

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



March 18, 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: NSP-1544  
Application for Unorthodox Jalmat Gas Well Location & Simultaneous Dedication  
H. S. Record WN #3  
S/2 Section 10, T22S, R36E, Lea County, NM  
Jalmat (Tansill/Yates/Seven Rivers) Gas Pool

Dear Mr. LeMay / Mr. Sexton:

ARCO Oil and Gas Company respectfully requests administrative approval for an unorthodox Jalmat gas well location for the H. S. Record WN #3, located 1980' FSL, 660' FWL, Section 10, T-22S, R-36E in Lea County, New Mexico. The H. S. Record WN #3 is a Eunice Seven Rivers Queen South oil well which ARCO is preparing to recomplate uphole to the Jalmat pool. At the same time, ARCO requests simultaneous dedication of the Jalmat gas production from the H. S. Record WN #1, #2, and #6 with the Jalmat gas production from the H. S. Record WN #3 well. The H. S. Record WN #1, #2, and #6 are Jalmat gas wells currently dedicated to an existing 320-acre proration unit (NSP-1544) comprised of the S/2 of Section 10, T-22S, R-36E.

Attached are C-102 forms identifying for the proposed configuration of the subject 320-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 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 Jalmat gas reserves from the subject acreage.

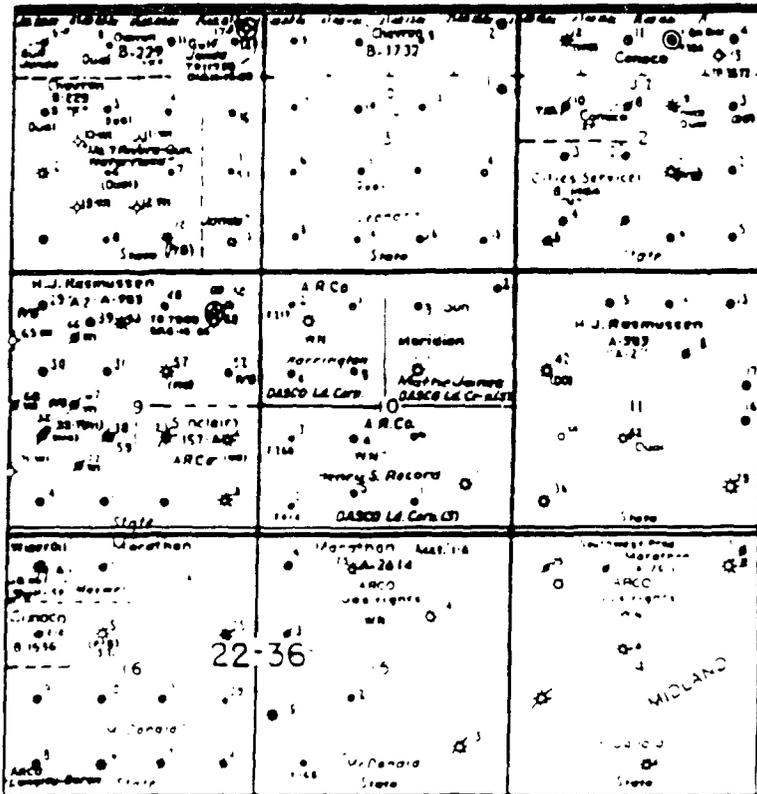
ARCO Oil and Gas Company is notifying the offset operators of this application by sending a copy of this application package, along with waiver to objection forms, by certified mail. If you need further information, please call me at (915) 688-5446.

Sincerely,

David K. Newell  
Sr. Operations/Analytical Engineer  
DKN:lrh  
cc: J. Cogburn - Hobbs  
Attachments

ARCO OIL AND GAS COMPANY  
 Application for an  
 Unorthodox Jalmat Gas Well Location  
 H. S. Record WN #3

Simultaneous Dedication of Jalmat Gas Production  
 H. S. Record WN #1, #2, and #6 (existing)  
 H. S. Record WN #3 (new)  
 Jalmat Gas Pool  
 S/2 Section 10, T22S, R36E  
 Lea County, New Mexico



OFFSET OPERATORS

Chevron, USA  
 Clayton Williams, Jr.  
 Marathon Oil  
 Meridian Oil

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 stamped, self-addressed envelope.

Thank you for your cooperation in this matter.

