



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

OIL CONSERVATION DIVISION

RECEIVED

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December 13, 1994

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: NSP-526
Application for Unorthodox Eumont Gas Well Location & Simultaneous Dedication
State 157-D #13
S/2 Section 12, T-22S, R-36E, Lea County, NM
Eumont (Yates/Seven Rivers/Queen) Gas Pool

Dear Mr. LeMay / Mr. Sexton:

ARCO Permian respectfully requests administrative approval for an unorthodox Eumont gas well location for the State 157-D #13 well located 1980' FSL, 330' FEL, Section 12, T-22S, R-36E in Lea County, New Mexico. The State 157-D #13 is a Drinkard oil well which ARCO is preparing to recomplete uphole to the Eumont pool. At the same time, ARCO requests simultaneous dedication of the Eumont gas production from the State 157-D #4, #7, #9 and #15 with the Eumont gas production from the State 157-D #13 well. The State 157-D #4, #7, #9 and #15 are Eumont gas wells currently dedicated to an existing 320-acre proration unit (NSP-526) comprised of the S/2 Section 12, T-22S, R-36E.

Attached are C-102 forms for the proposed configuration of the subject 320-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 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 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

cc: K. Murrish - (Hobbs)
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, stamped envelope.

Thank you for your cooperation in this matter.

WAIVER TO OBJECTION

ARCO Permian

**Application for an
Unorthodox Eumont Gas Well Location**

State 157-D #13

and

Simultaneous Dedication of Eumont Gas Production

State 157-D #4, #7, #9 and #15 (existing)

State 157-D #13 (new)

Eumont Gas Pool

S/2 Section 12, T-22S, R-36E

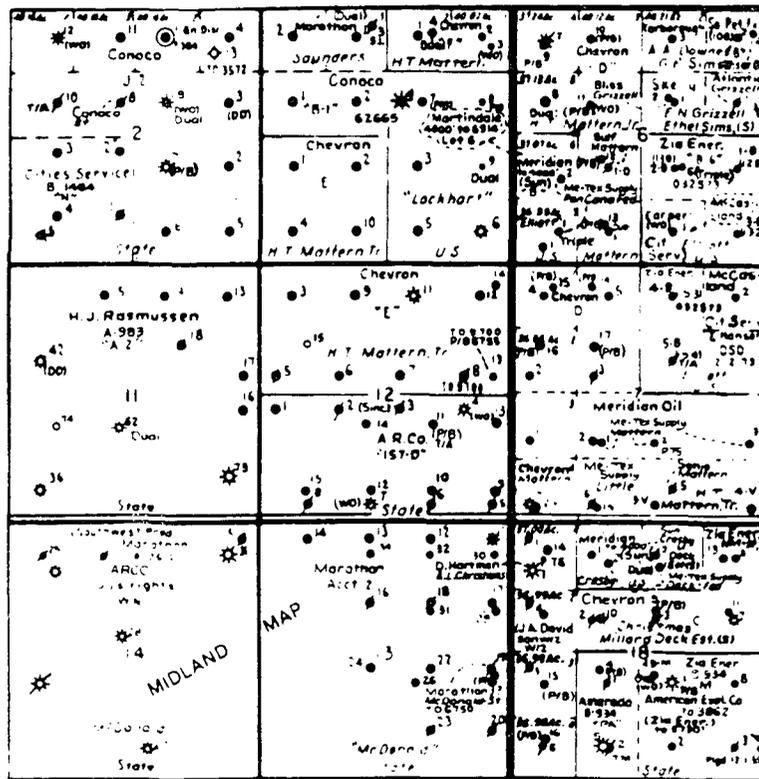
Lea County, New Mexico

I/We do hereby waive any objection to ARCO Permian's request for NMOCD Administrative Approval of an unorthodox well location for the State 157-D #13, and simultaneous dedication of Eumont gas production from the State 157-D #4, #7, #9, #13, and #15 to an existing 320-acre proration unit.

