



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

6/3/91

BRUCE KING
GOVERNOR

POST OFFICE BOX 1980
HOBBS, NEW MEXICO 88241-1980
(505) 393-6161

NSP-1628(LH)(SP)

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Arnett Ramsey NCT-B #7-I
" #10-F
" #13-O

RE: Proposed:

MC _____
DHC _____
NSL _____
NSP X & S.D. _____
SWD _____
WFX _____
PMX _____

Gentlemen:

I have examined the application for the:

Loyle Hartman 32-25-37
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK

Yours very truly,

Jerry Sexton
Jerry Sexton
Supervisor, District 1

/ed

DOYLE HARTMAN

Oil Operator

500 N. MAIN

P.O. BOX 10426

MIDLAND, TEXAS 79702

(915) 684-4011

May 15, 1991

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

State of New Mexico
Energy, Minerals & Natural Resources Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Attention: Mr. William J. LeMay
Director

Re: Arnott Ramsay "NCT-B" Lease
E/2, E/2 W/2 Section 32,
T-25-S, R-37-E
Lea County, New Mexico
Administrative Application for
Non-Standard Gas Proration Unit
and Simultaneous Dedication
Jalmat (T-Y-7R) Pro Gas

Gentlemen:

Doyle Hartman respectfully requests your approval of our Administrative Application for a 480-acre non-standard gas proration unit in the Jalmat (T-Y-7R) Gas Pool comprising the E/2 and E/2 W/2, Section 32, T-25-S, R-37-E, Lea County, New Mexico.

We are also requesting your approval to simultaneously dedicate this 480-acre proration unit to our Arnott Ramsay "NCT-B" Well Nos. 7, 10 and 13 located in Units I, F and O respectively of Section 32, all Jalmat (T-Y-7R) gas producers. The creation of the proposed 480-acre proration unit will also categorize the 1980' FNL and 1980' FWL location of the Arnott Ramsay "NCT-B" Well No. 10 (F) as non-standard due to it being located closer than 990' from the west lease boundary line of the proposed unit. In support of the above requested administrative actions, Doyle Hartman presents the following facts:

- 1.) That NMOCD Administrative Order NSP-1583 dated September 12, 1989 approved a 280-acre non-standard gas proration unit in the Jalmat (T-Y-7R) Gas Pool consisting of the NE/4, W/2 SE/4 and SE/4 SE/4 Section 32, T-25-S, R-37-E to be dedicated to the Doyle Hartman Arnott Ramsay "NCT-B" No. 13 (O) infill well.

Concurrent with the above it was ordered that the previously issued NMOCD Orders NSP-210 and SD-81-5 be held in abeyance until

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**U.S. DEPT. OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION**

such time as the referenced 280-acre non-standard gas proration unit associated with the Arnott Ramsay "NCT-B" Well No. 13 (O) became effective.

Administrative Order NSP-210 issued December 7, 1955 authorized a 320-acre non-standard gas spacing and proration unit in the Jalmat Gas Pool comprising the E/2 of Section 32 which was dedicated to the Gulf Oil Corporation Arnott-Ramsay "NCT-B" Well No. 2 (H). On September 29, 1981, Administrative Order SD-81-5 amended this order by authorizing the simultaneous dedication of the E/2 Section 32 to both the Arnott Ramsay "NCT-B" Well No. 2 (H) and to the plugged back Jalmat (T-Y-7R) Arnott Ramsay "NCT-B" Well No. 7 (I). The No. 2 well ceased to produce from the Jalmat Pool and was subsequently P&A'd in early 1990, thereby leaving the No. 7 well actively producing from the said E/2 gas proration unit.

Doyle Hartman was assigned by Chevron the NE/4, S/2 SE/4 and NW/4 SE/4 of Section 32, T-25-S, R-37-E. As a provision of the assignment, Chevron agreed to cooperate with and waive any objections to Hartman's non-standard 280-acre proration unit (NSP-1583) dedicated to the Arnott Ramsay "NCT-B" Well No. 13 (O).

By virtue of the above actions the proration unit for Chevron's Arnott Ramsay "NCT-B" Well No. 7 (I) was reduced from the 320-acre E/2 Section 32 to the 40 acres consisting of the NE/4 SE/4 Section 32 upon the September 22, 1989 successful completion of the Arnott Ramsay "NCT-B" Well No. 13.