**WAIVER TO OBJECTION**

**ARCO OIL AND GAS COMPANY**

**Application for an  
Unorthodox Jalmat Gas Well Location  
H. S. Record WN #3  
and  
Simultaneous Dedication of Jalmat Gas Production  
H. S. Record WN #1, #2, and #6 (existing)  
H. S. Record WN #3 (new)  
Jalmat Gas Pool  
S/2 Section 10, T22S, R36E, Lea County, NM  
Lea County, New Mexico**

I/We do hereby waive any objection to ARCO Oil and Gas Company's request for NMOCD Administrative Approval of an unorthodox well location for the H. S. Record WN #3, and simultaneous dedication of Jalmat gas production from the H. S. Record WN #1, #2, #3 and #6 to an existing 320-acre proration unit.

Signed: \_\_\_\_\_  
Title: \_\_\_\_\_  
Company: \_\_\_\_\_  
Date: \_\_\_\_\_

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

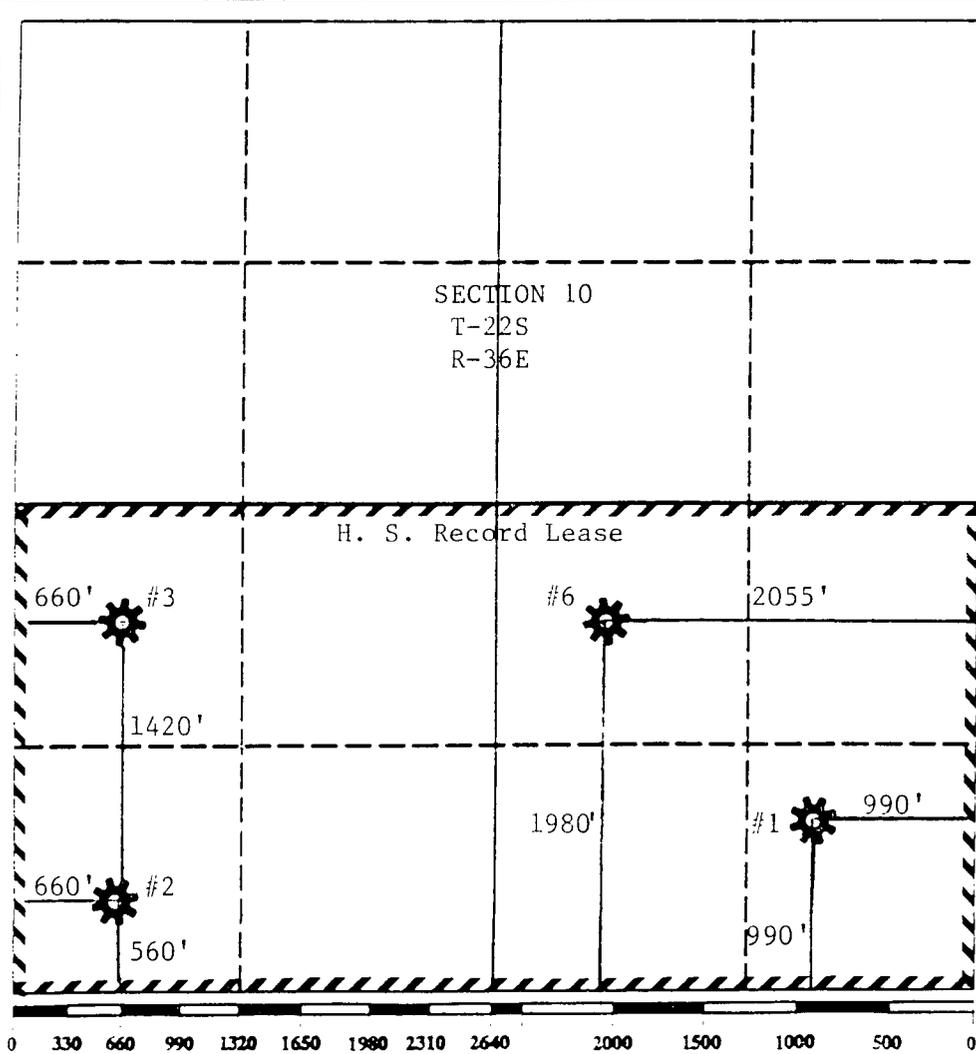
DISTRICT III  
 1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator		Lease		Well No.	
ARCO OIL AND GAS COMPANY		H. S. RECORD WN		#2	
Unit Letter	Section	Township	Range	County	
M	10	T-22S	R-36E	NMPM LEA	
Actual Footage Location of Well:					
560	feet from the	SOUTH	line and	660	feet from the WEST line
Ground level Elev.	Producing Formation		Pool	Dedicated Acreage:	
3553'	TANSILL/YATES/7-RIVERS		JALMAT GAS	320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure 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: Evelyn E. Gilson  
 Printed Name: E. E. GILSON  
 Position: ENGINEERING TECHNICIAN  
 Company: ARCO OIL AND GAS COMPANY  
 Date: MARCH 22, 1993

