12/4/96	12/24/96	MS	KN	NSL(SD)

ABOVE THIS LINE FOR DIVISION USE ONLY

OIL CONSERVATION DIVISION
RECEIVED

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

96 DEC -4 AM 8 52

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
[DD-Directional Drilling] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

12-4

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Directional Drilling

☒ NSL ☐ NSP ☐ DD ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☐ Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☒ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO

U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] **INFORMATION / DATA SUBMITTED IS COMPLETE** - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Thalia R. Gelbs	Thalia R Gelbs	Southeast New Mexico Asset Mgr.	12-2-96
Print or Type Name	Signature	Title ARCO Permian	Date

ARCO Permian
600 N Marienfeld
Midland TX 79701
Post Office Box 1610
Midland TX 79702
Telephone 915 688 5200

December 2, 1996

Mr. Michael Stogner
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

Mr. J. T. Sexton
New Mexico Oil Conservation Division
P. O. Box 1980
Hobbs, New Mexico 88240

REF: NSP-1655
Application for Unorthodox Jalmat Gas Well Location & Simultaneous Dedication
G. W. Toby WN Gas Com #7
SE/4 of Section 12-T24S-R36E, Lea County, New Mexico
N/2 NE/4 and SW/4 NE/4 of Section 13-T24S-R36E, Lea County, New Mexico
Jalmat (Tansill/Yates/Seven Rivers) Gas Pool

Dear Mr. Stogner/Mr. Sexton:

ARCO Permian respectfully requests administrative approval for an unorthodox Jalmat gas well location for the G. W. Toby WN Gas Com #7 well to be located 1980' FNL, 1980' FEL, Section 13, T24S, R36E in Lea County, New Mexico. The G. W. Toby WN Gas Com #7 is currently a Langlie Mattix oil well which ARCO is preparing to recomplete uphole to the Jalmat pool. At the same time, ARCO requests simultaneous dedication of the Jalmat gas production from the G. W. Toby WN Gas Com #2 and #4 wells with the Jalmat gas production from the G. W. Toby WN Gas Com #7 well. The G. W. Toby WN Gas Com #2 and #4 are Jalmat gas wells currently dedicated to an existing 280-acre proration unit (NSP-1655).

Attached are C-102 forms identifying the G. W. Toby WN Gas Com #2, #4, and #7, and the 280-acre Jalmat gas proration unit. Also attached is a list of offset operators for this unit, and a land plat map of the surrounding area.

ARCO Permian believes approval of this request will be in the interest of conservation, will protect correlative rights, and will allow for a more complete recovery of Eumont gas reserves from the subject acreage.

ARCO Permian has notified the offset operators of this application by sending a copy of this application package, along with waiver to objection forms, by certified mail. Attached are copies of the return receipts from this mailing. If you need further information, please call me at (915) 688-5446.

Sincerely,

David K. Newell

David K. Newell
Senior Operations/Analytical Engineer

Attachments

Offset Operators:

Please indicate your approval for our request as detailed in the attached package by signing the waiver form below. Please return the signed waiver in the enclosed self-addressed envelope.

Thank you for your cooperation in this matter.

