

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

OIL CONSERVATION DIVISION
RECEIVED

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January 5, 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: R-2889
Application for Unorthodox Jalmat Gas Well Location & Simultaneous Dedication
Frederick H. Curry WN #5
S/2 Section 1, T24S, R36E, Lea County, New Mexico
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 Frederick H. Curry WN #5 well, located 660' FSL, 660' FWL, Section 1, T-24S, R-36E in Lea County, New Mexico. The Frederick H. Curry WN #5 is a Langlie Mattix (Seven Rivers/Queen/Grayburg) 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 Frederick H. Curry WN #1, #2, #4, and #6 wells with the Jalmat gas production from the Frederick H. Curry WN #5 well. The Frederick H. Curry WN #1, #2, #4, and #6 are Jalmat gas wells that are currently dedicated to an existing 320-acre proration unit comprised of the S/2 of Section 1, T-24S, R-36E.

Attached are C-102 forms identifying the configuration of the subject 320-acre Jalmat gas proration unit. Also attached is a list of offset operators 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

cc: B. Manthei-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 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**

Frederick H. Curry WN #5

and

Simultaneous Dedication of Jalmat Gas Production

Frederick H. Curry WN #1, #2, #4, and #6 (existing)

Frederick H. Curry WN #5 (new)

Jalmat Gas Pool

S/2 Section 1, T24S, R36E

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 Frederick H. Curry WN #5, and simultaneous dedication of Jalmat gas production from the Frederick H. Curry WN #1, #2, #4, 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

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

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

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

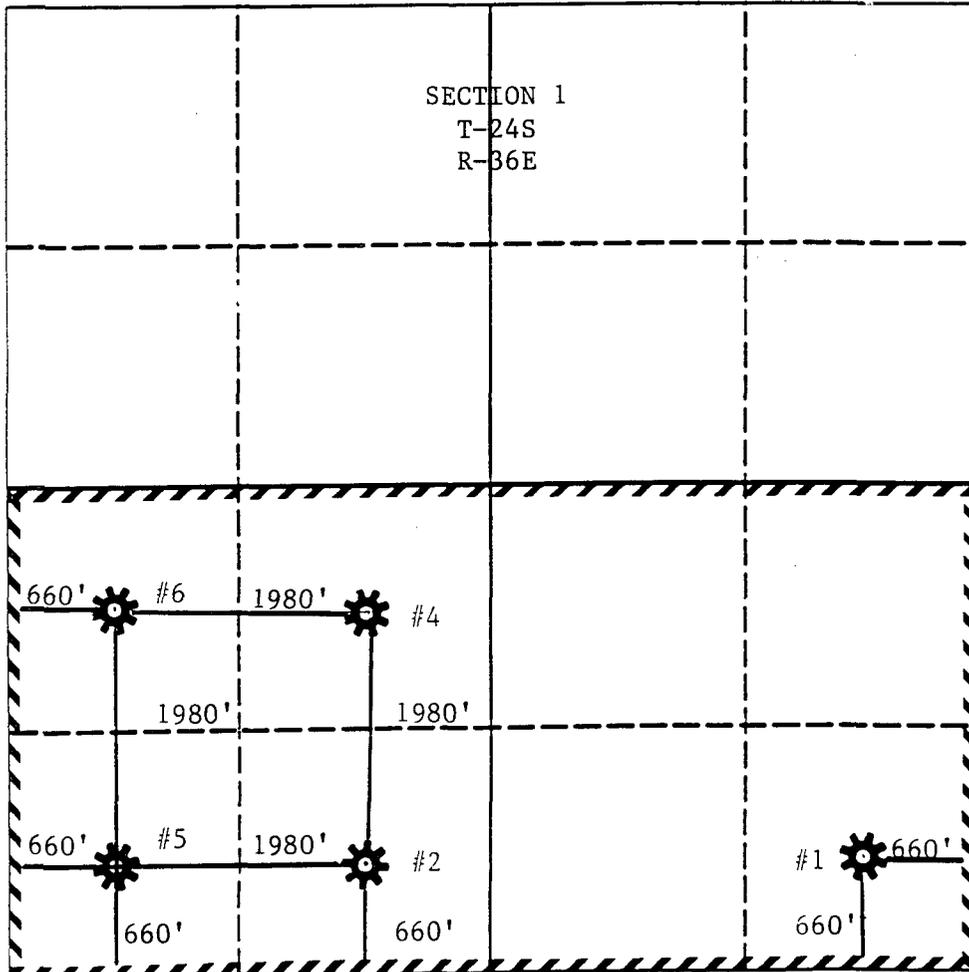
Operator ARCO OIL AND GAS COMPANY			Lease FREDERICK H. CURRY WN		Well No. #1
Unit Letter P	Section 1	Township T-24S	Range R-36E	County NMPM LEA	
Actual Footage Location of Well: 660' feet from the SOUTH line and 660' feet from the EAST line					
Ground level Elev. 3344'	Producing Formation TANSILL/YATES/7-RIVERS		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.
- 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 OIL AND GAS COMPANY

