

DOYLE HARTMAN

Oil Operator

3811 TURTLE CREEK BLVD., SUITE 730

DALLAS, TEXAS 75219

(214) 520-1800

(214) 520-0811 FAX

April 13, 1994

NSL-3025(SD)

Mr. Jerry Sexton
New Mexico Oil Conservation Division
P. O. Box 1980
Hobbs, New Mexico 88241-1980

Re: New C-101 and C-102
Carter-Eaves "NCT-A" No. 3
E/2 W/2 Section 6
T-24-S, R-37-E, N.M.P.M.
Lea County, New Mexico
(159.8 acres)

Gentlemen:

Please find enclosed a copy of Doyle Hartman's Administrative Approval from the NMOCD dated July 3, 1991 (NSL-3025[SD]) corresponding to the drilling of Doyle Hartman's proposed Carter-Eaves "NCT-A" No. 3 infill Jalmat well to be located at an unorthodox location of 512' FSL and 1923' FWL of Section 6, T-24-S, R-37-E and the simultaneous dedication of the proposed new Carter-Eaves "NCT-A" No. 3 well, along with the currently existing Carter-Eaves "NCT-A" No. 1 well (C-6-24S-37E), to the 159.8-acre non-standard Jalmat (gas) proration unit consisting of the E/2 W/2 of Section 6, T-24-S, R-37-E, Lea County, New Mexico (NMOCD Order NSP-726, dated November 10, 1965).

Also, please find enclosed an original and five copies of a new C-101 and C-102 corresponding to Doyle Hartman's proposed Carter-Eaves "NCT-A" No. 3 infill well to be situated at the previously approved unorthodox location of 512' FSL and 1923' FWL of Section 6, T-24-S, R-37-E. As you are aware, we first made application in June, 1991 to drill the Carter-Eaves "NCT-A" No. 3 well, with the NMOCD, on July 3, 1991, approving our administrative application for an unorthodox location and simultaneous dedication of the well to the 159.8-acre non-standard Jalmat proration unit consisting of the E/2 W/2 Section 6, T-24-S, R-37-E. Because of the occurrence of certain uncontrollable and disruptive matters after we initially received drilling approval from the NMOCD, to date, we have been unable to drill the Carter-Eaves "NCT-A" No. 3, but we do finally expect to spud the proposed Carter-Eaves "NCT-A" No. 3 on or about August 1, 1994.

Mr. Jerry Sexton

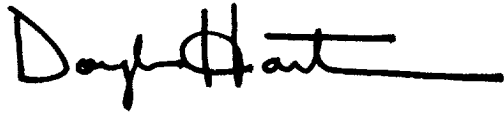
Page 2

April 13, 1994

With Administrative Order NSL-3025(SD) still in effect, we are hereby re-submitting NMOCD forms C-101 and C-102 for the Carter-Eaves "NCT-A" No. 3. Please let us know if you need any further information in this regard.

Very truly yours,

DOYLE HARTMAN, OIL OPERATOR

A handwritten signature in black ink, appearing to read 'Doyle Hartman', with a long horizontal stroke extending to the right.

Doyle Hartman
Owner

DH:pdd
Enclosures

cc: Ms. Weslynn McCallister
P. O. Box 107
Margo Island, Florida 33969

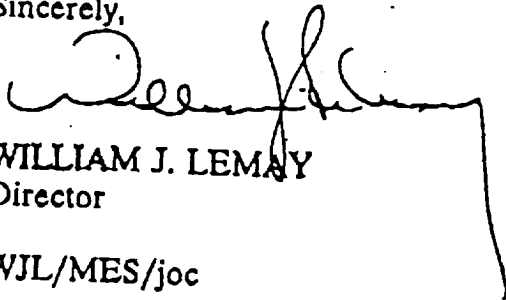
Mr. Mac McGee
McGee Drilling Corp.
400 West Texas, Suite 1100S
Box 2471
Midland, Texas 79702

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

Doyle Hartman, Oil Operator
Administrative Order NSL-3025(SD)
Page 2
July 3, 1991

Also, you are hereby authorized to simultaneously dedicate Jalmat Gas production from the Carter Eaves (NCT-A) Well No. 1 with the Carter Eaves (NCT-A) Well No 3. Furthermore, you are hereby permitted to produce the allowable assigned the GPU from both of said wells in any proportion.

Sincerely,

A handwritten signature in black ink, appearing to read 'William J. Lemay', with a long horizontal stroke extending to the right.

WILLIAM J. LEMAY
Director

WJL/MES/joc

cc: Oil Conservation Division - Hobbs
NSP-726

DOYLE HARTMAN

Oil Operator

500 N. MAIN

P.O. BOX 10426

MIDLAND, TEXAS 79702

(915) 684-4011

June 11, 1991

FEDERAL EXPRESS/CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. William J. LeMay
State of New Mexico
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Re: Carter-Eaves "NCT-A" No. 3
E/2 W/2 Section 6
T-24-S, R-37-E
1. Simultaneous Dedication
2. Unorthodox Location

Gentlemen:

Please find enclosed copies of NMOCD Form C-101 and C-102 corresponding to the drilling of a new infill Jalmat (Gas) Pool well to be located at an unorthodox Jalmat (Gas) location consisting of 512' FSL and 1923' FWL of Section 6, T-24-S, R-37-E, Lea County, New Mexico. The proposed new infill well is to be simultaneously dedicated to the previously approved 160-acre Carter-Eaves "NCT-A" Jalmat proration unit consisting of the E/2 W/2 Section 6, T-24-S, R-37-E. Approval for the already existing 160-acre Carter-Eaves "NCT-A" proration unit was originally granted by the NMOCD to Chevron (Gulf) under Order NSP-726 dated November 10, 1965.

