PMESO-41275562

Susp: 4/20/04

DOYLE HARTMAN

Oil Operator 500 NORTH MAIN P.O. BOX 10426 MIDLAND, TEXAS 79702

> (432) 684-4011 (432) 682-7616 FAX

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

March 29, 2004

CERTIFIED MAIL (RECEIPT NO. 7001 1140 0002 8323 2121) AND FEDEX

Michael E. Stogner, Chief Hearing Officer New Mexico Oil Conservation Division 1220 So. St. Francis Drive Santa Fe, NM 87505

Re: Administrative Application for Simultaneous Dedication
Proposed Myers "B" Federal R/A "A" No. 34 / (F-7-24S-37E)
N/2 Section 7, T-24-S, R-37-E
Lea County, New Mexico
[NMOCD Order No. R-3930/320-acre Jalmat (Gas) Proration Unit]

Gentlemen:

Reference is made to the NMOCD's herein-enclosed simultaneous dedication approval, of November 2, 1978, granting the right to simultaneously dedicate the Myers "B" Federal R/A "A" Nos. 1, 10, and 33 wells, to our 320-acre Myers "B" Federal R/A "A" Jalmat (Gas) proration unit consisting of the N/2 Section 7, T-24-S, R-37-E, Lea County, New Mexico. The 320-acre Myers "B" Federal R/A "A" proration unit was previously approved, effective April 1, 1970, under NMOCD Order No. R-3930.

As to the subject 320-acre Myers "B" Federal R/A "A" Jalmat (Gas) proration unit, we hereby **propose** the drilling of our Myers "B" Federal R/A "A" No. 34 well, as a *fourth* active Jalmat well, on the subject 320-acre proration unit, with the Myers "B" Federal R/A "A" No. 34 to be drilled in F-7-24S-37E, at a location no closer than 660' from the lease line.

Approval of this simultaneous dedication application will prevent waste, by allowing for the optimal recovery of remaining gas reserves (including gas reserves from tighter Jalmat strata, within the Jalmat interval). The subject application will also allow a material portion of the remaining reserves to be recovered during the current period of reduced North American gas deliverability and tighter gas supplies.

Notice of this administrative application, and our request for written waiver (as enclosed herewith), has been sent by certified mail to the applicable diagonal and adjacent offset Jalmat operators, which operators are as follows:

Michael E. Stogner, Chief Hearing Officer New Mexico Oil Conservation Division March 29, 2004 Page 2

1) ConocoPhillips

4001 Penbrook Street

Odessa, Texas 79762

Attn: Greg Ashdown, Operation Manager

Certified Mail Receipt No. 7001 1140 0002 8323 2039 (Mailed March 29, 2004)

2) BP America

Box 1610

600 N. Marienfeld

Midland, Texas 79701

Attn: Dave McKenna, Operations Center Manager

Certified Mail Receipt No. 7001 1140 0002 8323 2008 (Mailed March 29, 2004)

3) Gruy Petroleum Mgmt. Co.

P.O. Box 14097

Irving, Texas 75014

Attn: R. Douglas Cronk, Sr. V.P. Operations

Certified Mail Receipt No. 7001 1140 0002 8323 2152 (Mailed March 29, 2004)

We thank you for your thoughtful review of this matter.