Date
JANUARY 4, 1994

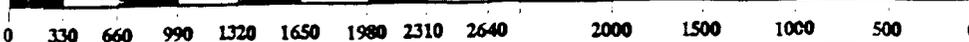
SURVEYOR CERTIFICATION

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
State Lease - 4 copies
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State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

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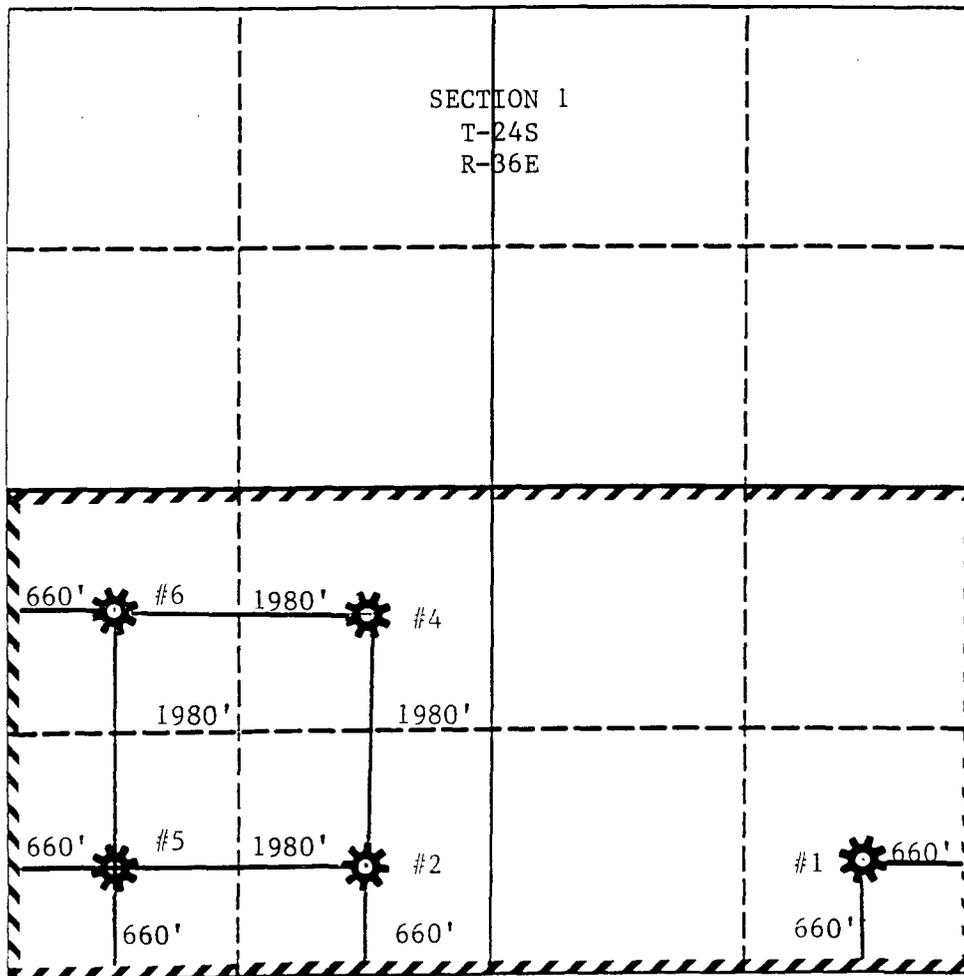
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator ARCO OIL AND GAS COMPANY			Lease FREDERICK H. CURRY WN		Well No. #2
Unit Letter N	Section 1	Township T-24S	Range R-36E	County NMPM LEA	
Actual Footage Location of Well: 660' feet from the SOUTH line and 1980' feet from the WEST line					
Ground level Elev. 3342'	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.
- 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 other wise) 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 OIL AND GAS COMPANY
Date
JANUARY 4, 1994

