

DOYLE HARTMAN

Oil Operator

500 N. MAIN

P.O. BOX 10426

MIDLAND, TEXAS 79702

(915) 684-4011

July 27, 1989

CERTIFIED - RETURN RECEIPT REQUESTED

Offset Eumont (Gas) Operators
A. L. Christmas No. 1
W/2 W/2 Section 18, T-22-S, R-37-E
Lea County, New Mexico
(148 acres)

We respectfully request your approval of our administrative request before the New Mexico Oil Conservation Division (see attached letter dated July 27, 1989) to reactivate the previously approved 148-acre Eumont (Gas) proration unit consisting of the W/2 W/2 Section 18, T-22-S, R-37-E, Lea County, New Mexico. Said proration unit will be dedicated to Doyle Hartman's newly proposed A. L. Christmas No. 1 well, to be drilled at an unorthodox Eumont (Gas) location consisting of 990' FNL & 460' FWL (D) Section 18, T-22-S, R-37-E.

This letter will also serve as your notice of our intention to ultimately qualify our A. L. Christmas No. 1 as a Section 103 infill well under the Natural Gas Policy Act of 1978, if necessary.

Please indicate your approval of our requests by signing one (1) copy of this waiver and returning it in the enclosed stamped, self-addressed envelope at your earliest convenience.

Thank you for your consideration in this matter.

Very truly yours,

DOYLE HARTMAN



Michael Stewart
Engineer

AUG 17 1989

OIL CONSERVATION DIV.
SANTA FE

MS/mw
Enclosure

**RETURN THIS COPY
TO: DOYLE HARTMAN
BOX 10426
MIDLAND, TX 79702**

A. L. Christmas No. 1
Offset Eumont (Gas) Operators
July 27, 1989
Page 2

Approved this _____ day of _____, 1989

Presidio Exploration, Inc.

By: _____

Title: _____

Meridian Oil, Inc.

By: _____

Title: _____

Chevron USA, Inc.

By: Alan W. Bolling 8-14-89

Title: Division Rotation Engineer

Amerada Hess Corporation

By: _____

Title: _____

Kirby Exploration of Texas

By: _____

Title: _____

Marathon Oil Company

By: _____

Title: _____

DOYLE HARTMAN

Oil Operator

500 N. MAIN

P.O. BOX 10426

MIDLAND, TEXAS 79702

(915) 684-4011

RECEIVED

July 27, 1989

JUL 31 1989

OIL CONSERVATION DIV.
SANTA FE

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. Victor T. Lyons
State of New Mexico
Energy and Minerals Department
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87504

Case 9766

Re: A. L. Christmas No. 1
W/2 W/2 Section 18
T-22-S, R-37-E
Lea County, New Mexico
(148-acre proration unit)
1. Non-Standard Proration Unit
2. Unorthodox Location
3. Notice of Section 103
Infill Application

45 L. L. P. 18

not required

Gentlemen:

We are in the process of filing Forms C-101 and C-102 with the Oil Conservation Division District I Office for permission to drill our newly proposed A. L. Christmas No. 1 well as an infill Eumont (Gas) well at a non-standard Eumont (Gas) location consisting of 990' FNL & 460' FWL (D), Section 18, T-22-S, R-37-E, Lea County, New Mexico.

We hereby request administrative approval for reactivation of the previously approved 148-acre Eumont (gas) non-standard proration unit consisting of the W/2 W/2 Section 18, T-22-S, R-37-E, Lea County, New Mexico, which was previously dedicated to Gulf Oil Company's now abandoned A. L. Christmas "C" No. 5, situated in L-18-22S-37E, and which will now be dedicated to the proposed A. L. Christmas No. 1 well (D-18-22S-37E). The existing 148-acre non-standard proration unit was dedicated to the A. L. Christmas "C" No. 5 after a Commission hearing in 1956 by OCD Order NSP-341.

We are also requesting approval of an unorthodox Eumont (gas) location consisting of 990' FNL & 460' FWL (D) because of the existence of various surface obstructions as discussed in detail below:

1. The 148-acre non-standard proration unit consisting of the W/2 W/2 Section 18 contains four (4) contiguous lots instead of four (4) contiguous 40-acre tracts and therefore, the width of the existing proration unit is 1220' instead of the standard 1320' for a full 40-acre square.

