

CASE 6041: GULF OIL CORPORATION FOR  
AN UNORTHODOX LOCATION AND SIMULTANEOUS  
DEDICATION, LEA COUNTY, NEW MEXICO

Case Number

6041

Application

Transcripts.

Small Exhibits

ETC.

BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
23 September, 1977

EXAMINER HEARING

IN THE MATTER OF:

Application of Gulf Oil Corporation for )  
an unorthodox location and simultaneous )  
dedication, Lea County, New Mexico. )

CASE  
6041

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil Conservation Commission: Lynn Teschendorf, Esq.  
Legal Counsel for the Commission  
State Land Office Building  
Santa Fe, New Mexico

For Gulf Oil Corporation: Jeffrey G. Shrader, Esq.  
Gulf Oil Corporation  
P. O. Box 1150  
Midland, Texas 79702

sid morrison reporting service  
General Court Reporting Service  
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501  
Phone (505) 982-9212

I N D E X

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1 MR. NUTTER: We'll call Case 6041.

2 MS. TESCHENDORF: Case 6041. Application of Gulf  
3 Oil Corporation for an unorthodox location and simultaneous  
4 dedication, Lea County, New Mexico.

5 MR. SHRADER: Mr. Examiner, my name is Jeff Shrader.  
6 I'm an attorney employed by Gulf Oil Corporation at Midland,  
7 Texas, and Mr. Sperling has once again entered an appearance  
8 by letter in this case.

9 MR. NUTTER: We have your appearance.

10 MR. SHRADER. I have one witness, Mr. Kalteyer.  
11 Is the witness still sworn and qualified?

12 MR. NUTTER: Yes, he is.

13  
14 CHARLES L. KALTEYER

15 being called as a witness and being duly sworn upon his oath,  
16 testified as follows, to-wit:

17  
18 DIRECT EXAMINATION

19 BY MR. SHRADER:

20 Q Mr. Kalteyer, what is Gulf seeking in this appli-  
21 cation?

22 A We're seeking authority for our Leonard -- our  
23 Harry Leonard (NCT-A) Well Number 12, which was recently  
24 reclassified from an oil well to a gas well in the Eumont  
25 Gas Pool at an unorthodox location 990 feet from the south

1 line and 660 feet from the east line in Unit P of Section 22,  
2 Township 21 South, Range 36 East, and to simultaneously dedi-  
3 cate the previously approved 480-acre nonstandard proration  
4 unit, comprising all of Section 22 except the northwest quarter,  
5 to Wells Number 3, 7, and 12, by the addition of Number 12,  
6 to this 480-acre unit, which is now simultaneously dedicated  
7 to Wells 3 and 7, and to produce the unit allowable in any  
8 proportion between the three wells.

9 Q Do you have an exhibit which shows the Harry Leonard  
10 (NCT-A) Lease?

11 A Yes, sir. It's our Exhibit Number 1.

12 Q Will you please explain what is shown on this ex-  
13 hibit?

14 A Yes, sir. Exhibit Number 1 is a plat that shows the  
15 480-acre Harry Leonard (NCT-A) lease outlined in red. The  
16 Eumont gas completions are circled in yellow and the Eumont  
17 oil completions are enclosed in red triangles.

18 Q What is the current status of the 480-acre unit?

19 A Under Administrative Order NSP-944, the Oil Con-  
20 servation Commission approved the 480-acre nonstandard gas  
21 proration unit in the Eumont Pool, comprising the northeast  
22 quarter and the south half of Section 22, Township 21 South,  
23 Range 36 East, and simultaneously dedicated the acreage to  
24 Gulf Oil Corporation's Wells Number 3 and 7, located respectively  
25 660 feet from the north line and 1980 feet from the east line

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1 in Unit Band 660 feet from the south and west lines in Unit M.  
2 This was done on April 4th, 1974.

3 Q What is the current producing capacity of Wells  
4 Number 3 and 7?

5 A The Harry Leonard (NCT-A) 480-acre unit is currently  
6 classified as non-marginal. Based on July's production Well  
7 Number 3 produced at the average rate of 468 Mcf per day and  
8 Number 7 at the rate of 1004 Mcf a day.