- 2.) That NMOCD Order No. R-693, effective October 13, 1953 approved a 320-acre non-standard gas proration unit in the Jalmat (T-Y-7R) Gas Pool consisting of the W/2 Section 32, T-25-S, R-37-E for the Chevron Arnott Ramsay "NCT-B" Well No. 1 (M).
- 3.) That the above referenced Order R-693 was amended to allow for the NSP-5098 and the simultaneous dedication of the existing Arnott Ramsay "NCT-B" No. 10 (F) well plugged back by Chevron in June of 1990 to the Jalmat (T-Y-7R) Gas Pool.
- 4.) That by an agreement dated February 6, 1991 to be effective January 1, 1991, Doyle Hartman et al entered into a trade agreement with Chevron whereby Chevron conveyed its interest from the surface to the base of the Jalmat (T-Y-7R) underlying the E/2 W/2 and NE/4 SE/4 Section 32, T-35-S, R-37-E including the associated Arnott Ramsay "NCT-B" Nos. 7 and 10 wellbores to Doyle Hartman et al.
- 5.) That by letter dated April 11, 1991 Chevron requested that the NMOCD administratively approve a 160-acre non-standard gas

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CR.
HONORARY OFFICER

proration unit consisting of the W/2 W/2 Section 32, T-25-S, R-37-E dedicated to their Arnott Ramsay "NCT-B" Well No. 1 (M).

- 6.) The proposed E/2 and E/2 W/2 non-standard gas proration unit complies with the following provisions:
- a) The proposed unit consists of 480-acres that are contiguous.
 - b) The proposed unit lies wholly within a single governmental section in the Jalmat (T-Y-7R) prorated gas pool.
 - c) The entire unit may reasonably be presumed to be productive of gas from the Jalmat Gas Pool.

Three (3) copies of a color-coded land map outlining the proposed 480-acre Jalmat (T-Y-7R) gas proration unit as well as the locations of our Arnott Ramsay "NCT-B" Well Nos. 7, 10 and 13 are enclosed for your review. Supplementing the enclosed color-coded land plat is a companion table describing by tract number and color, all Jalmat (Gas) proration units (including the operators of the Jalmat (Gas) Rights) that offset the proposed 480-acre E/2 and E/2 W/2 Section 32, T-25-S, R-37-E Jalmat (T-Y-7R) Gas proration unit.

Complete copies of this application have also been sent by certified mail to all offset operators and operators owning Jalmat Gas Rights as described on the enclosed plat and table.

In view of the facts submitted Doyle Hartman requests that administrative approval of the subject 480-acre non-standard gas proration unit be granted.

Very truly yours,

DOYLE HARTMAN



Michael Stewart
Engineer

MS/lr
Enclosures
555:OCD0515

cc Mr. Jerry Sexton
New Mexico Oil Conservation Division
District I
P. O. Box 1980
Hobbs, New Mexico 88240-1980

DE 1012

MAY 31 1991

CHIEF
HOBBS OFFICE

ARCO Oil & Gas Company
Attention: J. A. Nicholson
P. O. Box 1610
Midland, Texas 79702-1610

Lewis B. Burleson, Inc.
Attention: Lewis B. Burleson
P. O. Box 2479
Midland, Texas 79702-2479

Chevron USA Inc.
Attention: Alan H. Bohling
P. O. Box 1150
Midland, Texas 79702-1150

Meridian Oil Production Inc.
Attention: Charles Brown
21 Desta Drive
Midland, Texas 79705

