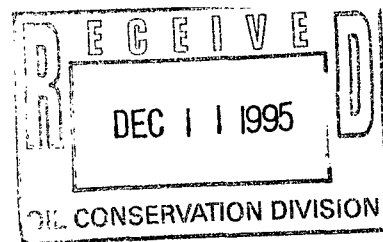


ARCO Permian
600 N Marienfeld
Midland TX 79701
Post Office Box 1610
Midland TX 79702
Telephone 915 688 5200



December 7, 1995

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

RE: NSP-1624
Application for Unorthodox Eumont Gas Well Location & Simultaneous Dedication
State G Com #5
Section 5, T-21S, R-36E, Lea County, NM
Eumont (Yates/Seven Rivers/Queen) Gas Pool

Dear Mr. Stogner / Mr. Sexton:

ARCO Permian respectfully requests administrative approval for an unorthodox Eumont gas well location for the State G Com #5 well to be located 990' FSL, 890' FWL, Section 5, T-21S, R-36E in Lea County, New Mexico. This location is 100' west of an orthodox location in order for this well to be drilled 100' away from a primary power line. At the same time, ARCO requests simultaneous dedication of the Eumont gas production from the State G Com #1 and #4 wells with the Eumont gas production from the State G Com #5 well. The State G Com #1 and #4 are Eumont gas wells currently dedicated to an existing 200-acre proration unit (NSP-1624) comprised of Unit Letters S, T, U, V, and W of Section 5, T-21S, R-36E. ARCO plans to drill the State G Com #5 as soon as this request is approved.

Attached are C-102 forms for the proposed configuration of the subject 200-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,

A handwritten signature in cursive script that reads "David K. Newell".

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 G Com #5

and

Simultaneous Dedication of Eumont Gas Production

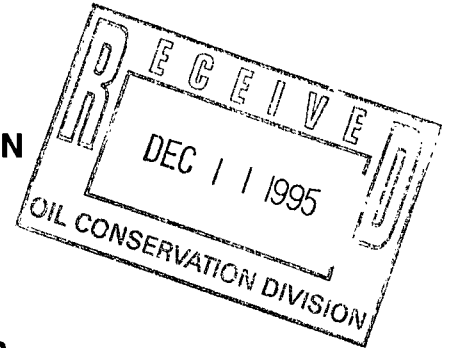
State G Com #1 and #4 (existing)

State G Com #5 (new)

Eumont Gas Pool

Section 5, T-21S, R-36E

Lea County, New Mexico

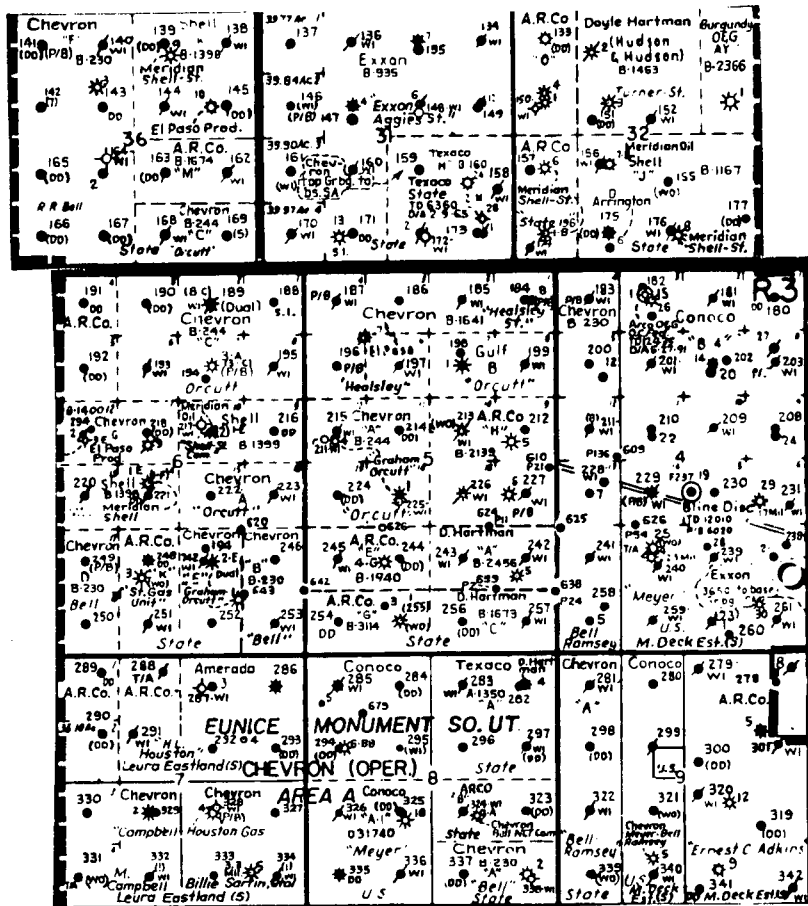
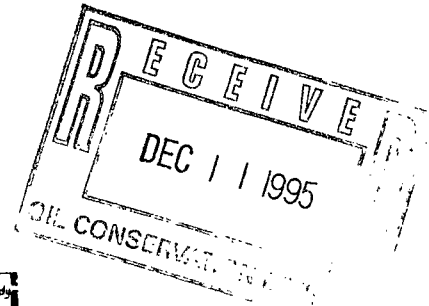