9 Q What is the present status of Well Number 12?

10 A Well Number 12 was completed in the interval 3742  
11 to 3876 in the Eumont Oil Pool on April 12th, 1977, and  
12 tested 36 barrels of oil per day. On test August 24th of  
13 this year, the well produced 3 barrels of oil per day and  
14 712 Mcf of gas with a gas-liquid ratio of 237,331-to-1.

15 MR. NUTTER: Was that was that without any workover  
16 or anything on the well?

17 A That's correct. The well is now classified as a  
18 gas well in the Eumont Pool.

19 Q Is this request in the interest of protection of  
20 correlative rights?

21 A Yes, sir, Gulf's Exhibit 2 is a tabulation of  
22 allowable data of the Eumont gas completions in the imme-  
23 diate vicinity of Section 22. In order for this unit to  
24 produce its non-marginal allowable during peak gas demand  
25 periods, we believe it is necessary that these three wells

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1 be allowed to produce the unit allowable in any proportion.

2 Q Has a precedent been set in this area for a second  
3 or third well on a gas proration unit with simultaneous dedi-  
4 cation of acreage?

5 A Yes, sir, as previously mentioned, under Administra-  
6 tive Order NSP-944, the Commission granted Gulf's request  
7 for the simultaneous dedication on this same unit to 3 and 7.  
8 You may also note on Gulf's Exhibits 1 and 2 that the Exxon  
9 Company has simultaneously dedicated 640 acres located in  
10 Section 23 to two wells, and also, in Section 26 to the south  
11 and southeast. The Commission has authorized the simultaneous  
12 dedication of 640 acres in Section 27 to two Gulf wells and  
13 Continental has 480 acres in Sections 13 and 14 dedicated to  
14 three wells.

15 Q Will you summarize what Gulf is seeking in this  
16 application?

17 A Authority for its Harry Leonard (NCT-A) Well Number  
18 12, which was recently reclassified from an oil well to a gas  
19 well in the Eumont Gas Pool at an unorthodox location 990  
20 feet from the south line and 660 feet from the east line in  
21 Unit P of Section 22, Township 21 South, Range 36 East, and  
22 to simultaneously dedicate the previously approved 480-acre  
23 nonstandard proration unit, comprising all of Section 22 ex-  
24 cept the northwest quarter to Wells 3, 7, and 12, by the ad-  
25 ditiona of Number 12, and to produce the unit allowable in

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1 any proportion between the 3 wells.

2 Q Were these exhibits prepared by you or under your  
3 supervision?

4 A Yes, sir, they were.

5 MR. SHRADER: Mr. Examiner, I would move that Ex-  
6 hibits Number 1 and 2 be admitted in evidence.

7 MR. NUTTER: Applicant's Exhibits 1 and 2 will be  
8 admitted in evidence.

9 MR. SHRADER: I have no further questions.

10  
11 CROSS EXAMINATION

12 BY MR. NUTTER:

13 Q Mr. Kalteyer, you mentioned that the 480-acre unit  
14 is classified non-marginal. What's its status? Is it under  
15 produced, over produced, or what?

16 A I believe that it's over produced at this time. I  
17 would have to check that.

18 Q These two wells have been making the allowable for  
19 the tract, then?

20 A Yes, sir, so they have been capable as of this time.

21 Q But you mentioned that in periods of high demand  
22 they may not be?

23 A Yes, sir.

24 Q Now --

25 A And to utilize the well completion as it is now, re-

1 classified.

2 Q What would the potential of this Number 12 be if  
3 you tested it as a gas well?

4 A It indicates -- I don't have an openflow on it, but  
5 it did test 712 Mcf per day.

6 Q And I guess that was wide open as far as the choke  
7 is concerned?

8 A Let's see if I have that.

9 Q You didn't have any restrictions on the well, did  
10 you?

11 A Let me see how this was recorded. That was on  
12 20/64th show; tubing pressure of 258; 3 barrels of oil;  
13 712 Mcf of gas.

14 MR. NUTTER: Are there any further questions of  
15 Mr. Kalteyer? He may be excused. Do you have anything --  
16 does anyone have anything to offer in Case Number 6042?  
17 We'll take the case under advisement -- 6041 -- we'll take  
18 the case under advisement.

