area where we can map on one continuous break, so to speak.

Q Now, you've identified it as Morrow Marker B?

A Yes, sir.

Q Is this fairly close to the productive interval these other wells are producing from?

A Yes, it's fairly close to the productive interval. It's actually in the middle of the Morrow formation, give or take a little bit.

Q Okay. Now, are all of these wells producing from more or less the same correlative interval that you will be attempting to complete this well in?

A As far as we can correlate it is.

Q In other words so that the contours would indicate, the high would be over here to the west and the structure would slope towards the east of your proration unit here, is that correct?

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1 A. That is correct.

2 Q. Now, in your opinion would the entire proration unit  
3 be productive of gas if you got a well at your proposed  
4 location?

5 A. Yes, we think so.

6 Q. However, the wells in the northwest of 23 and the  
7 well in the southeast of 22 were drilled at approximately the  
8 mid point of the contour intervals across your proration unit  
9 and they were dry in the Morrow, were they not?

10 A. Yes, they were. That's one particular characteristic  
11 of the Morrow formation. Actually you can drill between two  
12 dry holes as presented in Section 15 and the northwest corner  
13 of Section 23. We can see two dry holes and one Morrow  
14 completion right between them.

15 Q. Now, there have been no Morrow wells drilled to the  
16 south of your proposed location at all, has there?

17 A. No, sir.

18 MR. NUTTER: Does anyone have any further questions  
19 of Mr. Natour? He may be excused.

20 (THEREUPON, the witness was excused.)

21 MR. NUTTER: Do you have anything further, Mr. Hinkle?

22 MR. HINKLE: That's all we have.

23 MR. NUTTER: We have the two letters of objection,  
24 please read them for us, the first sentence anyway?

25 MS. TESCHENDORF: The letter from Tenneco Oil

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1 Company states: (Reading) Tenneco Oil Company hereby registers  
2 its objection to the proposed unorthodox location captioned  
3 above. (End of reading.)

4 And the other, the Dorchester Exploration, Incorporated  
5 objects to the proposed location captioned above in Case 5828.

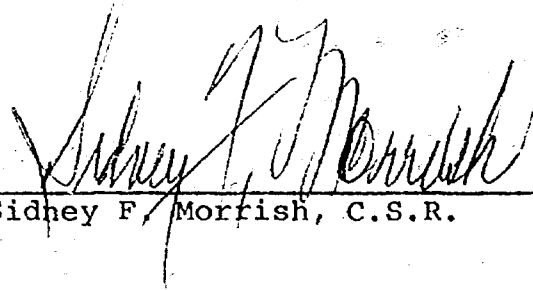
6 MR. NUTTER: Are there any other appearances or  
7 statements to be made in this case? We will take the case  
8 under advisement.

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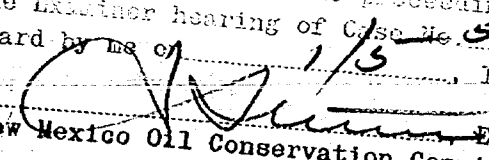


REPORTER'S CERTIFICATE

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. 5828  
heard by me on 1/5, 1977.  
  
Examiner  
New Mexico Oil Conservation Commission



**Tenneco Oil**  
A Tenneco Company

Suite 1200  
Lincoln Tower Building  
Denver, Colorado 80203  
(303) 292-9920



December 20, 1976

Atlantic Richfield Company  
Legal Division  
P.O. Box 2819  
Dallas, Texas 75221

*Case 5828*

Attention: Duncan W. Holt, Jr.  
Senior Attorney

Re: Request for Unorthodox Location  
Robinson Gas Com #1  
1850' FNL, 660' FWL  
Section 27, T17S, R29E  
Eddy County, New Mexico

Dear Mr. Holt:

Tenneco Oil Company hereby registers its objection to the proposed unorthodox location captioned above. An orthodox location for this well is completely feasible from a physical standpoint. Therefore, this proposal is not only unjustified but would actually contradict the very purpose of legal well spacing requirements, namely: assuring that hydrocarbon reserves may be most equitably allocated and efficiently produced according to lease ownership.

Yours very truly,

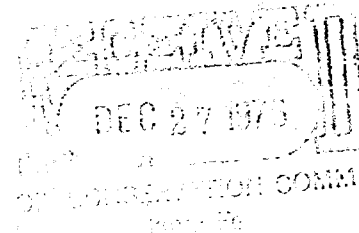
TENNECO OIL COMPANY

D. D. Myers  
Division Production Manager

GER:cm

cc: Dorchester Exploration, Inc.  
1100 Midland National Bank Tower  
Midland, Texas 76701

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





DORCHESTER EXPLORATION, INC.

1100 MIDLAND NATIONAL BANK TOWER  
MIDLAND, TEXAS 79701

AREA CODE 915 683-1866

December 27, 1976

Atlantic Richfield Company  
Legal Division  
P. O. Box 2819  
Dallas, Texas 75221

Case 5828

Attn: Mr. Duncan W. Holt, Jr.  
Senior Attorney

Re: Request for Unorthodox Location  
Robinson Gas Com #1  
1850' FNL, 660' FWL  
Section 27, T17S, R29E  
Eddy County, New Mexico

Dear Mr. Holt:

Dorchester Exploration, Inc., objects to the proposed location captioned above.

Field rules have been set to assure equitable allocation and efficient production of gas and oil produced according to lease ownership. We feel that your request for this location is unjustifiable.

Yours very truly,

DORCHESTER EXPLORATION, INC.