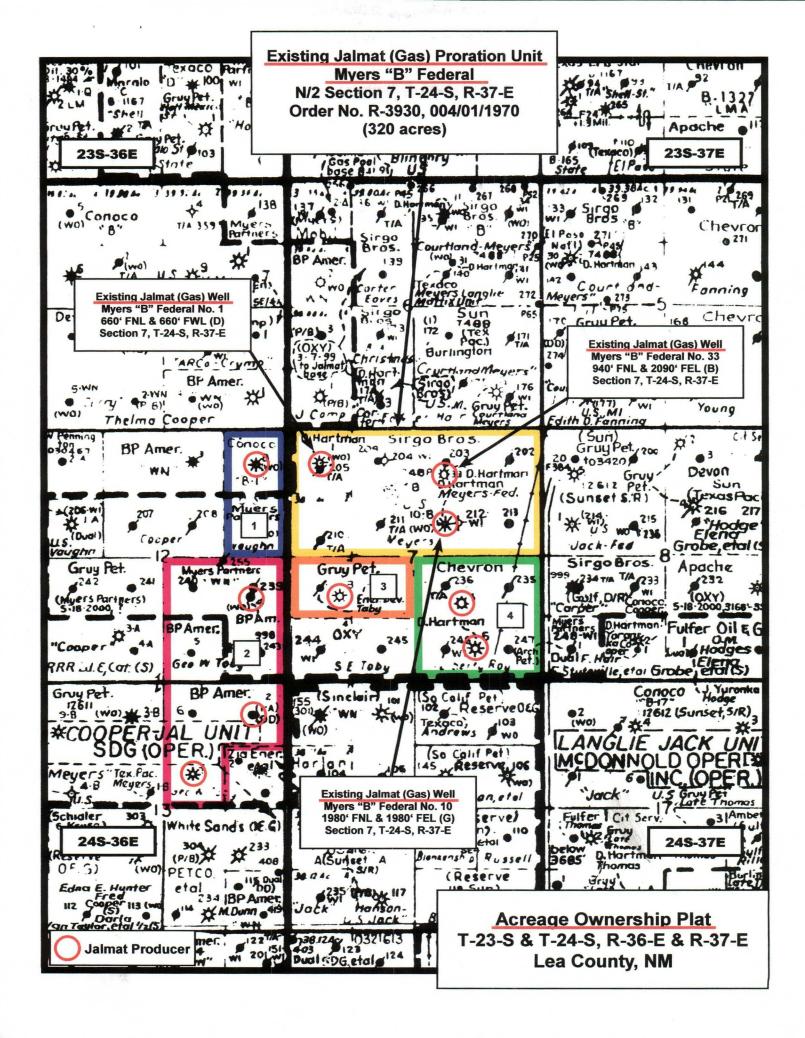
Very truly yours,

DOYLE HARTMAN, Oil Operator

Doyle Hartman

Owner

DIVIDER PAGE



Control and the control of the contr

Adjacent and Diagonal Jalmat Operators

Doyle Hartman-operated

Myers "B" Federal Jalmat P.U.

N/2 Section 7, T-24-S, R-37-E

Lea County, New Mexico

(320 acres, Order No. R-3930, Approved 04/01/1970)

Tract	Color	Operator	Jalmat P.U. Description	Lease Name	Well No.	Jalmat Well Location(s)	No. of Wells	Offset Well Spacing (acres/well)
-	Purple	ConocoPhillips	E/2 NE/4 Section 12 T-24-S, R-36-E (80 acres)	Vaughan "B-1"	ω	A-12-24S-36E		80.0
	Pink	BP America	SE/4 Section 12 & N/2 NE/4, SW/4 NE/4 Section 13 T-24-S, R-36-E (280 acres)	G W Toby "WN" Gas Com	247	A-13-24S-36E I-12-24S-36E G-13-24S-36E	ო	93.3 5.5
ო	Orange	Gruy Petroleum Mgmt. Co.	N/2 SW/4 Section 7 T-24-S, R-37-E (80 acres)	Тобу	ю	L-7-24S-37E		80.0
4	Green	Doyle Hartman	SE/4 Section 7 T-24-S, R-37-E (160 acres)	Liberty Royalties	က်က	J-7-24S-37E O-7-24S-37E	7	80.0
Offset Total/Avg	l/Avg		600 acres				7	85.7

STATE OF NEW MEXICO



JERRY APODACA

NICK FRANKLIN SECRETARY

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

November 2, 1978

RECEIVED
HOBBS
DISTRICT
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Amoco Production Company P. O. Drawer A Levelland, Texas 79336

Attention: V. E. Staley

Gentlemen:

CC- Each WF

Myers B Fed R/AB # 1

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File

You are hereby authorized to dedicate a previously approved non-standard 320-acre gas proration unit comprising the N/2 of Section 7, Township 24 South, Range 37 East, NMPM, Jalmat Yates Seven Rivers Gas Pool, Lea County, New Mexico, to your Myers "B" Federal R/A "B" Wells Nos. 1, 10 and 33 located in Units D, G, and B, respectively.

