

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

NEW MEXICO OIL CONSERVATION DIVISION
RECEIVED



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September 20, 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: Application to Establish a Non Standard 80-acre Eumont Gas Proration Unit
State "P" #3
E/2 NW/4 of Section 25, T-20S, R-36E, Lea County, New Mexico
Eumont (Yates/Seven Rivers/Queen) Gas Pool

Dear Mr. LeMay / Mr. Sexton:

ARCO Oil and Gas Company respectfully requests administrative approval to establish a non-standard 80-acre Eumont gas proration unit, which consists of the E/2 NW/4 of Section 25, T-20S, R-36E, Lea County, New Mexico. ARCO plans to drill the State "P" #3, at a location 990' FNL and 1980' FWL, and dedicate it to this proration unit. The location of the State "P" #3 is a standard location for this proration unit. At one time, this 80-acres was part of a 160-acre proration unit established by Order NSP-347A with the State "H" Com Well #1 dedicated to it. The State "H" Com Well #1 last produced from the Eumont in November 1977. Thus, the 160-acre proration unit was abandoned.

Attached is a C-102 form identifying the configuration of the subject 80-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 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 Eumont 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

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

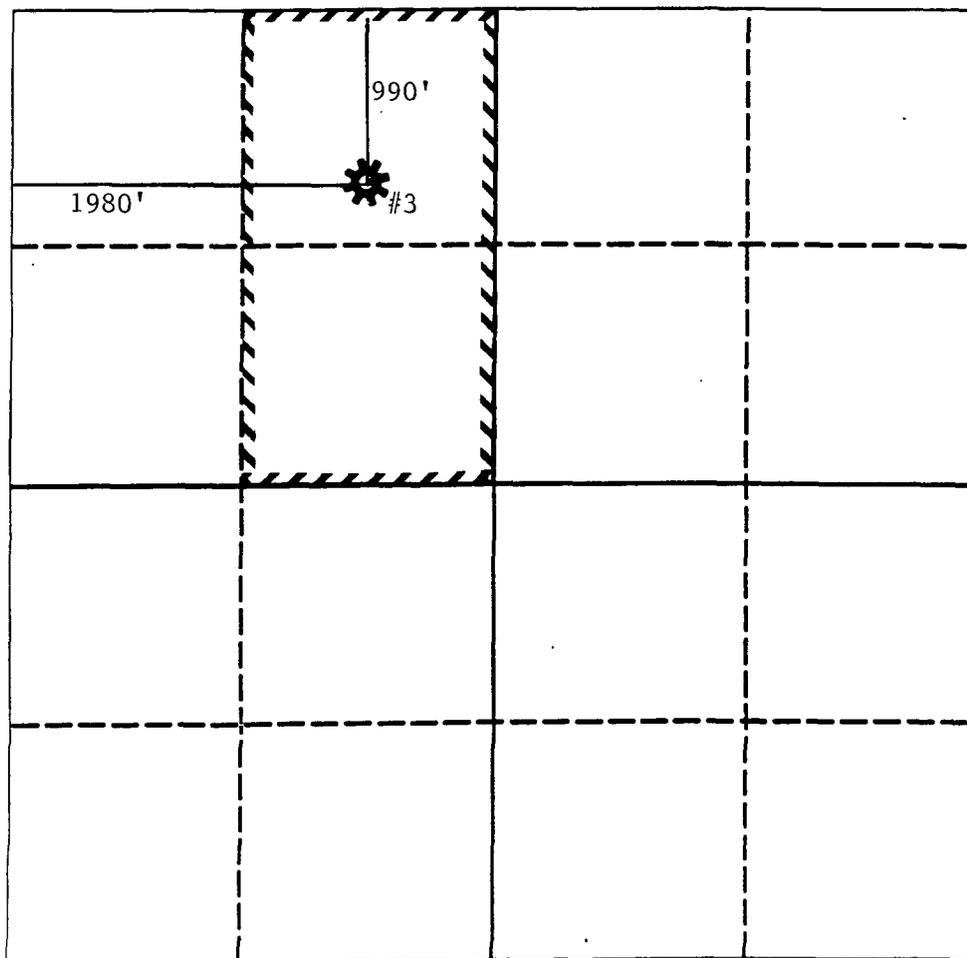
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator ARCO OIL AND GAS COMPANY			Lease STATE "P"			Well No. #3		
Unit Letter C	Section 25	Township 20S	Range 36E	County NMPM	LEA			
Actual Footage Location of Well: 990 feet from the - NORTH line and 1980 feet from the WEST line								
Ground level Elev. 3539'	Producing Formation YATES/7-RIVERS/QUEEN			Pool EUMONT		Dedicated Acreage: 80 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 E. Gilson
Printed Name
EVELYN E. GILSON
Position
ENGINEERING TECHNICIAN
Company
ARCO OIL AND GAS COMPANY
Date
AUGUST 31, 1993

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes or 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.



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 to establish a non-standard
80-acre Eumont gas proration unit
State "P" #3
Eumont Gas Pool
Section 25, T20S, R36E
Lea County, New Mexico**

I/We do hereby waive any objection to ARCO Oil and Gas Company's request for NMOCD Administrative Approval to establish a non-standard 80-acre Eumont gas proration unit and dedicate the State "P" #3 to it.

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