*William H. Aikman*

William H. Aikman  
Executive Vice President

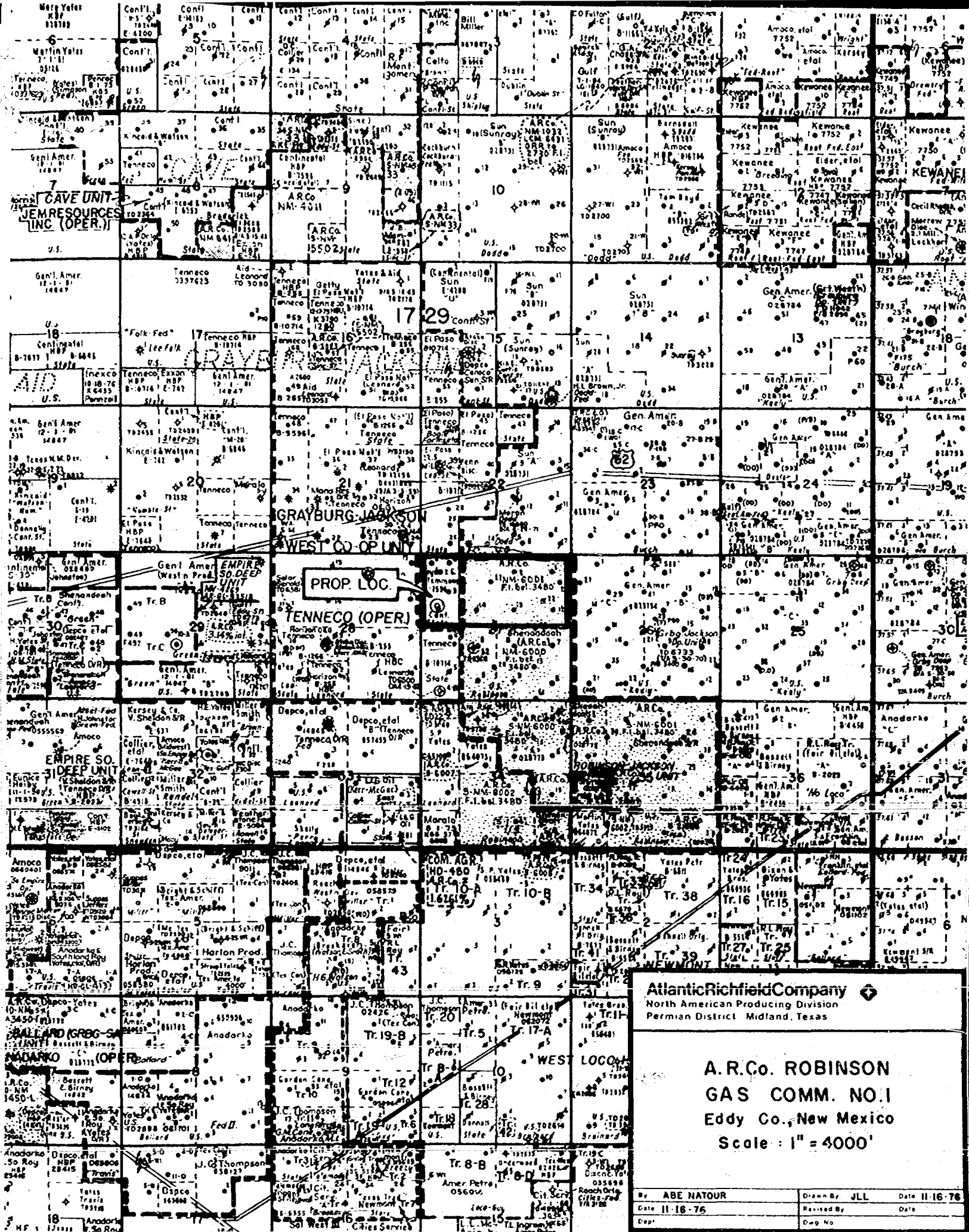
WHA:jh

c. c. Tenneco Oil.

New Mexico Oil & Gas Conservation Commission. ✓

Horizon Oil & Gas Company.







NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-107  
Supersedes C-128  
Effective 1-1-65

All distances must be from the outer boundaries of the Section

Operator <b>ATLANTIC RICHFIELD COMPANY</b>				Lease <b>ROBINSON GAS COM</b>		Well No. <b>1</b>	
Unit Letter <b>E</b>	Section <b>27</b>	Township <b>17 SOUTH</b>	Range <b>29 EAST</b>	County <b>EDDY</b>			
Actual Well Location of Well: <b>1850</b> feet from the <b>NORTH</b> line and <b>660</b> feet from the <b>WEST</b> line							
Ground Level Elev. <b>3547.3</b>	Producing Formation		Pool		Dedicated Acreage: 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 \_\_\_\_\_

Position  
**District Drilling Supervisor**

Company  
**Atlantic Richfield Company**

Date  
**11-16-76**

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.

