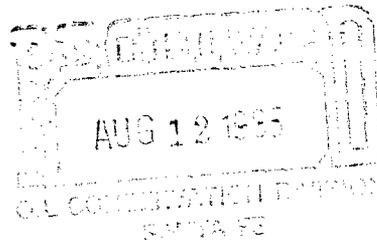
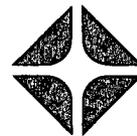


Release September 26, 1985
Last offset operator notified and warned
ARCO Oil and Gas Company *revised.*
Permian District
Post Office Box 1610
Midland, Texas 79702
Telephone 915 684 0100

By DEC



August 7, 1985

*NSP-1468
RUE-104 D II*

Mr. Richard D. Stamets
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Dear Mr. Stamets:

Non-Standard Proration Unit

W. B. Guthrie WN #3

Unit J, Sec 34-T23S-R36E

Jalmat (Tansill-Yates-7R) Gas Pool
Lea County, New Mexico

*160 Acre -
SE 1/4 Sec 34.*

ARCO Oil and Gas Company respectfully submits this request for administrative approval under the provisions of Rule 104-D-II to establish a 160 acre non-standard proration unit for the subject well. This well is located 1980' FSL and 1980' FEL in Sec 34-23S-36E of Lea County, New Mexico on a 160 acre lease.

The W. B. Guthrie WN #3 was drilled in 1980 as a Jalmat (Tansill-Yates-Seven Rivers) oil well. The well has reached an uneconomic rate, and we are adding perforations in the Yates and Seven Rivers. We anticipate that this will result in the well being re-classified as a gas well which would fall in the Jalmat (Tansill-Yates-Seven Rivers) Prorated Gas Field.

ARCO Oil and Gas 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.

The attached map and Form C-102 identifies the location of the W. B. Guthrie WN #3, the dedicated acreage, and the offset wells. Offset operators have been notified of this request via registered mail. Thank you for your consideration.

Yours very truly,

D. C. Douglas
Acting District Engineer

DCD:CWE:kb

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

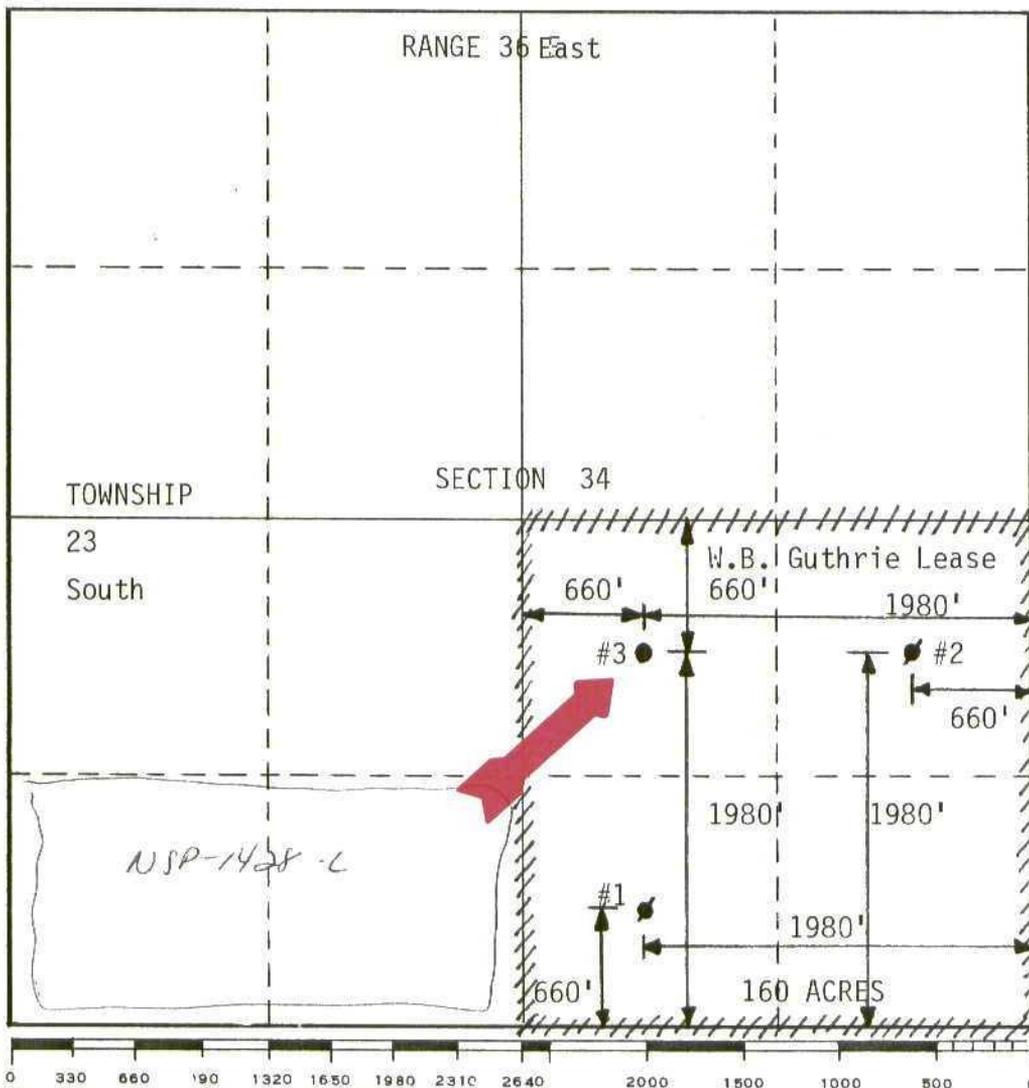
All distances must be from the outer boundaries of the Section.