Waiver to Objection

ARCO Permian

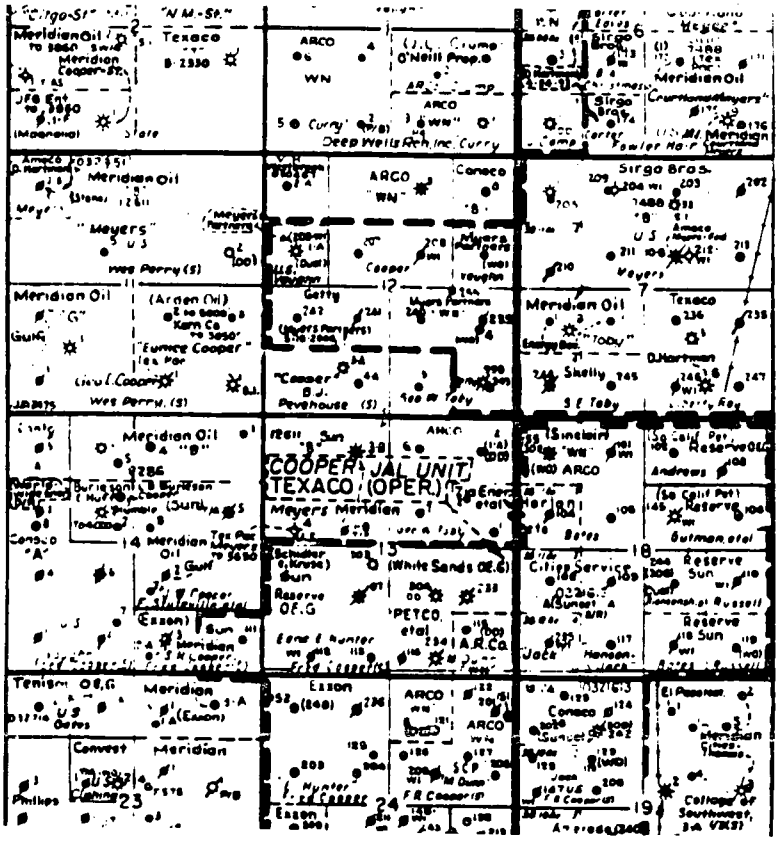
Application for an
Unorthodox Jalmat Gas Well Location
G. W. Toby WN Gas Com #7
and
Simultaneous Dedication of Jalmat Gas Production
G. W. Toby WN Gas Com #2 and #4 (existing)
G. W. Toby WN Gas Com #7 (new)
Jalmat Gas Pool
SE/4 Section 12, T24S, R36E and
N/2 NE/4, SW/4 NE/4 Section 13, T24S, R36E
Lea County, New Mexico

I/We do hereby waive any objection to ARCO Permian's request for NMOCD Administrative Approval of an unorthodox well location for the G. W. Toby WN Gas Com #7, and simultaneous dedication of Jalmat gas production from the G. W. Toby WN Gas Com #2, #4, and #7 to the 280-acre proration unit.

Signed: _____
Title: _____
Company: _____
Date: _____

ARCO Permian
Application for an
Unorthodox Jalmat Gas Well Location
G. W. Toby WN Gas Com #7

Simultaneous Dedication of Jalmat Gas Production
G. W. Toby WN Gas Com #2 and #4 (existing)
G. W. Toby WN Gas Com #7 (new)
Jalmat Gas Pool
SE/4 Section 12, T24S, R36E and
N/2 NE/4, SW/4 NE/4 Section 13, T24S, R36E
Lea County, New Mexico



OFFSET OPERATORS

Meridian Oil Inc.
Doyle Hartman
Texaco Expl. & Prod.
Conoco, Inc.
Oxy USA Inc.
Zia Energy Inc.
Apache Corp.

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number	2 Pool Code	3 Pool Name
30-025-29844	79240	Jalmat Tan Yates SRQ Gas

