

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 recompleat 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.

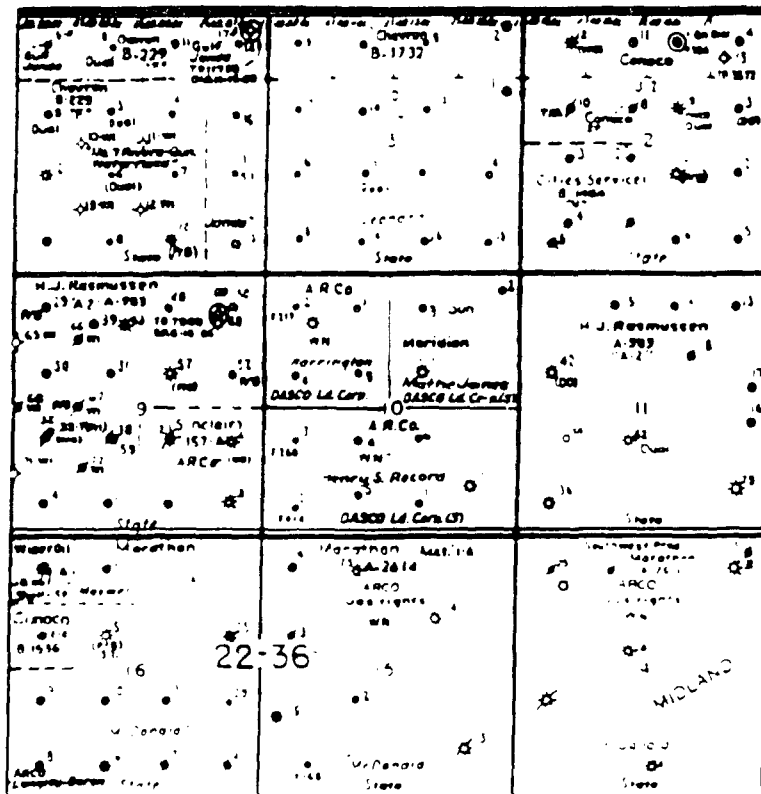
ARCO Oil and Gas Company is notifying the offset operators of this application by sending a copy of this application package, along with waiver to objection forms, by certified mail. If you need further information, please call me at (915) 688-5446.

Sincerely,

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

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

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



OFFSET OPERATORS

Chevron, USA
Clayton Williams, Jr.
Marathon Oil
Meridian Oil

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 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: _____

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

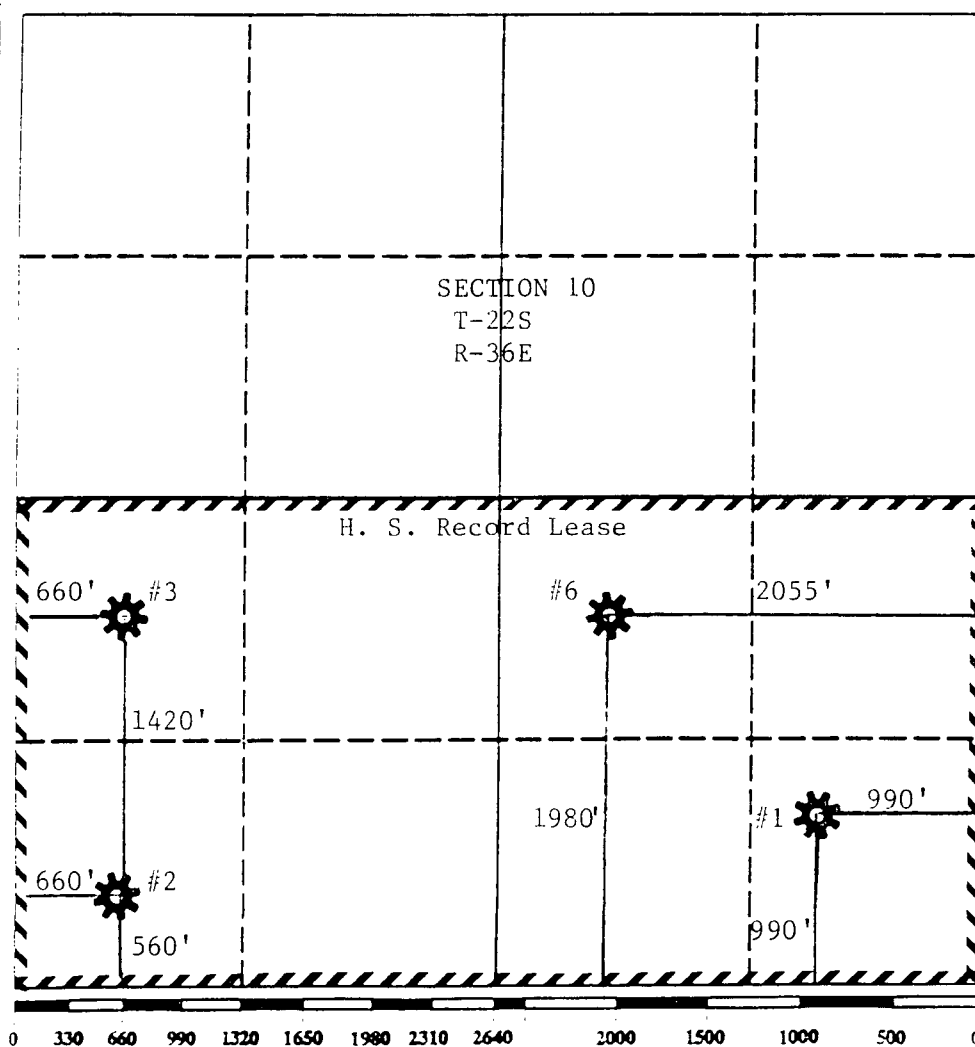
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator ARCO OIL AND GAS COMPANY			Lease H. S. RECORD WN		Well No. #2
Unit Letter M	Section 10	Township T-22S	Range R-36E	County NMPM	LEA
Actual Footage Location of Well: 560 feet from the SOUTH line and 660 feet from the WEST line					
Ground level Elev. 3553'	Producing Formation TANSILL/YATES/7-RIVERS		Pool JALMAT GAS	Dedicated Acreage: 320 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