**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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All Distances must be from the outer boundaries of the section

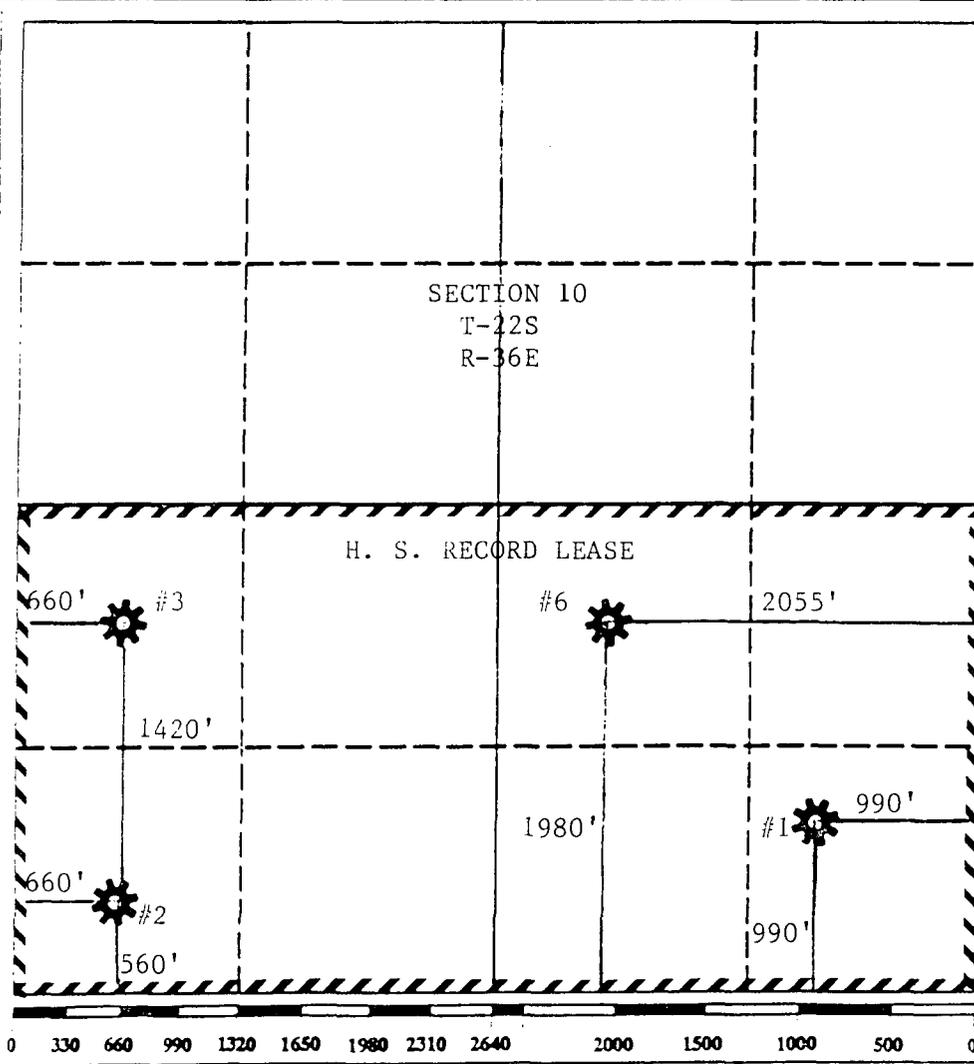
Operator ARCO OIL AND GAS COMPANY		Lease H. S. RECORD WN		Well No. #6
Unit Letter J	Section 10	Township T-22S	Range R-36E	County NMPM LEA
Actual Footage Location of Well:				
1980	feet from the	SOUTH	line and	2055
				feet from the EAST line
Ground level Elev. 3549'	Producing Formation TANSILL/YATES/7-RIVERS		Pool JALMAT GAS	Dedicated Acreage: 320 Acres

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
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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 \_\_\_\_\_