4 Property Code	5 Property Name	6 Well Number
001540	G. W. Toby WN Gas Com	7

7 OGRID No.	8 Operator Name	9 Elevation
000990	ARCO Permian	3312' GR

10 Surface Location

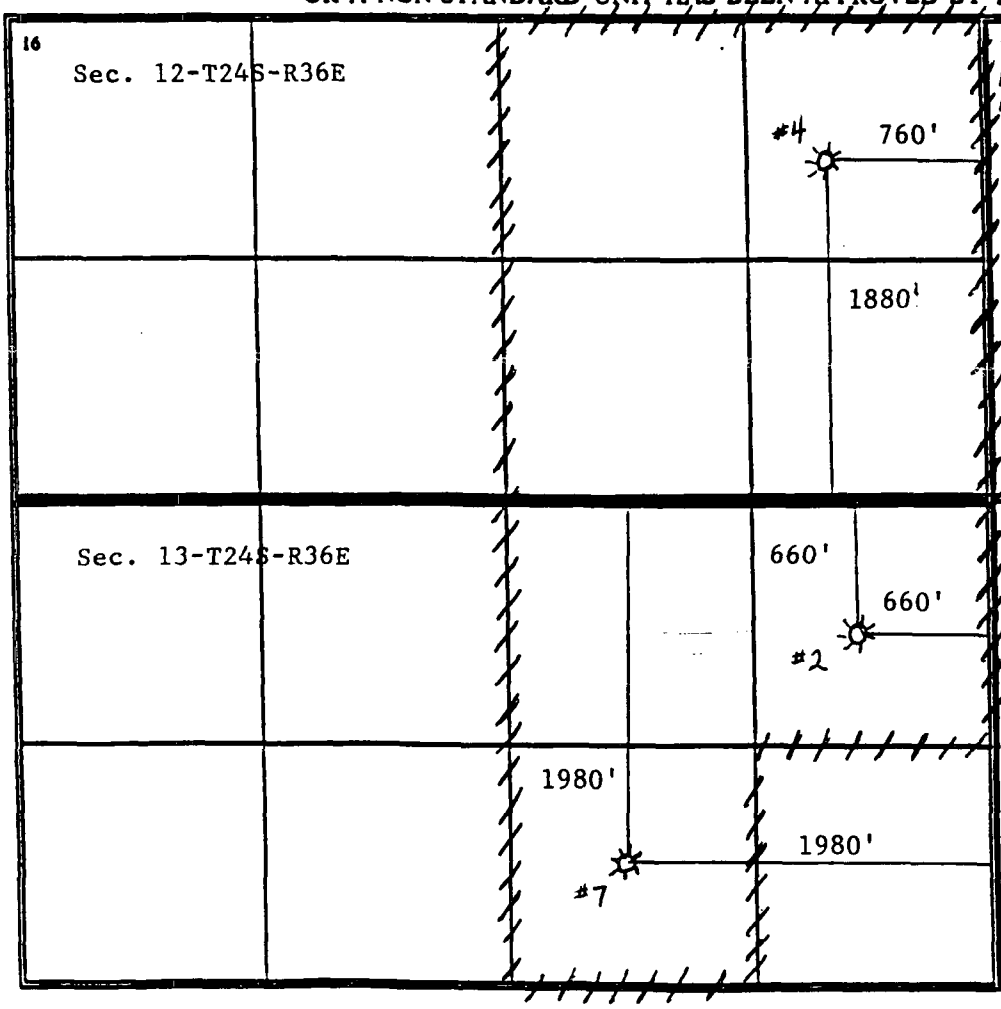
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	13	24S	36E		1980	North	1980	East	Lea

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
280			NSP-1655

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



17 OPERATOR CERTIFICATION

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

David K. Newell
Signature
David K. Newell
Printed Name
Senior Engineer
Title
11-20-96
Date

18 SURVEYOR CERTIFICATION

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 belief.

Date of Survey
Signature and Seal of Professional Surveyor:

Certificate Number

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 10, 1994
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

[1] API Number	[2] Pool Code	[3] Pool Name
30-025-09567	79240	Jalmat Tan Yates SRQ Gas

[4] Property Code	[5] Property Name	[6] Well Number
001540	G. W. Toby WN Gas Com	2

[7] OGRID No.	[8] Operator Name	[9] Elevation
000990	ARCO Permian	3318' GR

[10] Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	13	24S	36E		660	North	660	East	Lea

[11] Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

[12] Dedicated Acres	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
280			NSP-1655