19 (Hearing concluded.)  
20  
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REPORTER'S CERTIFICATE

I, SALLY WALTON BOYD, a Certified Shorthand Reporter,  
DO HEREBY CERTIFY that the foregoing and attached Transcript  
of Hearing before the New Mexico Oil Conservation Commission  
was reported by me, and the same is a true and correct record  
of the said proceedings to the best of my knowledge, skill,  
and ability.

Sally Walton Boyd  
Sally Walton Boyd, C. S. R.

I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the case of 6041  
heard by us on 9/28, 1977.

[Signature] Examiner  
New Mexico Oil Conservation Commission

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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. 6041  
Order No. R-5549

APPLICATION OF GULF OIL CORPORATION  
FOR AN UNORTHODOX LOCATION, 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 September 28, 1977, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 25th day of October, 1977, 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, Gulf Oil Corporation, seeks approval of an unorthodox gas well location for its Harry Leonard NCT-A Well No. 12 located in Unit P of Section 22, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico.

(3) That applicant further proposes to simultaneously dedicate the above-described well to a previously approved 480-acre non-standard proration unit comprising the SW/4 and E/2 of said Section 22 which is presently dedicated to applicant's Harry Leonard NCT-A Wells Nos. 3 and 7, located, respectively, in Units B and M of said Section 22.

(4) That approval of the subject application will afford the applicant the opportunity to produce its 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.

-2-

Case No. 6041  
Order No. R-5549

(5) That Commission Order NSP-944, dated April 4, 1974, which previously approved the subject unit, should be superseded.

IT IS THEREFORE ORDERED:

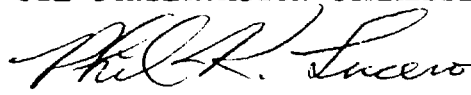
(1) That an unorthodox gas well location for the Gulf Oil Corporation Harry Leonard NCT-A Well No. 12 located in Unit P of Section 22, Township 21 South, Range 36 East, NMPM, Fumont Gas Pool, Lea County, New Mexico, is hereby approved, said well to be simultaneously dedicated with applicant's Harry Leonard NCT-A Wells Nos. 3 and 7, located in Units B and M, respectively, of said Section 22, to a previously approved 480-acre multiple well non-standard proration unit comprising the SW/4 and E/2 of said Section 22.

(2) That Commission Order NSP-944 is hereby superseded.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

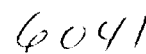
  
PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member

  
JOE D. RAMEY, Member & Secretary

  
S E A L

jr/



2  
6041  
PRODUCTION & ALLOWABLE DATA  
EUMONT GAS POOL  
LEA COUNTY, NEW MEXICO

SECTION OPERATOR LEASE	WELL NUMBER AND UNIT	STATUS	GAS PRODUCTION JUNE, 1977 (MCF)	GAS ALLOWABLE AUGUST, 1977 (MCF)
<u>Section 14, T-21-S, R-36-E</u>				
Continental				
Lockhart B	7 D *	(MWU)	9,441	---
	4 H	(MWU)	6,141	---
	8 P	(MWU)	399	---
		M 3.00	(15,981)**	15,981
	5 L	N 1.00	33,982	15,000
Gulf				
H. C. Collins	4 K	M 2.00	25,986	25,986
			<u>75,949</u>	<u>56,967</u>
<u>Section 15, T-21-S, R-36-E</u>				
Continental				
State D	12 P	N 2.00	43,717	30,000
Gulf				
R. R. Bell (NCT-C)	4 F	M 2.00	49,644	49,644
			<u>93,361</u>	<u>79,644</u>
<u>Section 16, T-21-S, R-36-E</u>				
Cities				
State C	3 K	M 1.00	11,127	11,127
Getty				
State B	7 E	M 1.00	5,159	5,159
State E	2 P	M 1.00	15,867	15,867
Mexico V Com.	1 G	M 1.00	6,730	6,730
			<u>38,883</u>	<u>38,883</u>
<u>Section 21, T-21-S, R-36-E</u>				
Gulf				
Arnott Ramsay (NCT-C)	13 F	M 4.00	178,675	178,675
<u>Section 22, T-21-S, R-36-E</u>				
Amoco				
State I	2 C	M 1.00	20,825 R	20,825
Gulf				
Harry Leonard (NCT-A)	3 B	(MWU)	26,586	---
	7 M	(MWU)	47,061	---
		N 3.00	(73,647)**	45,000
			<u>94,472</u>	<u>65,825</u>

\* Located in Section 13, T-21-S, R-36-E  
\*\* Unit Totals.