New Mexico Oil Conservation Division
A. L. Christmas No. 1
July 27, 1989
Page 2

In light of the rectangular shape of the existing proration unit and the fact that the width of the proration unit is only 1220' wide, it is therefore impossible to simultaneously drill a well 660' from both the east and west lease lines of the **proration unit**.

2. Each of the lots comprising the W/2 W/2 Section 18 contains two (2) previously existing wellbores (some of which are currently producing and several of which are now abandoned, but nevertheless restricting the number of locations available for a new well).
3. A high voltage power line located approximately 600' FWL of Section 18 runs essentially north and south through the center of the W/2 W/2 Section 18. The high voltage power line (and the safety aspects associated therewith) becomes a major hindrance to placing a well along the center-line of the subject proration unit. Chevron (Gulf), in the past and apparently in the interest of safety, has placed its A. L. Christmas "C" wells approximately 150' away from the power line.
4. Texaco has a pipeline that crosses Unit D diagonally from northwest to southeast and essentially crosses over the location consisting of 990' FNL and 800' FWL of Section 18. Furthermore, Shell also has a pipeline that crosses Unit D from southwest to northeast approximately 100' northwest of our proposed infill location.

Due to a combination of the geometry of the existing 148-acre proration unit, (including a width of only 1220'), the existence of numerous wellbores, a high-voltage power line, the necessary drilling rig layout, and the proximity to two pipelines, the proposed location of 990' FNL & 460' FWL Section 18 appears to be a safe and reasonable location for the proposed infill well.

Furthermore, if the proposed well is completed as a commercial producer and in compliance with any currently applicable requirements of the Natural Gas Policy Act of 1978, an application if required will be submitted to the New Mexico Oil Conservation Division to obtain administrative approval for the well as a Section 103 infill well.

Three copies of a color-coded land map outlining the previously approved 148-acre Eumont (Gas) proration unit (NSP-341) as well as the proposed location of our A. L. Christmas No. 1 infill well are enclosed for your review. Supplementing the enclosed color-coded land plat is a companion table describing by tract number and color all Eumont (gas) proration units (including the operators of the Eumont gas rights) that offset the proposed A. L. Christmas No. 1 infill well. Also included on the companion table are Marathon's McDonald State A/C 2 No. 11 (A-13-22S-36E) and No. 26 (J-13-22S-36E) wells, both of which are high GOR Eumont casinghead wells that produce from the Eumont (Penrose) gas interval.

Complete copies of this application have also been sent by certified mail to

New Mexico Oil Conservation Division
A. L. Christmas No. 1
July 27, 1989
Page 3

all offsetting parties owning Eumont (Gas) rights as described on the enclosed plat and table. The following is a list of the offsetting Eumont (Gas) operators:

Presidio Exploration, Inc.
5613 DTC Parkway, Suite 750
Englewood, Colorado 80111-3035

Meridian Oil, Inc.
#6 Desta Drive
Midland, Texas 79701

Chevron USA, Inc.
Post Office Box 1150
Midland, Texas 79702

Attention: Mr. Alan W. Bohling
Division Proration Engineer

Amerada Hess Corporation
Post Office Box 840
Seminole, Texas 79360

Attention: Mr. Gilbert E. Miller

Kirby Exploration of Texas
Post Office Box 1745
Houston, Texas 77251

ARCO Oil and Gas Co.
Post Office Box 1610
Midland, Texas 79702

Attention: Mr. Craig Payken
Area Engineer

Marathon Oil Company
Post Office Box 552
Midland, Texas 79702

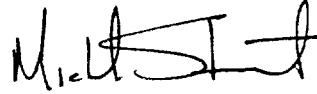
Attention: Mr. Clifford A. Miller
District Engineer

Thank you for your consideration in this matter.

New Mexico Oil Conservation Division
A. L. Christmas No. 1
July 27, 1989
Page 4

Very truly yours,

DOYLE HARTMAN

A handwritten signature in black ink, appearing to read 'Michael Stewart', with a stylized, cursive script.

