CASE 6736: DOYLE HARTMAN FOR COMPULSORY POOLING AND A NON-STANDARD GAS PRORATION UNIT, LEA COUNTY, NEW MEXICO

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Case NO. 6736 Application Transcripts. Small Exhibits F TC.



STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

BRUCE KING GOVERNOR LARRY KEHOE BECRETARY

January 10, 1980

POST DFFICE BOX 2088 STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO 87501 (505) 827-2434

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Mr. William F. Carr Campbell and Black Attorneys at Law Post Office Box 2208 Santa Fe, New Mexico

Re: CASE NO. 6736 ORDER NO. R-6214

Applicant:

Doyle Hartman

Dear Sir:

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

Pours very truly, M. Λ JOE D. RAMEY Director

JDR/fd

Copy of order also sent to:

Hobbs OCD	х
Artesia OCD	X
Aztec OCD	

Other

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 6736 Order No. R-6214

APPLICATION OF DOYLE HARTMAN FOR COMPULSORY POOLING AND A NON-STANDARD GAS PRORATION UNIT, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on November 28, 1979, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NON, on this <u>9th</u> day of January, 1980, the Division Director, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

That the applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED:

That Case No. 6736 is hereby dismissed.

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

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STATE OF NEW MEXICO OIL CONSERVATION DIVISION

JOE D. RAMEY Director

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Page 2 of 4

Examiner Hearing - Wednesday - November 28, 1979

CASE 6236: Application of Doyle Hartman for compulsory pooling and a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral Interests in the Jalmat Cas Pool to form a 360-acre non-standard gas proration unit comprising the S/2 SE/4 of Section 36, Township 24 South, Range 36 East; SW/4 of Section 31, Township 24 South, Range 37 East; and the N/2 NW/4 and NW/4 NE/4 of Section 6, Township 25 South, Range 37 East, to be dedicated to a well to be drilled 660 feet from the South line and 990 feet from the West line of said Section 31. 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 6707: (Continued from November 14, 1979, Examiner Hearing)

Application of Gulf Oil Corporation for a unit agreement, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Southeast Bisti Unit Area, comprising 7,046 acres, more or less, of State and Federal lands in Townships 24 and 25 North, Range 10 West.

- Application of Gulf Oil Corporation for compulsory pooling, Lea County, New Mexico. CASE 6737: Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsyl-vanian formation underlying the W/2 of Section 4, Township 19 South, Range 32 East, North Lusk-Morrow Gas Pool, 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 6739: Application of Mobil Oil Corporation for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Gavilan-Pictured Cliffs and Blanco Mesaverde production in the wellbore of its Jicarilla D Well No. 1 located in Unit N of Section 24, Township 26 North, Range 3 West. Applicant further seeks the establishment of an administrative procedure for approval of downhole commingling of the aforesaid pools in others of its wells in Sections 7, 8, 17, 18, and 19, Township 26 North, Range 2 West, Sections 1, 2, 11 thru 14, 23, and 24, Township 26 North, Range 3 West, and Sections 11 thru 15, 22 thru 27, 35, and 36, Township 27 North, Range 3 West.
- CASE 6740: Application of Hondo Oil and Cas Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Penneylvanian test wall to be drilled 1550 feet from the North line and 660 feet from the West line of Section 10, Township 18 South, Range 28 East, the N/2 of said Section 10 to be dedicated to the well.
- CASE 6741: Application of ARCO Oil and Gas Company for an amendment to Order No. R-6054, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-6054 to amend the findings in said order to make said findings more specific as to the necessity for the drilling of infill wells in the Empire Abo Unit in order to recover additional gas pursuant to the Natural Gas Policy Act of 1978; further to amend said order to make such findings applicable to present and future drilling operations including the drilling of horizontal drainholes.
- CASE 6720: (Continued from November 14, 1979, Examiner Hearing)

Application of ARCO Oil and Gas Company to drill a horizontal drainhole, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval to drill and complete its Empire Abo Unit Well No. J-213, located in Unit E of Section 6, Township 18 South, Range 28 East, Empire-Abo Pool, with a single horizontal drainhole of about 200 feet in length in the Abo formation.

