



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

September 16, 1996

Doyle Hartman, Oil Operator
Attention: Don Mashburn
P. O. Box 10426
Midland, Texas 79702

Roca Production, Inc.
Attention: Steven Douglas, President
P. O. Box 10139
Midland, Texas 79702

Administrative Order NSP-143-B(L)(SD)

Dear Messrs. Mashburn and Douglas:

Reference is now made to: (i) the application filed by Doyle Hartman, Oil Operator ("Hartman") by letter dated June 20, 1996; (ii) the Division's initial response to said application from Mr. Michael E. Stogner by letter dated June 25, 1996; (iii) to the letter dated August 7, 1996 from Mr. Don Mashburn of Hartman's office in Midland, Texas; (iv) Division Administrative Order NSP-143-A(L)(SD), dated August 14, 1996; and, (v) to the application filed by Roca Production, Inc. ("Roca") by letter dated August 21, 1996: all of which pertain to both parties requests to divide the existing 315.98-acre non-standard gas spacing and proration unit ("GPU") in the Jalmat Gas Pool comprising Lots 1 and 2, the NE/4, and the E/2 NW/4 (N/2 equivalent) of Section 31, Township 23 South, Range 37 East, N.M.P.M., Lea County, New Mexico, into two separate gas spacing and proration units to comprise:

- (a) the 235.98 acres consisting of Lots 1 and 2 (being the W/2 NW/4 equivalent), the W/2 NE/4, and the E/2 NW/4 of said Section 31; and,
- (b) the 80 acres consisting of the E/2 NE/4 of said Section 31.

Said 315.98-acre GPU was authorized by Division Administrative Order NSP-143, dated June 8, 1996 and had dedicated thereon the Doyle Hartman R. W. Cowden "C" Well No. 4/OXY USA, Inc. Myers Langlie Mattix Unit Well No. 61 (API No. 30-025-10903), located at a standard gas well location for the 315.98-acre GPU 990 feet from the North line and 1980 feet from the West line (Unit C) of said Section 31, and, by Division Administrative Order NFL-71, dated February 22, 1983, the R. W. Cowden "C" Well No. 9 (API No. 30-025-27918), located at a standard gas well location 1650 feet from the North line and 800 feet from the East line (Unit H), now operated by Roca Production, Inc., was simultaneously dedicated to said 315.98-acre GPU.

It is our understanding by the subject applications and related correspondence that:

- (1) Hartman will be operator of the proposed 235.98-acre non-standard GPU comprising Lots 1 and 2, the W/2 NE/4, and the E/2 NW/4 of said Section 31 in which said acreage is to be simultaneously dedicated to the aforementioned R. W. Cowden "C" Well No. 4 and to the proposed R. W. Cowden "C" Well No. 10 to be drilled at an unorthodox gas well location 1650 feet from the North line and 330 feet from the West line (Lot 2/Unit E) of said Section 31, and,
- (2) the remaining 80 acres comprising the E/2 NE/4 of said Section 31 is to be operated by Roca Production, Inc. and have dedicated to it the above-described R. W. Cowden "C" Well No. 9 now located at an unorthodox gas well location for the resulting 80-acre GPU.

The Division finds at this time that, both of the subject applications filed by Doyle Hartman, Oil Operator and Roca Production, Inc. have been duly filed under the provisions of Rule 104.F of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division"), revised by Division Order No. R-10533, issued by the Oil Conservation Commission in Case 11,351 on January 18, 1996 and Rule 2(d) of the *"General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Jalmat Gas Pool"*, as promulgated by Division Order No. R-8170, as amended. Pursuant to said rules no objection to the subject applications have been received within the required 20-day waiting periods.

Therefore, by the authority granted me under the provisions of the aforementioned rules applicable in this matter, it is hereby ordered:

- (a) that Doyle Hartman, Oil Operator ("Hartman") be designated the operator of the 235.98 acres, comprising Lots 1 and 2, the W/2 NE/4, and the E/2 NW/4 of said Section 31, thereby forming a non-standard gas spacing and proration unit ("GPU") within the Jalmat Gas Pool in which is to be simultaneously dedicated to the existing R. W. Cowden "C" Well No. 4/OXY USA, Inc. Myers Langlie Mattix Unit Well No. 61 (API No. 30-025-10903), located at a standard Jalmat gas well location for the 235.98-acre GPU 990 feet from the North line and 1980 feet from the West line (Unit C) of said Section 31 and to its proposed R. W. Cowden "C" Well No. 10 to be drilled at an unorthodox gas well location 1650 feet from the North line and 330 feet from the West line (Lot 2/Unit E) of said Section 31. Also, Hartman is hereby authorized to simultaneously dedicate Jalmat gas production from the proposed R. W. Cowden "C" Well No. 10 with the existing R. W. Cowden "C" Well No. 4. Furthermore, Hartman is permitted to produce the allowable assigned the subject GPU from both wells in any proportion; and,
- (b) that Roca Production, Inc. ("Roca") be authorized to operate the

Administrative Order NSP-143-B(L)(SD)

Doyle Hartman/Roca Production, Inc.

September 16, 1996

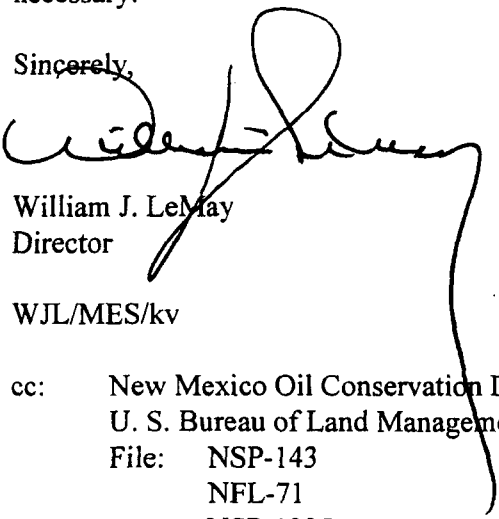
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remaining 80 acres comprising the E/2 NE/4 of said Section 31, as a non-standard gas spacing and proration unit ("GPU") within the Jalmat Gas Pool in which is to be dedicated to the existing R. W. Cowden "C" Well No. 9 (API No. 30-025-27918), located at an unorthodox gas well location for the subject 80-acre GPU 1650 feet from the North line and 800 feet from the East line (Unit H) of said Section 31.

Division Administrative Orders NSP-143, NFL-71, NSP-143-A(L)(SD) shall be placed in abeyance until further notice.

Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,



William J. LeMay
Director

WJL/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
U. S. Bureau of Land Management - Carlsbad
File: NSP-143
NFL-71
NSP-1335
NSP-143-A(L)(SD) /



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

August 14, 1996

Doyle Hartman, Oil Operator
Attention: Don Mashburn
P. O. Box 10426
Midland, Texas 79702

Roca Production, Inc.
Attention: James C. Brown
P. O. Box 10139
Midland, Texas 79702

Administrative Order NSP-143-A(L)(SD)

Dear Messrs. Mashburn and Brown:

Reference is made to: (i) the application filed by Doyle Hartman, Oil Operator ("Hartman") by letter dated June 20, 1996; (ii) the Division's initial response to said application from Mr. Michael E. Stogner by letter dated June 25, 1996; and, (iii) to the letter dated August 7, 1996 from Mr. Don Mashburn of Hartman's office in Midland, Texas; for authorization to divide the existing 315.98-acre non-standard gas spacing and proration unit ("GPU") in the Jalmat Gas Pool comprising Lots 1 and 2, the NE/4, and the E/2 NW/4 (N/2 equivalent) of Section 31, Township 23 South, Range 37 East, N.M.P.M., Lea County, New Mexico, into two separate gas spacing and proration units comprising 235.98 acres and 80 acres.

Said 315.98-acre GPU was authorized by Division Administrative Order NSP-143, dated June 8, 1996 and had dedicated thereon the Doyle Hartman R. W. Cowden "C" Well No. 4/OXY USA, Inc. Myers Langlie Mattix Unit Well No. 61 (API No. 30-025-10903), located at a standard gas well location for the 315.98-acre GPU 990 feet from the North line and 1980 feet from the West line (Unit C), of said Section 31, and, by Division Administrative Order NFL-71, dated February 22, 1983, the R. W. Cowden "C" Well No. 9 (API No. 30-025-27918), located at a standard gas well location 1650 feet from the North line and 800 feet from the East line (Unit H), now operated by Roca Production, Inc., was simultaneously dedicated to said 315.98-acre GPU.