E. E. GILSON

Position

ENGINEERING TECHNICIAN

Company

ARCO OIL AND GAS COMPANY

Date

MARCH 22, 1993

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.

Submit to Appropriate
District Office
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State of New Mexico
Energy, Minerals and Natural Resources Department

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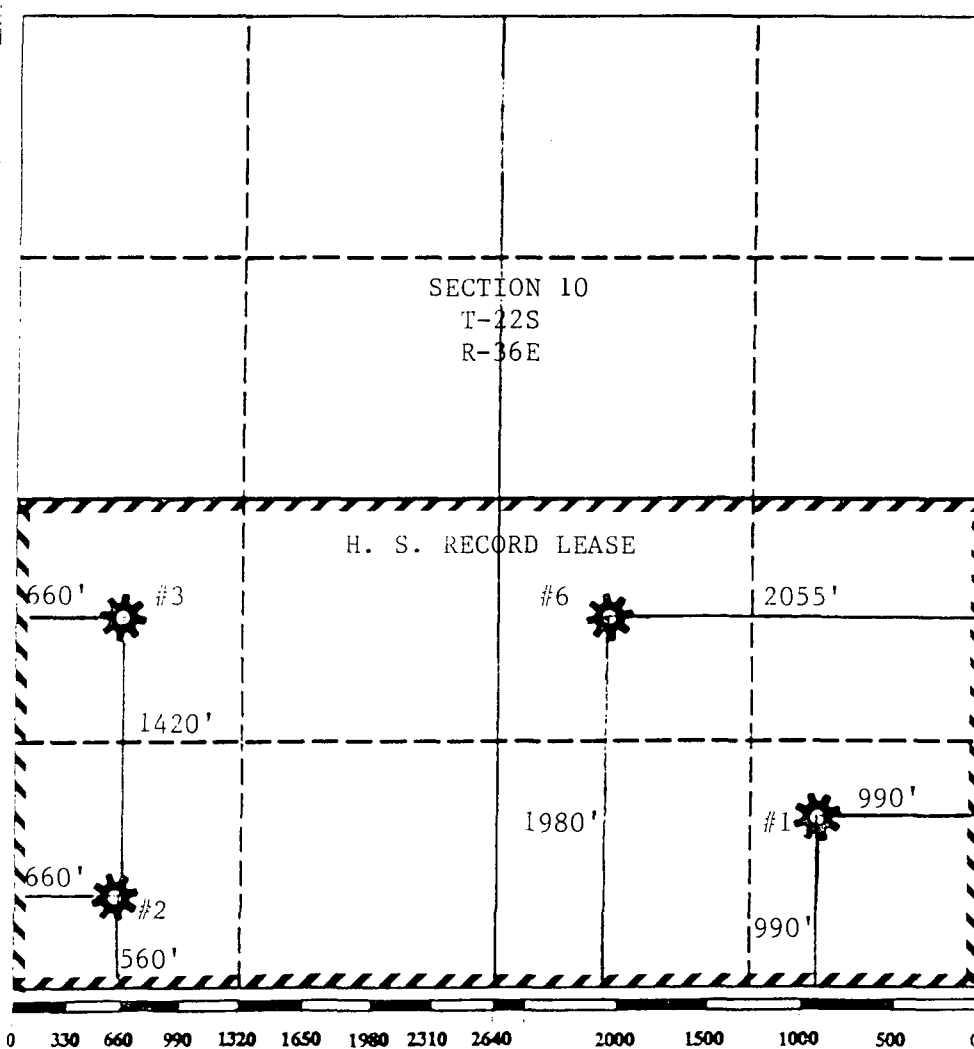
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator			Lease		Well No.
ARCO OIL AND GAS COMPANY			H. S. RECORD WN		#6
Unit Letter	Section	Township	Range	County	
J	10	T-22S	R-36E	NMPM	LEA
Actual Footage Location of Well:					
1980	feet from the	SOUTH	line and	2055	feet from the
Ground level Elev.		Producing Formation	Pool	Dedicated Acreage:	
3549'		TANSILL/YATES/7-RIVERS	JALMAT GAS	320 Acres	