Further, you are hereby permitted to produce the allowable from any of the wells on the proration unit in any proportion.

very truly yours,

JOE D. RAMES

Director

JDR/RLS/dr

cc: Oil Conservation Division - Hobbs
Oil & Gas Engineering Committee - Hobbs

U. S. Geological Survey - Hobbs

Trani Ellist Tays Stat 3100

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. 4318 Order No. R-3930

APPLICATION OF PAN AMERICAN PETROLEUM CORPORATION FOR A NON-STANDARD GAS PRORATION UNIT, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 4, 1970, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 11th day of March, 1970, 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, Pan American Petroleum Corporation, is the owner and operator of two 160-acre non-standard gas proration units comprising the NW/4 and the NE/4 of Section 7, Township 24 South, Range 37 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico.
- (3) That the NW/4 of said Section 7 is presently dedicated to applicant's Myers "B" Federal R/A A Well No. 1, located in Unit D of said Section 7, and that the NE/4 of said Section 7 is presently dedicated to applicant's Myers "B" Federal R/A A Well No. 10, located in Unit G of said Section 7.
- (4) That the applicant now seeks the consolidation of the two existing non-standard gas proration units to form one 320-acre

-2-CASE No. 4318 Order No. R-3930

non-standard gas proration unit comprising the N/2 of said Section 7, said unit to be simultaneously dedicated to its aforesaid Myers "B" Federal R/A A Wells Nos. 1 and 10.

- (5) That the applicant further seeks authority to produce the allowable assigned to the unit from either of the aforesaid wells in any proportion.
- (6) That the proposed non-standard gas proration unit can be efficiently and economically drained and developed by the Myers "B" Federal R/A A Wells Nos. 1 and 10.
- (7) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Jalmat Gas Pool, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

- (1) That, effective April 1, 1970, a 320-acre non-standard gas proration unit in the Jalmat Gas Pool comprising the N/2 of Section 7, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby established and simultaneously dedicated to the Pan American Petroleum Corporation Myers "B" Federal R/A A Well No. 1, located in Unit D of said Section 7, and to the Pan American Petroleum Corporation Myers "B" Federal R/A A Well No. 10, located in Unit G of said Section 7.
- (2) That the allowable assigned to the above-described non-standard gas proration unit shall be based upon the unit size of 320 acres; that the operator may produce the allowable assigned to the unit from the subject wells in any proportion; and that the status of the consolidated unit shall be the combined status, as of April 1, 1970, of the two units being consolidated.
- (3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

-3-CASE No. 4318 Order No. R-3930

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

ALEX J. ARMIJO, Member

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

SEAL

DIVIDER PAGE

DOYLE HARTMAN

Oil Operator 500 NORTH MAIN P.O. BOX 10426 MIDLAND, TEXAS 79702

> (432) 684-4011 (432) 682-7616 FAX

March 29, 2004

CERTIFIED MAIL, RETURN RECEIPT REQUESTED

ADJACENT AND DIAGONAL JALMAT OPERATORS
Proposed Myers "B" Federal R/A "A" No. 34 / (F-7-24S-37E)
N/2 Section 7, T-24-S, R-37-E
Lea County, New Mexico
[NMOCD Order No. R-3930/320-acre Jalmat (Gas) Proration Unit]

Re: Notice and Waiver Request for Simultaneous Dedication

Gentlemen:

This letter shall serve as (1) our written notice, and (2) request for written waiver, pertaining to our herein enclosed administrative application to the New Mexico Oil Conservation Division, for approval of our simultaneous-dedication application, corresponding to our 320-acre Myers "B" Federal R/A "A" Jalmat (Gas) proration unit, consisting of the N/2 Section 7, T-24-S, R-37-E, Lea County, New Mexico.

