

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

OIL CONSERVATION DIVISION
RECEIVED

'93 JUN 17 AM 9 04



June 14, 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: R-5323
Application for Unorthodox Eumont Gas Well Location & Simultaneous Dedication
State 176 #5 and State 176 #7
N/2 NW/4, SE/4 NW/4, and W/2 E/2 of
Section 19, T-21S, R-36E, Lea County, NM
Eumont (Yates/Seven Rivers/Queen) Gas Pool

Dear Mr. LeMay / Mr. Sexton:

ARCO Oil and Gas Company respectfully requests administrative approval for an unorthodox Eumont gas well location for the State 176 #5 and State 176 #7, located 990' FNL, 330' FWL and 1650' FNL, 1650' FWL, respectively, in Section 19, T-21S, R-36E, Lea County, New Mexico. The State 176 #5 was a Eumont oil well which ARCO worked over earlier this year and its GOR has changed to a gas well. The State 176 #7 is a Eumont oil well which ARCO is preparing to workover, and expects its GOR to also change to a gas well. At the same time, ARCO requests simultaneous dedication of the Eumont gas production from the State 176 #3, #4, and #6 with the Eumont gas production from the State 176 #5 and State 176 #7 wells. The State 176 #3, #4, and #6 are Eumont gas wells currently dedicated to an existing 275-acre proration unit (R-5323) located in Section 19, T-21S, R-36E.

Attached are C-102 forms identifying the configuration of the subject 275-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.

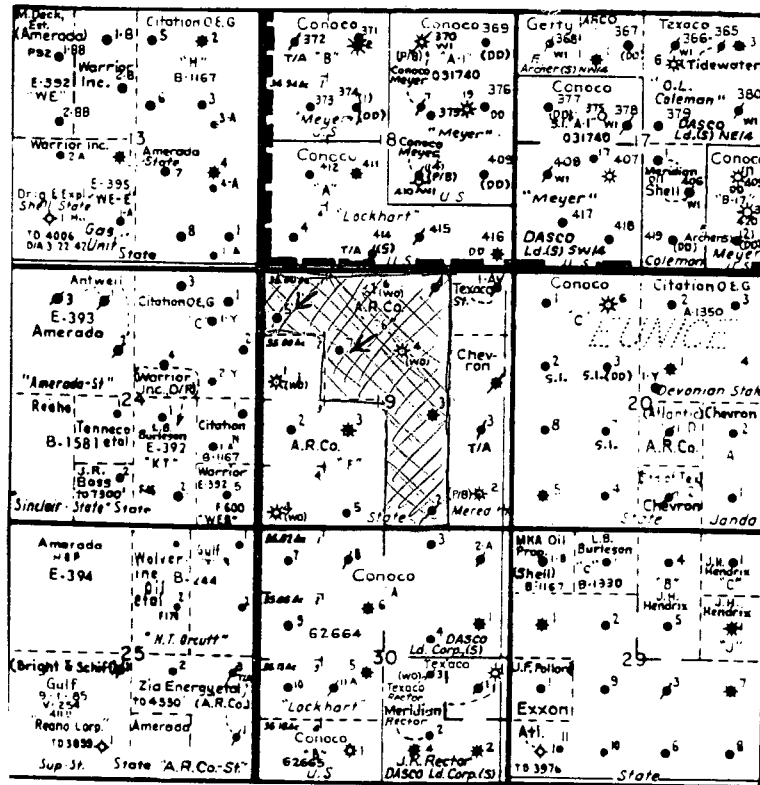
ARCO Oil and Gas Company is notifying the offset operators of this application by sending a copy of this application package, along with waiver to objection forms, by certified mail. If you need further information, please call me at (915) 688-5446.