| | | | | | | | | |
|--------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|------------------------|----------------------------------|-------------------------------|----------------------------------------|----------------------|--|--|
| Operator ARCO Oil & Gas Co. | | | Lease W. B. Guthrie WN | | | Well No. 3 | | |
| Unit Letter J | Section 34 | Township 23S | Range 36E | County Lea | | | | |
| Actual Footage Location of Well: 1980 feet from the south line and 1980 feet from the East line | | | | | | | | |
| Ground Level Elev. 3382' | Producing Formation Yates Seven Rivers | | | Pool Jalmat Pro Gas | Dedicated Acreage: 160 Acres | | | |

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? **NA**
- 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 Commission.



CERTIFICATION

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

Cindy Ellis

Name: **Cindy Ellis**

Position: **Engineer**

Company: **ARCO Oil & Gas**

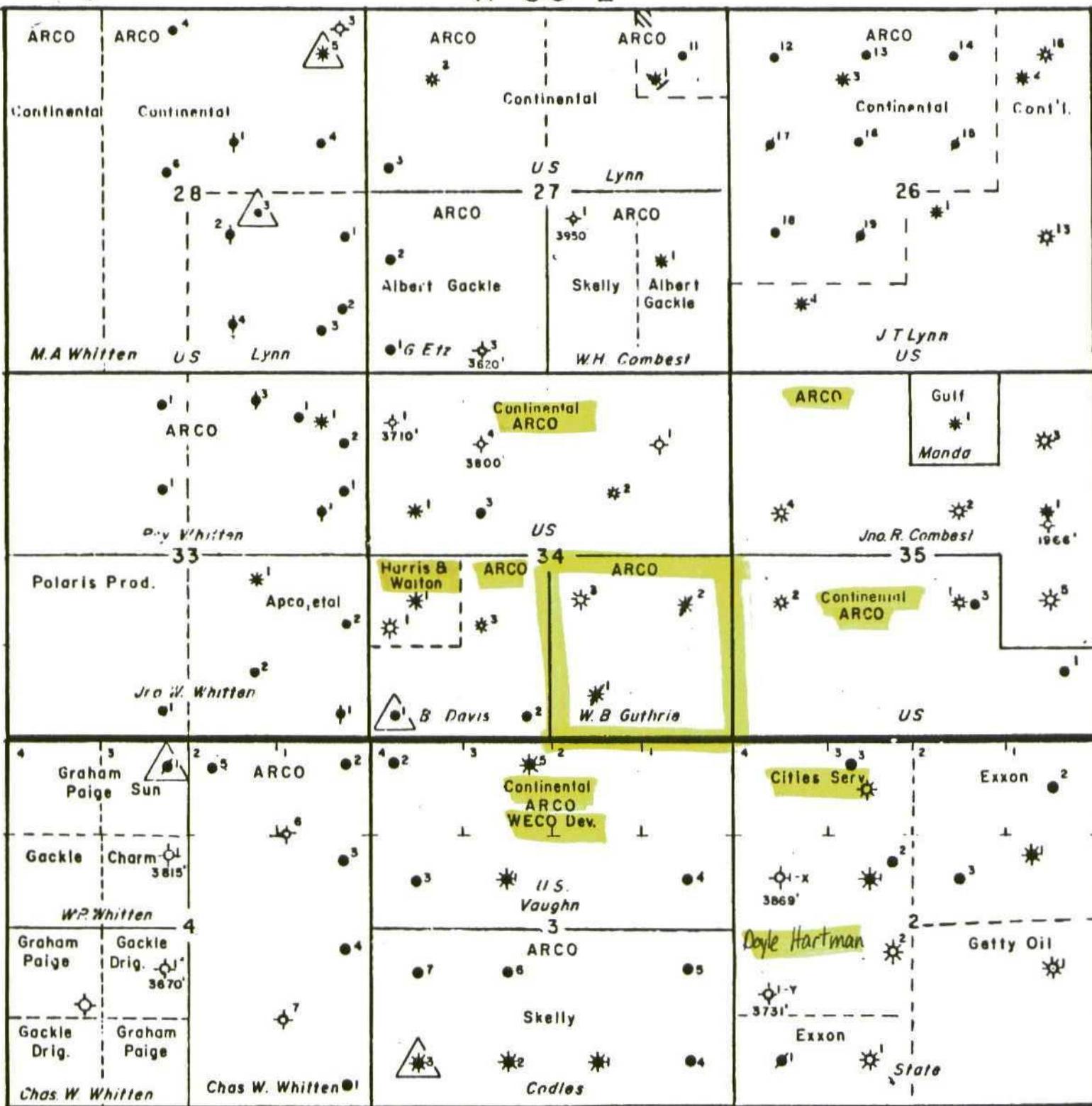
Date: **8/7/85**

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: _____

Registered Professional Engineer and/or Land Surveyor

Certificate No. _____



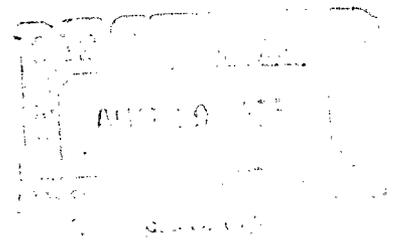
ARCO Oil and Gas Company 
ARCO OIL AND GAS COMPANY
 Permian District Midland, Texas

W. B. Guthrie # 3
Jal Mat Pro. Gas
 Lea Co., New Mexico

SCALE: 1" = 2000'

| | | |
|-----------------|------------|--------------|
| By: Cindy Ellis | Drawn By: | Date: 5 - 84 |
| Rev. by: R.W. | Date: 3/85 | |
| WEST AREA ENGR. | Doc. #: | |

ARCO Oil and Gas Company
Permian District
Post Office Box 1610
Midland, Texas 79702
Telephone 915 684 0100



*Copies to:
Lea File "AS" Stamp
ARCO
NMOC@ Santa Fe*

