ARCO Oil and Gas Company Western District Post Office Box 1610 Midland, TX 79702 Telephone (915) 688-5200



September 20, 1993

Mr. William J. LeMay
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

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

RE:

Application to Establish a Non Standard 80-acre Eumont Gas Proration Unit State "P" #3
E/2 NW/4 of Section 25, T-20S, R-36E, Lea County, New Mexico Eumont (Yates/Seven Rivers/Queen) Gas Pool

Dear Mr. LeMay / Mr. Sexton:

ARCO Oil and Gas Company respectfully requests administrative approval to establish a non-standard 80-acre Eumont gas proration unit, which consists of the E/2 NW/4 of Section 25, T-20S, R-36E, Lea County, New Mexico. ARCO plans to drill the State "P" #3, at a location 990' FNL and 1980' FWL, and dedicate it to this proration unit. The location of the State "P" #3 is a standard location for this proration unit. At one time, this 80-acres was part of a 160-acre proration unit established by Order NSP-347A with the State "H" Com Well #1 dedicated to it. The State "H" Com Well #1 last produced from the Eumont in November 1977. Thus, the 160-acre proration unit was abandoned.

Attached is a C-102 form identifying the configuration of the subject 80-acre Eumont gas proration unit. Also attached is a list of offset operators for this unit, and a land plat map of the surrounding area.

ARCO Oil and Gas Company 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 Oil and Gas Company is notifying the offset operators of this application by sending a copy of this application package, along with waiver to objection forms, by certified mail. If you need further information, please call me at (915) 688-5446.

Sincerely,

David K. Newell

Sr. Operations/Analytical Engineer

DKN:lrh

cc: J. Cogburn - Hobbs

Attachments