Sincerely,

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

ARCO OIL AND GAS COMPANY
Application for an
Unorthodox Eumont Gas Well Location
State 176 #5 and State 176 #7

Simultaneous Dedication of Eumont Gas Production
State 176 #3, #4, and #6 (existing)
State 176 #5 and #7 (new)
Eumont Gas Pool
Section 19, T-21S, R-36E
Lea County, New Mexico



OFFSET OPERATORS

Chevron USA, Inc.
Citation Oil and Gas Corporation
Conoco Inc.

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 Eumont Gas Well Location
State 176 #5 and State 176 #7
and
Simultaneous Dedication of Eumont Gas Production
State 176 #3, #4, and #6 (existing)
State 176 #5 and #7 (new)
Eumont Gas Pool
Section 19, T21S, R36E
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 State 176 #5 and State 176 #7, and simultaneous dedication of Eumont gas production from the State 176 #3, #4, #5, #6 and #7 to an existing 275-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

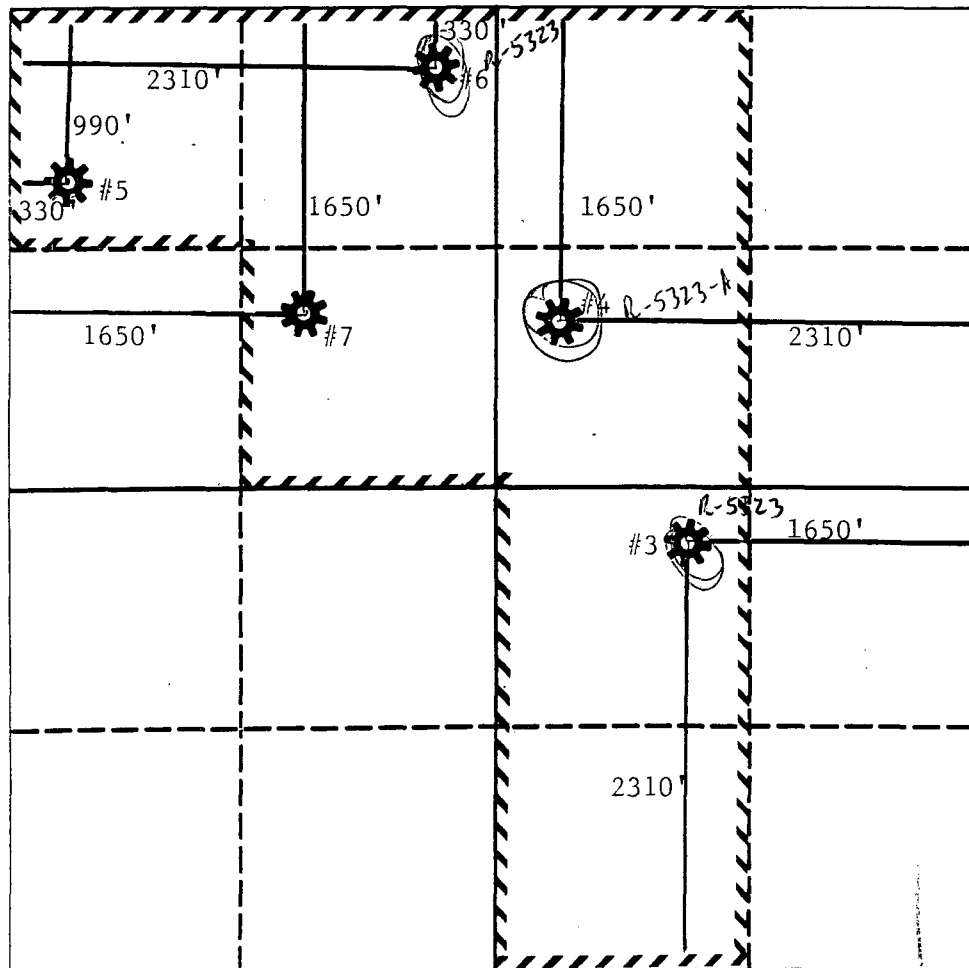
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator ARCO OIL AND GAS COMPANY			Lease STATE 176		Well No. #3
Unit Letter J	Section 19	Township 21S	Range 36E	County NMPM	LEA
Actual Footage Location of Well:					
2310 feet from the SOUTH line and		1650 feet from the EAST line			
Ground level Elev. 3597'	Producing Formation YATES/7-RIVERS/QUEEN		Pool ELMONT	Dedicated Acreage: 275 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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.?
☐ 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

