STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

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

> CASE NO. 8902 Order No. R-8303

APPLICATION OF DOYLE HARTMAN FOR COMPULSORY POOLING, TWO NON-STANDARD PRORATION UNITS, TWO UNORTHODOX LOCATIONS, AND SIMULTANEOUS DEDICATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 19, 1986, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this <u>18th</u> day of September, 1986, the Commission, a quorum being present, having considered the testimony and the exhibits received at the hearing, and being fully advised in the premises,

FINDS THAT:

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

(2) The applicant, Doyle Hartman, is the operator of certain lands in Sections 22 and 27, Township 25 South, Range 37 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, and as such has requested the following:

A. Approval of a 200-acre non-standard gas proration unit comprising the W/2 SW/4 of Section 22 and the W/2 NW/4 and SE/4 NW/4 of Section 27 to be simultaneously dedicated to his Carlson-Harrison Federal Com Wells Nos. 1 and 2, located in Units E and D, respectively, of said Section 27, and to his Carlson-Harrison Federal Com Well No. 3, located in Unit L of said Section 22, and his Carlson-Harrison Federal Com Well No. 4, also in -2-Case No. 8902 Order No. R-8303

Unit L at an unorthodox location 1650 feet from the South line and 660 feet from the West line of said Section 22.

B. Approval of a 200-acre non-standard gas proration unit comprising the W/2 SE/4 of Section 22 and the NE/4 NW/4 and W/2 NE/4 of Section 27 to be dedicated to his Carlson-Harrison Federal Com Well No. 5 at an unorthodox location 330 feet from the North line and 1650 feet from the West line of said Section 27.

(3) Each of the aforesaid non-standard gas proration units may be reasonably presumed to be productive of gas from the Jalmat Gas Pool.

(4) No offset operator appeared at the hearing and objected to the proposed non-standard proration units or to either of the proposed unorthodox locations or the proposed simultaneous dedication.

(5) Approval of the subject application will afford the applicant the opportunity to produce his 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.

(6) The applicant's request for dismissal of that portion of this case seeking compulsory pooling of said 200-acre non-standard units should be granted.

IT IS THEREFORE ORDERED THAT:

(1) The application of Doyle Hartman for the following described non-standard gas proration units in Sections 22 and 27, Township 25 South, Range 37 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, is hereby approved:

- A. A 200-acre unit comprising the W/2 SW/4 of Section 22 and the W/2 NW/4 and SE/4 NW/4 of Section 27.
- B. A 200-acre unit comprising the W/2 SE/4 of Section 22 and the NE/4 NW/4 and W/2 NE/4 of Section 27 to be dedicated to applicant's Carlson-Harrison Federal Com Well No. 5 located in Unit C of Section 27.

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(2) The simultaneous dedication of the unit described in Order No. (1) A. above to applicant's Carlson-Harrison Federal Com Wells Nos. 1 and 2, located in Units E and D, respectively, of Section 27, and to his Carlson-Harrison Federal Com Wells Nos. 3 and 4, both located in Unit L of Section 22, is hereby approved.

(3) The unorthodox locations of applicant's Carlson-Harrison Federal Com Well No. 4 at a point 1650 feet from the South line and 660 feet from the West line of Section 22 and of his Carlson-Harrison Federal Com Well No. 5 at a point 330 feet from the North line and 1650 feet from the West line of Section 27 are both hereby approved.

(4) Each of the aforesaid non-standard gas proration units shall be assigned an acreage factor of 1.25 for allowable purposes in the Jalmat Gas Pool.

(5) That portion of this case relating to compulsory pooling is hereby <u>dismissed</u>.

(6) Division Order No. R-8107, entered in Case No. 8690 on January 14, 1986, and which related to the same lands covered by the instant order, is hereby rescinded.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

JIM BACA, Member

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R. L. STAMETS, Chairman and Secretary

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