



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR
LARRY KEHOE
SECRETARY

November 5, 1980

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

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

Attention: Mr. J. L. Tweed

Administrative Order NSP-1217

Gentlemen:

Reference is made to your application for two 160-acre non-standard proration units consisting of the following acreage in the Jalmat Gas Pool:

LEA COUNTY, NEW MEXICO
TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
Section 19: SW/4
Section 19: SE/4

It is my understanding that the SW/4 is to be dedicated to your E. L. Steeler Well No. 3 located 1980 feet from the South line and 660 feet from the West line of said Section 19, and that the SE/4 is to be dedicated to your E. L. Steeler Well No. 5 to be located 1980 feet from the South line and 1980 feet from the East line of said Section 19.

By authority granted me under the provisions of Rule 5 (C) 3 of Order No. R-1670, the above non-standard proration units are hereby approved.

That Order No. R-3054, dated April 1, 1966, is hereby placed in abeyance.

Sincerely,

JOE D. RAMEY,
Director

JDR/RLS/dr

cc: Oil Conservation Division - Hobbs
Oil & Gas Engineering Committee - Hobbs
U. S. Geological Survey - Hobbs

5D-92-8

Subject Well: E.L. Steeler wn No. 4
 Location: 660' FS + WL
 Size of Proration Unit: 160
 Unit Authorized By: _____
 Comprising: 5w14
 For The: _____

NSL: (Y/N) NO
 S-T-R M-19-235-37E

Name	Location	Unit	Section	Approval	Date
E.L. Steeler wn No. 3	1980' FSL - 660' FS	L	19		
E.L. Steeler wn No. 5		J	19		

Application Received: Nov. 9, 1992
 Release Date: Nov. 29, 1992
 Buck Sheet In? Yes - not NSL in 160 acres
 All Waivers In? Yes

NOTES:

Waivers pending from Meridian, Conoco and L.B. Bunker.
 MSP-1217
 Proration schedule shows E.L. Steeler wn No. 5 located in Unit
 5 currently dedicated with the No. 3 well. (This is an error)

[Signature]

*?

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

OIL CONSERVATION DIVISION
RECEIVED



'92 OCT 5 PM 9 58

October 1, 1992

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 for Unorthodox Jalmat Gas Well Location & Simultaneous Dedication
E. L. Steeler WN #4
SW/4 Section 19, T-23S, R-37E, 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 E. L. Steeler WN #4 well, located 660' FSL, 660' FWL, Section 19, T-23S, R-37E in Lea County, New Mexico. The E. L. Steeler WN #4 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 E. L. Steeler WN #3 well with the Jalmat gas production from the E. L. Steeler WN #4 well. The E. L. Steeler WN #3 Jalmat gas well is currently dedicated to an existing 160-acre proration unit comprised of the SW/4 Section 19, T-24S, R-36E.

Attached are C-102 forms identifying both the existing and proposed configuration of the subject 160-acre Jalmat gas proration unit. Also attached is a list of offset operators and/or co-owners 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) 688-5546.

Sincerely,

Kevin D. Renfro Leeg

Kevin D. Renfro
Operations/Analytical Engineer
KDR:lrh
cc: J. Cogburn-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**

E. L. Steeler WN #4

and

Simultaneous Dedication of Jalmat Gas Production

E. L. Steeler WN #3 (existing)

E. L. Steeler WN #4 (new)

Jalmat Gas Pool

SW/4 Section 19, T23S, R37E

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 E. L. Steeler WN #4, and simultaneous dedication of Jalmat gas production from the E. L. Steeler WN #3 to an existing 160-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