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

ARCO Permian
Application for an
Unorthodox Eumont Gas Well Location
State 157-D #13

Simultaneous Dedication of Eumont Gas Production
State 157-D #4, #7, #9 and #15 (existing)
State 157-D #13 (new)
Eumont Gas Pool
S/2 Section 12, T22S, R36E
Lea County, New Mexico



OFFSET OPERATORS

- Clayton Williams Energy Inc.
- Marathon Oil Co.
- Dallas McCasland
- Meridian Oil, Inc.
- Chevron, USA

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

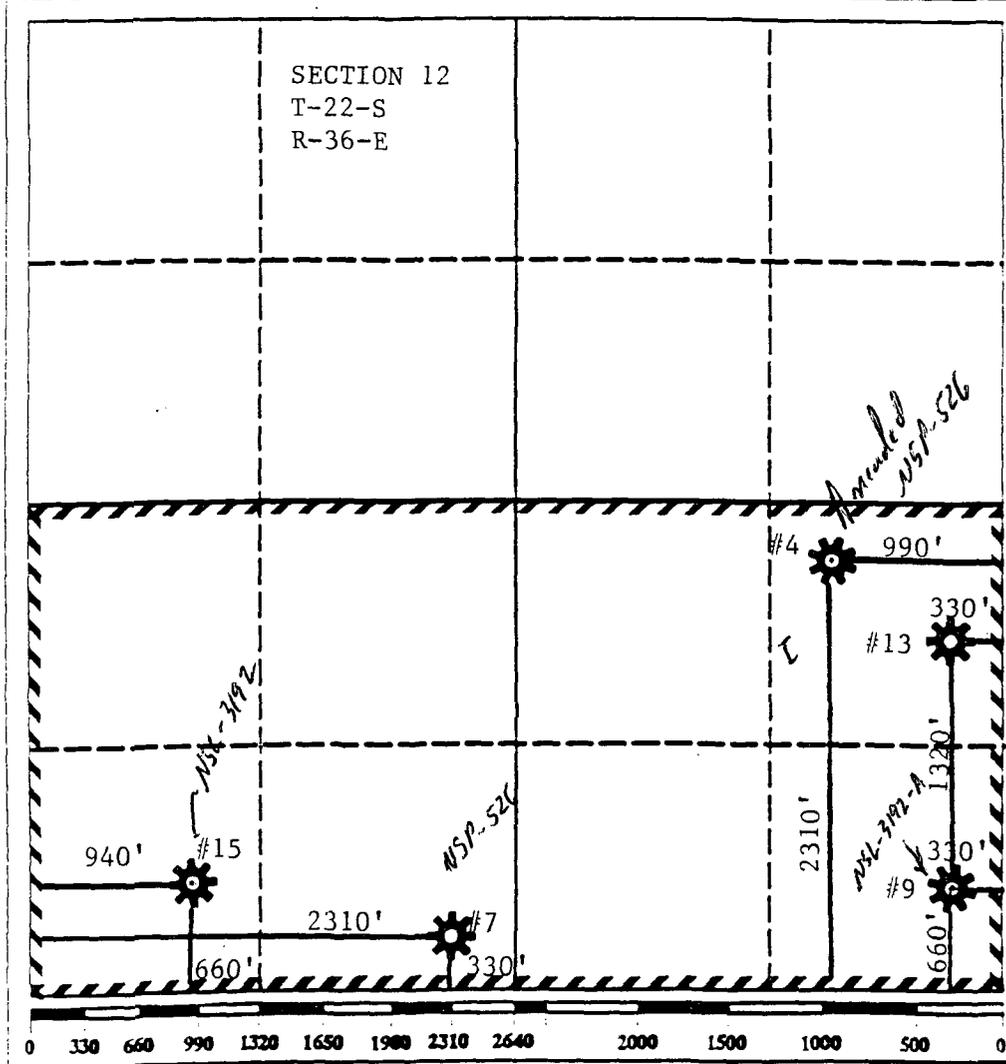
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT
All Distances must be from the outer boundaries of the section

Operator ARCO PERMIAN		Lease STATE 157-D		Well No. 4
Unit Letter I	Section 12	Township T-22-S	Range R-36-E	County NMPM LEA
Actual Footage Location of Well:				
2310 feet from the SOUTH line and		990 feet from the EAST line		
Ground level Elev. 3456'	Producing Formation YATES/7-RIVERS/QUEEN	Pool EUMONT GAS	Dedicated Acreage: 320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
 - Yes No If answer is "yes" type of consolidation _____
 If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)
 No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



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

Signature: *Kathy E. Godfrey*
Printed Name: KATHY E. GODFREY
Position: ENGINEERING TECHNICIAN
Company: ARCO PERMIAN
Date: 12-05-94

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 knowledge and belief.