As can be ascertained from the herein-enclosed application, the subject application requests approval to drill the Myers "B" Federal R/A "A" No. 34 well, as a *fourth* active Jalmat well, on the subject 320-acre proration unit.

If you are agreeable to granting a written waiver for our herein proposed administrative application, we respectfully request that you execute this letter (at your earliest convenience), in the space provided below, and promptly return one executed copy in the self-addressed stamped envelope enclosed herewith. The second copy of this letter, as well as the enclosed copy of our administrative application, to the NMOCD, shall be retained for your files.

Yours very truly,

DOYLE HARTMAN, Oil Operator

Doyle Hartman

Owner

Adjacent and Diagonal Jalmat Operators Notice and Waiver Request for Simultaneous Dedication Proposed Myers "B" Federal R/A "A" No. 34 / (F-7-24S-37E) March 29, 2004 Page 2

APPROVAL IS HEREBY GRANTED TO DRILL THE PROPOSED MYERS "B" FEDERAL R/A "A" NO. 34 WELL AS THE FOURTH ACTIVE JALMAT WELL ON THE 320-ACRE MYERS "B" FEDERAL R/A "A" JALMAT P.U.

Signature	
Company Name	
Date	

cc: Michael E. Stogner, Chief Hearing Officer New Mexico Oil Conservation Division 1220 So. St. Francis Drive Santa Fe, NM 87505

ADJACENT AND DIAGONAL JALMAT OPERATOR

Notice and Waiver Request
Simultaneous Dedication
Proposed Myers "B" Federal R/A "A" No. 34 / (F-7-24S-37E)
N/2 Section 7, T-24-S, R-37-E
Lea County, New Mexico
[NMOCD Order No. R-3930/320-acre Jalmat (Gas) Proration Unit]

1) ConocoPhillips

4001 Penbrook Street

Odessa, Texas 79762

Attn: Greg Ashdown, Operation Manager

Certified Mail Receipt No. 7001 1140 0002 8323 2039 (Mailed March 29, 2004)

2) BP America

Box 1610

600 N. Marienfeld

Midland, Texas 79701

Attn: Dave McKenna, Operations Center Manager

Certified Mail Receipt No. 7001 1140 0002 8323 2008 (Mailed March 29, 2004)

3) Gruy Petroleum Mgmt. Co.

P.O. Box 14097

Irving, Texas 75014

Attn: R. Douglas Cronk, Sr. V.P. Operations

Certified Mail Receipt No. 7001 1140 0002 8323 2152 (Mailed March 29, 2004)

MARTS 04 (15.10)

``			DOYLE HARTMAN Oil Operator P.O. Box 10426 MIDLAND, TEXAS 79702	R. Douglas Cronk, Sr. V.P. Operations Gruy Petroleum Mgmt. Co. P.O. Box 14097 Irving, TX 75014
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Oil Operator P.O. Box 10426 MIDLAND, TEXAS 79702

Greg Ashdown, Operations Mgr.

4001 Penbrook Street Odessa, TX 79762 ConocoPhillips

DOYLE HARTMAN

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Greg Ashdown, Operations Mgr.

Dave McKenna, Operations Center Mgr DOYLE HARTMAN Oil Operator P.O. Box 10426 MIDLAND, TEXAS 79702 P.O. Box 1610 Midland, TX 79701 BP America STOMECSANICAL CARTICL MATERIAN Dimestro verigini di destanos (cintosque e cue a c 2008 1.29 8323 5000 コロコロ 534 ሀትጥተ 1140 Dave McKenna, Operations Center Mgr. BP America 7007 P.O. Box 1610 Midfand, TX 79701 El transcription de la company Domestic Return Receipt PS Form 3811, August 2001 10S295-01-M-2509 (Transfer from service label) 2007 TTHO 0005 8353 5008 2. Article Number səy 🗀 4. Restricted Delivery? (Extra Fee) lisM beruenl [COD. benetsigeA □ Return Receipt for Merchandise

Service Type Certified Mail

BP America P.O. Box 1610 Midland, TX 79701

1. Article Addressed to:

Attach this card to the back of the mailpiece,
 or on the front if space permits.