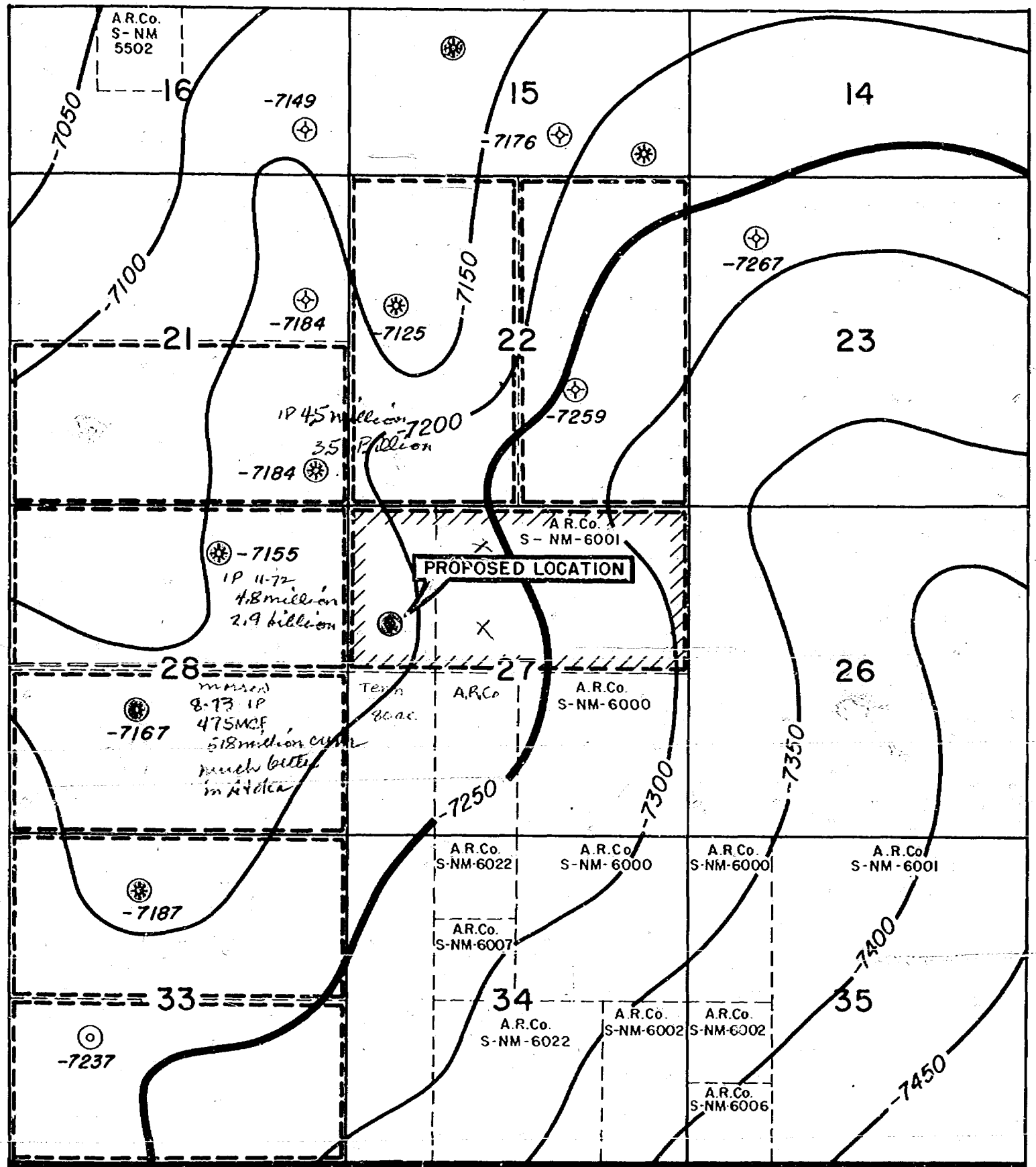
Date Surveyed  
**Nov. 15, 1976**

Registered Professional Engineer and/or Land Surveyor  
*John W. West*

Certificate No. **676**



R - 29 - E



BEFORE EXAMINER NUTTER  
OIL CONSERVATION COMMISSION  
G-11 EXHIBIT NO. 3  
CASE NO. 5828

LEGEND

- ⊗ ATOKA PRODUCER
- ⊗ MORROW PRODUCER
- ⊕ ATOKA - MORROW DRY HOLE

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

A.R.Co. ROBINSON  
GAS COM. NO.1  
Eddy Co., New Mexico  
TOP OF MORROW MARKER "B"  
C.I. = 50'  
Scale: 1" = 2000'

By: JOHN MC BRIDE	Drawn By: LHR	Date: 11-15-76
Date: 11-15-76	Revised By:	Date:
Dept: EXPL GEOL.	Dwg No:	



Dockets Nos. 3-77 and 5-77 are tentatively set for hearing on January 19 and February 2, 1977. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - TUESDAY - JANUARY 4, 1977

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205,  
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 5824: Application of Raymond Eaves for an exception to Order No. R-3221, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks, as an exception to the provisions of Commission Order No. R-3221, permission to construct and operate an earthen evaporation pit in the NE/4 SW/4 of Section 2, Township 20 South, Range 30 East, Eddy County, New Mexico, for the disposal of produced water from oil and gas wells in Eddy and Lea Counties, New Mexico.

Docket No. 2-77

DOCKET: EXAMINER HEARING - WEDNESDAY - JANUARY 5, 1977

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. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

CASE 5820: (Continued & Readvertised)

Application of Texas Oil & Gas Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the W/2 of Section 4, Township 22 South, Range 26 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 5825: Application of Harvey E. Yates Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the S/2 of Section 36, Township 17 South, Range 26 East, Atoka-Pennsylvanian Gas Pool, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 5826: Application of Atlantic Richfield Company for three unorthodox locations and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to simultaneously dedicate a previously approved 185-acre Eumont gas proration unit comprising the SW/4 and SW/4 NW/4 of Section 19, Township 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, to its State "F" DE Wells Nos. 1, 3, and 4 located at unorthodox locations in Units E, K, and M, respectively, of said Section 19.

CASE 5827: Application of Atlantic Richfield Company for four unorthodox locations and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to simultaneously dedicate a previously approved 275-acre Eumont gas proration unit comprising the W/2 E/2, N/2 NW/4, and SE/4 NW/4 of Section 19, Township 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, to its State 176 Wells Nos. 2, 3, 4, and 6 located at unorthodox locations in Units O, J, G, and C, respectively, of said Section 19.

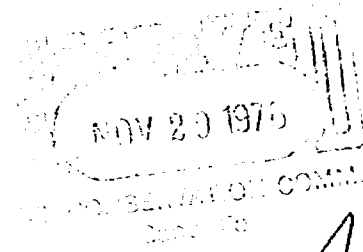
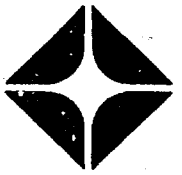
CASE 5828: Application of Atlantic Richfield Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox gas well location of its Robinson Gas Com Well No. 1 to be drilled 1850 feet from the North line and 660 feet from the West line of Section 27, Township 17 South, Range 29 East, Grayburg-Morrow Gas Pool, Eddy County, New Mexico, the N/2 of said Section 27 to be dedicated to the well.



Atlantic Richfield Company

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

Duncan W. Holt, Jr.  
Senior Attorney



November 24, 1976

Oil Conservation Commission  
Post Office Box 2088  
Santa Fe, New Mexico 87501

*Set for  
Hearing*

Re: Application of Atlantic Richfield Company  
for an Unorthodox Well Location N/2 of  
Section 27, Township 17 South, Range 29  
East, Eddy County, New Mexico

*Case 5828*

Gentlemen:

Enclosed in triplicate is application of Atlantic Richfield Company in the subject matter. Approval is requested for the application.

The off-set operators are named in paragraph 6 of the application. Each has been furnished with a copy of the application.

Very truly yours,

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

DWH:sb

Enclosure

cc: Oil Conservation Commission (w/attach.)  
Attention: Mr. William Gressett  
Artesia, New Mexico 88210



BEFORE THE OIL CONSERVATION COMMISSION  
STATE OF NEW MEXICO

Application of Atlantic Richfield Company  
for an Unorthodox Gas Well Location,  
Eddy County, New Mexico. Applicant seeks  
approval of an Unorthodox Gas Well Location  
1,850 feet South of the North Line and 660  
feet East of the West Line of Section 27,  
Township 17 South, Range 29 East to Test  
the Morrow Zone of Pennsylvanian age and the  
Dedication to said well of the North-Half  
(N/2) of said Section 27.

Case 5828

Oil Conservation Commission  
Post Office Box 2088  
Santa Fe, New Mexico 87501

Comes Atlantic Richfield Company, acting by and  
through, the undersigned attorney, and hereby makes application  
for approval for an unorthodox gas well location. Said location  
is 1,850 feet South of the North line and 660 feet East of the  
West line of Section 27, Township 17 South, Range 29 East, Eddy  
County, New Mexico, said well to be projected to approximately  
11,150 feet to test the Morrow Zone of Pennsylvanian age, and  
the dedication to said well of the North-Half (N/2) of said  
Section 27. In support of this application, the Applicant  
respectfully shows:

1. Statewide Rule 104 specifies that an orthodox  
well location will be 1,980 feet from the nearest end boundary  
and 660 feet from the nearest side boundary.

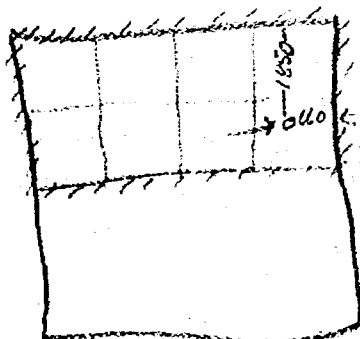
2. Applicant believes that the proposed unorthodox  
location is the most strategic position to obtain production  
from the Morrow Zone of Pennsylvanian age.