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

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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: *Evelyn E. Gilson*  
 Printed Name: E. E. GILSON  
 Position: ENGINEERING TECHNICIAN  
 Company: ARCO OIL AND GAS COMPANY  
 Date: MARCH 22, 1993

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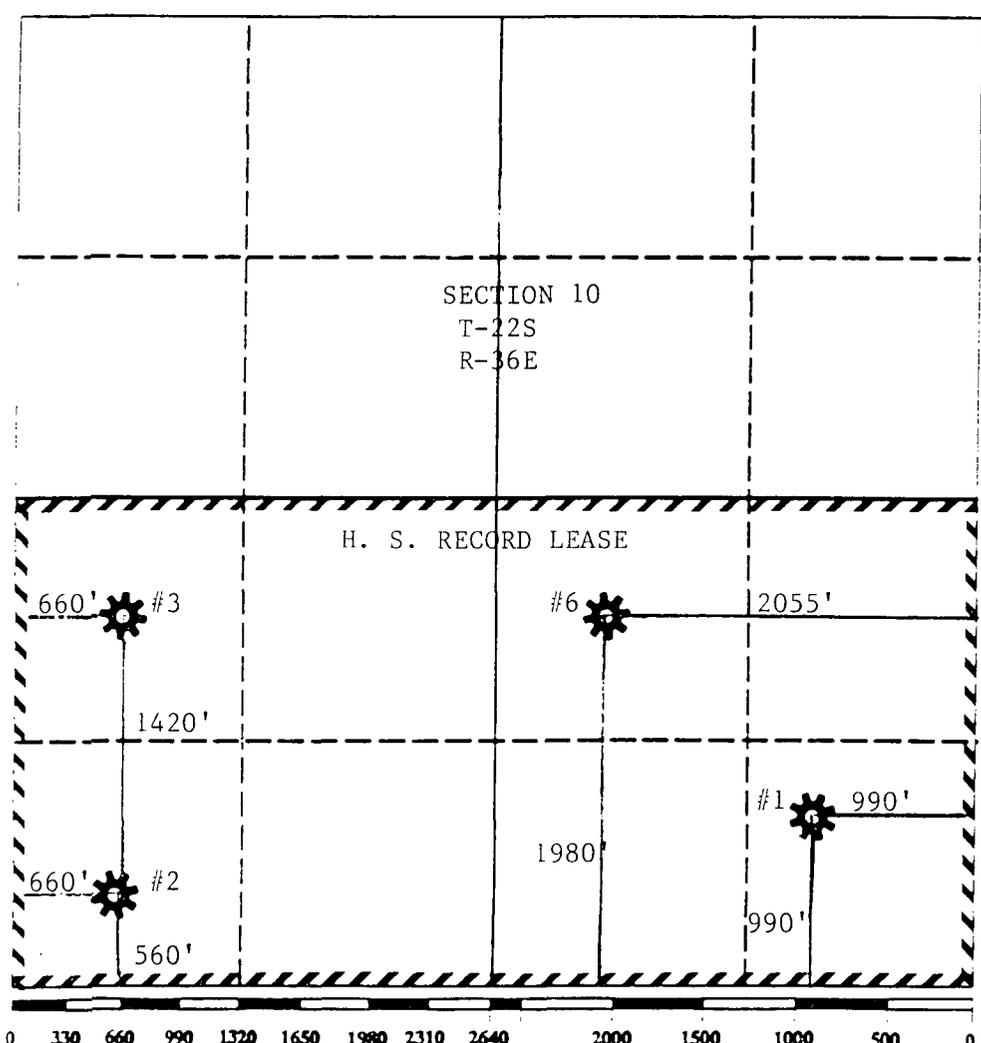
**DISTRICT III**  
 1000 Rio Brazos Rd., Aztec, NM 87410

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

All Distances must be from the outer boundaries of the section

Operator ARCO OIL AND GAS COMPANY			Lease H. S. RECORD WN		Well No. #3
Unit Letter L	Section 10	Township T-22S	Range R-36E	County NMPM LEA	
Actual Footage Location of Well:					
1980 feet from the SOUTH line and		660 feet from the WEST line		Dedicated Acreage:	
Ground level Elev. 3548'		Producing Formation TANSILL/YATES/7-RIVERS		Pool JALMAT GAS	
				320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
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 Yes     No    If answer is "yes" type of consolidation \_\_\_\_\_  
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 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *E. E. Gilson*  
 Printed Name: E. E. GILSON  
 Position: ENGINEERING TECHNICIAN  
 Company: ARCO OIL AND GAS COMPANY  
 Date: MARCH 22, 1993