We therefore request administrative approval from the NMOCD to simultaneously dedicate both our newly proposed Carter-Eaves "NCT-A" No. 3 infill Jalmat (Gas) well as well as our presently existing Carter-Eaves "NCT-A" No. 1 marginal Jalmat (Gas) well to the previously approved Carter-Eaves "NCT-A" 160-acre Jalmat proration unit.

In addition, we request administrative approval to drill the proposed new well at an unorthodox Jalmat location consisting of 512' FSL and 1923' FWL of Section 6, which is 148' south of the orthodox location consisting of 660' FSL and 1923' FWL that is currently occupied by Texaco's MLMU No. 174 well.

As discussed below, the surface area corresponding to the 160-acre Carter-Eaves "NCT-A" proration unit is today quite congested and an unorthodox location is necessitated in part by the following topographic factors:

- A. The geometrical shape of the previously approved 160-acre Carter-Eaves "NCT-A" proration unit is a stand-up rectangular 160-acre tract with dimensions consisting of 5280' X 1320'. Consequently, a new infill well can qualify as an orthodox location only if it is situated along the north-south center-line of the 160-acre tract (1923' FWL) at a distance 660 feet or greater from the north and south lines of the section and also providing the well is situated no closer than 330 feet from a quarter-section line.
- B. Numerous high pressure gas transmission lines cross the subject 160-acre tract and feed into Sid Richardson's (formerly El Paso's) Jal Plant No. 4 complex situated just north of the Carter-Eaves "NCT-A" proration unit.
- C. The 160-acre Carter-Eaves "NCT-A" proration unit also shares the surface with four MLMU Langlie Mattix wells operated by Texaco (2 producers and 2 injectors).
- D. A high voltage electrical power line runs north and south across the lease just west of and parallel to the north-south center-line of the 160-acre tract and serves the two Texaco MLMU producers situated on the tract. The existing high voltage powerline traversing the tract is located close enough to the north-south center-line so as to preclude an infill well from being drilled at an orthodox location along the north-south center-line.
- E. Oil and gas production lines are also situated on the surface and serve the two Langlie Mattix producers located on the subject 160-acre tract.
- F. Finally, water injection lines utilize part of the surface and serve Texaco's two MLMU water injection wells that are located on the subject 160-acre tract.

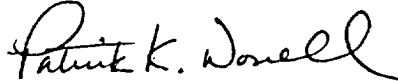
Besides the two enclosures pertaining to existing surface obstructions, a color-coded land plat outlining the subject 160-acre Carter-Eaves "NCT-A" proration unit and depicting the location of the existing Carter-Eaves "NCT-A" No. 1 Jalmat producing well (C-6-24S-37E) and the proposed Carter-Eaves "NCT-A" No. 3 Jalmat infill well (N-6-24S-37E) are enclosed for your review. Supplementing the enclosed color-coded land plat is a companion table describing by tract number all Jalmat (Gas) proration units (including the operators of the Jalmat rights) that offset the 160-acre Carter-Eaves "NCT-A" proration unit.

New Mexico Oil Conservation
June 11, 1991
Page 3

Complete copies of this application have also been sent by certified mail to all offsetting parties owning Jalmat (Gas) Rights as described on the enclosed land plat and supplemental table.

Very truly yours,

DOYLE HARTMAN



Patrick K. Worrell
Engineer

PKW/lr
Enclosures
555:OCD0611

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

Texaco, Inc.
P. O. Box 3109
Midland, Texas 79702
Attention: R. S. Cornelius

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

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

Amoco Production Company
P. O. Box 3092
Houston, Texas 77253-3092
Attention: Mr. Stephen A. Reinert

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

July 3, 1991

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Doyle Hartman, Oil Operator
P.O. Box 10426
Midland, Texas 79702

Attention: Patrick K. Worrell

Administrative Order NSL-3025(SD)

Dear Mr. Worrell:

Reference is made to your application dated June 11, 1991, for an unorthodox Jalmat gas well location in an existing non-standard 179.80-acre gas spacing and proration unit (GPU) for said Jalmat Gas Pool comprising Lot 3, SE/4 NW/4, and E/2 SW/4 (E/2 W/2 equivalent) of Section 6, Township 24 South, Range 37 East, NMPM, Lea County, New Mexico. Said GPU was authorized by Division Administrative Order NSP-726, dated November 10, 1965 and presently has dedicated thereon the Carter Eaves (NCT-A) Well No. 1 located at a standard gas well section in Unit C of said Section 6.

By authority granted me under the provisions of Rule 2(c) of the Special Rules and Regulations for the Jalmat Gas Pool, as promulgated by Division Order No. R-8170 as amended, the following described well to be drilled at an unorthodox gas well location is hereby approved:

Carter Eaves (NCT-A) Well No. 3
512' FSL - 1923' FWL (Unit N)

RECEIVED

JUL 11 1991

cc PW
DH
BT
Legal