3. The North-Half (N/2) of said Section 27 is  
covered by oil and gas leaseholds owned by the Applicant, and  
Continental Oil Company (who has farmed out its interest to  
the Applicant). The proposed well will be designated as  
Robinson Gas Com No. 1.

4. It is believed that the granting of this  
application is justified in the interest of conservation,  
prevention of waste and the protection of correlative rights.

5. Attached hereto is a plat showing the ownership  
of all leases offsetting the spacing unit for which the  
unorthodox location is sought and also all wells completed  
thereon.

6. The offset operators are Horizon Oil & Gas  
Company, whose address is P. O. Box 7, Spearman, Texas 79081,  
El Paso Natural Gas Company, whose address is 600 Bldg of the  
Southwest, Midland, Texas 79701, Sun Oil Company, whose address  
is 902 West Wall, Midland, Texas 79701, General American Oil  
Company, Attention: Mr. Baker, Meadows Bldg., Dallas, Texas  
75206, and Tenneco Oil Company, Attention: Division Landman,  
Suite 1200, 1860 Lincoln Street, Denver, Colorado 80295, all of  
which have been sent copies of the application.





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 the application for said unorthodox location.

Respectfully submitted,

*Duncan W. Holt, Jr.*

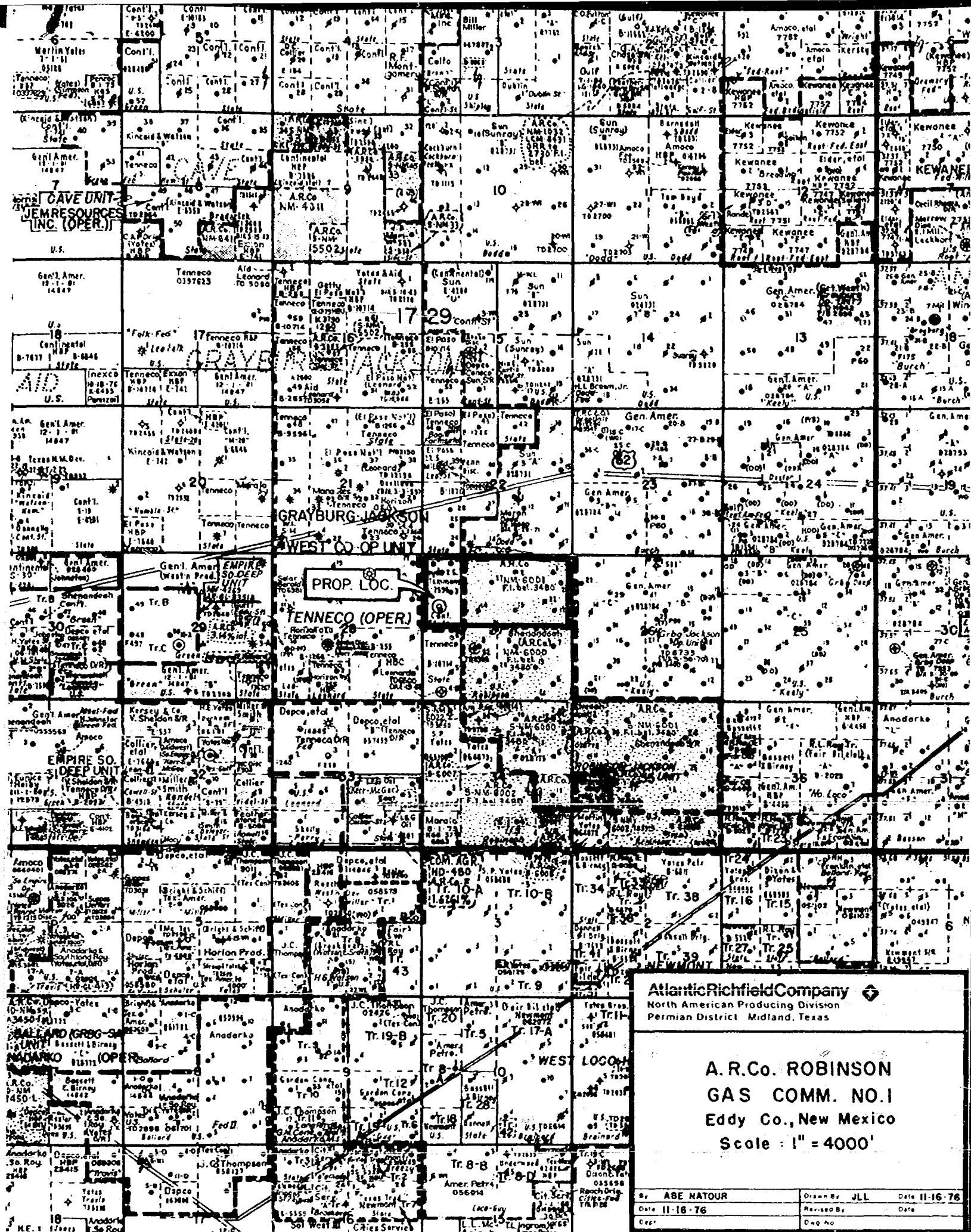
Duncan W. Holt, Jr.  
Post Office Box 2819  
Dallas, Texas 75221

214-651-4873

Clarence E. Hinkle  
Hinkle, Bondurant, Cox & Eaton  
Post Office Box 10  
Roswell, New Mexico 88201

ATTORNEYS FOR APPLICANT  
ATLANTIC RICHFIELD COMPANY







NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form 1-1-76  
Supersedes 6-1-75  
Effective 1-1-76