PRODUCTION & ALLOWABLE DATA  
EUMONT GAS POOL  
LEA COUNTY, NEW MEXICO

SECTION OPERATOR LEASE	WELL NUMBER AND UNIT	STATUS	GAS PRODUCTION JUNE, 1977 (MCF)	GAS ALLOWABLE AUGUST, 1977 (MCF)
<u>Section 23, T-21-S, R-36-E</u>				
Exxon				
New Mexico G State	5 E	(MWU)	3,761	---
	9 G	(MWU)	13,012	---
		M 4.00	<u>(16,773)**</u>	<u>16,773</u>
<u>Section 26, T-21-S, R-36-E</u>				
Exxon				
New Mexico G State Batt 2	2 P	(MWU)	8,970	---
	6 M	(MWU)	3,162	---
		M 4.00	<u>(12,132)**</u>	<u>12,132</u>
<u>Section 27, T-21-S, R-36-E</u>				
Gulf				
W. A. Ramsay NCT-A	17 J	(MWU)	9,715	---
	46 E	(MWU)	137,491	---
		N 4.00	<u>(147,206)**</u>	<u>60,000</u>
<u>Section 28, T-21-S, R-36-E</u>				
Cities				
Felton	1 C	N 1.00	8,880	15,000
Continental				
Lockhart B-28	3 L	M 1.50	34,086	34,086
	6 A	M .50	9,003 R	9,003
Gulf				
Felton	1 P	M 1.00	9,119	9,119
			<u>61,088</u>	<u>67,208</u>

\*\* Unit Totals

- CASE 6038: Application of W. Ridley Wheeler Estate for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in an undesignated San Andres reservoir by the injection of water into the San Andres formation thru the open-hole interval from 4800 feet to 4870 feet in its Markham Well No. 2, to be drilled 1980 feet from the South line and 25 feet from the East line of Section 28, Township 9 South, Range 35 East, Lea County, New Mexico.
- CASE 6039: Application of Gulf Oil Corporation for directional drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the directional drilling of three Drinkard Pool wells on its Central Drinkard Unit in Township 21 South, Range 37 East, Lea County, New Mexico, as follows:
- Well No. 419, surface location 1631 feet from the South line and 260 feet from the West line of Section 28, to be bottomed approximately 1335 feet from South line and 15 feet from East line of Section 29; Well No. 421, surface location 1465 feet from North line and 1056 feet from East line of Section 32, to be bottomed approximately 1305 feet from North and East lines of Section 32; and Well No. 422, surface location 1155 feet from North line and 1000 feet from West line of Section 33, to be bottomed approximately 1305 feet from North line and 1335 feet from West line of Section 33.
- CASE 6040: Application of Gulf Oil Corporation for pool reclassification and a special GOR limit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the reclassification of the North Teague-Devonian Gas Pool in Sections 22 and 27, Township 23 South, Range 37 East, Lea County, New Mexico, as an oil pool and the consolidation of said pool with the Teague-Devonian Oil Pool in Sections 27, 34, and 35 of said Township. Applicant further requests a special gas-oil ratio limit for said Teague-Devonian Oil Pool of not more than 5000 to one.
- CASE 6041: Application of Gulf Oil Corporation for an unorthodox location and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Harry Leonard Well No. 12 located in Unit P of Section 22, Township 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to a previously approved 480-acre multiple well non-standard proration unit.
- CASE 6042: Application of Gulf Oil Corporation for a non-standard proration unit, simultaneous dedication, and unorthodox locations, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 388.51-acre non-standard gas proration unit comprising the NW/4 and E/2 SW/4 of Section 6, and the NW/4 of Section 7, both in Township 22 South, Range 37 East, Eumont Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to applicant's H. T. Mattern Wells Nos. 6 and 3, at unorthodox locations in Unit N of Section 6 and Unit P of Section 7, respectively.
- VASE 6043: Application of V-F Petroleum Inc., for an unorthodox oil well location, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location 330 feet from the South line and 2310 feet from the East line of Section 29, Township 8 South, Range 38 East, North Sawyer-Devonian Pool, Roosevelt County, New Mexico.
- CASE 6044: Application of Orla Petco for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down to 3500 feet underlying the NE/4 NE/4 of Section 1, Township 23 South, Range 27 East, and also the NW/4 NE/4 of said Section, Eddy County, New Mexico, to form two 40-acre units, each 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 wells and the allocation of the costs 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 wells and a charge for risk involved in drilling said wells.
- CASE 6045: Application of Burleson & Huff for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying the NW/4 of Section 12, Township 21 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, 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 6046: Application of Belco Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying all of Section 3, Township 22 South, Range 25 East, Catclaw Draw-Morrow Gas Pool, Eddy County, New Mexico, 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.