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☐ Express Mail

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C. Date of Delivery

If YES, enter delivery address below:

B. Received by (Printed Name)

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D. Yes

osi. Herio

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> (432) 684-4011 (432) 682-7616 FAX

RECEIVED

Oil Conservation Division 1220 S. St. Francis Drive Santa Fe, NM 87505

March 29, 2004

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Proposed Myers "B" Federal R/A "A" No. 34 / (F-7-24S-37E)
N/2 Section 7, T-24-S, R-37-E
Lea County, New Mexico
[NMOCD Order No. R-3930/320-acre Jalmat (Gas) Proration Unit]

Re: Notice and Waiver Request for Simultaneous Dedication

Gentlemen:

This letter shall serve as (1) our written notice, and (2) request for written waiver, pertaining to our herein enclosed administrative application to the New Mexico Oil Conservation Division, for approval of our simultaneous-dedication application, corresponding to our 320-acre Myers "B" Federal R/A "A" Jalmat (Gas) proration unit, consisting of the N/2 Section 7, T-24-S, R-37-E, Lea County, New Mexico.

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Doyle Hartman

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Adjacent and Diagonal Jalmat Operators Notice and Waiver Request for Simultaneous Dedication Proposed Myers "B" Federal R/A "A" No. 34 / (F-7-24S-37E) March 29, 2004 Page 2

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Signature		
CN	 	
Company Name		
Date		

cc: Michael E. Stogner, Chief Hearing Officer New Mexico Oil Conservation Division 1220 So. St. Francis Drive Santa Fe, NM 87505

ADJACENT AND DIAGONAL JALMAT OPERATOR

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Irving, Texas 75014

Attn: R. Douglas Cronk, Sr. V.P. Operations

Certified Mail Receipt No. 7001 1140 0002 8323 2152 (Mailed March 29, 2004)

DIVIDER PAGE

DOYLE HARTMAN

Oil Operator **500 NORTH MAIN** P.O. BOX 10426 MIDLAND, TEXAS 79702

Oil Conservation Division 1220 S. St. Francis Drive

Santa Fe. NM 87505

March 29, 2004

CERTIFIED MAIL (RECEIPT NO. 7001 1140 0002 8323 2121) AND FEDEX

Michael E. Stogner, Chief Hearing Officer

March 29, 2004

Oil Conse Santa Fe, NM 87505

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[NMOCD Order No. R-3930/320-acre Jalmat (Gas) Proration Unit]

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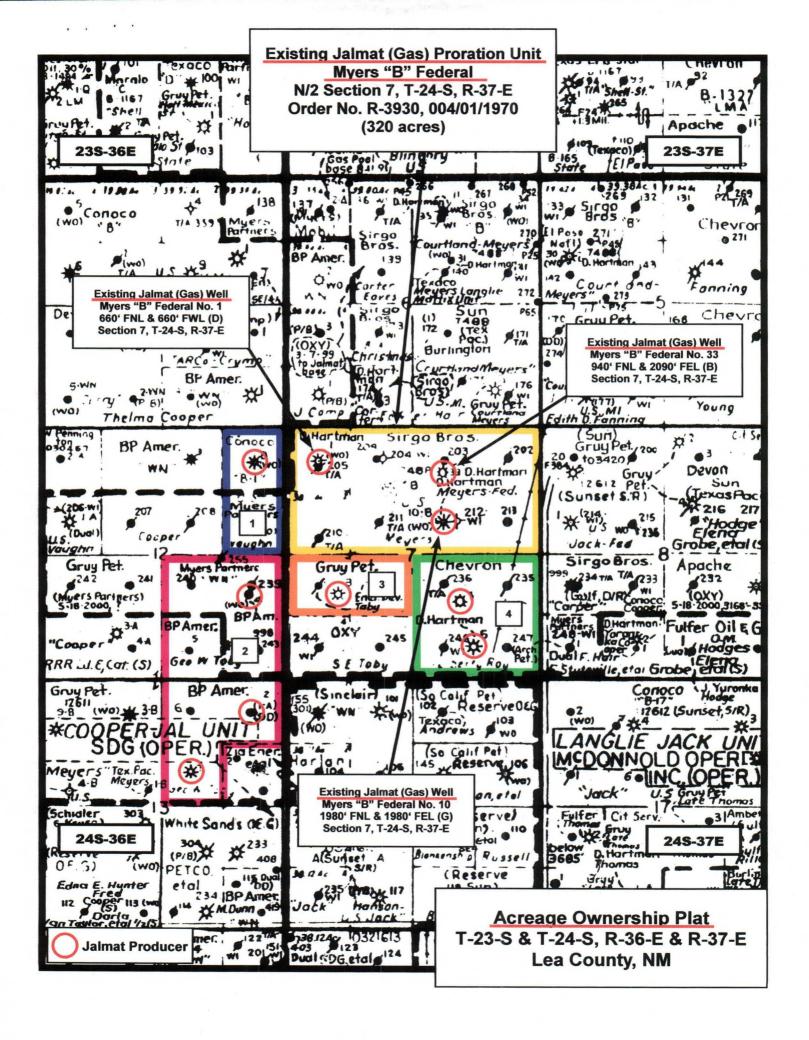
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DOYLE HARTMAN, Oil Operator

