

Ent. May 15, 1984
JHR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

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

CASE NO. 8078
Order No. R-7525

APPLICATION OF DOYLE HARTMAN FOR
A NON-STANDARD GAS PRORATION UNIT
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 March 29, 1984, and May 15, 1984, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 15th day of May, 1984, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, 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, Doyle Hartman, is the operator of the 480-acre Winningham Lease, comprising the E/2 SE/4 of Section 19 and the E/2 and E/2 NW/4 of Section 30, all in Township 25 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That the applicant seeks to form a 480-acre non-standard proration unit in the Jalmat Gas Pool comprising the above-described acreage to be simultaneously dedicated to applicant's Winningham Wells Nos. 1, 2 and 7, located as follows:

<u>Well No.</u>	<u>Unit Letter</u>	<u>Section</u>
1	C	30
2	P	19
7	H	30

Case No. 8078
Order No. R-7525

and to applicant's Winningham Well No. 8, which was directionally drilled from a surface location in Unit O to a bottomhole location in Unit I of Section 19; and to applicant's proposed Winningham Well No. 9, to be drilled in Unit B of Section 30.

(4) That in Case 8096, Conoco Inc. sought to form a 320-acre non-standard proration unit with simultaneous dedication to two wells, said non-standard unit being to the north and west of applicant's proposed non-standard unit.

(5) That Cases Nos. 8078 and 8096 were consolidated for the purpose of obtaining testimony.

(6) That the formation of applicant's non-standard unit was opposed by Conoco.

(7) That the entire proposed 480-acre non-standard proration unit is productive of gas from the Jalmat Gas Pool and that such unit can be efficiently and economically drained by the wells proposed or currently producing thereon.

(8) That the application in this case should be approved.

(9) That if the majority of the gas allowable assigned this 480-acre non-standard unit was produced from Well No. 8, there would be drainage from the Conoco property, to the west, that could not be compensated for by counter drainage.

(10) That no more than one-third of the allowable assigned to the 480-acre non-standard unit should be produced from Well No. 8.

IT IS THEREFORE ORDERED:

(1) That the application to form a 480-acre non-standard gas proration unit in the Jalmat Gas Pool comprising the E/2 SE/4 of Section 19 and the E/2 and E/2 NW/4 of Section 30, all in Township 25 South, Range 37 East, NMPM, Lea County, New Mexico, to be simultaneously dedicated to applicant's Winningham Wells Nos. 1, 2 and 7 located as follows:

<u>Well No.</u>	<u>Unit Letter</u>	<u>Section</u>
1	C	30
2	P	19
7	H	30

-3-

Case No. 8078
Order No. R-7525

and to applicant's Winningham Well No. 8, which was directionally drilled from a surface location in Unit O to a bottomhole location in Unit I of Section 19; and to the proposed Winningham Well No. 9, to be drilled in Unit B of Section 30, is hereby approved.

(2) That no more than one-third of the allowable assigned to said 480-acre non-standard unit shall be produced from the Winningham Well No. 8 which has its bottomhole location in Unit I of said Section 19.

(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

JIM BACA, Member



ED KELLEY, Member



JOE D. RAMEY, Chairman and
Secretary

S E A L

fd/