Michael Stewart
Engineer

MS/mw
Enclosure

cc: New Mexico Oil Conservation Division
District I Office
Post Office Box 1980
Hobbs, New Mexico 88240

Attention: Mr. Jerry Sexton

Mr. J. E. Gallegos
Gallegos Law Firm
141 E. Palace Avenue
Santa Fe, New Mexico 87501

Mr. Daniel S. Nutter
105 E. Alicante
Santa Fe, New Mexico 87501

Mr. William P. Aycock
1207 W. Wall
Midland, Texas 79701

Mr. Harold Swain
Doyle Hartman, Oil Operator
Post Office Drawer M
Jal, New Mexico 88252

Chevron USA, Inc.
Post Office Box 670
Hobbs, New Mexico 88240

Attention: Mr. J. C. Prindle
Joint Venture Coordinator

OFFSET EUMONT (GAS) OPERATORS
A. L. Christmas No. 1
W/2 W/2 Section 18, T-22-S, R-37-E
Lea County, New Mexico
(148 Acres)

<u>Tract No.</u>	<u>Operator</u>	<u>Lease & Well Name(s)</u>	<u>Gas Well Location(s)</u>	<u>Unit Description</u>	<u>Number of Acres</u>
1 (Green)	Presidio Exploration, Inc.	Mattern No. 7	N-7-22S-37E	S/2 S/2 Section 7, T-22-S, R-37-E	160
2 (Red)	Meridian Oil, Inc.	Ruby S. Crosby No. 1	C-18-22S-37E	NW/4 NE/4, NE/4 NW/4 Section 18, T-22-S, R-37-E	80
3 (Orange)	Chevron, U.S.A.	Christmas Lease	Non-Producing Non-Dedicated	SE/4 NW/4 Section 18, T-22-S, R-37-E	40
4 (Purple)	Amerada Hess Corp.	State PA #5	N-18-22S-37E	E/2 SW/4 Section 18, T-22-S, R-37-E	80
5 (Pink)	Kirby Exploration of Texas, Inc.	State "M" Lease	Non-Producing Non-Dedicated	N/2 NW/4 Section 19, T-22-S, R-37-E	80
6 (Blue)	ARCO Oil & Gas	McDonald WN State #21	A-24-22S-36E	NE/4 Section 24, T-22-S, R-36-E	160
7 (Orange)	Marathon Oil Company	McDonald State A/C 2 #26	J-13-22S-36E	*NW/4, S/2 Section 13 T-22-S, R-36-E	480
8 (Blue)	Marathon Oil Company	McDonald State A/C 2 #11	A-13-22S-36E	*NE/4 Section 13 T-22-S, R-36-E	160
9 (Pink)	ARCO Oil & Gas	State 157 D #4 State 157 D #7	I-12-22S-36E M-12-22S-36E	S/2 Section 12, T-22-S, R-36-E	320

*Currently classified as Eumont (Penrose) oil wells with a casinghead gas allowable.