I/We do hereby waive any objection to ARCO Permian's request for NMOCD Administrative Approval of an unorthodox well location for the State G Com #5, and simultaneous dedication of Eumont gas production from the State G Com #1, #4, and #5 to an existing 200-acre proration unit.

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

ARCO Permian
Application for an
Unorthodox Eumont Gas Well Location
State G Com #5

Simultaneous Dedication of Eumont Gas Production
State G Com #1 and #4 (existing)
State G Com #5 (new)
Eumont Gas Pool
Section 5, T21S, R36E
Lea County, New Mexico



OFFSET OPERATORS

Amerada Hess Corp.
Chevron, USA
Conoco, Inc.
Doyle Hartman

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Branco 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-11
Revised February 10, 1995
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number 30-025-04499		* Pool Code 76480	* Pool Name Eumont Yates SRQ Gas
* Property Code 001533	* Property Name State G Com		* Well Number 1
* OGRID No. 000990	* Operator Name ARCO Permian		* Elevation 3577' GR

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Ids	Feet from the	North/South line	Feet from the	East/West line	County
V	5	21S	36E		660	South	1980	West	Lea

¹¹ Bottom Hole Location If Different From Surface

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

¹² Dedicated Acres 200	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. NSP-1624
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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

16 Section 5 Irregular Section	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>David K. Newell</i> Signature David K. Newell Printed Name Sr. Engineer Title December 7, 1995 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-1
Revised February 10, 1995
Instructions on back
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Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-32250		Pool Code 76480	Pool Name Eumont Yates SRQ Gas
Property Code 001533	Property Name State G Com		Well Number 4
GRID No. 000990	Operator Name ARCO Permian		Elevation 3566' 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
S	5	21S	36E		1920	South	1650	West	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 200	13 Joint or Infill	14 Consolidation Code	15 Order No. NSP-1624
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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

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	18 SURVEYOR CERTIFICAT 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 1988, Hobbs, NM 88241-1988
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 76480		3 Pool Name Eumont Yates SRQ Gas	
4 Property Code 001533		5 Property Name State G Com			6 Well Number 5
7 OGRID No. 000990		8 Operator Name ARCO Permian			9 Elevation 3582' 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
U	5	21S	36E		990	South	890	West	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 200	13 Joint or Infill	14 Consolidation Code	15 Order No. NSP-1624
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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

16	Section 5 Irregular Section		17 OPERATOR CERTIFICATE I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature: <u>David K. Newell</u> Printed Name: <u>David K. Newell</u> Title: <u>Sr. Engineer</u> Date: <u>December 7, 1995</u>
			18 SURVEYOR CERTIFICATE 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:



OIL CONSERVATION DIVISION
RECEIVED

95 DEC 15 AM 8 52
GOVERNOR

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

12/12/95

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 Permian State 6 Com #5-m 5-215-36e
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK

Yours very truly,

Jerry Sexton
Supervisor, District 1

/ed