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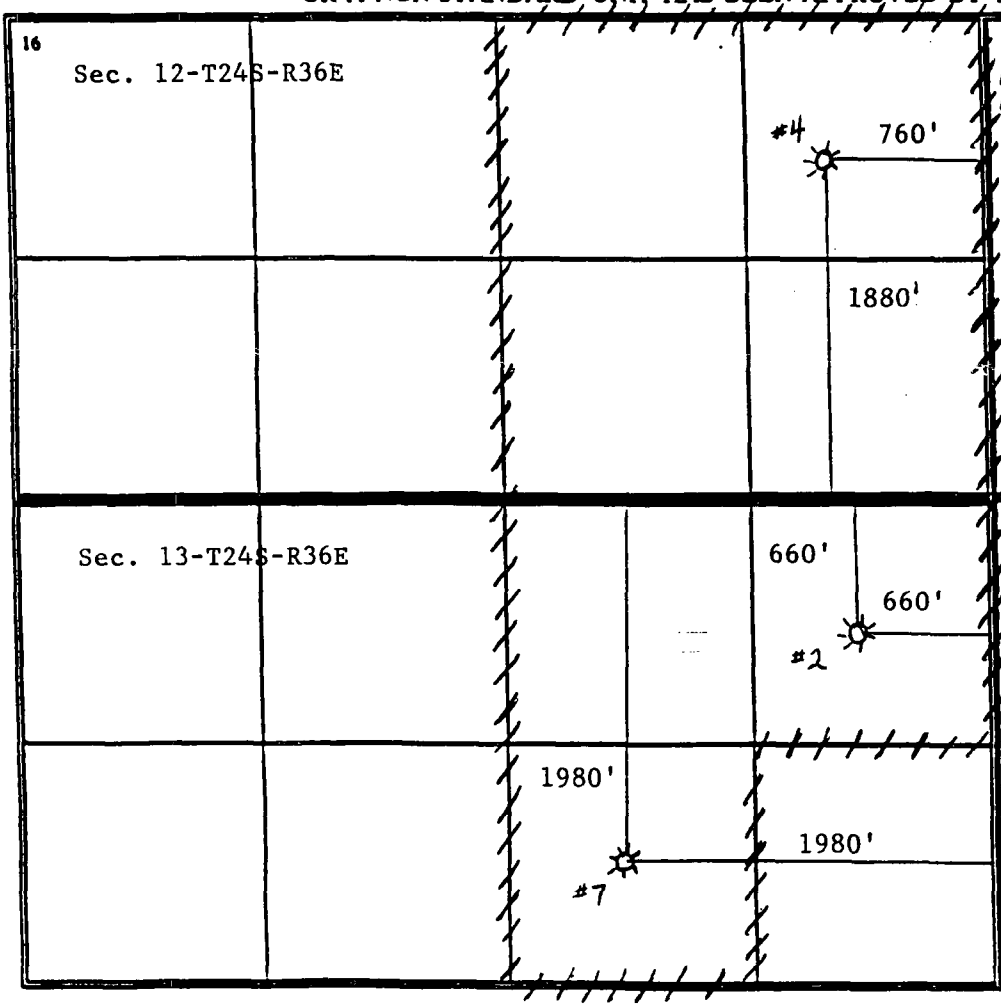

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David K. Newell

Signature

David K. Newell

Printed Name

Senior Engineer

Title

11-20-96

Date

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Certificate Number

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PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name
30-025-25007	79240	Jalmat Tan Yates SRQ Gas

⁴ Property Code	⁵ Property Name	⁶ Well Number
001540	G. W. Toby WN Gas Com	4

⁷ OGRID No.	⁸ Operator Name	⁹ Elevation
000990	ARCO Permian	3319' GR

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	12	24S	36E		1880	North	760	East	Lea