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Pecos, N.M. 87510

DISTRICT II
P.O. Drawer 101, Artesia, N.M. 87510

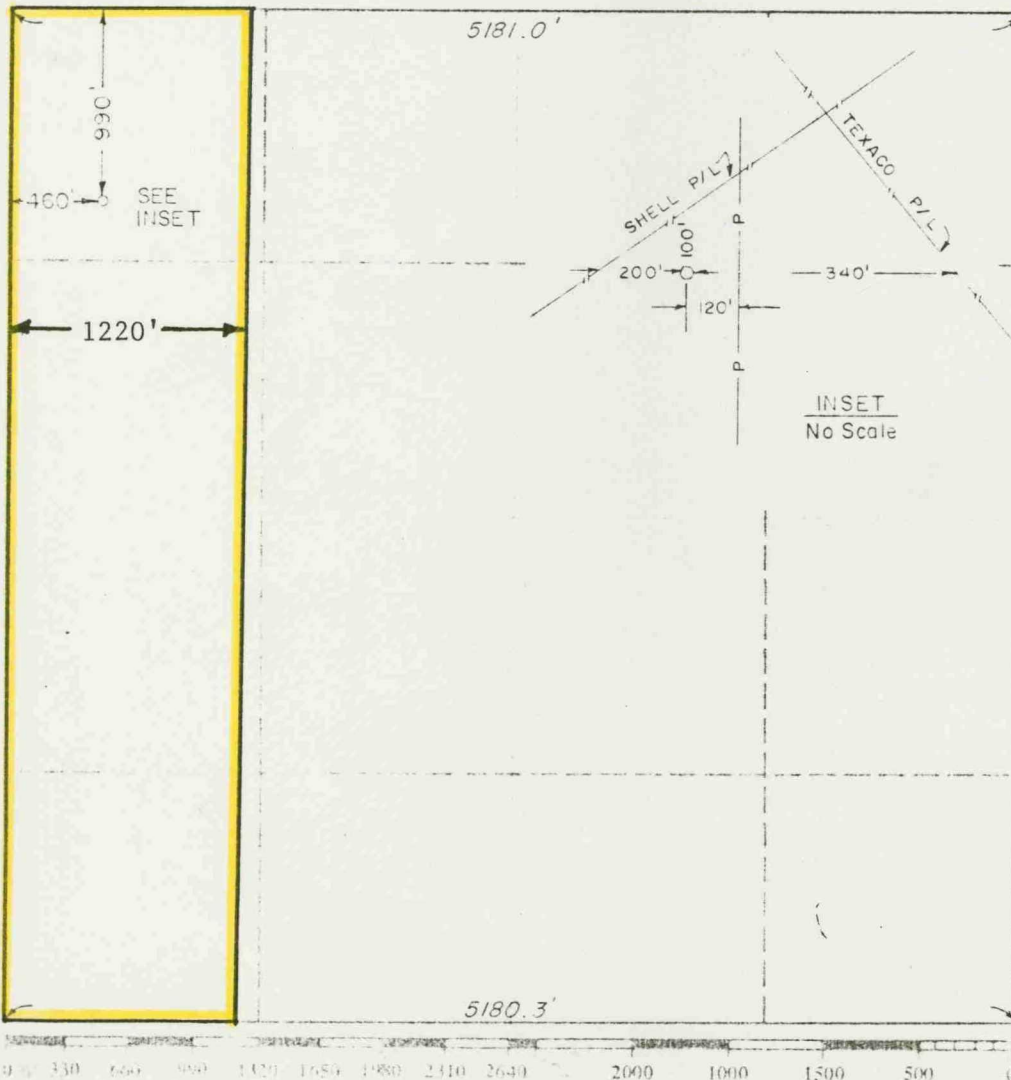
DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Doyle Hartman, Oil Operator			Lease A.L. Christmas			Well No. 1		
Unit Letter D	Section 18	Township 22 South	Range 37 East	County NMPM		Lea		
Actual Footage Location of Well.								
990 feet from the North line and			460 feet from the West line			Dedicated Acreage:		
Ground level Elev. 3434.5			Producing Formation Queen (Penrose)			Pool Eumont (Gas)		
						148 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 interest 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 well 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 interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature *[Signature]*
Printed Name Michael Stewart
Position Engineer
Company Doyle Hartman, Oil Operator
Date 7-26-89

SURVEYOR CERTIFICATION

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 July 23, 1989
Signature & Seal of Professional Surveyor