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Printed Name

E. E. GILSON

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Company

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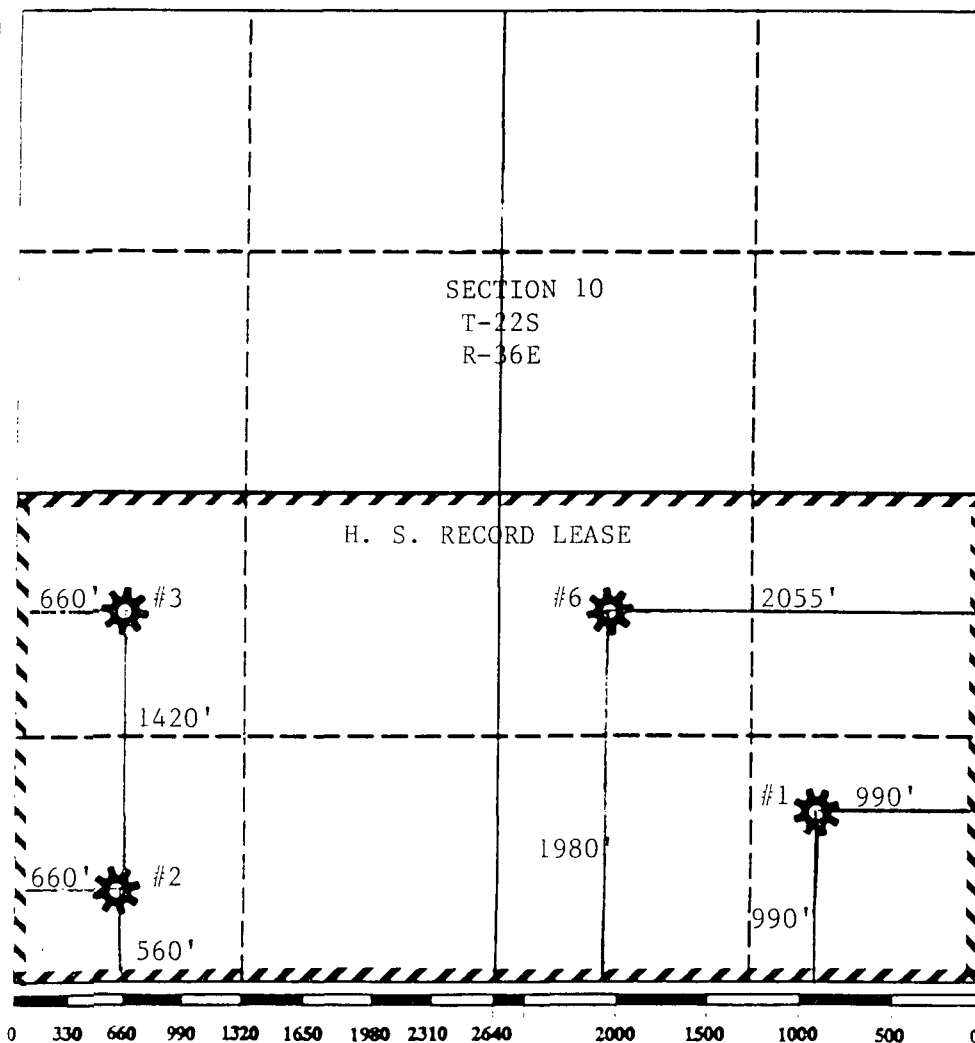
DISTRICT III
3000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator ARCO OIL AND GAS COMPANY			Lease H. S. RECORD WN		Well No. #3
Unit Letter L	Section 10	Township T-22S	Range R-36E	County NMPM LEA	
Actual Footage Location of Well: 1980 feet from the SOUTH line and 660 feet from the WEST line					
Ground level Elev. 3548'		Producing Formation TANSILL/YATES/7-RIVERS		Pool JALMAT GAS	Dedicated Acreage: 320 Acres