August 7, 1985

CERTIFIED MAIL
RETURN RECEIPT
REQUESTED

OFFSET OPERATORS
W. B. GUTHRIE WN LEASE

Gentlemen:

Notification of Non-Standard Proration Unit
W. B. Guthrie WN #3, 1980' FSL & 1980' FEL,
Sec 34-23S-36E, Jalmat (Tansill Yates 7R) Gas
Lea County, New Mexico

In accordance with New Mexico Oil Conservation Division regulations, you are hereby notified of ARCO Oil and Gas Company's application for a 160 acre nonstandard proration unit for the W. B. Guthrie WN #3. Attached is a plat designating the acreage. We are currently working over the well, which has been a Jalmat oil well, and expect that the well will be re-classified as a Jalmat gas well.

Yours Very Truly,

David C. Douglas
Acting District Engineer
DCD:CWE:kb

Please consider this as our approval of your proposed 160-acre Proration Unit for your W.B. Guthrie "WN" No. 3.

RECEIVED
DC DISTRICT ENGINEER

*Duff Platt
8/13/85*

AUG 12 1985

W. B. Guthrie WN #3
OFFSET OPERATORS

Conoco, Inc.
P. O. Box 460
Hobbs, New Mexico 88240

Cities Service Oil & Gas Corp.
P. O. Box 1919
Midland, TX 79702

Doyle Hartman
500 N. Main
Midland, TX 79701

Worldwide Energy Corp.
1700 Lincoln, Suite 4400
Denver, Colorado 80203
Attn: Bud Hurley

SEP 13 1985

September 13, 1985

Mr. Richard D. Stamets
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

I waive any objection to the request by ARCO Oil and Gas Company for a 160 acre non-standard proration unit in the SE/4 Section 34, T23S, R36E, Lea County, New Mexico to be dedicated to their W. B. Guthrie WN #3 in the Jalmat Gas Pool. I have also received a copy of their application dated August 7, 1985.

By: H. R. Harris, Partner

Harris & Walton
P. O. Box 187
Midland TX 79702