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.

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

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District Office
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Energy, Minerals and Natural Resources Department

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Revised 1-1-89

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Santa Fe, New Mexico 87504-2088

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1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

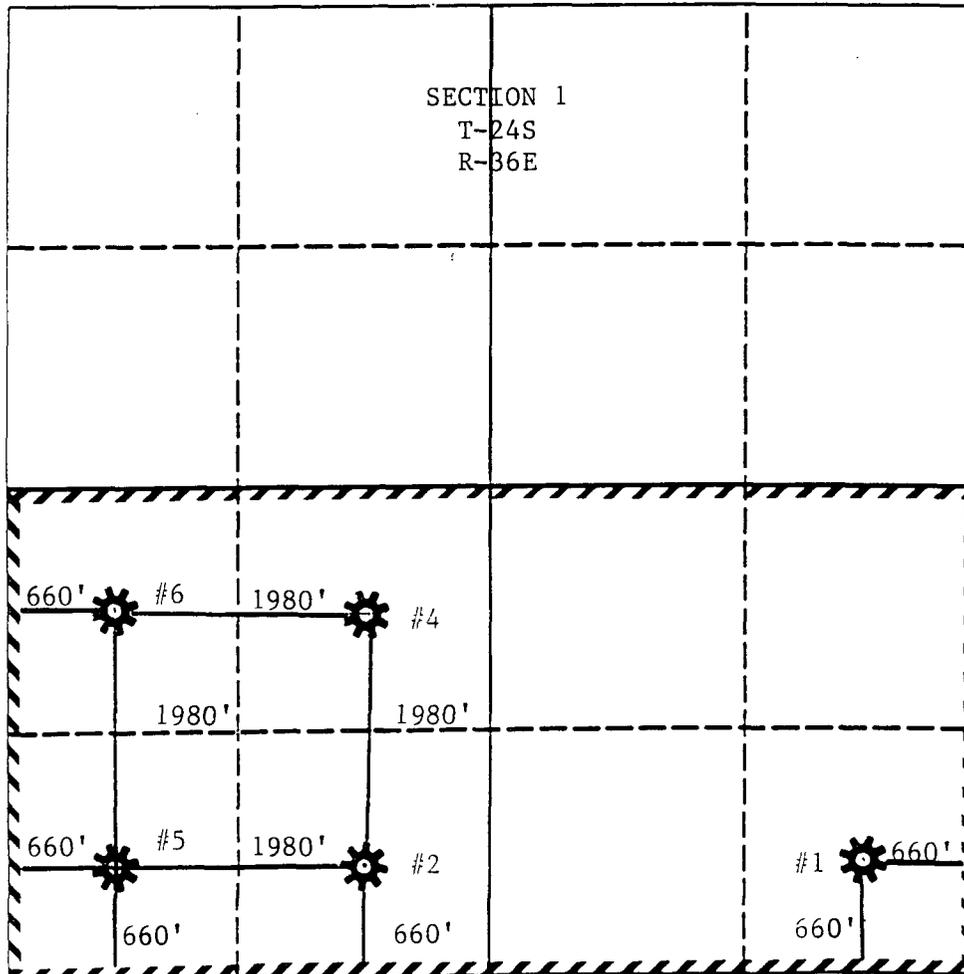
All Distances must be from the outer boundaries of the section

Operator ARCO OIL AND GAS COMPANY			Lease FREDERICK H. CURRY WN		Well No. #4
Unit Letter K	Section 1	Township T-24S	Range R-36E	County NMPM LEA	
Actual Footage Location of Well: 1980' feet from the SOUTH line and 1980' feet from the WEST line					
Ground level Elev. 3355'	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.
- 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.)