Doyle Hartman

Owner

DIVIDER PAGE



Adjacent and Diagonal Jalmat Operators
Doyle Hartman-operated
Nyers "B" Federal Jalmat P.U.
N/2 Section 7, T-24-S, R-37-E
Lea County, New Mexico
(320 acres, Order No. R-3930, Approved 04/01/1970)

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JERRY APODACA

NICK FRANKLIN SECRETARY

STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

November 2, 1978

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Alyers & Fed R/AB # 1 # 10 # 23

Amoco Production Company P. O. Drawer A Levelland, Texas 79336

Attention: V. E. Staley

Gentlemen:

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very truly yours

JOE D. RAMEY

Director

JDR/RLS/dr

cc: Oil Conservation Division - Hobbs

Oil & Gas Engineering Committee - Hobbs

U. S. Geological Survey - Hobbs

Trani Ellist Tays Stat 3/10

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:

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- (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, Pan American Petroleum Corporation, is the owner and operator of two 160-acre non-standard gas proration units comprising the NW/4 and the NE/4 of Section 7, Town-ship 24 South, Range 37 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico.
- (3) That the NW/4 of said Section 7 is presently dedicated to applicant's Myers "B" Federal R/A A Well No. 1, located in Unit D of said Section 7, and that the NE/4 of said Section 7 is presently dedicated to applicant's Myers "B" Federal R/A A Well No. 10, located in Unit G of said Section 7.
- (4) That the applicant now seeks the consolidation of the two existing non-standard gas proration units to form one 320-acre

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non-standard gas proration unit comprising the N/2 of said Section 7, said unit to be simultaneously dedicated to its aforesaid Myers "B" Federal R/A A Wells Nos. 1 and 10.

- (5) That the applicant further seeks authority to produce the allowable assigned to the unit from either of the aforesaid wells in any proportion.
- (6) That the proposed non-standard gas proration unit can be efficiently and economically drained and developed by the Myers "B" Federal R/A A Wells Nos. 1 and 10.
- (7) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Jalmat Gas Pool, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

- (1) That, effective April 1, 1970, a 320-acre non-standard gas proration unit in the Jalmat Gas Pool comprising the N/2 of Section 7, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby established and simultaneously dedicated to the Pan American Petroleum Corporation Myers "B" Federal R/A A Well No. 1, located in Unit D of said Section 7, and to the Pan American Petroleum Corporation Myers "B" Federal R/A A Well No. 10, located in Unit G of said Section 7.
- (2) That the allowable assigned to the above-described non-standard gas proration unit shall be based upon the unit size of 320 acres; that the operator may produce the allowable assigned to the unit from the subject wells in any proportion; and that the status of the consolidated unit shall be the combined status, as of April 1, 1970, of the two units being consolidated.
- (3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

ALEX J. ARMIJO, Member

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

SEAL