BEFORE THE OIL CONSERVATION COMMISSION

STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION  
OF GULF OIL CORPORATION FOR  
ADMINISTRATIVE APPROVAL FOR AN  
UNORTHODOX LOCATION AND SIMUL-  
TANEOUS DEDICATION, LEA COUNTY,  
NEW MEXICO

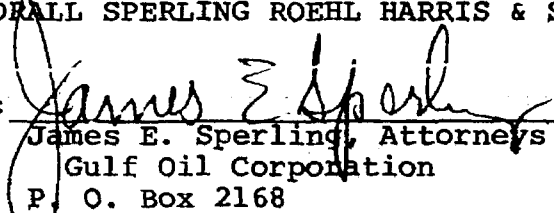
Case No. 6041

ENTRY OF APPEARANCE

The undersigned, Modrall, Sperling, Roehl, Harris & Sisk,  
of Albuquerque, New Mexico, hereby enter their appearance for  
the applicant, Gulf Oil Corporation, with its house counsel  
of Midland, Texas.

MODRALL SPERLING ROEHL HARRIS & SISK

By:

  
James E. Sperling, Attorneys for  
Gulf Oil Corporation  
P. O. Box 2168  
Albuquerque, New Mexico 87103  
Telephone: (505) 243-4511

# Gulf Energy and Minerals Company-U.S.

SOUTHWEST DIVISION  
HOBBS AREA

C. D. Borland  
AREA PRODUCTION MANAGER

P. O. Box 670  
Hobbs, NM 88240

August 30, 1977

Mr. Joe D. Ramey  
New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, NM 87501

Dear Sir:

Gulf Oil Corporation is the operator of a 480-acre non-standard proration unit, NSP-944, consisting of the E/2 and the SW/4 of Section 22-T21S-R36E, Lea County, New Mexico, in the Eumont Gas pool. The unit's wells are the Harry Leonard (NCT-A) Well No. 3, located 660'FNL and 1980'FEL; and Well No. 7, located 660'FSL and 660'FWL, Section 22-T21S-R36E.

Gulf Oil Corporation requests your administrative approval for an unorthodox location for, and to simultaneously dedicate Eumont Gas production from the Harry Leonard (NCT-A) Well No. 12, located 990'FSL and 660'FEL Section 22. This well was recently reclassified from an oil well to a gas well in the Eumont pool.

In support of this application, the following facts are submitted:

- (1) The special field rules, Order No. R-1670, which govern the Eumont Gas pool, require that the well be located not closer than 660' from the nearest side boundary nor 1980' from the nearest end boundary nor closer than 330' from any quarter-quarter section or subdivision inner boundary of the 480-acre proration unit, necessitating this request for nonstandard location.
- (2) The reclassification of this well in the Eumont Gas pool represents reasonable development of this pool.
- (3) Well No. 12 is located on the same 480-acre proration unit as the Harry Leonard (NCT-A) Wells No. 3 and 7 (as indicated on the attached plat), necessitating this request for simultaneous acreage dedication.
- (4) This application is in the interest of conservation and the prevention of waste.
- (5) All offset operators have been furnished a copy of this application.

Your early consideration in this matter will be greatly appreciated and if additional information is needed, please advise.