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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 OIL AND GAS COMPANY

Date
JANUARY 4, 1994

SURVEYOR CERTIFICATION

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Date Surveyed

Signature & Seal of Professional Surveyor

Certificate No.

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P.O. Box 2088

Santa Fe, New Mexico 87504-2088

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P.O. Drawer DD, Artesia, NM 88210

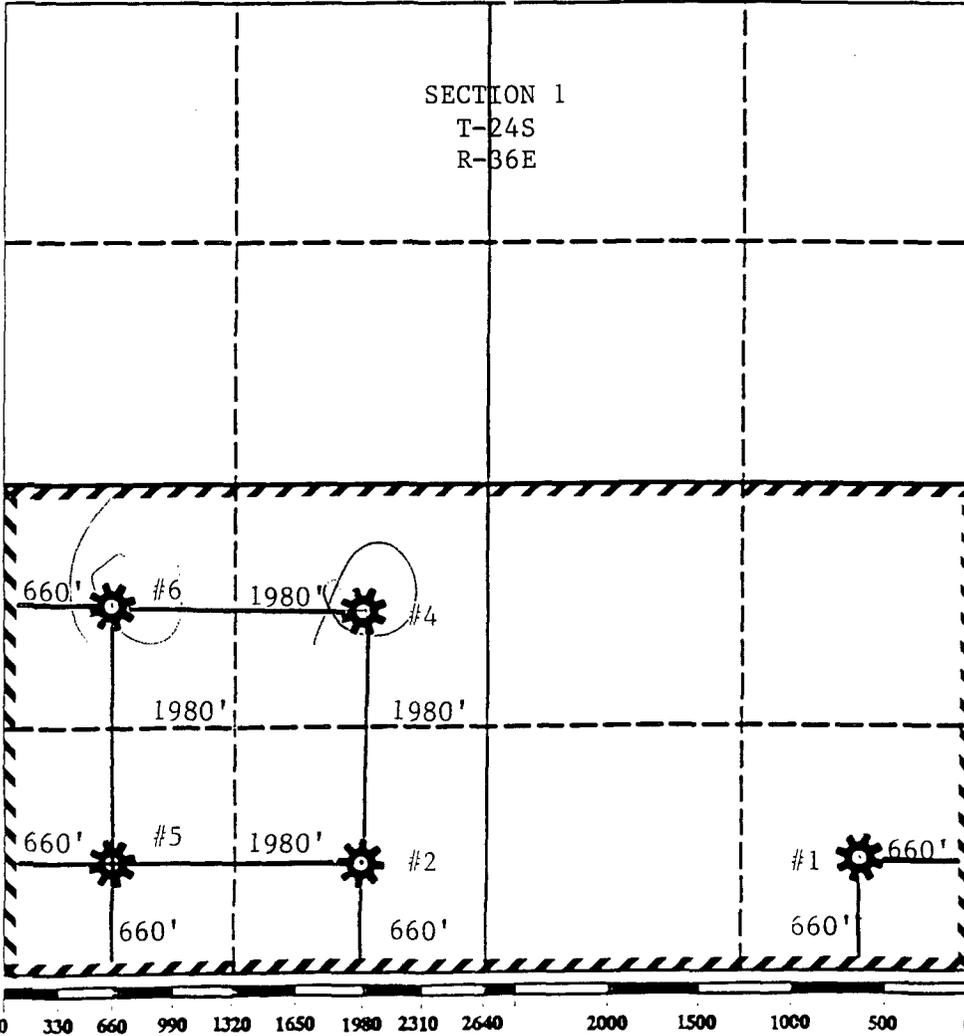
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator ARCO OIL AND GAS COMPANY			Lease FREDERICK H. CURRY WN			Well No. #5		
Unit Letter M	Section 1	Township T-24S	Range R-36E	Country NMPM		LEA		
Actual Footage Location of Well:								
660' feet from the SOUTH line and			660' feet from the WEST line					
Ground level Elev. 3341'		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.
 - If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
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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 OIL AND GAS COMPANY