All distances must be from the outer boundaries of the Section

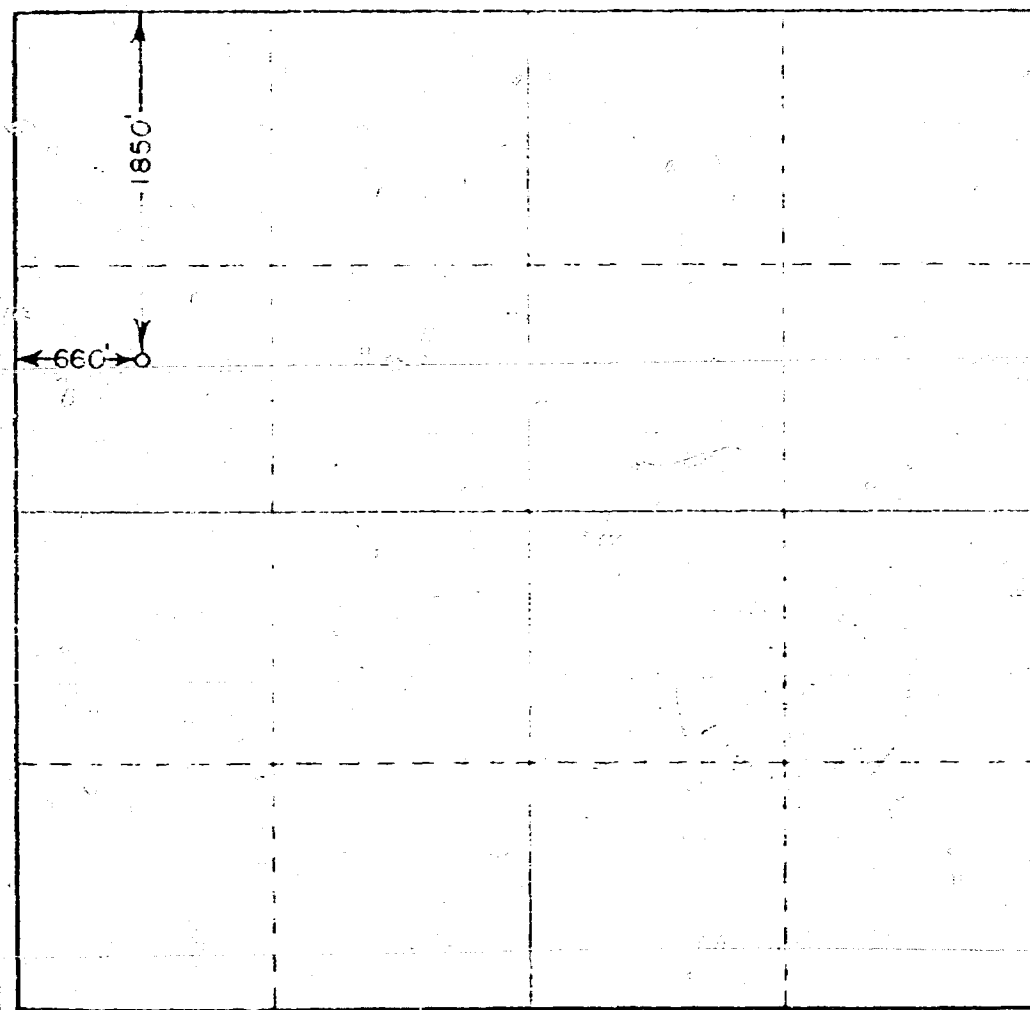
ATLANTIC RICHFIELD COMPANY				ROBINSON GAS COM				1	
E		27		17 SOUTH		29 EAST		EDDY	
Actual Section Location of Well:									
1950		feet to north		NORTH		660		feet to the WEST	
3547.3									

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, forced-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

*[Signature]*  
District Drilling Supervisor

Atlantic Richfield Company

11-16-76

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

Nov. 15, 1976

Registered Professional Surveyor  
No. 12345

*[Signature]*  
676



BEFORE THE OIL CONSERVATION COMMISSION  
STATE OF NEW MEXICO

Application of Atlantic Richfield Company  
for an Unorthodox Gas Well Location,  
Eddy County, New Mexico. Applicant seeks  
approval of an Unorthodox Gas Well Location  
1,850 feet South of the North Line and 660  
feet East of the West Line of Section 27,  
Township 17 South, Range 29 East to Test  
the Morrow Zone of Pennsylvanian age and the  
Dedication to said well of the North-Half  
(N/2) of said Section 27.

Oil Conservation Commission  
Post Office Box 2088  
Santa Fe, New Mexico 87501

Comes Atlantic Richfield Company, acting by and  
through, the undersigned attorney, and hereby makes application  
for approval for an unorthodox gas well location. Said location  
is 1,850 feet South of the North line and 660 feet East of the  
West line of Section 27, Township 17 South, Range 29 East, Eddy  
County, New Mexico, said well to be projected to approximately  
11,150 feet to test the Morrow Zone of Pennsylvanian age, and  
the dedication to said well of the North-Half (N/2) of said  
Section 27. In support of this application, the Applicant  
respectfully shows:

1. Statewide Rule 104 specifies that an orthodox  
well location will be 1,980 feet from the nearest end boundary  
and 660 feet from the nearest side boundary.

2. Applicant believes that the proposed unorthodox  
location is the most strategic position to obtain production  
from the Morrow Zone of Pennsylvanian age.

3. The North-Half (N/2) of said Section 27 is  
covered by oil and gas leaseholds owned by the Applicant, and  
Continental Oil Company (who has farmed out its interest to  
the Applicant). The proposed well will be designated as  
Robinson Gas Com No. 1.

4. It is believed that the granting of this  
application is justified in the interest of conservation,  
prevention of waste and the protection of correlative rights.

5. Attached hereto is a plat showing the ownership  
of all leases offsetting the spacing unit for which the  
unorthodox location is sought and also all wells completed  
thereon.

6. The offset operators are Horizon Oil & Gas  
Company, whose address is P. O. Box 7, Spearman, Texas 79081,  
El Paso Natural Gas Company, whose address is 600 Bldg of the  
Southwest, Midland, Texas 79701, Sun Oil Company, whose address  
is 902 West Wall, Midland, Texas 79701, General American Oil  
Company, Attention: Mr. Baker, Meadows Bldg., Dallas, Texas  
75206, and Tenneco Oil Company, Attention: Division Landman,  
Suite 1200, 1860 Lincoln Street, Denver, Colorado 80295, all of  
which have been sent copies of the application.



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 the application for said unorthodox location.