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
280			NSP-1655

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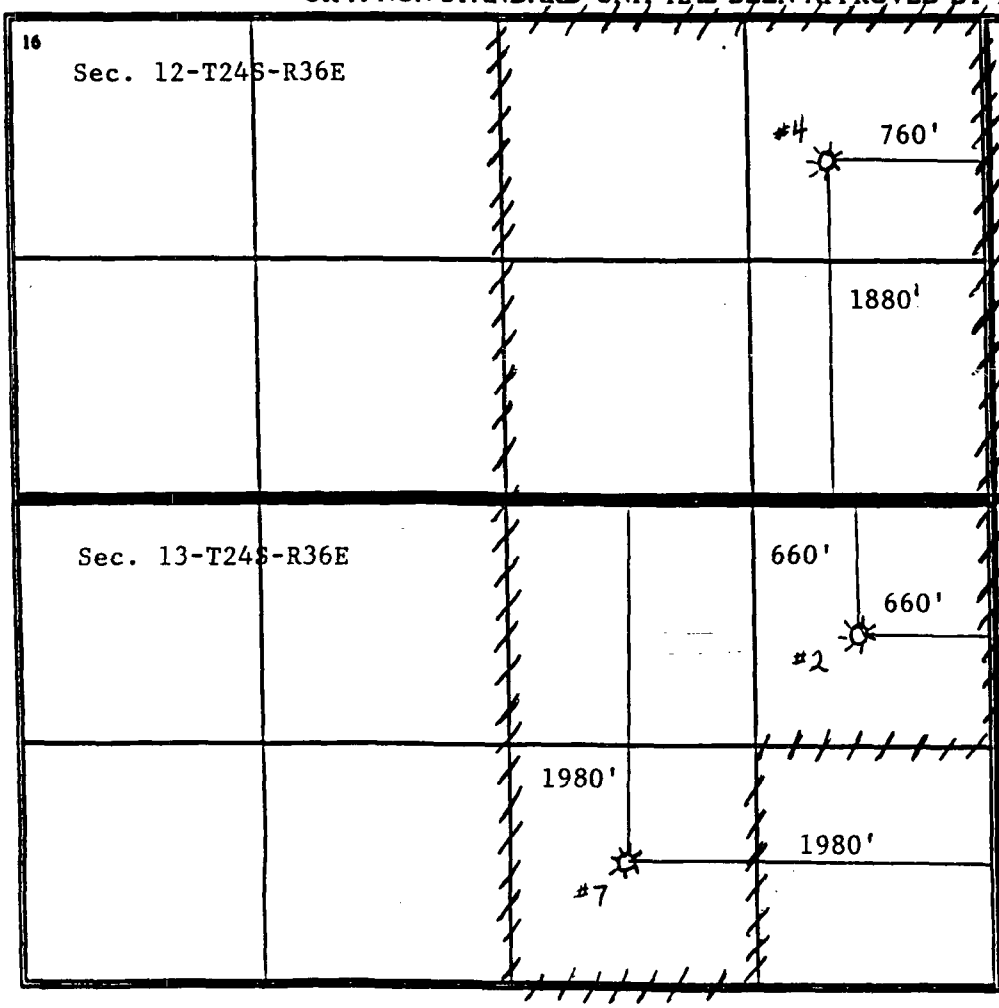

¹⁷ OPERATOR CERTIFICATION

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

David K. Newell

Signature
David K. Newell
Printed Name
Senior Engineer
Title
11-20-96
Date

¹⁸ SURVEYOR CERTIFICATION

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Date of Survey

Signature and Seal of Professional Surveyor:

Certificate Number

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.
1. ☐ Show to whom delivered, date, and addressee's address. *(Extra charge)* 2. ☐ Restricted Delivery *(Extra charge)*

3. Article Addressed to:
Zia Energy, Inc.
P. O. Box 2219
Hobbs, NM 88240

4. Article Number
P 080 147 600

Type of Service:
☐ Registered ☐ Insured
☑ Certified ☐ COD
☐ Express Mail ☑ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature – Addressee
X Marsha Webb

6. Signature – Agent
X

7. Date of Delivery
11/25/96

8. Addressee's Address *(ONLY if requested and fee paid)*

PS Form 3811, Apr. 1989 G.W. Toby ★U.S.G.P.O. 1989-238-815 DOMESTIC RETURN RECEIPT

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.
1. ☐ Show to whom delivered, date, and addressee's address. *(Extra charge)* 2. ☐ Restricted Delivery *(Extra charge)*

3. Article Addressed to:
Texaco Expl. & Prod. Inc.
P. O. Box 728
Hobbs, NM 88240

4. Article Number
P 080 147 594

Type of Service:
☐ Registered ☐ Insured
☑ Certified ☐ COD
☐ Express Mail ☑ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature – Addressee
X