JUNE 14, 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
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
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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 STATE 176		Well No. #4
Unit Letter G	Section 19	Township 21S	Range 36E	County NMPM	LEA
Actual Footage Location of Well: 1650 feet from the NORTH line and 2310 feet from the WEST line					
Ground level Elev. 3645'		Producing Formation YATES/7-RIVERS/QUEEN		Pool EUMONT	
				Dedicated Acreage: 275 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).

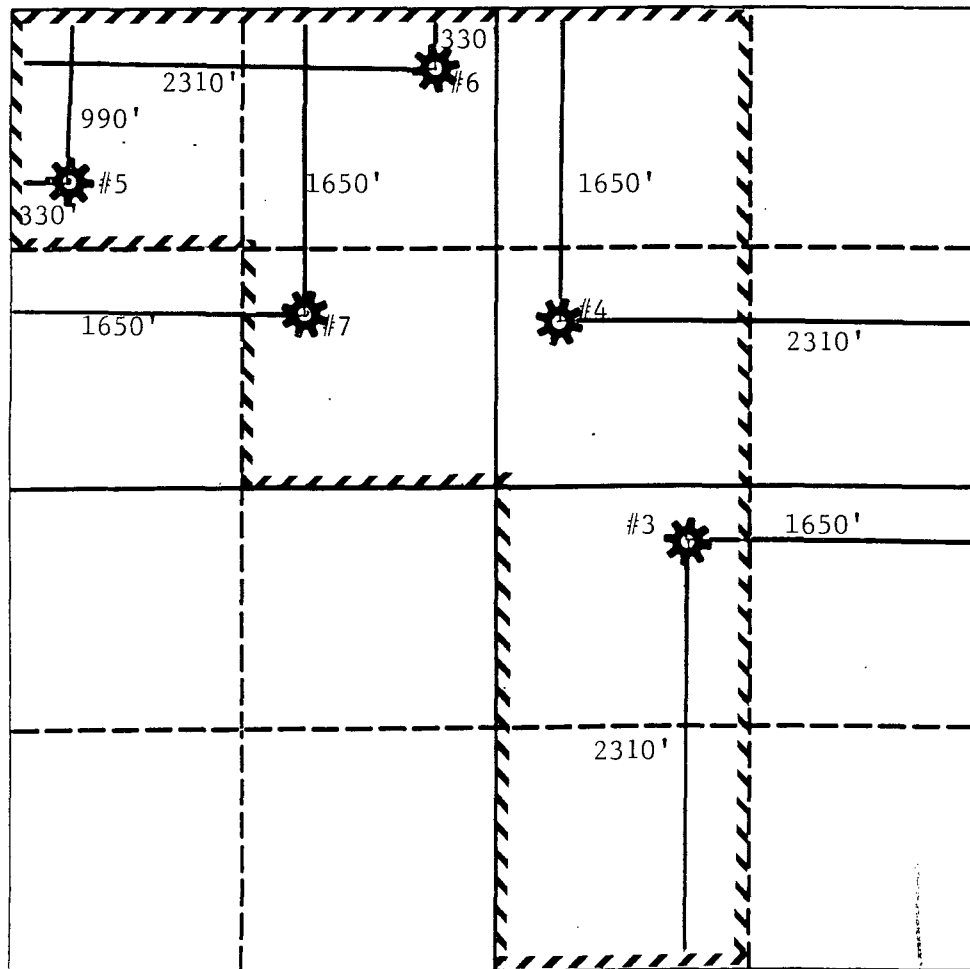
3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

☐ 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.