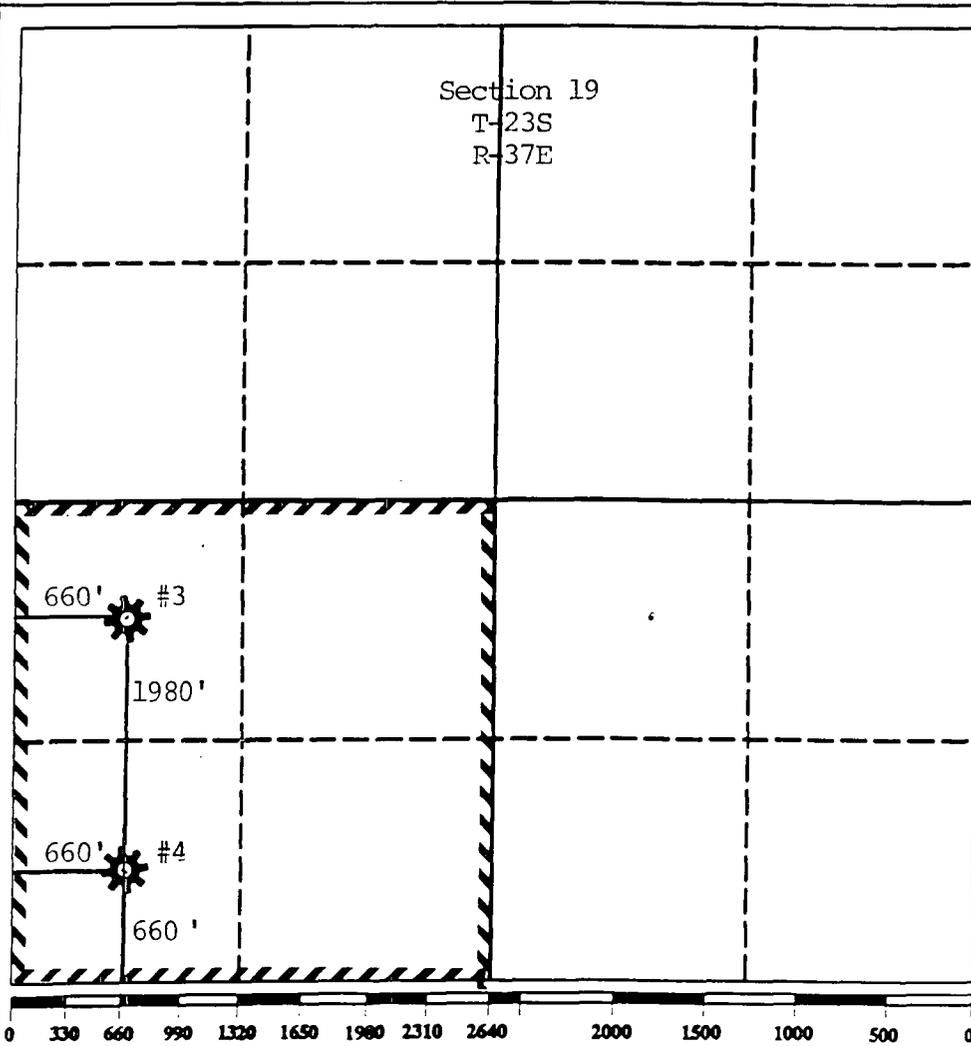
Operator Arco Oil and Gas Company			Lease E. L. Steeler WN		Well No. #4
Unit Letter M	Section 19	Township T-23S	Range R-37E	County Lea	
Actual Footage Location of Well:					
660' feet from the South line and		660' feet from the West line			
Ground level Elev. 3324'	Producing Formation Tansill/Yates/Seven Rivers		Pool Jalmat Gas	Dedicated Acreage: 160 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
Evelyn Gilson

Printed Name
E. E. Gilson

Position
Engineering Technician

Company
ARCO Oil and Gas Company

Date
October 1, 1992

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.

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

P. O. BOX 2000

SANTA FE, NEW MEXICO 87501

Form C-102
Revised 10-1-

All distances must be from the outer boundaries of the Section.

Operator ARCO Oil & Gas Company			Lease E. L. Steeler WN		Well No. 3
Division of Atlantic Richfield Company					
Well Letter L	Section 19	Township 23S	Range 37E	County Lea	

Actual Postage Location of Well:

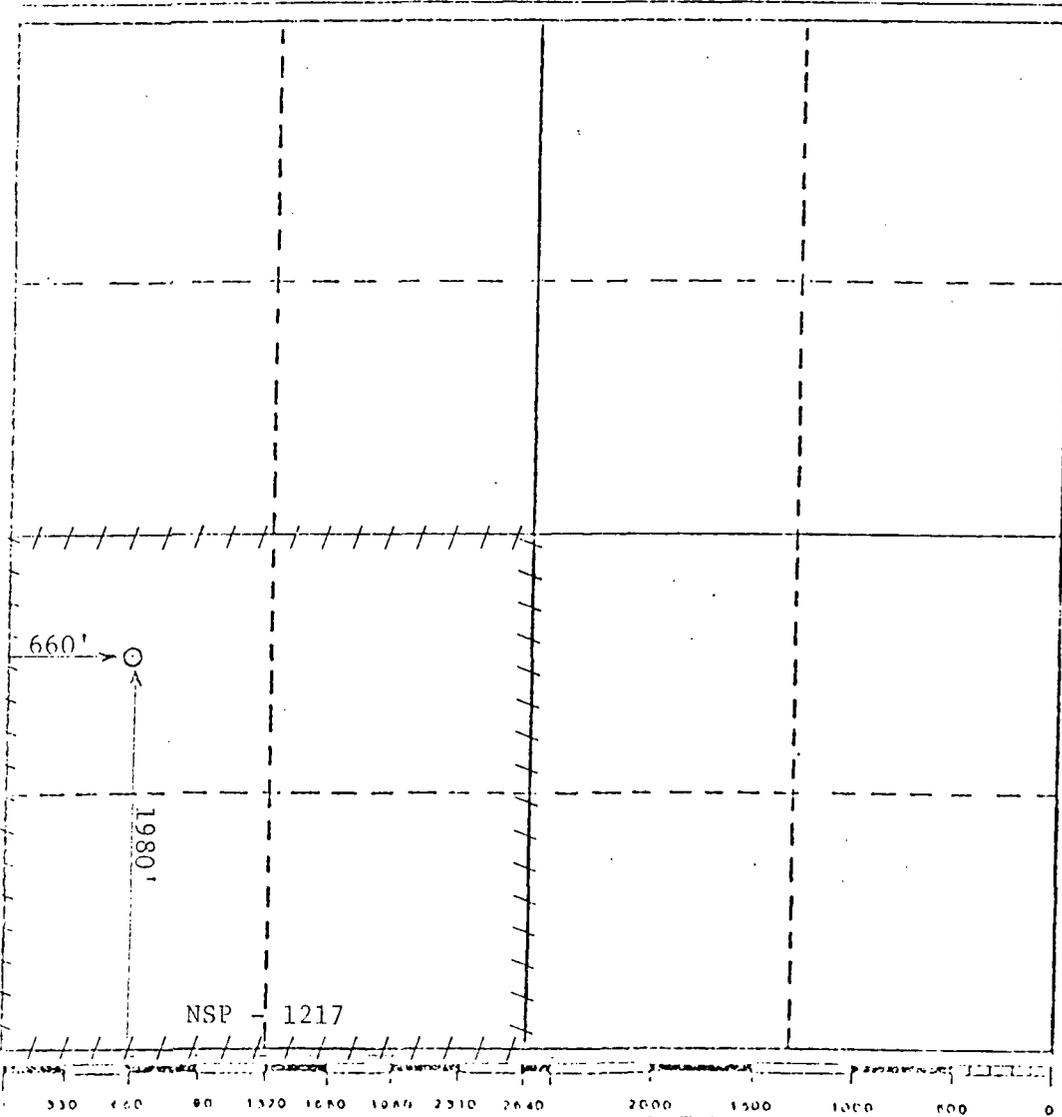
1980 feet from the South line and	660 feet from the West line
Ground Level Elev. 3325.8'	Producing Formation Yates Seven Rivers
Pool Jalmat Gas	Dedicated Acreage: 160 Acs

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests 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 interests, has been approved by the Division.



CERTIFICATION

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

Name: [Signature]
 Position: Dist Drlg Supt.
 Company: ARCO Oil & Gas Company
 Division: Division of Atlantic Richfield
 Date: 12/8/80

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 location is true and correct to the best of my knowledge and belief.

Date Surveyed: _____

Registered Professional Engineer and/or Land Surveyor: [Signature]
received 1/26/81

Certificate No. Central Files

330 460 800 1320 1680 1980 2310 2640 2800 3100 3400 3700



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

OIL CONSERVATION DIVISION
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'92 OCT 9 PM 9 54

10-5-92

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

BRUCE KING
GOVERNOR

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

RE: Proposed:

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

Simultaneous dedication x

Gentlemen:

I have examined the application for the:

<i>Arco Oil & Gas Co.</i>	<i>E. L. Steeler</i>	<i>WN #4-7M</i>	<i>19-23-37</i>
Operator	Lease & Well No.	Unit	S-T-R

and my recommendations are as follows:

Not NSL for 160 ac

OK

Yours very truly,

Jerry Sexton
 Jerry Sexton
 Supervisor, District 1

/ed

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

OIL CONSERVATION DIVISION
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'92 NOV 9 AM 9 28



November 3, 1992

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

RE: Additional Information and Request for Approval
10/1/92 Application for Unorthodox Jalmat Gas Well Location & Simultaneous Dedication
E. L. Steeler WN #4
SW/4 Section 19, T23S, R37E, Lea County, NM
Jalmat (Tansill/Yates/Seven Rivers) Gas Pool

Dear Mr. LeMay:

ARCO Oil and Gas Company respectfully requested, by application to your office on 10/1/92, administrative approval for an unorthodox Jalmat gas well location for the E. L. Steeler WN #4 well located 660' FSL, 660' FWL, Section 19, T-23S, R-37E in Lea County, New Mexico. At the same time, ARCO requested simultaneous dedication of the Jalmat gas production from the E. L. Steeler WN #3 with the Jalmat gas production from the E. L. Steeler WN #4 well.

ARCO Oil and Gas Company notified the offset operators of that application by sending a copy of the application package, along with Waiver to Objection forms, by certified mail. Attached with this follow-up letter are copies of the certified mail receipts sent to all offset operators, showing that they have all received a copy of this application and have had more than 21 days to respond to either ARCO or the NMOCD. Also attached are copies of signed waiver forms from 4 of the offset operators, indicating that they have no objection to the proposed work. Since signed waivers have been received from 4 offset operators, and since all offset operators have received notice of ARCO's application by certified mail and have had sufficient time to respond to the application, and no offset operators have objected to this application, ARCO respectfully requests that the NMOCD grant prompt administrative approval of this request so that ARCO may perform the work in a timely manner.

If you need further information, please call me at (915) 688-5546.

Sincerely,

Kevin D. Renfro
Operations/Analytical Engineer

KDR:lrh

Attachments: Certified Mail Receipts _____
Offset Operator List _____

Waiver to Objection Forms _____

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
E. L. Steeler WN #4
and
Simultaneous Dedication of Jalmat Gas Production
E. L. Steeler WN #3 (existing)
E. L. Steeler WN #4 (new)
Jalmat Gas Pool
SW/4 Section 19, T23S, R37E
Lea County, New Mexico**

I/We do hereby waive any objection to ARCO Oil and Gas Company's request for NMOCAD Administrative Approval of an unorthodox well location for the E. L. Steeler WN #4, and simultaneous dedication of Jalmat gas production from the E. L. Steeler WN #3 to an existing 160-acre proration unit.

Signed:

Title:

Company:

Date:

Nick Hood
DIVISION ENGINEER
SAMERAN OIL CORP.
5 OCT 92

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**

E. L. Steeler WN #4

and

Simultaneous Dedication of Jalmat Gas Production

E. L. Steeler WN #3 (existing)

E. L. Steeler WN #4 (new)

Jalmat Gas Pool

SW/4 Section 19, T23S, R37E

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 E. L. Steeler WN #4, and simultaneous dedication of Jalmat gas production from the E. L. Steeler WN #3 to an existing 160-acre proration unit.

Signed:

William H. Perhart

Title:

PRESIDENT

Company:

PENROC OIL CORP.

Date:

10/7/92

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
E. L. Steeler WN #4**

and

Simultaneous Dedication of Jalmat Gas Production

E. L. Steeler WN #3 (existing)

E. L. Steeler WN #4 (new)

Jalmat Gas Pool

SW/4 Section 19, T23S, R37E

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 E. L. Steeler WN #4, and simultaneous dedication of Jalmat gas production from the E. L. Steeler WN #3 to an existing 160-acre proration unit.

Signed:

Title:

Company:

Date:

James L. Evans
Owner-Operator
JAMES L. EVANS
10-5-92

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
E. L. Steeler WN #4**

and

Simultaneous Dedication of Jalmat Gas Production

E. L. Steeler WN #3 (existing)

E. L. Steeler WN #4 (new)

Jalmat Gas Pool

SW/4 Section 19, T23S, R37E

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 E. L. Steeler WN #4, and simultaneous dedication of Jalmat gas production from the E. L. Steeler WN #3 to an existing 160-acre proration unit.