Respectfully submitted,

*Duncan W. Holt, Jr.*

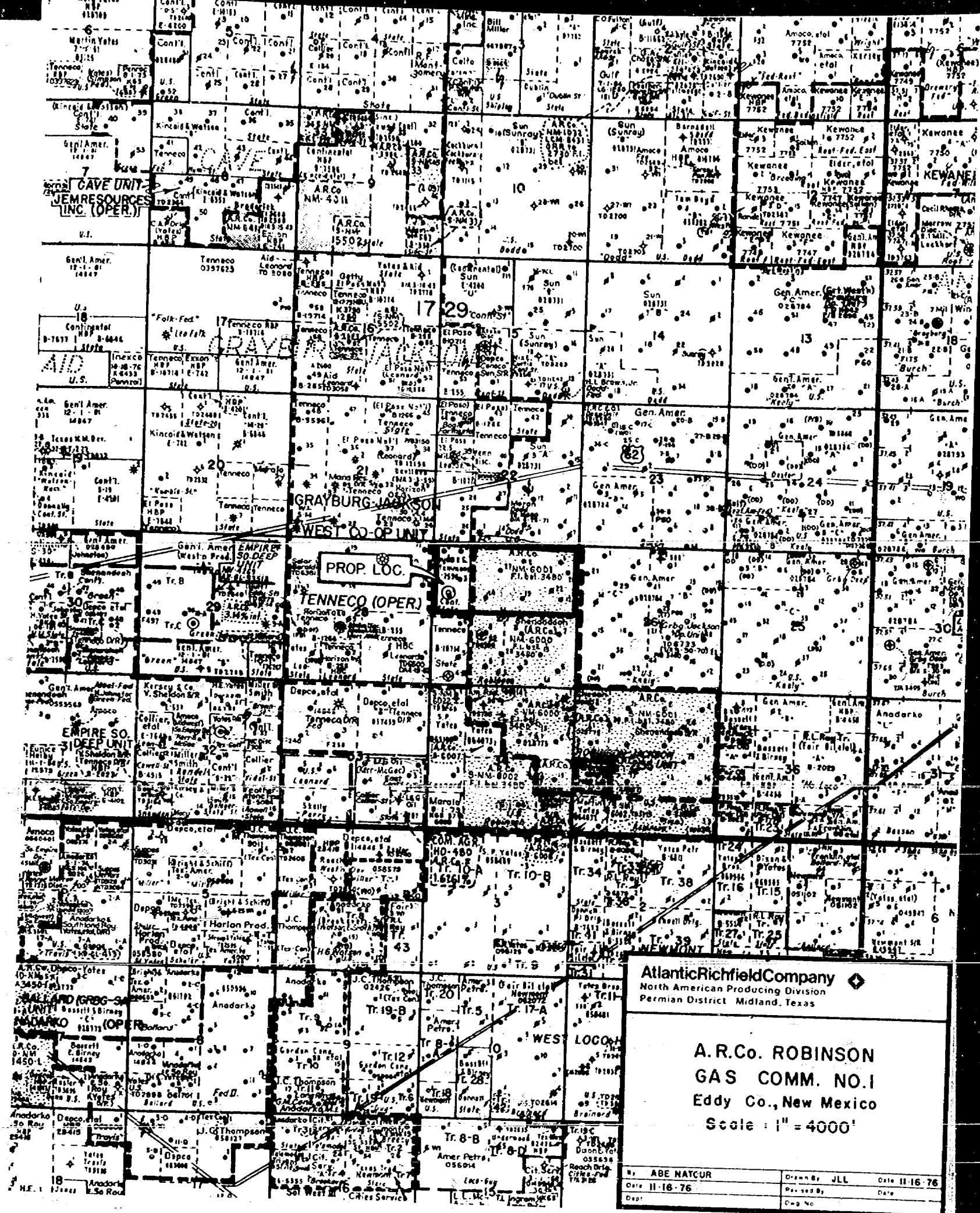
Duncan W. Holt, Jr.  
Post Office Box 2819  
Dallas, Texas 75221

214-651-4873

Clarence E. Hinkle  
Hinkle, Bondurant, Cox & Eaton  
Post Office Box 10  
Roswell, New Mexico 88201

ATTORNEYS FOR APPLICANT  
ATLANTIC RICHFIELD COMPANY







NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form O-1  
Supersedes O-128  
Effective 1-1-65

All distances must be from the outer boundaries of the Section

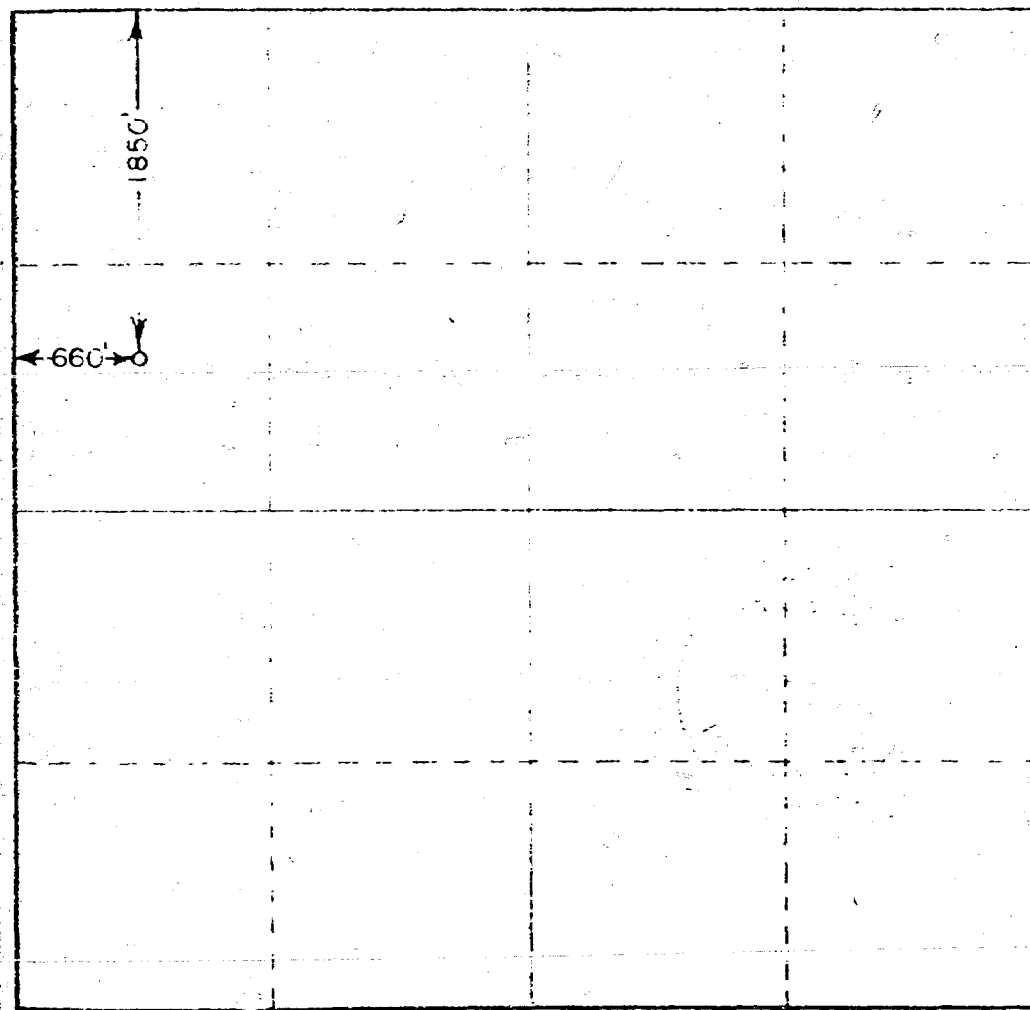
Lessee <b>ATLANTIC RICHFIELD COMPANY</b>		Owner <b>ROBINSON GAS COM</b>		Section <b>1</b>	
Range <b>E</b>	Section <b>27</b>	Township <b>17 SOUTH</b>	Range <b>29 EAST</b>	County <b>EDDY</b>	
Actual Well Location (if well)					
1350		feet from line	<b>NORTH</b>	660	feet from line
3547.3		WEST			