Date Surveyed: _____
Signature & Seal of Professional Surveyor: _____
Certificate No.: _____

Submit to Appropriate
District Office
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State of New Mexico
Energy, Minerals and Natural Resources Department

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Revised 1-1-89

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Santa Fe, New Mexico 87504-2088

DISTRICT I
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WELL LOCATION AND ACREAGE DEDICATION PLAT

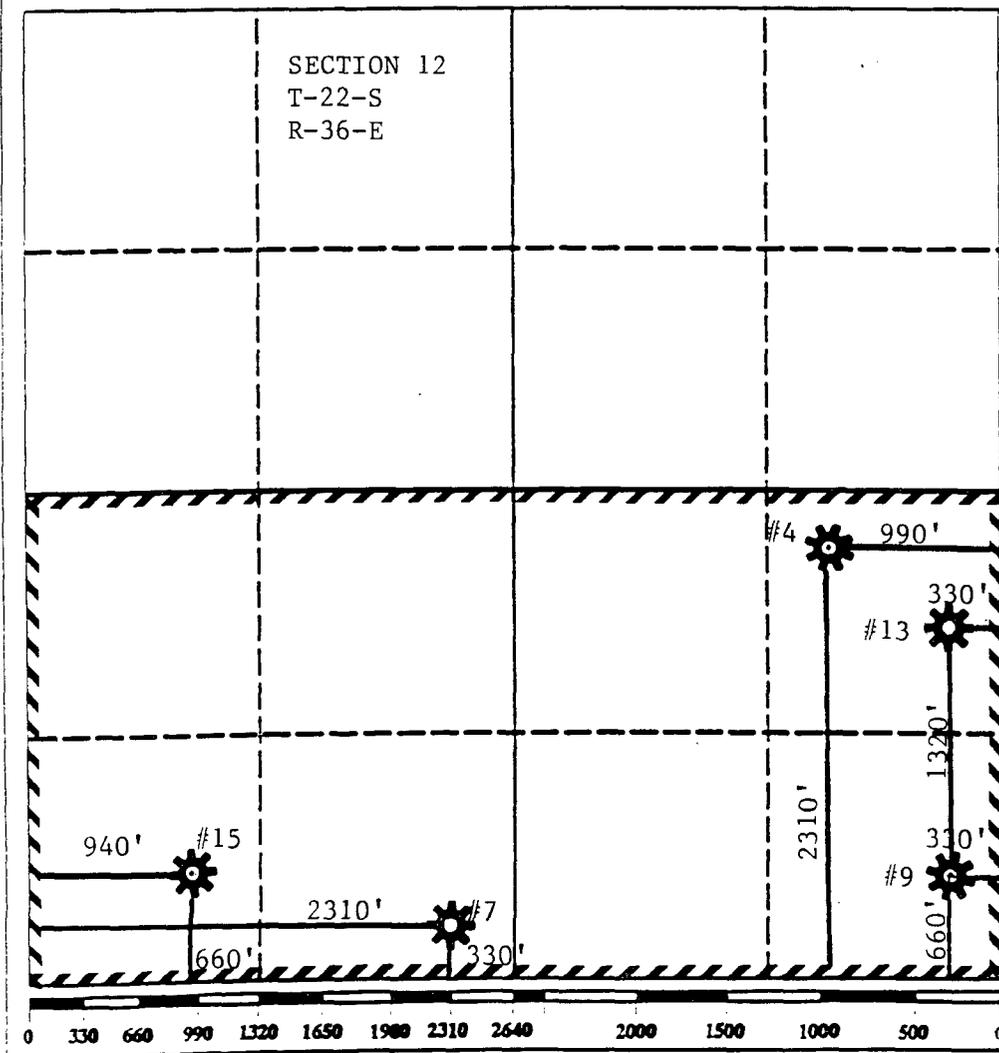
All Distances must be from the outer boundaries of the section

Operator ARCO PERMIAN		Lease STATE 157-D		Well No. 7
Unit Letter N	Section 12	Township T-22-S	Range R-36-E	County NMPM LEA
Actual Footage Location of Well: 330 feet from the SOUTH line and 2310 feet from the WEST line				
Ground level Elev. 3491'	Producing Formation YATES/7-RIVERS/QUEEN	Pool EUMONT GAS	Dedicated Acreage: 320 Acres	

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- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
 Yes No If answer is "yes" type of consolidation _____

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OPERATOR CERTIFICATION

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

Signature
Kathy E. Godfrey

Printed Name
KATHY E. GODFREY

Position
ENGINEERING TECHNICIAN

Company
ARCO PERMIAN

Date
12-05-94

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Date Surveyed

Signature & Seal of Professional Surveyor

Certificate No.