Lanexco, Inc.
Attention: Tommy Phipps
P. O. Box 2730
Midland, Texas 79702-2730

James A. Davidson
P. O. Box 494
Midland, Texas 79702-0494

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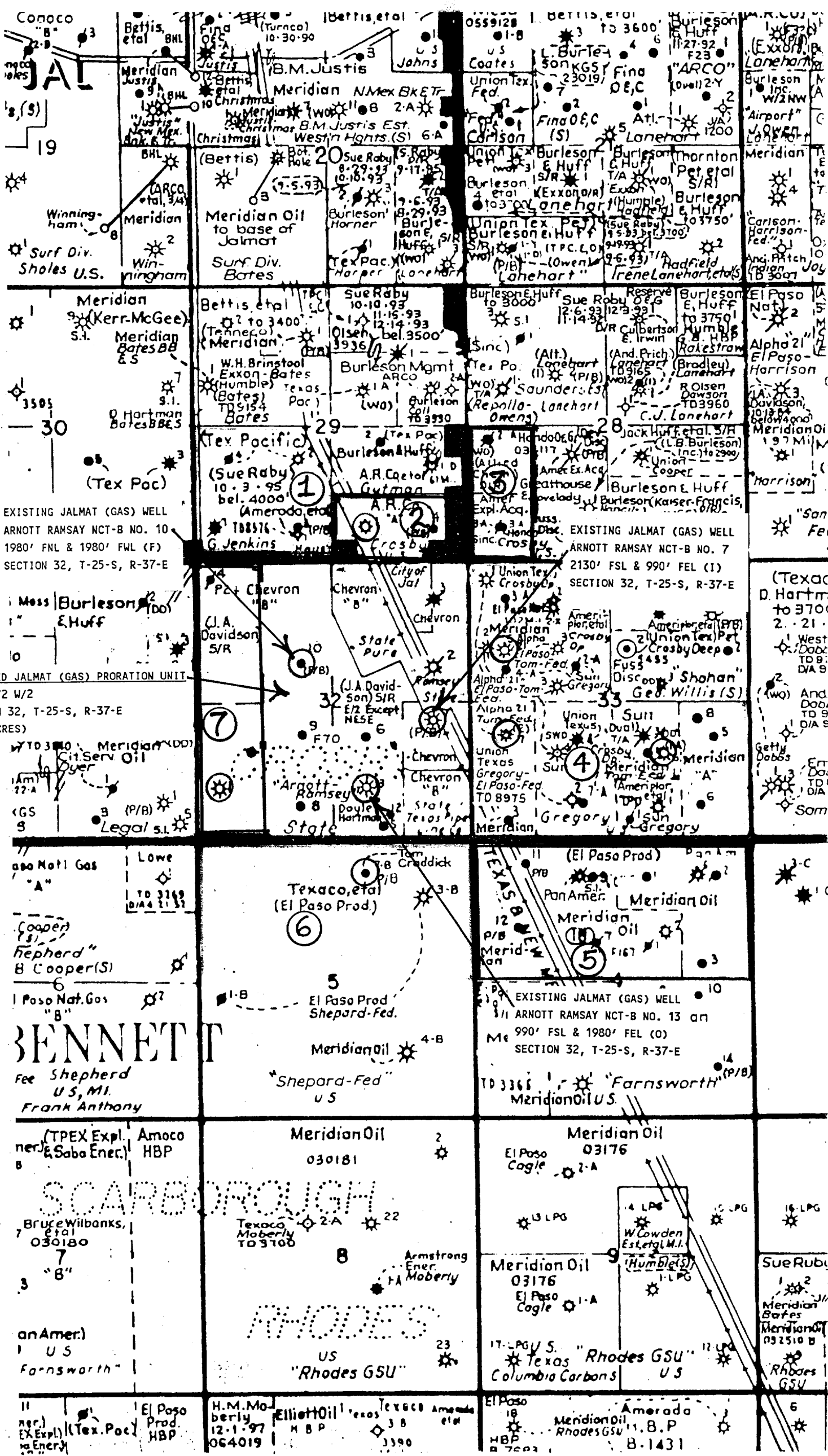
HOBBS OFFICE

OFFSET JALMAT (GAS) OPERATORS
 ARNOTT RAMSAY NCT-B WELL NOS. 7, 10 AND 13
 E/2 AND E/2 W/2 SECTION 32, T-25-S, R-37-E
 LEA COUNTY, NEW MEXICO
 (480 ACRES)