COMPANY Marathon

WELL Mc Donald State AC-2 No. 11

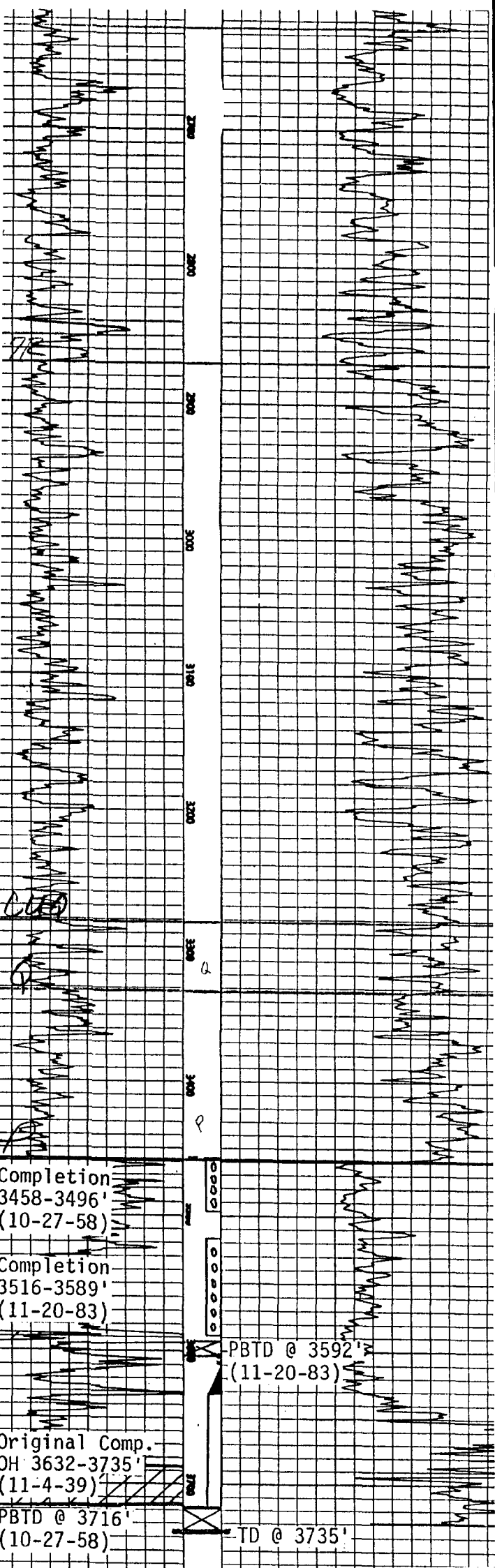
FIELD Eumont Gas / Arrowhead Oil

LOCATION 330 FNL & 330 FEL (A)
Section 13, T-22-S, R-36-E

COUNTY Lea

STATE New Mexico

ELEVATIONS: KB _____
DF 3452
GL 3441



COMPLETION RECORD

SPUD DATE 10-19-39 COMP. DATE 11-16-39

TD 3735 PBTD _____

CASING RECORD 9 5/8 @ 362 w/175
7 @ 3632 w/600

PERFORATING RECORD OH: 3632-3735

STIMULATION

IP F = 38 BOPD + 700 MCFPD

GOR _____ GR _____

TP _____ CP _____

CHOKE _____ TUBING _____ @ _____

REMARKS 10-28-58: PBTD @ 3716.
A/1500 OH. Pkr @ 3610. Perf 3458 -
96. A/750. SWF/10,000 + 10,000.
C F/6760 MCFPD. Dual Completed.

11-23-62: T.A'd. Arrowhead.

