

**DOYLE HARTMAN**

*Oil Operator*

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Via FedEx

August 13, 2002

Michael Stogner, Chief Hearing Officer  
New Mexico Oil Conservation Division  
1220 S. Saint Francis Drive  
Santa Fe, New Mexico 87505

Re: Simultaneous Dedication  
Britt "A-6" No. 2  
1980' FSL and 660' FWL (L)  
Section 6, T-20-S, R-37-E  
Lea County, New Mexico  
(Eumont Gas Pool)

Dear Mr. Stogner,

Reference is made to the Hartman-operated (formerly Conoco operated) Britt "A-6" No. 1 Eumont gas well, which is located 660' FSL and 660' FWL, Section 6, T-20-S, R-37-E. The subject well is located on the 80-acre non-standard gas proration unit consisting of the W/2 SW/4 Section 6 [approved by NSP-1631 dated July 23, 1991 (copy enclosed)].

In March, 1936, the subject well was originally completed by Conoco as an open-hole Eunice-Monument Pool Grayburg completion, from 3811' to 3895', for 117 BOPD. From 1951 to 1968, Conoco subsequently abandoned the open-hole interval, and came up the hole (in the pipe), in the Grayburg, on three separate occasions.

In February, 1991, Hartman abandoned the Eunice-Monument, and recompleted the well in the Eumont Gas Pool. We perforated the well from 3129' to 3369' (Queen-Penrose), and acidized the Eumont interval with 7725 gal. of acid. The well initially produced 468 MCFPD and 15 BWPD. In an attempt to shut off the significant water production (which is caused by a combination of long-time defective wellbores in the area, and an active and ongoing water drive in the Grayburg and Lower Penrose intervals), we squeezed the perforations from 3331' to 3369' with 100 sacks of cement. We then reperforated the well from 3129' to 3267', and added perforations from 2602' to 3011'. The entire Eumont interval (2602' - 3267') was acidized with 6800 gal. of acid. The rework was performed in October, 1995. However, we were unable to shut off the water production. The well currently produces 33 MCFPD and 20 BWPD. As a result of the significant water production, we are unable to perform a CO<sub>2</sub> foam frac on the subject well, as this will only exacerbate an already serious water problem. In addition, not being able to frac the well has hindered our ability to effectively exploit our Eumont gas reserves.

Reference is now made to the various notices (copies enclosed) from the Bureau of Land Management (BLM) concerning the Britt "A-6" No. 2 well. The subject well had been

temporarily abandoned from April, 1991 until June, 2001. As can be ascertained from the various notices, the BLM required that the Britt "A-6" No. 2 well be returned to beneficial use, or properly plugged and abandoned in accordance with applicable laws, rules, regulations and orders. Reference is also made to NMOCD Order No. R-9210. Regarding long-time temporarily abandoned/shut-in wells, the order essentially states that an operator must do one of the following: the well be placed back into beneficial use, the well be temporarily abandoned in accordance with NMOCD Rule 203, or the well be plugged and abandoned in accordance with NMOCD Rule 202.

In accordance with the various government mandates, we commenced the required wellbore repair work in June, 2001. As it would have required a considerable cost just to properly plug and abandon the well, we decided it would be more prudent and economically advantageous (to us as operators, the Lea County economy, the State of New Mexico, and the lessor, the United States of America) to invest our time and money returning the well to beneficial use. After performing the necessary wellbore repairs, we completed the well in the upper Eumont. We perforated the Yates and Seven Rivers formations from 2307' to 2966', and acidized the well with 15,900 gal. of acid. Noticing that there was no significant water production, we were able to perform a CO<sub>2</sub> foam frac on the Britt "A-6" No. 2 well. Having returned the well to beneficial use will allow us to recover our remaining Eumont gas reserves.

Please refer to the enclosed "Reserves and Economics" and the production decline curves for the Britt "A-6" No. 1 and No. 2 wells. As can be seen, the Britt "A-6" No. 1 will be profitable for approximately the next six and a half years at which time it will be uneconomical to produce. It has 51.5 MMCF remaining recoverable reserves. By successfully returning the Britt "A-6" No. 2 well to beneficial use, an additional 1,161 MMCF can be recovered from the Britt "A-6" lease. As a result, these increased, recoverable reserves will continue to supply America with an inexpensive, clean energy alternative, and decrease our dependence for imported oil supplied by hostile, anti-American foreign governments. Over a 38-year period the increased, recoverable reserves will also generate \$340,056 in production tax revenue for the State of New Mexico, and \$494,269 in royalties for the United States of America.

In consideration of the foregoing, we respectfully request administrative approval to simultaneously dedicate our Britt "A-6" No. 2 well to the previously approved Britt "A-6" non-standard gas proration unit. Finally, in accordance with applicable NMOCD regulations, a copy of this letter is being provided to all diagonal and adjacent Eumont gas operators (table and plat included).

Very truly yours,

DOYLE HARTMAN, Oil Operator



Steve Hartman  
Engineer