TRACT NO.	OPERATOR	LEASE & WELL NAME(S)	GAS WELL LOCATION(S)	UNIT DESCRIPTION	NUMBER OF ACRES
1 (PINK)	LEWIS B. BURLESON, INC.	JENKINS LEASE	NON-PRODUCING NON-DEDICATED	SW/4 SECTION 29, T-25-S, R-37-E	160
2 (ORANGE)	ARCO OIL AND GAS CO.	CROSBY "A" NO. 1	O-29-25S-37E	S/2 SE/4 SECTION 29, T-25-S, R-37-E	80
3 (PURPLE)	ARCO OIL AND GAS CO.	RUBY S. CROSBY "A" LEASE	NON-PRODUCING NON-DEDICATED	W/2 SW/4 SECTION 28 T-25-S, R-37-E	80
4 (GREEN)	LANEXCO, INC.	EL PASO TOM FEDERAL NO. 5 EL PASO TOM FEDERAL NO. 6 EL PASO TOM FEDERAL NO. 7	E-33-25S-37E J-33-25S-37E L-33-25S-37E	NW/4 NW/4, S/2 NW/4, AND S/2 SECTION 33, T-25-S, R-37-E	480
5 (LAVENDER)	MERIDIAN OIL, INC.	FARNSWORTH LEASE	NON-PRODUCING NON-DEDICATED	N/2 SECTION 4 T-26-S, R-37-E	320
6 (BLUE)	MERIDIAN OIL, INC.	SHEPARD FEDERAL NO. 7	B-05-26S-37E RHODES GAS NON-PRORATED	N/2 SECTION 5 T-26-S, R-37-E	320
7 (BROWN)	CHEVRON USA, INC.	ARNOTT RAMSAY NCT-B NO. 1	M-32-25S-37E	W/2 W/2 SECTION 32 T-25-S, R-37-E	160

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Case
HOBBS OFFICE



EXISTING JALMAT (GAS) WELL
ARNOTT RAMSAY NCT-B NO. 10
1980' FNL & 1980' FWL (F)
SECTION 32, T-25-S, R-37-E

PROPOSED JALMAT (GAS) PRORATION UNIT
E/2, E/2 W/2
SECTION 32, T-25-S, R-37-E
(480 ACRES)

EXISTING JALMAT (GAS) WELL
ARNOTT RAMSAY NCT-B NO. 7
2130' FSL & 990' FEL (I)
SECTION 32, T-25-S, R-37-E

EXISTING JALMAT (GAS) WELL
ARNOTT RAMSAY NCT-B NO. 13
990' FSL & 1980' FEL (O)
SECTION 32, T-25-S, R-37-E

SCARBOROUGH

RHODES

US "Rhodes GSU"

Meridian Oil 03176
El Paso Cagle 2-A

Meridian Oil 03176
El Paso Cagle 1-A

Meridian Oil 03176
El Paso Cagle 1-A

Meridian Oil 03176
El Paso Cagle 1-A

DOYLE HARTMAN

Oil Operator

500 N. MAIN

P.O. BOX 10426

MIDLAND, TEXAS 79702

(915) 684-4011

May 15, 1991

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Offset Jalmat (Gas) Operators
Arnott Ramsay "NCT-B" Lease
E/2 and E/2 W/2 Section 32,
T-25-S, R-37-E
Lea County, New Mexico
Waiver Request

Attached is a copy of Doyle Hartman's Administrative Application before the New Mexico Oil Conservation Division for approval of a 480-acre non-standard Jalmat (T-Y-7R) Gas proration unit consisting of the E/2 and E/2 W/2 Section 32, T-25-S, R-37-E, Lea County, New Mexico.

In conjunction with the above, we are also requesting NMOCD approval to dedicate this 480-acre proration unit simultaneously to our Arnott Ramsay "NCT-B" Well Nos. 7, 10 and 13 located in Units I, F and O respectively of Section 32, T-25-S, R-37-E, Lea County, New Mexico.

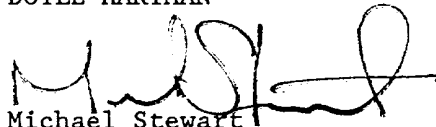
The creation of the proposed 480-acre proration unit will categorize the 1980' FNL and 1980' FWL location of the Arnott Ramsay "NCT-B" Well No. 10 (F) as non-standard due to it being located closer than 990' from the west lease boundary line of the proposed proration unit.

As an offset operator, if you do not have any objections to the attached application, we respectfully request your approval of our administrative request before the NMOCD. 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.

Should you have any questions concerning this matter, please contact me at letterhead address. Your prompt consideration in the above matter is appreciated.

Very truly yours,

DOYLE HARTMAN


Michael Stewart
Engineer

MS/lr
Enclosure
555:ARNRAM

Offset Jalmat (Gas) Operators
May 15, 1991
Page 2

APPROVED this _____ day of _____ 1991

ARCO Oil & Gas Company

By: _____

APPROVED this _____ day of _____ 1991

Lewis B. Burleson, Inc.

By: _____

APPROVED this _____ day of _____ 1991

Chevron USA Inc.

By: _____

APPROVED this _____ day of _____ 1991

Lanexco, Inc.

By: _____

APPROVED this _____ day of _____ 1991

Meridian Oil Production Inc.

By: _____

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