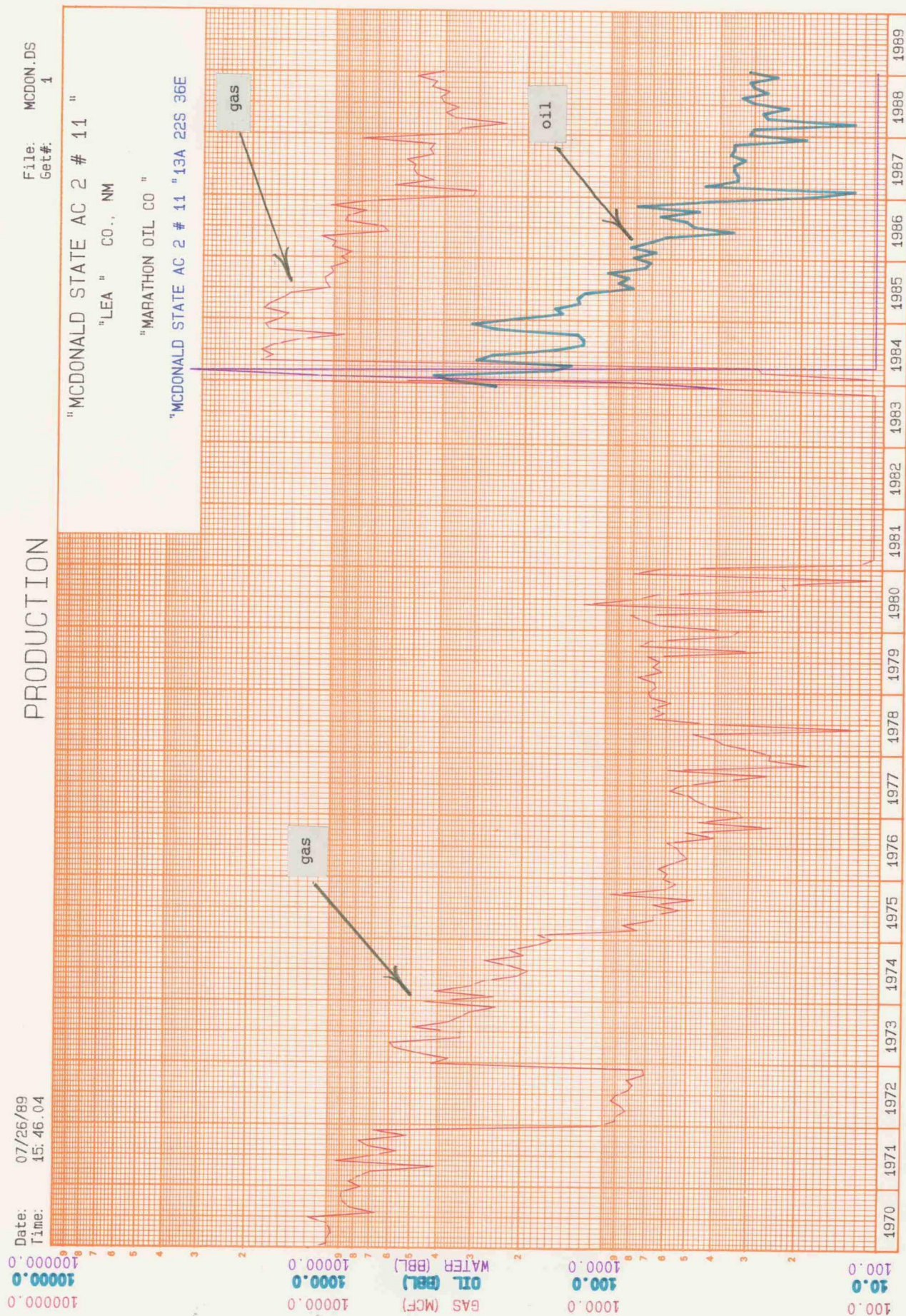
12-1-83: CIBP @ 3592. Perf
3516-89. A/1500. F/40 BOPD +
91 BWPD. SWF/40,000 + 45,000.
Eumont Oil Pool.