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Energy, Minerals and Natural Resources Department

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Revised 1-1-89

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1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

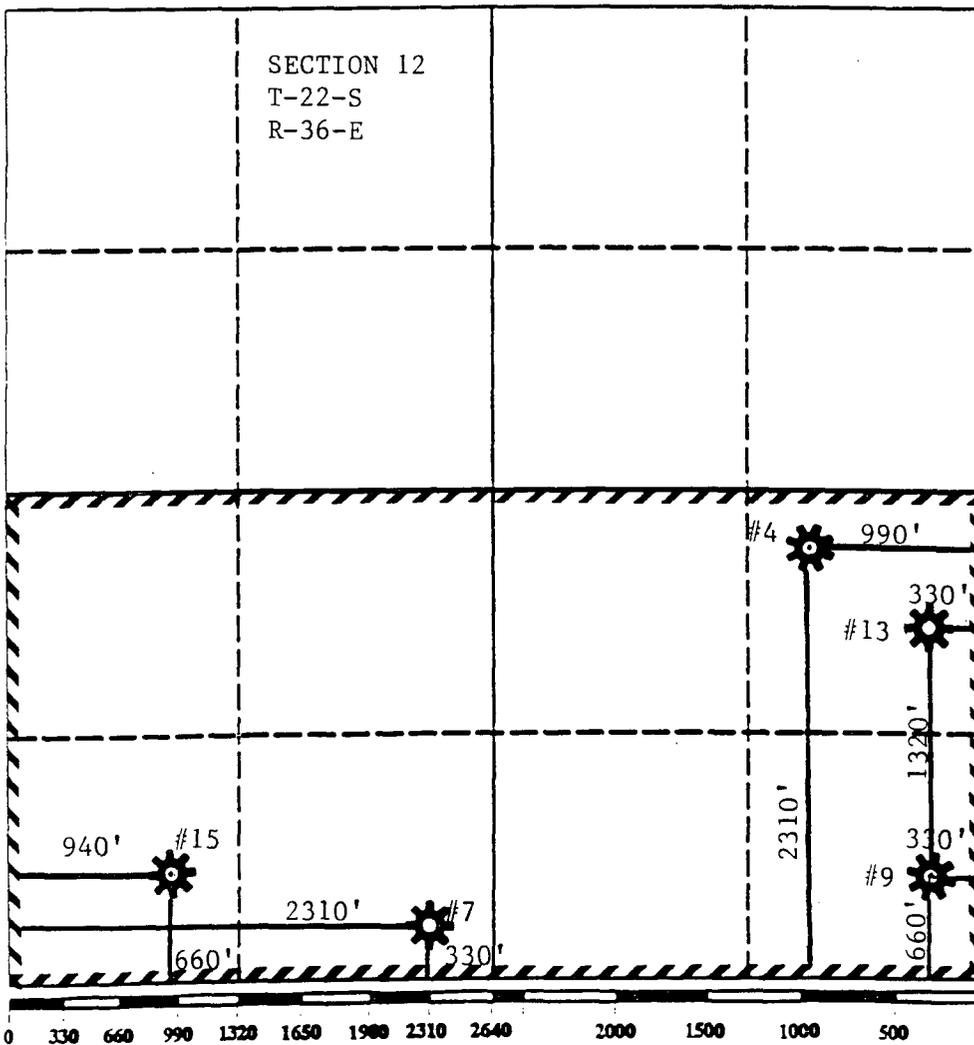
Operator ARCO PERMIAN		Lease STATE 157-D		Well No. 9	
Unit Letter P	Section 12	Township T-22-S	Range R-36-E	County NMEM LEA	
Actual Footage Location of Well: 660 feet from the SOUTH line and 330 feet from the EAST line					
Ground level Elev. 3442'	Producing Formation YATES/7-RIVERS/QUEEN		Pool EUMONT GAS	Dedicated Acreage: 320 Acres	

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OPERATOR CERTIFICATION

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

Signature: *Kathy E. Godfrey*
 Printed Name: KATHY E. GODFREY
 Position: ENGINEERING TECHNICIAN
 Company: ARCO PERMIAN
 Date: 12-05-94