6. Signature – Agent
X C Mitchell

7. Date of Delivery
11-26-96

8. Addressee's Address *(ONLY if requested and fee paid)*

PS Form 3811, Apr. 1989 G.W. Toby ★U.S.G.P.O. 1989-238-815 DOMESTIC RETURN RECEIPT

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.
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1. ☐ Show to whom delivered, date, and addressee's address. *(Extra charge)* 2. ☐ Restricted Delivery *(Extra charge)*

3. Article Addressed to:
Doyle Hartman
P. O. Box 10426
Midland, TX 79702

4. Article Number
P 080 147 596

Type of Service:
☐ Registered ☐ Insured
☑ Certified ☐ COD
☐ Express Mail ☑ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature – Addressee
X

6. Signature – Agent
X Betty Lane

7. Date of Delivery
11-27-96

8. Addressee's Address *(ONLY if requested and fee paid)*

PS Form 3811, Apr. 1989 G.W. Toby ★U.S.G.P.O. 1989-238-815 DOMESTIC RETURN RECEIPT

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.
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1. ☐ Show to whom delivered, date, and addressee's address. *(Extra charge)* 2. ☐ Restricted Delivery *(Extra charge)*

3. Article Addressed to:
Apache Corp.
2000 Post Oak Blvd., Ste. 100
Houston, TX 77056-4400

4. Article Number
P 080 147 597

Type of Service:
☐ Registered ☐ Insured
☑ Certified ☐ COD
☐ Express Mail ☑ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature – Addressee
X Donnie Thomas

6. Signature – Agent
X Donnie Thomas

7. Date of Delivery
11/25/96

8. Addressee's Address *(ONLY if requested and fee paid)*

PS Form 3811, Apr. 1989 G.W. Toby ★U.S.G.P.O. 1989-238-815 DOMESTIC RETURN RECEIPT

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.
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1. ☐ Show to whom delivered, date, and addressee's address. *(Extra charge)* 2. ☐ Restricted Delivery *(Extra charge)*

3. Article Addressed to:
Conoco Inc.
10 Desta Drive, Suite 100 W
Midland, Tx 79705-4500

4. Article Number
P 080 147 598

Type of Service:
☐ Registered ☐ Insured
☑ Certified ☐ COD
☐ Express Mail ☑ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature — Addressee
X Rita Gonzales

6. Signature — Agent
X

7. Date of Delivery
NOV 22

8. Addressee's Address *(ONLY if requested and fee paid)*

PS Form 3811, Apr. 1989 GW Toby *U.S.G.P.O. 1989-238-815 DOMESTIC RETURN RECEIPT

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.
1. ☐ Show to whom delivered, date, and addressee's address. *(Extra charge)* 2. ☐ Restricted Delivery *(Extra charge)*

3. Article Addressed to:
Meridian Oil Inc.
P.O. Box 51810
Midland, Tx 79710-1810

4. Article Number
P 080 147 599

Type of Service:
☐ Registered ☐ Insured
☑ Certified ☐ COD
☐ Express Mail ☑ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature — Addressee
X

6. Signature — Agent
X NOV 22 1996

7. Date of Delivery
Rita Gonzales

8. Addressee's Address *(ONLY if requested and fee paid)*

PS Form 3811, Apr. 1989 GW Toby *U.S.G.P.O. 1989-238-815 DOMESTIC RETURN RECEIPT

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.
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1. ☐ Show to whom delivered, date, and addressee's address. *(Extra charge)* 2. ☐ Restricted Delivery *(Extra charge)*

3. Article Addressed to:
Oxy USA
P.O. Box 50250
Midland, Tx 79710

4. Article Number
P 080 147 595

Type of Service:
☐ Registered ☐ Insured
☑ Certified ☐ COD
☐ Express Mail ☑ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature — Addressee
X K. Mitchell

6. Signature — Agent
X

7. Date of Delivery
NOV 22 1996

8. Addressee's Address *(ONLY if requested and fee paid)*

PS Form 3811, Apr. 1989 GW Toby *U.S.G.P.O. 1989-238-815 DOMESTIC RETURN RECEIPT