Date
JANUARY 4, 1994

SURVEYOR CERTIFICATION

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Date Surveyed

Signature & Seal of Professional Surveyor

Certificate No.

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State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

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P.O. Box 1980, Hobbs, NM 88240

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Santa Fe, New Mexico 87504-2088

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WELL LOCATION AND ACREAGE DEDICATION PLAT

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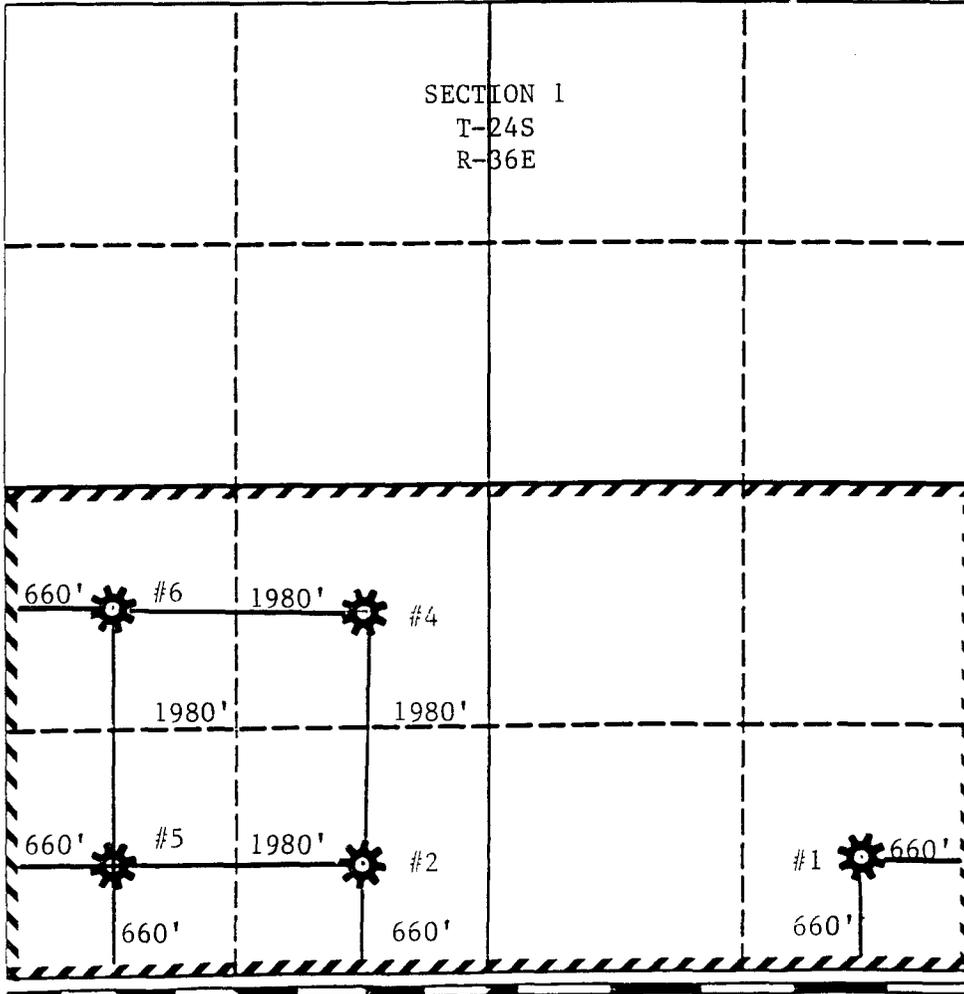
Operator ARCO OIL AND GAS COMPANY			Lease FREDERICK H. CURRY WN		Well No. #6
Unit Letter L	Section 1	Township T-24S	Range R-36E	County NMPM LEA	
Actual Footage Location of Well: 1980' feet from the SOUTH line and 660' feet from the WEST line					
Ground level Elev. 3355'	Producing Formation TANSILL/YATES/7-RIVERS		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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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 OIL AND GAS COMPANY