It is our understanding by the subject application and related correspondence that:

- (1) Hartman will be operator of the proposed 235.98-acre non-standard GPU comprising Lots 1 and 2, the W/2 NE/4, and the E/2 NW/4 of said Section 31 in which said acreage is to be simultaneously dedicated to the aforementioned R. W. Cowden "C" Well No. 4 and to the proposed R. W. Cowden "C" Well No. 10 to be drilled at an unorthodox gas well location 1650 feet from the North line and 330 feet from the West line (Lot 2/Unit E) of said Section 31, and,
- (2) the remaining 80 acres comprising the E/2 NE/4 of said Section 31 is to be operated by Roca Production, Inc. and have dedicated to it the above-described R. W. Cowden "C" Well No. 9 now located at an unorthodox gas well location for the resulting 80-acre GPU.

The Division finds at this time that, the subject application of Doyle Hartman, Oil Operator has been duly filed under the provisions of Rule 104.F of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division"), revised by Division Order No. R-10533, issued by the Oil Conservation Commission in Case 11,351 on January 18, 1996 and Rule 2(d) of the *"General Rules for the Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Jalmat Gas Pool"*, as promulgated by Division Order No. R-8170, as amended. Pursuant to said rules no objection to the subject application has been received within the required 20-day waiting period. It should be further noted that Roca Production, Inc. has not responded to either Hartman's application or to the Division's letter dated June 25, 1996.

It is therefore ordered, by the authority granted me under the provisions of said rules, that Doyle Hartman, Oil Operator ("Hartman") is hereby authorized to operate the 235.98 acres, comprising Lots 1 and 2, the W/2 NE/4, and the E/2 NW/4 of said Section 31, as a non-standard gas spacing and proration unit ("GPU") within the Jalmat Gas Pool in which is to be simultaneously dedicated to the existing R. W. Cowden "C" Well No. 4/OXY USA, Inc. Myers Langlie Mattix Unit Well No. 61 (API No. 30-025-10903), located at a standard Jalmat gas well location for the 235.98-acre GPU 990 feet from the North line and 1980 feet from the West line (Unit C) of said Section 31 and to its proposed R. W. Cowden "C" Well No. 10 to be drilled at an unorthodox gas well location 1650 feet from the North line and 330 feet from the West line (Lot 2/Unit E) of said Section 31.

Also, Hartman is hereby authorized to simultaneously dedicate Jalmat gas production from the proposed R. W. Cowden "C" Well No. 10 with the existing R. W. Cowden "C" Well No. 4. Furthermore, Hartman is permitted to produce the allowable assigned the subject GPU from both wells in any proportion.

Administrative Order NSP-143-A(L)(SD)

Doyle Hartman/Roca Production, Inc.

August 14, 1996

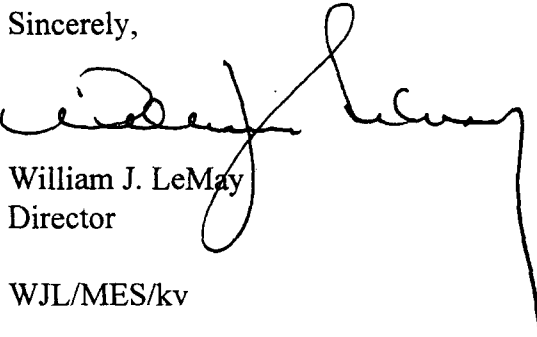
Page 3

It is further ordered that the remaining 80 acres comprising the E/2 NE/4 of said Section 31, operated by Roca Production, Inc.: (i) is no longer dedicated to producing Jalmat acreage; (ii) that the existing R. W. Cowden "C" Well No. 9 is producing without a proper assignment of allowable; and, (iii) that said well is considered to be at an unapproved unorthodox Jalmat gas well location. It is ordered however that Roca Production, Inc. is granted a temporary 45-day authorization to produce its R. W. Cowden "C" Well No. 9 with an acreage factor of 0.50 to be ascribe against the Jalmat allowable for said well. If however no formal application from Roca Production, Inc. has been submitted to the Division within this 45-day period, the temporary allowable shall be canceled and the well ordered to be shut-in until such application has been submitted and approved.

Said Division Orders NSP-143 and NFL-71 shall be placed in abeyance until further notice.

Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,



William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs
Michael E. Stogner, Chief Hearing Officer - OCD, Santa Fe
U. S. Bureau of Land Management - Carlsbad
File: NSP-143
NFL-71
NSP-1335

INFILL DRILLING FINDINGS AND WELL-SPACING WAIVER
MADE PURSUANT TO SECTION 271.305(b) OF THE
FEDERAL ENERGY REGULATORY COMMISSION REGULATIONS,
NATURAL GAS POLICY ACT OF 1978 AND OIL CONSERVATION DIVISION
ORDER NO. R-6013

I.

Operator HCW Exploration, Inc. Well Name and No. R. W. Cowden "C" Well No. 9
Location: Unit H Sec. 31 Twp. 23S Rng. 37E Cty. Lea

II.

THE DIVISION FINDS:

- (1) That Section 271.305(b) of the Federal Energy Regulatory Commission Interim Regulations promulgated pursuant to the Natural Gas Policy Act of 1978 provides that, in order for an infill well to qualify as a new onshore production well under Section 103 of said Act, the Division must find, prior to the commencement of drilling, that the well is necessary to effectively and efficiently drain a portion of the reservoir covered by the proration unit which cannot be so drained by any existing well within that unit, and must grant a waiver of existing well-spacing requirements.
- (2) That by Order No. R-6013, dated June 7, 1979, the Division established an administrative procedure whereby the Division Director and the Division Examiners are empowered to act for the Division and find that an infill well is necessary.
- (3) That the well for which a finding is sought is to be completed in the JalmattansillYatesSeven Rivers (ProratedGas) pool, and the standard spacing unit in said pool is 640 acres.
- (4) That a 316-acre proration unit comprising the N/2 of Sec. 31, Twp. 23S, Rng. 37E, is currently dedicated to the R. W. Cowden "C" Well No. 4 located in Unit C of said section.
- (5) That this proration unit is () standard (X) nonstandard; if nonstandard, said unit was previously approved by Order No. NSP-143.
- (6) That said proration unit is not being effectively and efficiently drained by the existing well(s) on the unit.
- (7) That the drilling and completion of the well for which a finding is sought should result in the production of an additional 179,700 MCF of gas from the proration unit which would not otherwise be recovered.
- (8) That all the requirements of Order No. R-6013 have been complied with, and that the well for which a finding is sought is necessary to effectively and efficiently drain a portion of the reservoir covered by said proration unit which cannot be so drained by any existing well within the unit.
- (9) That in order to permit effective and efficient drainage of said proration unit, the subject application should be approved as an exception to the standard well spacing requirements for the pool.

IT IS THEREFORE ORDERED:

- (1) That the applicant is hereby authorized to drill the well described in Section I above as an infill well on the existing proration unit described in Section II(4) above. The authorization for infill drilling granted by this order is an exception to applicable well spacing requirements and is necessary to permit the drainage of a portion of the reservoir covered by said proration unit which cannot be effectively and efficiently drained by any existing well thereon.
- (2) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on this 22nd day of February, 19 83.


DIVISION DIRECTOR EXAMINER



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR

November 15, 1982

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

HCW Exploration, Inc.
P. O. Box 10585
Midland, Texas 79702

Attention: Steve A. Douglas

Administrative Order NSP-1335

Gentlemen:

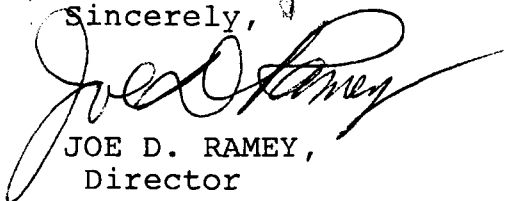
Reference is made to your application for a 160-acre non-standard proration unit consisting of the following acreage in the Jalmat Gas Pool:

LEA COUNTY, NEW MEXICO
TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
Section 31: NE/4

It is my understanding that this unit is to be dedicated to your R. W. Cowden "C" Well No. 9 located 1650 feet from the North line and 800 feet from the East line of said Section 31.

By authority granted me under the provisions of Rule 5(c)(3) of Order No. R-1670, the above non-standard proration unit is hereby approved.

Sincerely,


JOE D. RAMEY,
Director

JDR/RLS/dr

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

8-4-2006
Note: This order,
even though allowed,
never was carried
out by HCW.
See NF-71 which
served to
overrule
this order.