Signed:

Title:

Company:

Date:



Prod. Supt.

Clayton W. Williams, Jr., Inc.

10-20-92

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece next to the article number.

I also wish to receive the following services (for an extra fee):

1. Addressee's Address

2. Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
Lewis B. Burluson, Inc.
P. O. Box 2479
Midland, Texas 79702

4a. Article Number
P 322 156 934

4b. Service Type
 Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

7. Date of Delivery
10-5-92

5. Signature (Addressee)
Marion Beave

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, October 1990 U.S. GPO: 1990-273-861 **DOMESTIC RETURN RECEIPT**

Stealer #4

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece next to the article number.

I also wish to receive the following services (for an extra fee):

1. Addressee's Address

2. Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
James L. Evans
P. O. Box 1029
1703 Avenue "O"
Eunice, New Mexico 88231

4a. Article Number
P 322 151 726

4b. Service Type
 Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

7. Date of Delivery
10-5-92

5. Signature (Addressee)
James L. Evans

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, October 1990 U.S. GPO: 1990-273-861 **DOMESTIC RETURN RECEIPT**

Stealer #4

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece next to the article number.

I also wish to receive the following services (for an extra fee):

1. Addressee's Address

2. Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
Penroc Oil Corp.
P. O. Box 5970
Hobbs, New Mexico 88241

4a. Article Number
P 322 151 930

4b. Service Type
 Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

7. Date of Delivery

5. Signature (Addressee)
10-5-92

6. Signature (Agent)
Betty Kovehart

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, October 1990 U.S. GPO: 1990-273-861 **DOMESTIC RETURN RECEIPT**

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece next to the article number.

- I also wish to receive the following services (for an extra fee):
- Addressee's Address
 - Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Conoco, Inc.
 Attn: J. W. Hoover
 10 Desta Drive, Suite 100W
 Midland, Texas 79705-4500

4a. Article Number
 P 322 151 935

4b. Service Type
 Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

7. Date of Delivery
 OCT. 7 1992

5. Signature (Addressee)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature (Agent)
Unita Gonzales

- Steeler # 4*
- SENDER:**
- Complete items 1 and/or 2 for additional services.
 - Complete items 3, and 4a & b.
 - Print your name and address on the reverse of this form so that we can return this card to you.
 - Attach this form to the front of the mailpiece, or on the back if space does not permit.
 - Write "Return Receipt Requested" on the mailpiece next to the article number.

- I also wish to receive the following services (for an extra fee):
- Addressee's Address
 - Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Samedan Oil Corporation
 10 Desta Drive, Suite #240-E
 Midland, Texas 79705

4a. Article Number
 P 322 151 931

4b. Service Type
 Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

7. Date of Delivery
 OCT 5 1992

5. Signature (Addressee)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature (Agent)
[Signature]

- Steeler # 4*
- SENDER:**
- Complete items 1 and/or 2 for additional services.
 - Complete items 3, and 4a & b.
 - Print your name and address on the reverse of this form so that we can return this card to you.
 - Attach this form to the front of the mailpiece, or on the back if space does not permit.
 - Write "Return Receipt Requested" on the mailpiece next to the article number.

- I also wish to receive the following services (for an extra fee):
- Addressee's Address
 - Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

Meridian Oil Inc.
 Attn: Connie L. Malik
 P. O. Box 51810
 Midland, Texas 79710-1810

4a. Article Number
 P 322 151 936

4b. Service Type
 Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

7. Date of Delivery
 OCT. 5 1992

5. Signature (Addressee)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature (Agent)
[Signature]

Sticker #4
SENDER

- Complete items 1 and/or 2 for additional services.
- Complete items 3 and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece next to the article number.

I also wish to receive the following services (for an extra fee):

- 1 Addressee's Address
- 2 Restricted Delivery

Consult postmaster for fee.

3 Article Addressed to:

Clayton W. Williams, Jr.
Attn: Matt Swierc
6 Desta Drive, Suite 3000
Midland, Texas 79705

4a Article Number

P 322 151 937

4b Service Type

- Registered Insured
- Certified COD
- Express Mail Return/Receipt for Merchandise

7 Date of Delivery

10/15

5 Signature (Addressee)

Laura Verette

6 Signature (Agent)

8 Addressee's Address (Only if requested and fee is paid)