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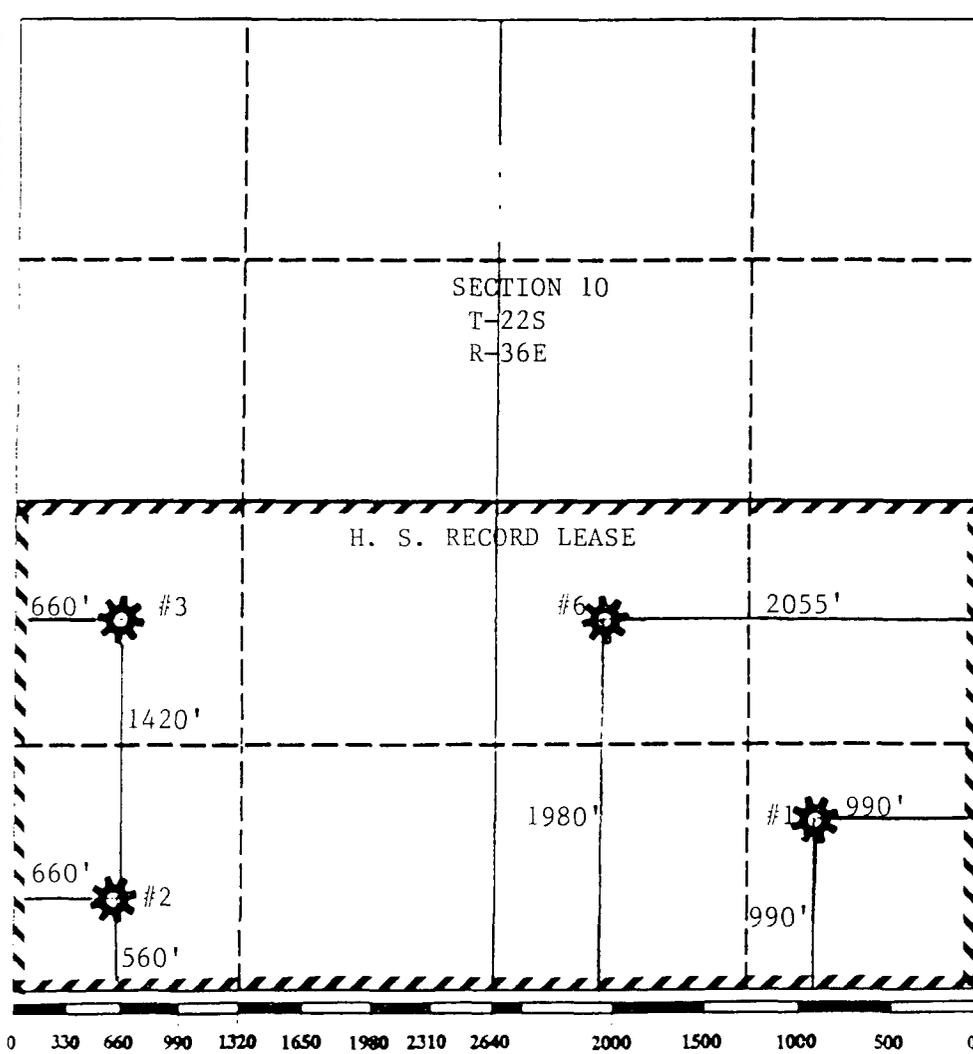
DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator ARCO OIL AND GAS COMPANY			Lease H. S. RECORD WN		Well No. #1
Unit Letter P	Section 10	Township T-22S	Range R-36E	County NMPM LEA	
Actual Footage Location of Well:					
990 feet from the SOUTH line and		990 feet from the EAST line			
Ground level Elev. 3553'	Producing Formation TANSILL/YATES/7-RIVERS		Pool JALMAT GAS	Dedicated Acreage: 320 Acres	

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Position  
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Company  
ARCO OIL AND GAS COMPANY  
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Date Surveyed  
Signature & Seal of Professional Surveyor  
Certificate No.



STATE OF NEW MEXICO  
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

RECEIVED  
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OIL CONSERVATION DIVISION  
HOBBS DISTRICT OFFICE

4-1-93

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:

Arco Oil & Gas Co. H.S. Record WN # 3-L 10-20-36  
 Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK

Yours very truly,

Jerry Sexton  
Supervisor, District 1

/ed