Yours very truly,

*by: D. F. Berlin*

C. D. BORLAND

Attachments  
GS/dch

cc: Oil Conservation Commission, P. O. Box 1980, Hobbs, NM 88240  
J. M. Thacker, Gulf Energy and Minerals Company-U.S., P.O. Box 1150, Midland, TX 79701  
C. F. Kalteyer, Gulf Energy and Minerals Company-U.S., P. O. Box 1150, Midland, TX 79701  
Exxon Company-U. S., P. O. Box 3116, Midland, TX 79701  
Continental Oil Company, P. O. Box 1959, Midland, TX 79701  
Amoco Production Company, P. O. Box 4072, Odessa, TX 79760  
Getty Oil Company, P. O. Box 1231, Midland, TX 79701  
Atlantic Richfield Company, P. O. Box 1610, Midland, TX 79701



A DIVISION OF GULF OIL CORPORATION

Case 6091

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102  
Supersedes C-123  
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

Operator <b>Gulf Oil Corporation</b>		Lessee <b>Harry Leonard (NCT-A)</b>		Well No. <b>12</b>
Unit Letter <b>P</b>	Section <b>22</b>	Township <b>21-S</b>	Range <b>36-E</b>	County <b>Lea</b>
Actual Footage Location of Well: <b>990</b> feet from the <b>South</b> line and <b>660</b> feet from the <b>East</b> line				
Ground Level Elev. <b>3565'</b>	Producing Formation <b>Queen, Seven Rivers</b>	Pool <b>Bumont Gas</b>	Dedicated Acreage: <b>480</b> 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 interests 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 will 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 interests, has been approved by the Commission.

**CERTIFICATION**

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

*N. P. Sikes*

Name  
**N. P. Sikes**

Position  
**Area Engineer**

Company  
**Gulf Oil Corporation**

Date  
**August 30, 1977**

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.