A-12-275-31.5

Date: 07/26/89
Time: 15:46.04

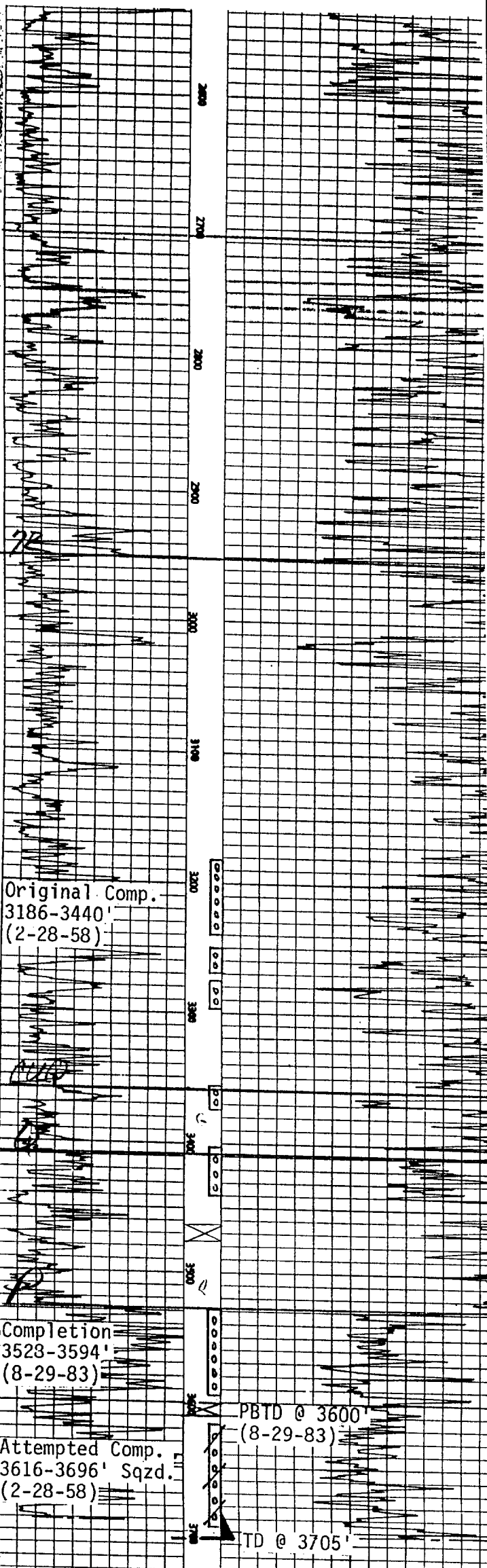
File: MCDON.DS
Get#: 1

PRODUCTION



YEARS

DOYLE HARTMAN
Oil Operator



COMPANY Marathon

WELL McDonald State A/C 2 No. 26

FIELD Eumont

LOCATION 1980 FSL & 1980 FEL (J)
Section 13, T-22-S, R-36-E

COUNTY Lea

STATE New Mexico

ELEVATIONS: KB _____
DF _____
GL _____

COMPLETION RECORD

SPUD DATE 12-12-57 COMP. DATE 2-20-58

TD 3705 PBTD 3462

CASING RECORD 9 5/8 @ 351 w/ 250
5 1/2 @ 3704 w/ 1310

PERFORATING RECORD Perf: 3186-3440

STIMULATION A/1000
SDF/40,000 + 40,000

IP F = 1642 MCFPD

GOR _____ GR _____

TP 76.5 CP 840

CHOKE 1/4 TUBING _____ @ _____

REMARKS Lower Penrose tested w/ R.
8-29-83: Drilled out cement &
BP to 3473: A/3000, Perfs 3528-94.
w/ 264. Tested / 30 BOPD + 50 BOPD
w/ Eumont (3186-3440) included.
PBTD @ 3600.