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Signature

E. E. Gilson

Printed Name

E. E. GILSON

Position

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Company

ARCO OIL AND GAS COMPANY

Date

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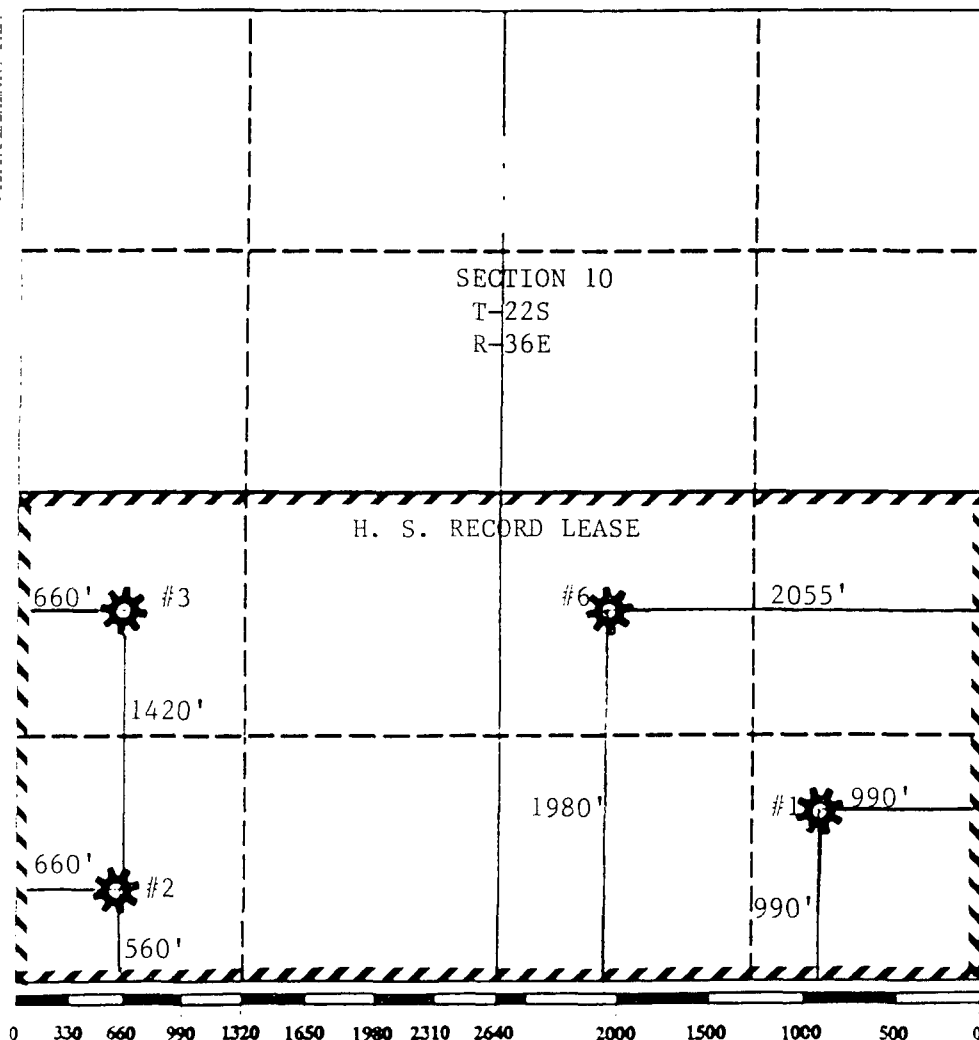
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator ARCO OIL AND GAS COMPANY			Lease H. S. RECORD WN		Well No. #1		
Unit Letter P	Section 10	Township T-22S	Range R-36E	County NMPM	LEA		
Actual Footage Location of Well:							
990	feet from the	SOUTH	line and	990	feet from the	EAST	line
Ground level Elev.		Producing Formation		Pool		Dedicated Acreage:	
3553'		TANSILL/YATES/7-RIVERS		JALMAT GAS		320 Acres	

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E. E. GILSON

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Company

ARCO OIL AND GAS COMPANY

Date

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Date Surveyed

Signature & Seal of
Professional Surveyor

Certificate No.



'93 APR 5 AM 9 46

BRUCE KING
GOVERNOR

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

4-1-93

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:

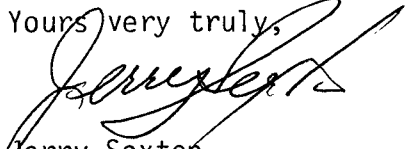
I have examined the application for the:

Arco Oil & Gas Co. H.S. Record WN # 3-L 10-20-36
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK

Yours very truly,


Jerry Sexton
Supervisor, District 1

/ed