CASE 6742: Application of ARCO Oil and Gas Company for an administrative procedure, Eddy County, New Nexico. Applicant, in the above-styled cause, seeks the establishment of an administrative procedure for approval of the drilling of horizontal drainholes in the Empire Abo Unit, Empire-Abo Pool.

CASE 6743: (This case will be dismissed.)

Application of Exxon Corporation for an exception to Order No. R-3221, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-3221 to permit disposal of produced brine in several unlined surface pits located on its Lagung Grande Unit Area in Sections 16, 21, 28, 29, 32, and 33, Township 23 South, Range 29 East.

CASE 6744: Application of Texas Oil & Cas Corporation for special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Riverside-Morrow Gas Pool to provide for 320-acre spacing rather than 160 acres. In the absence of objection, this pool will be placed on the standard 320-acre spacing for Pennsylvanian gas pools rather than the present 160-acre spacing.

1 STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION 2 STATE LAND OFFICE BLDG. SANTA FE, NEW MEXICO 3 28 November 1979 4 EXAMINER HEARING 5 6 IN THE MATTER OF: 7 1 Application of Doyle Hartman for CASE + compulsory pooling and a non-stand-) 6736 ard gas proration unit, Lea County,) 9 New Mexico. 10 11 BEFORE: Richard L. Stamets 12 13 TRANSCRIPT OF HEARING 14 15 APPEARANCES 16 17 For the Oil Conservation Ernest L. Padilla, Esq. Legal Counsel for the Division Division: 18 State Land Office Bldg. Santa Fe, New Mexico 87501 19 20 21 22 23 24 25

SALLY WALTON BOYD CENTINED ENONTHAND REPORTER 1010 Park Binner (505) 411-3450 Barrie Po, New Martico 31501

		Page2
	1	MR. STAMETS: Call next Case 6736.
	2	MR. PADILLA: Application of Doyle Hartman
•	3	for compulsory pooling and a non-standard gas proration unit,
	4	Lea County, New Mexico.
	5	MR. STAMETS: The applicant in this case
	6	has requested that the case be dismissed, and it will be.
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REPORTER'S CERTIFICATE

I, SALLY W. BOYD, a Certified Shorthand Reporter, DO HEREBY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability from my notes taken at the time of the hearing.

Sally W. Boyd C.S.R.

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Oil Conservation Division

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IN THE MATTER OF:)))
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BEFORE: Richard L. Stamet	
TRANS	SCRIPT OF HEARING
АРУ	PEARANCES
For the Oil Conservation Division:	Ernest L. Padilla, Esq. Legal Counsel for the Divi State Land Office Bldg.
	Santa Fe, New Mexico 8750

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REPORTER'S CERTIFICATE

I, SALLY W. BOYD, a Certified Shorthand Reporter, DO HEREDY CERTIFY that the foregoing and attached Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and corroct record of the hearing, prepared by me to the best of my ability from my notes taken at the time of the hearing.

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Sally W. Boyd, C.S.R.

Oil Conservation Division

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CAMPBELL AND BLACK. P.A.

LAWYERS

JACK M. CAMPBELL BRUCE D. BLACK MICHAEL B. CAMPBELL W:LLIAM F. CARR PAUL R. CALDWELL POST OFFICE BOX 2208 JEFFERSON PLACE SANTA FE, NEW MEXICO 87501 TELEPHONE (505) 988-4421

November 16, 1979

Mr. Joe D. Ramey Division Director Oil Conservation Division New Mexico Department of Energy & Minerals Post Office Box 2088 Santa Fe, New Mexico 87501

Re: Application of Doyle Hartman for Compulsory Pooling and a Non-Standard Proration Unit, Lea County, New Mexico

Dear Mr. Ramey:

Enclosed in triplicate is the application of Doyle Hartman in the above-referenced matter.

The applicant requests that this matter be included on the docket for the examiner hearing scheduled to be held on November 28, 1979.

