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



March 18, 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: NSP-1544

Application for Unorthodox Jalmat Gas Well Location & Simultaneous Dedication H. S. Record WN #3 S/2 Section 10, T22S, R36E, Lea County, NM 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 H. S. Record WN #3, located 1980' FSL, 660' FWL, Section 10, T-22S, R-36E in Lea County, New Mexico. The H. S. Record WN #3 is a Eunice Seven Rivers Queen South 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 H. S. Record WN #1, #2, and #6 with the Jalmat gas production from the H. S. Record WN #3 well. The H. S. Record WN #1, #2, and #6 are Jalmat gas wells currently dedicated to an existing 320-acre proration unit (NSP-1544) comprised of the S/2 of Section 10, T-22S, R-36E.

Attached are C-102 forms identifying for the proposed configuration of the subject 320-acre Jalmat 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 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,

Y. Mewell

David K. Newell Sr. Operations/Analytical Engineer DKN:Irh cc: J. Cogburn - Hobbs Attachments

ARCO OIL AND GAS COMPANY Application for an Unorthodox Jalmat Gas Well Location H. S. Record WN #3

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Simultaneous Dedication of Jalmat Gas Production H. S. Record WN #1, #2, and #6 (existing) H. S. Record WN #3 (new) Jalmat Gas Pool S/2 Section 10, T22S, R36E Lea County, New Mexico

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OFFSET OPERATORS

Chevron, USA Clayton Williams, Jr. Marathon Oil Meridian Oil Offset Operators:

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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 stamped, 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 H. S. Record WN #3 and Simultaneous Dedication of Jalmat Gas Production H. S. Record WN #1, #2, and #6 (existing) H. S. Record WN #3 (new) Jalmat Gas Pool S/2 Section 10, T22S, R36E, Lea County, NM 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 H. S. Record WN #3, and simultaneous dedication of Jalmat gas production from the H. S. Record WN #1, #2, #3 and #6 to an existing 320-acre proration unit.

Signed:	•	 	
Title:		 	
Company:		 	
Date:		 <u>.</u>	

Submit to Appropriate Distnet Office State Lease - 4 copies Fee Lease - 3 copies

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DISTRICT I 2.0. Box 1980, Hobbs, NM 88240

DISTRICT II 2.0. Drawer DD, Artesia, NM 88210

DISTRICT III

State of New Mexico Energy, Minerais and Natural Resources Department

Form C.102 Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1000 Rio Brazos Rd., Aztec, NM 87410 All Distances must be from the outer boundaries of the section Operator Vell No. ARCO OIL AND GAS COMPANY H. S. RECORD WN #2 Unit Letter Range County Township Section T-22S Μ R-36E LEA 10 NMPM | Actual Footage Location of Well: 560 SOUTH 660 WEST feet from the feet from the line and line Ground level Elev. Pont Producing Formation Dedicated Acreage: 3553' TANSILL/YATES/7-RIVERS JALMAT GAS 320 Acres 1. Outline the acreage dedicated to the subject well by colored peacil or hachine 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 sease of different ownerantp is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.? No Yes If answer is "yes" type of consolidation If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse ade of this form if neccessary. No allowable will be assigned to the well untit all interests have been consolidated (by communitization, unitization, instigation, 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 in true and complete to the best of my knowledge and belief. Signature Ewel 100 Printed Name E. E. GILSON Poguos SECTION 10 ENGINEERING TECHNICIAN T-22S Company R-36E ARCO_OIL AND GAS COMPANY Date MARCH 22, 1993 SURVEYOR CERTIFICATION H. S. Record Lease I hereby certify that the well location shown? on this plat was plotted from field notes of actual surveys made by me or unaer mys 660' #3 #6 2055' supervison, and that the same is true and t correct to the best of my knowledge and helief Date Surveyed 1420' Signature & Seal of Professional Surveyor 990'

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Certificate No.

Submit to Appropriate District Office State Lease - 4 copies Fee Lease - 3 copies

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

DISTRICT II P.O. Drawer DD, Artesia, NM 88210

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

State of New Mexico Energy, Minerais and Natural Resources Department

Form C-102 Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

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ARCO OIL AND GAS COMPANY			H. S. RECORD WN				#6			
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Submit to Appropriate District Office State Lease - 4 copies Fee Lease - 3 copies

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DISTRICT I 2.0. Box 1980, Hobbs, NM 88240

DISTRICT II 2.0. Drawer DD, Artesia, NM 88210

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

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Form C-102 Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

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

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State of New Mexico Energy, Minerais and Natural Resources Department

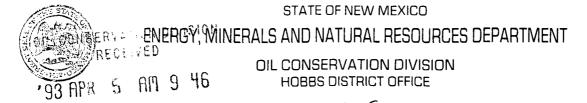
Form C-102 Revised 1-1-89

OIL CONSERVATION DIVISION P.O. Box 2088

Santa Fe. New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section Operator Lesse Well No. #1 H. S. RECORD WN ARCO OIL AND GAS COMPANY Unit Letter Section Township Range County R-36E Р T-22S LEA 10 NMPM Actual Footage Location of Well: 990 990 EAST SOUTH feet from the feet from the line and line Ground level Elev. Producing Formation Pool Dedicated Acreage: 320 3553' JALMAT GAS TANSILL/YATES/7-RIVERS Acres 1. Outline the acreage dedicated to the subject well by colored pencil or hachare 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 interest of all owners been consolidated by communitization, unitization, force-pooling, etc.? No Yes 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 neconserv. 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 in true and complete to the best of my knowledge and belief. Signature Enpl Printed Name E. E. GILSON Popular SECTION 10 ENGINEERING TECHNICIAN T-22S Company R-36E ARCO OIL AND GAS COMPANY Date MARCH 22, 1993 SURVEYOR CERTIFICATION H. S. RECORD LEASE I hereby certify that the well location shown't on this plat was plotted from field notes of actual surveys made by me or under my 2055' 660 #3 supervison, and that the same is true and correct to the best of my knowledge and belief. Date Surveyed 1420' Signature & Seal of Professional Surveyor 990' 1980' 660' #2 1990 560 Certificate No.



4-1-93

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

BRUCE K	ING
GOVERNI	DR

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

RE: Proposed:

MC	
DHC	
NSL X	YSP
NSP	
SWD	
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Gentlemen:

I have examined the application for the:

<u>H.S. Recard WN # 3-2 10-20-36</u> se & Well No. Unit S-T-R 1 Das Co. Nil Operator Lease

and my recommendations are as follows:

OK

Yours very truly Verry Sexton

Supervisor, District 1

/ed