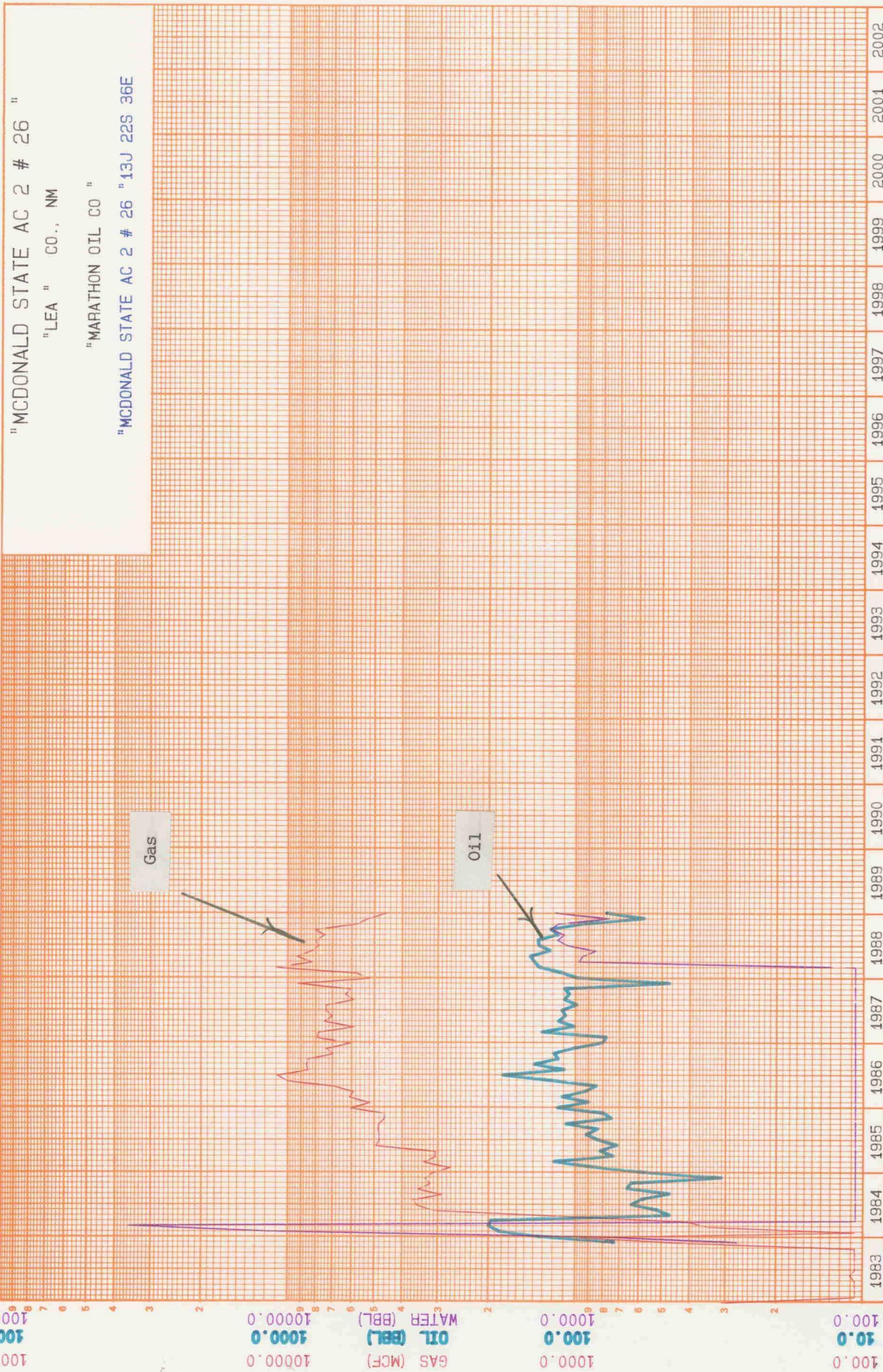
J-13-225-36E

Date:
Time:

07/26/89
16:37.43

File: MCDON.DS
Get#: 3

PRODUCTION



YEARS

DOYLE HARTMAN

Oil Operator

Gulf Oil Corporation
 A.L. Christmas (A.L.T.-C)
 well ab. 1
 330' 5" deep
 Spud: 10/20/39
 1st Prod: 5/19/41
 Estimated Production
 Completion 12
 Commenced Flow of Prod.
 12/5 - 9/4/47, 412
 Oil: 5, 00 Barrels
 Produced Comp. 12

Figure location

3700' ac. ①			
36.89 ac. ②	Gulf Oil Corporation A.L. Christmas (A.L.T.-C) well ab. 4 330' 5" deep Spud: 2/22/40 1st Prod: 5/24/42 Produced Comp. 2 Completion 12		
36.99 ac. ③	Gulf Oil Corporation A.L. Christmas (A.L.T.-C) well ab. 15 330' 5" deep Spud: 10/19/39 Produced Comp. 12 Completion 12		
36.98 ac. ④	Gulf Oil Corporation A.L. Christmas (A.L.T.-C) well ab. 6 330' 5" deep Spud: 10/19/39 Produced Comp. 12 Completion 12		

Gulf Oil Corporation
 A.L. Christmas (A.L.T.-C)
 well ab. 5
 330' 5" deep
 Spud: 5/13/40
 Produced Comp. 12
 Completion 12
 Commenced Flow of Prod.
 12/5 - 9/4/47, 412
 Oil: 5, 00 Barrels
 Produced Comp. 12

Gulf Oil Corporation
 A.L. Christmas (A.L.T.-C)
 well ab. 6
 330' 5" deep
 Spud: 9/19/40
 1st Prod: May 1947
 Produced Comp. 12
 Completion 12

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

January 10, 1957

Gulf Oil Corporation
P. O. Drawer 1290
Fort Worth 1, Texas

Attention: Mr. B. E. Thompson

Administrative Order NSP-341

Gentlemen:

Reference is made to your application for approval of a 148-acre non-standard gas proration unit in the Eumont Gas Pool consisting of the following acreage:

Township 22 South, Range 37 East
Lot 1, 2, 3, & 4 of Section 18

It is understood that this unit is to be ascribed to your A. C. Christmas "C" Well No. 5, located 2310 feet from the South line and 330 feet from the West line and in Lot 3 of Section 18, Township 22 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 Eumont 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 Rule 12 of the pool rules, based upon the unit size of 148 acres.

Very truly yours,

A. L. Porter, Jr.
Secretary-Director

ALP:jh

cc: Oil Conservation Commission, Hobbs
N. M. Oil and Gas Engr. Comm., Hobbs
El Paso Natural Gas Company, Jal and El Paso

File No. _____

Twp.

Rge.

County

State

File No. _____

Fee

Description of Lands