Very truly yours

William F. Carr

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Enclosures

cc: Mr. Doyle Hartman

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN THE MATTER OF THE APPLICATION OF DOYLE HARTMAN FOR COMPULSORY POOLING AND A NON-STANDARD PRO-RATION UNIT, LEA COUNTY, NEW MEXICO.

CASE 6736

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APPLICATION

Comes now, DOYLE HARTMAN, by and through his undersigned attorneys and, as provided by Section 70-2-17, New Mexico Statutes Annotated, 1978 Compilation, hereby makes application for an order pooling a non-standard proration unit in the Jalmat Gas Pool in and under the following described acreage located in Lea County, New Mexico:

> Township 24 South, Range 36 East, N.M.P.M. Section 36: S/2 SE/4

Township 24 South, Range 37 East Section 31: SW/4

Township 25 South, Range 37 East Section 6 : N/2 NW/4 and NW/4 NE/4

and in support of this application would show the Commission:

1. Applicant is the owner of 33.33% of the working interest in and under the proposed non-standard proration unit, and applicant has the right to drill thereon.

3. Applicant has sought and obtained either voluntary agreement for pooling or farmout from all working interest owners in the proposed non-standard proration unit except for the following: Texaco, Inc., 22.22% working interest and Getty Oil Company, 44.44% working interest.

4. Said pooling of interest and well completion will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

5. In order to permit the applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the minerals interests should be pooled and applicant should be designated the operator of the well to be drilled.

WHEREFORE, applicant prays that this application be set for hearing before the Division's duly appointed examiner and that after notice and hearing as required by law, the Division enter its order pooling the lands, including provisions designating the applicant as operator of the well, providing for applicant to recover its costs of drilling, equipping and completing the well, its costs of supervision while drilling, and after completion, including overhead charges, and a risk factor for the risk assumed by the applicant in drilling, completing and equipping the well and such other and further provisions as may be proper in the premises.

> Respectfully submitted, CAMPBELL AND BLACK, P.A.

By liam F. Carr

Post Office Box 2208 Santa Fe, New Mexico 87501 Attorneys for Applicant

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OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN THE MATTER OF THE APPLICATION OF DOYLE HARTMAN FOR COMPULSORY POOLING AND A NON-STANDARD PRO-RATION UNIT, LEA COUNTY, NEW MEXICO.

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OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN THE MATTER OF THE APPLICATION OF DOYLE HARTMAN FOR COMPULSORY POOLING AND A NON-STANDARD PRO-RATION UNIT, LEA COUNTY, NEW MEXICO.

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> Respectfully submitted, CAMPBELL AND BLACK, P.A.

By

Post Office Box 2208 Santa Fe, New Mexico 87501 Attorneys for Applicant

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OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN THE MATTER OF THE APPLICATION OF DOYLE HARTMAN FOR COMPULSORY POOLING AND A NON-STANDARD PRO-RATION UNIT, LEA COUNTY, NEW MEXICO.

CASE 6736

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CAMPBELL AND BLACK, P.A.

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Post Office Box 2208 Santa Fe, New Mexico 87501 Attorneys for Applicant

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IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

CASE NO. 6736

Order No. R- 6214

APPLICATION OF DOYLE HARTMAN FOR COMPULSORY POOLING AND A NON-STANDARD GAS PRORATION UNIT, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on <u>November 28</u>, 19<u>79</u>, at Santa Fe, New Mexico, before Examiner <u>Richard L. Stamets</u> NOW, on this <u>day of</u>, <u>1990</u>, the Division Director, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

That the applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED:

That Case No. 6736 is hereby dismissed.

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

Var

Memo Grom FLORENE DAVIDSON ADMINISTRATIVE SECRETARY \mathcal{D}_{o} Called in by Bill Carr November 8, 1979 Doyle Hartman Compulsory Pooling and Non-Standard Das Proration Unit Jalmat Gas Pool 360-acre NSP 5/2 SE14 Section 36-245-36E 5W14 Section 31-245-37E N/2 Section 6-255-37E NWIY NEIY Section 6-255-32E CSA Jalmat Com #1 OIL CONSERVATION COMMISSION-SANTA FE 660'FSL \$ 990'FWL of See 31