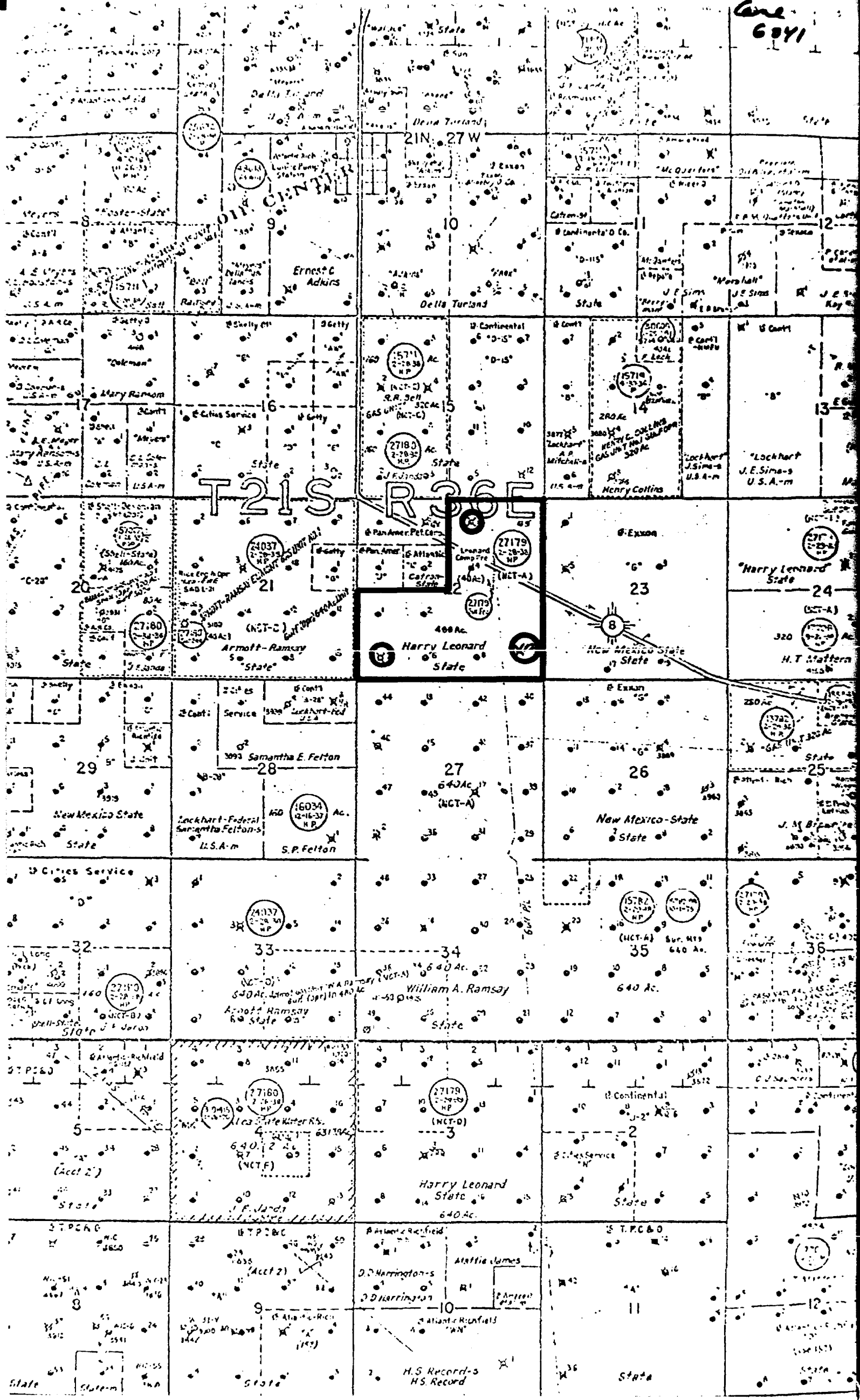
Date Surveyed \_\_\_\_\_

Registered Professional Engineer and/or Land Surveyor \_\_\_\_\_

Certificate No. \_\_\_\_\_

0 330 660 990 1320 1650 1980 2310 2540 2000 1500 1000 500 0

Case 6841



dr/

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. 6041

Order No. R- 5549

APPLICATION OF GULF OIL CORPORATION  
FOR AN UNORTHODOX GAS WELL LOCATION, 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 September 28, 19 77,  
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this day of October, 19 77, 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, <sup>NET-A</sup> Gulf Oil Corporation, seeks  
for its Harry Leonard Well No. 12 located in Unit P of  
approval of an unorthodox gas well location / feet from the

line and feet from the line of Section 22, Township

21 South, Range 36 East, NMPM, to test the

formation, Eumont Gas Pool,

Lea County, New Mexico.

~~(4) That the of said Section is to be dedicated to the  
well.~~

~~(5) That a well at said unorthodox location will better enable  
applicant to produce the gas underlying the proration unit.~~

~~(6) That no offset operator objected to the proposed unorthodox  
location.~~

(3) That applicant further proposes to simultaneously  
dedicate the above-described well to a previously approved 480-acre  
~~multiple well~~ non-standard proration unit comprising the  
SW 1/4 and E 1/2 of ~~the~~ said Section 22 which is  
presently dedicated to applicant's Harry Leonard <sup>NET-A</sup>  
Wells Nos. 3 and 7, located, respectively, in  
Units B and M of said Section 22.

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Case No. \_\_\_\_\_

Order No. R- \_\_\_\_\_

(4) ~~That~~ That approval of the subject application will afford the applicant the opportunity to produce its 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.

(5) IT IS THEREFORE ORDERED:

(1) That an unorthodox gas well location for the Gulf Oil Corporation ~~applicant~~ <sup>NCT-A</sup> Harry Leonard, Well No. 12 located in Unit P of ~~formation is hereby approved for a well to be located at a point~~

feet from the \_\_\_\_\_ line and \_\_\_\_\_ feet from the \_\_\_\_\_

~~line of~~ Section 22, Township 21 South, Range 36 East

NMPM, Eumont Gas Pool, Lea County,

<sup>is hereby approved, said well</sup> New Mexico, to be simultaneously dedicated, to a previously approved 480-acre multiple well non-standard proration unit ~~comprising the~~

(2) That the \_\_\_\_\_ of said Section \_\_\_\_\_ shall be dedicated to the above-described well.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

NCT-A  
→ with applicant's Harry Leonard Wells Nos. 3 and 7, located in Units B and 117, respectively, of said Section 22

→ SW 1/4 and E 1/2 of said Section 22.

→ (5) That Commission Order NSP-944, dated April 4, 1974, which previously approved the subject unit, should be ~~is~~ superseded.

→ (2) That Commission Order NSP-944 is hereby superseded.