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WELL LOCATION AND ACREAGE DEDICATION PLAT

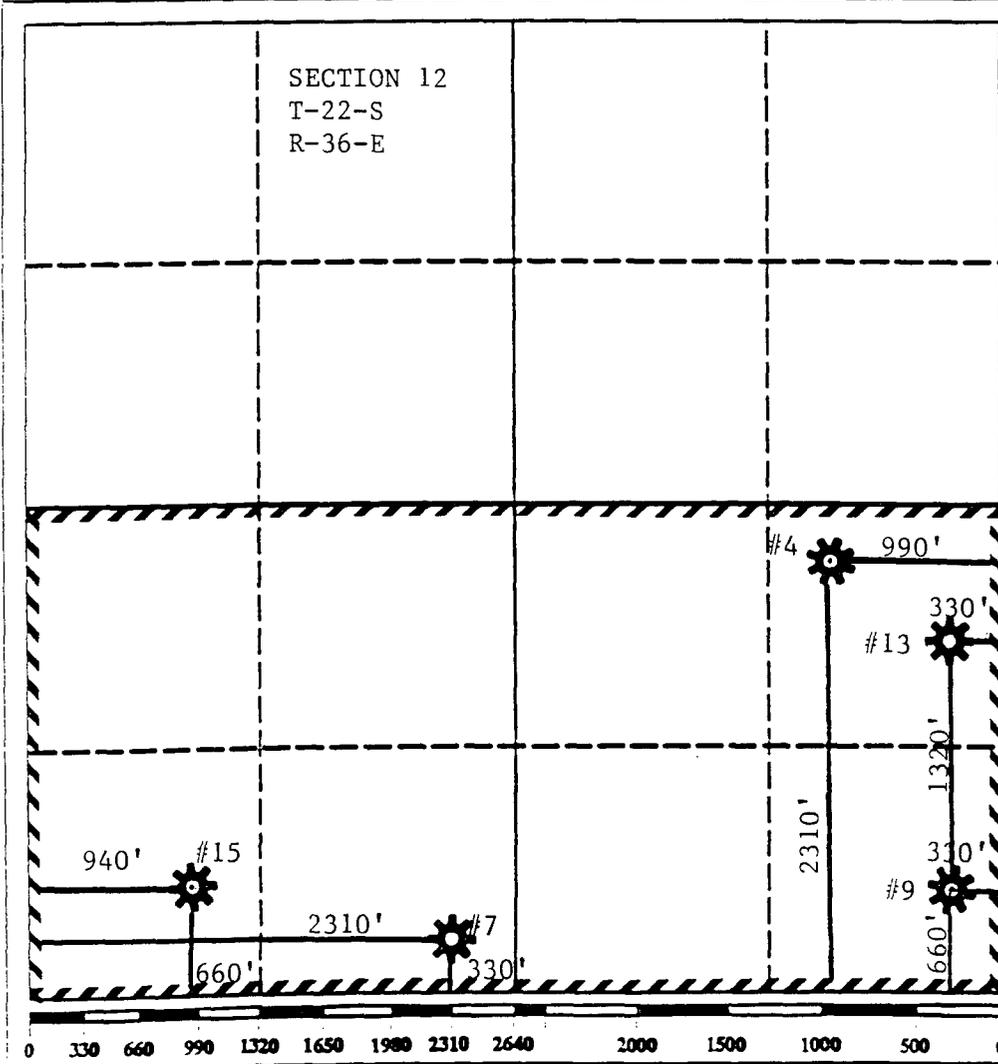
All Distances must be from the outer boundaries of the section

Operator ARCO PERMIAN		Lease STATE 157-D		Well No. 13
Unit Letter I	Section 12	Township T-22-S	Range R-36-E	County NMPM LEA
Actual Footage Location of Well: 1980 feet from the SOUTH line and 330 feet from the EAST line				
Ground level Elev. 3455'	Producing Formation YATES/7-RIVERS/QUEEN	Pool EUMONT GAS	Dedicated Acreage: 320 Acres	

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OPERATOR CERTIFICATION

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

Signature: *Kathy E. Godfrey*

Printed Name: KATHY E. GODFREY

Position: ENGINEERING TECHNICIAN

Company: ARCO PERMIAN

Date: 12-05-94

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 Energy, Minerals and Natural Resources Department

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 All Distances must be from the outer boundaries of the section