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

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

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

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



CERTIFICATION

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

*[Signature]*  
District Drilling Supervisor

Atlantic Richfield Company

11-16-76

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  
Nov. 15, 1976

Registered Professional Surveyor  
No. 11-16-76

*[Signature]*  
676

330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600



BEFORE THE OIL CONSERVATION COMMISSION  
STATE OF NEW MEXICO

Application of Atlantic Richfield Company  
for an Unorthodox Gas Well Location,  
Eddy County, New Mexico. Applicant seeks  
approval of an Unorthodox Gas Well Location  
1,850 feet South of the North Line and 660  
feet East of the West Line of Section 27,  
Township 17 South, Range 29 East to Test  
the Morrow Zone of Pennsylvanian age and the  
Dedication to said well of the North-Half  
(N/2) of said Section 27.

Oil Conservation Commission  
Post Office Box 2088  
Santa Fe, New Mexico 87501

Comes Atlantic Richfield Company, acting by and  
through, the undersigned attorney, and hereby makes application  
for approval for an unorthodox gas well location. Said location  
is 1,850 feet South of the North line and 660 feet East of the  
West line of Section 27, Township 17 South, Range 29 East, Eddy  
County, New Mexico, said well to be projected to approximately  
11,150 feet to test the Morrow Zone of Pennsylvanian age, and  
the dedication to said well of the North-Half (N/2) of said  
Section 27. In support of this application, the Applicant  
respectfully shows:

1. Statewide Rule 104 specifies that an orthodox  
well location will be 1,980 feet from the nearest end boundary  
and 560 feet from the nearest side boundary.
2. Applicant believes that the proposed unorthodox  
location is the most strategic position to obtain production  
from the Morrow Zone of Pennsylvanian age.
3. The North-Half (N/2) of said Section 27 is  
covered by oil and gas leaseholds owned by the Applicant, and  
Continental Oil Company (who has farmed out its interest to  
the Applicant). The proposed well will be designated as  
Robinson Gas Com No. 1.
4. It is believed that the granting of this  
application is justified in the interest of conservation,  
prevention of waste and the protection of correlative rights.
5. Attached hereto is a plat showing the ownership  
of all leases offsetting the spacing unit for which the  
unorthodox location is sought and also all wells completed  
thereon.
6. The offset operators are Horizon Oil & Gas  
Company, whose address is P. O. Box 7, Spearman, Texas 79081,  
El Paso Natural Gas Company, whose address is 600 Bldg of the  
Southwest, Midland, Texas 79701, Sun Oil Company, whose address  
is 902 West Wall, Midland, Texas 79701, General American Oil  
Company, Attention: Mr. Baker, Meadows Bldg., Dallas, Texas  
75206, and Tenneco Oil Company, Attention: Division Landman,  
Suite 1200, 1860 Lincoln Street, Denver, Colorado 80295, all of  
which have been sent copies of the application.



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 the application for said unorthodox location.

Respectfully submitted,

*Duncan W. Holt, Jr.*

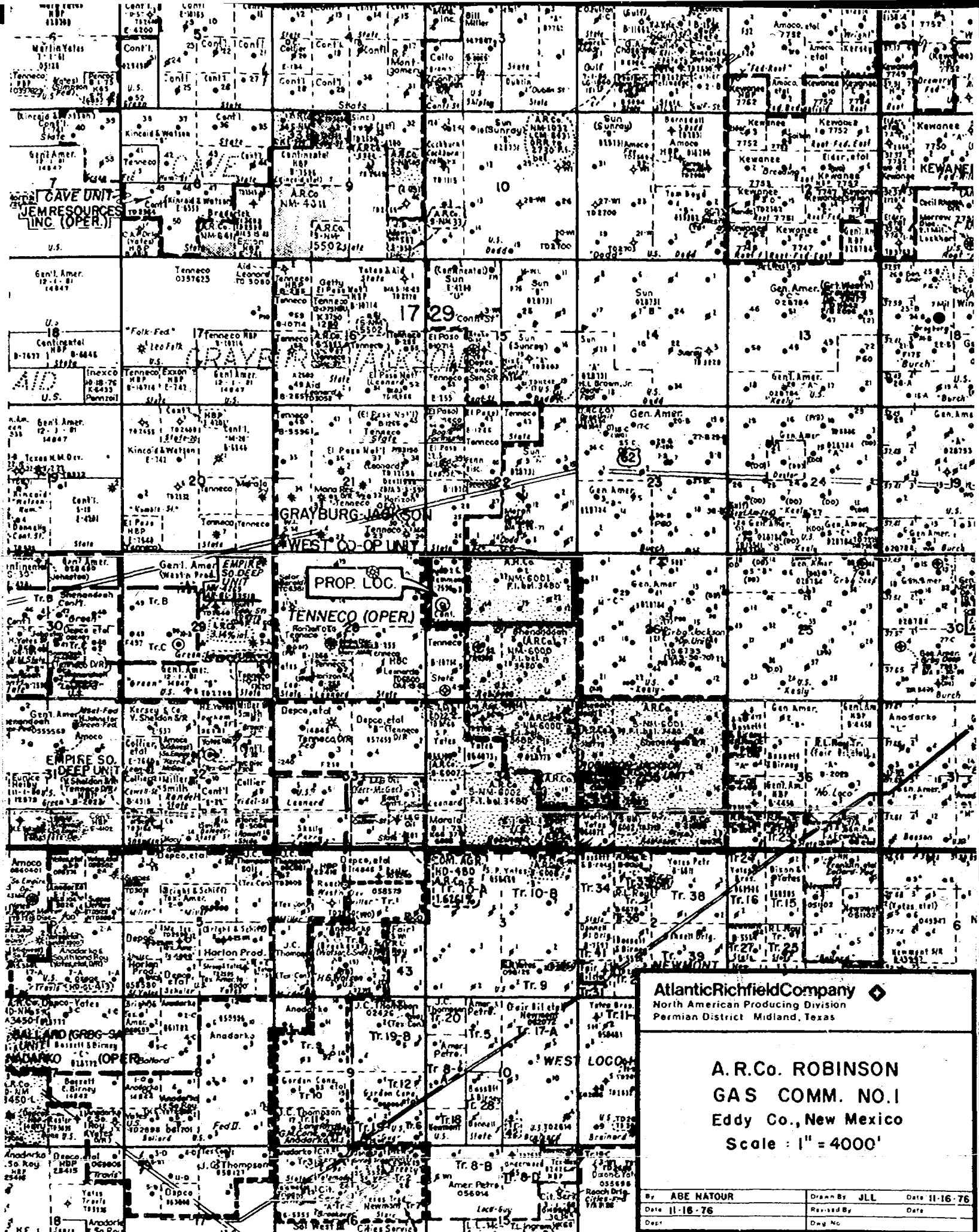
Duncan W. Holt, Jr.  
Post Office Box 2819  
Dallas, Texas 75221