INFILL DRILLING FINDINGS AND WELL-SPACING WAIVER
MADE PURSUANT TO SECTION 271.305(b) OF THE
FEDERAL ENERGY REGULATORY COMMISSION REGULATIONS,
NATURAL GAS POLICY ACT OF 1978 AND OIL CONSERVATION DIVISION
ORDER NO. R-6013

I.

Operator HCW Exploration, Inc. Well Name and No. R. W. Cowden "C" Well No. 9
Location: Unit H Sec. 31 Twp. 23S Rng. 37E Cty. Lea

II.

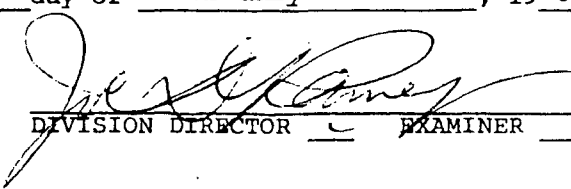
THE DIVISION FINDS:

- (1) That Section 271.305(b) of the Federal Energy Regulatory Commission Interim Regulations promulgated pursuant to the Natural Gas Policy Act of 1978 provides that, in order for an infill well to qualify as a new onshore production well under Section 103 of said Act, the Division must find, prior to the commencement of drilling, that the well is necessary to effectively and efficiently drain a portion of the reservoir covered by the proration unit which cannot be so drained by any existing well within that unit, and must grant a waiver of existing well-spacing requirements.
- (2) That by Order No. R-6013, dated June 7, 1979, the Division established an administrative procedure whereby the Division Director and the Division Examiners are empowered to act for the Division and find that an infill well is necessary.
- (3) That the well for which a finding is sought is to be completed in the JalmatTansillYatesSeven Rivers (ProratedGas) Pool, and the standard spacing unit in said pool is 640 acres.
- (4) That a 316-acre proration unit comprising the N/2 of Sec. 31, Twp. 23S, Rng. 37E, is currently dedicated to the R. W. Cowden "C" Well No. 4 located in Unit C of said section.
- (5) That this proration unit is () standard (X) nonstandard; if nonstandard, said unit was previously approved by Order No. NSP-143.
- (6) That said proration unit is not being effectively and efficiently drained by the existing well(s) on the unit.
- (7) That the drilling and completion of the well for which a finding is sought should result in the production of an additional 179,700 MCF of gas from the proration unit which would not otherwise be recovered.
- (8) That all the requirements of Order No. R-6013 have been complied with, and that the well for which a finding is sought is necessary to effectively and efficiently drain a portion of the reservoir covered by said proration unit which cannot be so drained by any existing well within the unit.
- (9) That in order to permit effective and efficient drainage of said proration unit, the subject application should be approved as an exception to the standard well spacing requirements for the pool.

IT IS THEREFORE ORDERED:

- (1) That the applicant is hereby authorized to drill the well described in Section I above as an infill well on the existing proration unit described in Section II(4) above. The authorization for infill drilling granted by this order is an exception to applicable well spacing requirements and is necessary to permit the drainage of a portion of the reservoir covered by said proration unit which cannot be effectively and efficiently drained by any existing well thereon.
- (2) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on this 22nd day of February, 19 83.


DIVISION DIRECTOR EXAMINER

Noted F. 1/6 (NSP-1335)

*This NFL Order negated NSP-1335.
The original 320-acre, more or less, NSP authorized by
NSP-143, dated 6-8-1955, is still in effect.*



✓
June 8, 1955

C
Albert Gackie
419 National Bank Bldg.
Fort Worth 2, Texas

Administrative Order NSP-143

O
Dear Mr. Gackie:

P
Reference is made to your application for approval of a 316-acre non-standard gas proration unit in the Jalmat Gas Pool consisting of the following acreage:

Township 23 South, Range 37 East, NMPM
N/2 of Section 31

Y
It is understood that this unit is to be ascribed to your R. W. Cowden "C" Well No. 4, located 990 feet from the North line and 1980 feet from the West line of Section 31, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico.

By authority granted me under provisions of Rule 5, Section (b)-6 of the Special Rules and Regulations for the Jalmat Gas Pool, as set forth in Order R-520, you are hereby authorized to operate the above described acreage as a non-standard gas proration unit, with allowable to be assigned thereto in accordance with pool rules, based upon the unit size of 316 acres.

Very truly yours,

W. B. Macey
Secretary-Director

WBM:jh

cc: Oil Conservation Commission, Hobbs
N. M. Oil and Gas Engineering Comm., Hobbs