Date
JANUARY 4, 1994

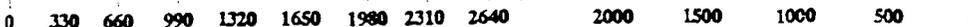
SURVEYOR CERTIFICATION

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. _____





STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

December 4, 1992

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

ARCO Oil and Gas Company
P.O. Box 1610
Midland, TX 79702

Attention: Kevin D. Renfro

Administrative Order SD-92-11

Dear Mr. Renfro:

Per your application dated October 2, 1992, you are hereby authorized to simultaneously dedicate Jalmat Gas Pool production to an existing non-standard 320-acre gas spacing and proration unit comprising the S/2 of Section 1, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico from the existing Frederick H. Curry WN Well Nos. 1 and 6 located at standard gas well locations 660 feet from the South line and 660 feet from the East line (Unit P) and 660 feet from the South line and 1980 feet from the West line (Unit P), respectively, both in said Section 1 and to Frederick H. Curry WN Well No. 6 to be recompleted from the Langlie Mattix Seven Rivers Queen Grayburg Pool and located at a standard gas location 1980 feet from the South line and 660 feet from the West line (Unit L) of said Section 1.

Further, you are permitted to produce the allowable assigned said 320-acre unit from all three wells in any proportion.

Sincerely,

William J. LeMay
Director

WJL/MES/amg

cc: Oil Conservation Division - Hobbs

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 3224
Order No. R-2889

APPLICATION OF SINCLAIR OIL & GAS
COMPANY FOR A NON-STANDARD PRORATION
UNIT AND AN UNORTHODOX LOCATION, LEA
COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on March 24, 1965, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 30th day of March, 1965, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Sinclair Oil & Gas Company, is the owner and operator of the Frederick H. Curry WN Well No. 1 located 660 feet from the South line and 660 feet from the East line of Section 1, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico; that said well presently has dedicated to it 160 acres in the Jalmat Gas Pool.

(3) That the applicant seeks approval of a 320-acre non-standard gas proration unit in the Jalmat Gas Pool comprising the S/2 of said Section 1 to be dedicated to its Frederick H. Curry WN Well No. 1; further that the location of the well is unorthodox for a 320-acre unit in said pool.

CASE No. 3224
Order No. R-2889

(4) That the proposed non-standard proration unit can be efficiently and economically drained and developed by one well.

(5) That approval of the subject application will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the applicant, Sinclair Oil & Gas Company, is hereby authorized to complete its Frederick H. Curry WN Well No. 1 at an unorthodox location in the Jalmat Gas Pool 660 feet from the South line and 660 feet from the East line of Section 1, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico.

(2) That a 320-acre non-standard gas proration unit in the Jalmat Gas Pool comprising the S/2 of Section 1, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico, is hereby established and dedicated to the Sinclair Oil & Gas Company Frederick H. Curry WN Well No. 1.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

JACK M. CAMPBELL, Chairman

GUYTON B. HAYS, Member

S E A L

A. L. PORTER, Jr., Member & Secretary

esr/



STATE OF NEW MEXICO OIL CONSERVATION DIVISION
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

RECEIVED

94 JAN 18 AM 10 30

BRUCE KING
GOVERNOR

January 12, 1994

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 _____
NSP _____
SWD _____
WFX _____
PMX _____

SD

Gentlemen:

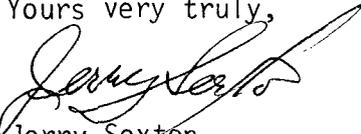
I have examined the application for the:

Arco Oil & Gas Co. Federick H Curry WN #5-M 1-24-36
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK

Yours very truly,


Jerry Sexton
Supervisor, District 1

/ed