214-651-4873

Clarence E. Hinkle  
Hinkle, Bondurant, Cox & Eaton  
Post Office Box 10  
Roswell, New Mexico 88201

ATTORNEYS FOR APPLICANT  
ATLANTIC RICHFIELD COMPANY







NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Supervises Wells  
Effective 1-1-66

All distances must be from the outer boundaries of the Section

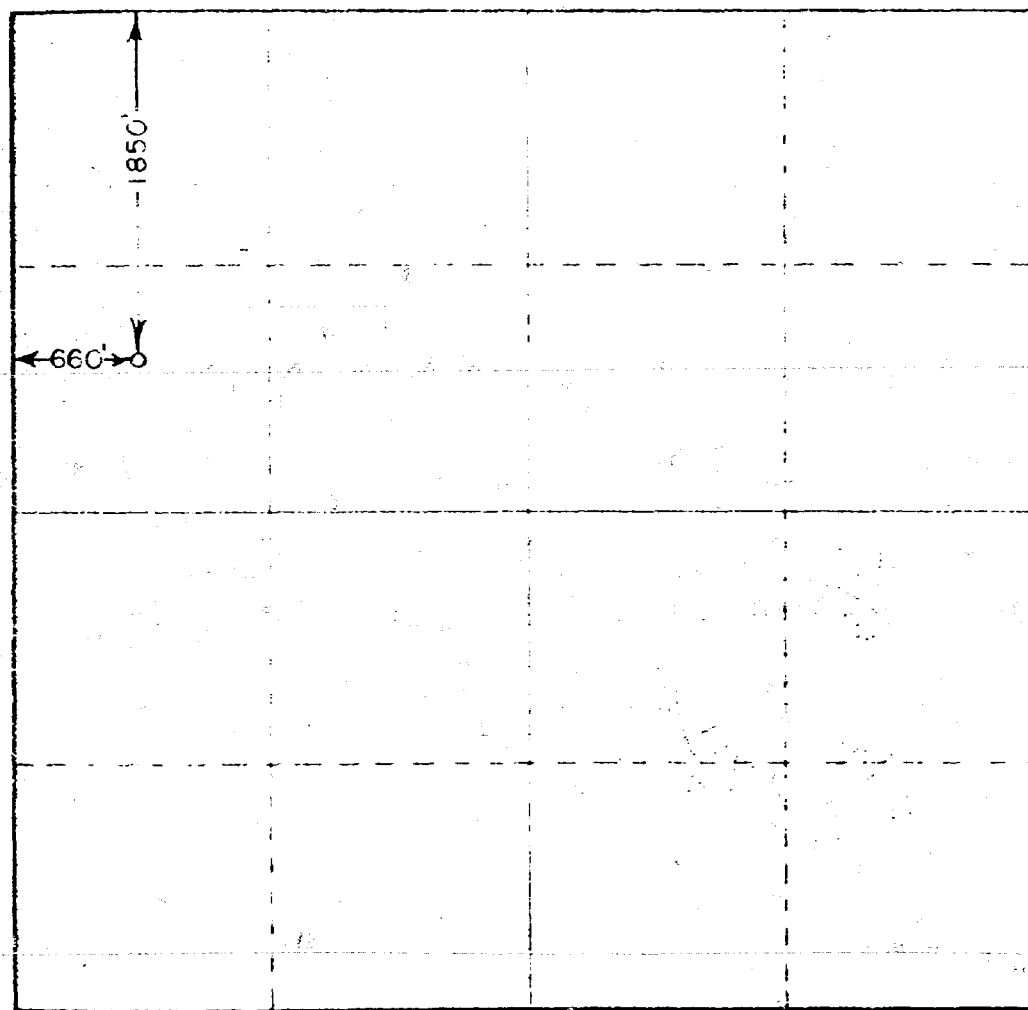
Lessee <b>ATLANTIC RICHFIELD COMPANY</b>		Owner <b>ROBINSON GAS COM</b>		Section <b>1</b>
Quarter <b>E</b>	Section <b>27</b>	Range <b>17 SOUTH</b>	Meridian <b>29 EAST</b>	County <b>EDDY</b>
Actual Well Location (if well)				
1350		feet from top <b>NORTH</b>	660	feet from base <b>WEST</b>
3547.3				

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, force-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.

*[Signature]*  
District Drilling Supervisor

Atlantic Richfield Company

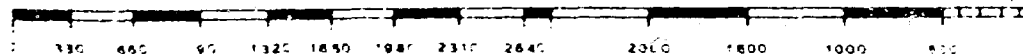
11-16-76

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.

Nov. 15, 1976

Registered Professional Surveyor  
No. 11,214 State of New Mexico

*[Signature]*  
676





ROUGH

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. 5828

Order No. R- 5356

APPLICATION OF ATLANTIC RICHFIELD COMPANY  
FOR AN UNORTHODOX GAS WELL LOCATION,  
EDDY COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 5, 19 77,  
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this        day of January, 1977, 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  
of its Robinson Gas Com Well No. 1 to be drilled  
approval of an unorthodox gas well location/ 1850 feet from the North  
line and 660 feet from the West line of Section 27, Township  
17 South, Range 29 East, NMPM, to test the  
Morrow formation, Grayburg-Morrow Gas Pool,  
Eddy County, New Mexico.

(3) That the N/2 of said Section 27 is to be dedicated to the  
well.

(4) That a well at said unorthodox location will better enable  
applicant to produce the gas underlying the proration unit.

(5) That no offset operator <sup>appeared at the hearing to oppose</sup> ~~objected to~~ the proposed unorthodox  
location.



-2-

Case No. \_\_\_\_\_  
Order No. R- \_\_\_\_\_

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That an unorthodox gas well location for the Morrow applicant's Robinson Gas Com Well No. 1 to be drilled formation is hereby approved for ~~a well to be located at a point~~ 1850 feet from the North line and 660 feet from the West line of Section 27, Township 17 South, Range 29 East NMPM, Grayburg-Morrow Gas Pool, Eddy County, New Mexico.

(2) That the N/2 of said Section 27 shall be dedicated to the above-described well.

(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.