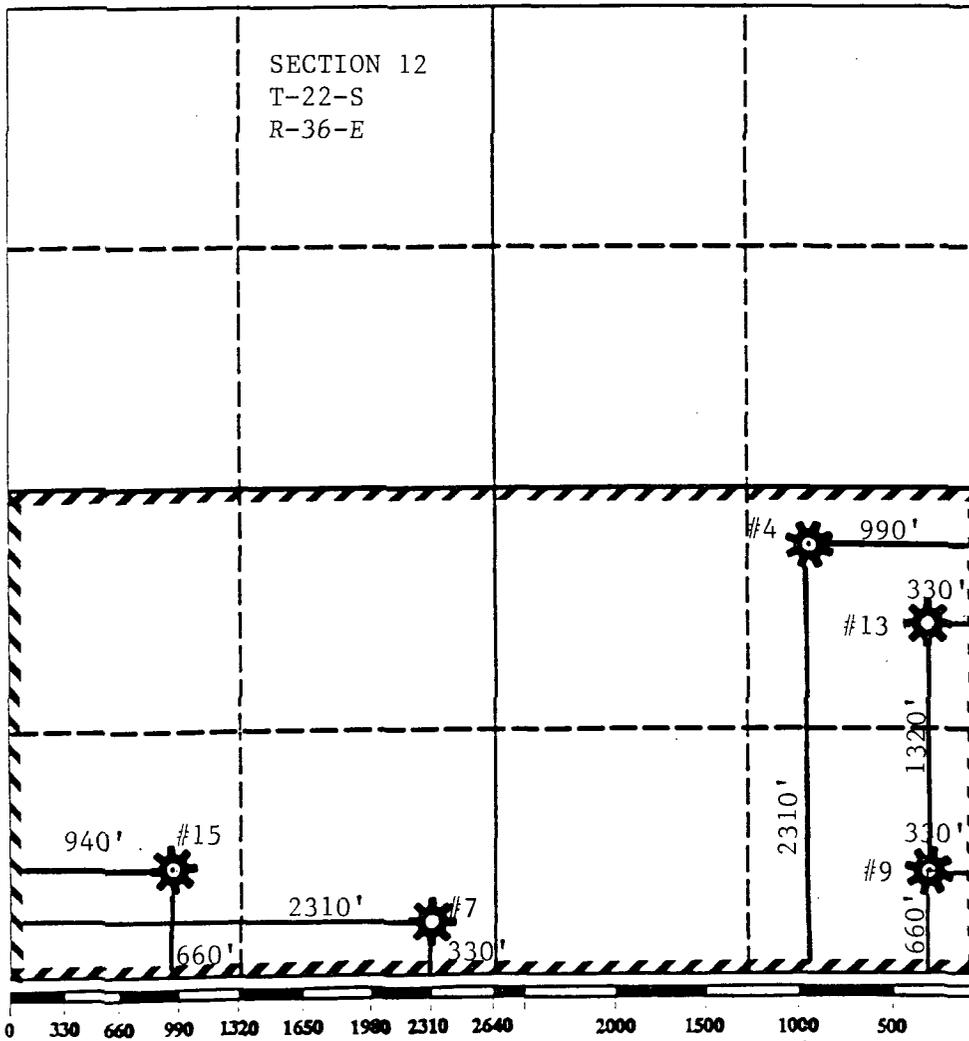
Operator ARCO PERMIAN		Lease STATE 157-D		Well No. 15	
Unit Letter M	Section 12	Township T-22-S	Range R-36-E	County LEA	
Actual Footage Location of Well: 660 feet from the SOUTH line and 940 feet from the WEST line					
Ground level Elev. 3497'	Producing Formation YATES/7-RIVERS/QUEEN		Pool EUMONT GAS	Dedicated Acreage: 320 Acres	

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Signature

Kathy E. Godfrey
 Printed Name
 KATHY E. GODFREY

Position

ENGINEERING TECHNICIAN

Company

ARCO PERMIAN

Date

12-05-94

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Date Surveyed

Signature & Seal of Professional Surveyor

Certificate No.



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

RECEIVED
7 DE 4 09 8 52

BRUCE KING
GOVERNOR

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

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

RE: Proposed:

- MC _____
- DHC _____
- NSL X _____ SD
- NSP _____
- SWD _____
- WFX _____
- PMX _____

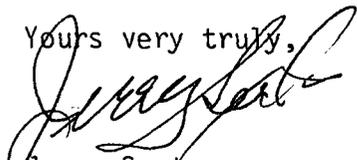
Gentlemen:

I have examined the application for the:

<u>Arco Permian</u>	<u>State 157 D</u>	<u>#13-I</u>	<u>12-22-36</u>
Operator	Lease & Well No.	Unit	S-T-R

and my recommendations are as follows:

00

Yours very truly,

 Jerry Sexton
 Supervisor, District 1

/ed