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Printed Name

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Position

ENGINEERING TECHNICIAN

Company

ARCO OIL AND GAS COMPANY

Date

JUNE 14, 1993

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Date Surveyed

Signature & Seal of
Professional Surveyor

Certificate No.

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Form C-102
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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 STATE 176		Well No. #5
Unit Letter D	Section 19	Township 21S	Range 36E	County NMPM	LEA
Actual Footage Location of Well: 990 feet from the NORTH line and 330 feet from the WEST line					
Ground level Elev. 3629'	Producing Formation YATES/7-RIVERS/QUEEN			Pool EUMONT	Dedicated Acreage: 275 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).

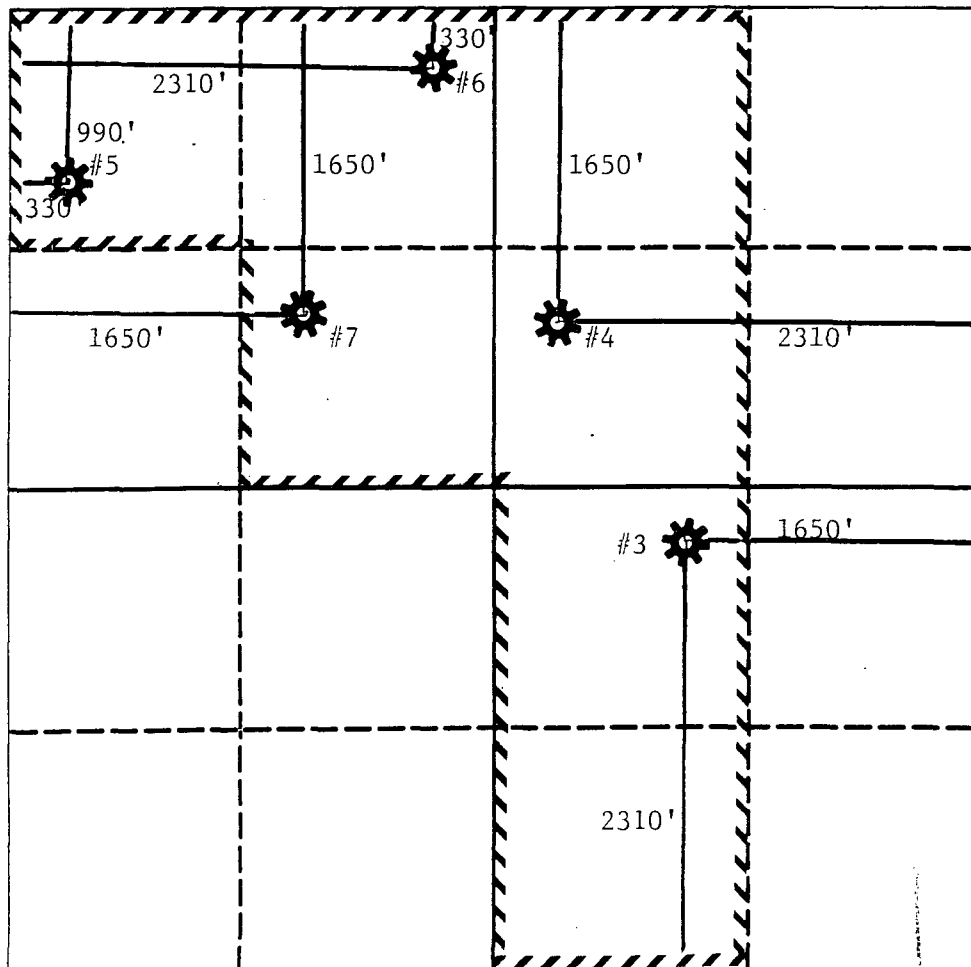
3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

☐ 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.)

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Evelyn E. Gilson
Printed Name

EVELYN E. GILSON

Position

ENGINEERING TECHNICIAN

Company

ARCO OIL AND GAS COMPANY

Date

JUNE 14, 1993

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Signature & Seal of
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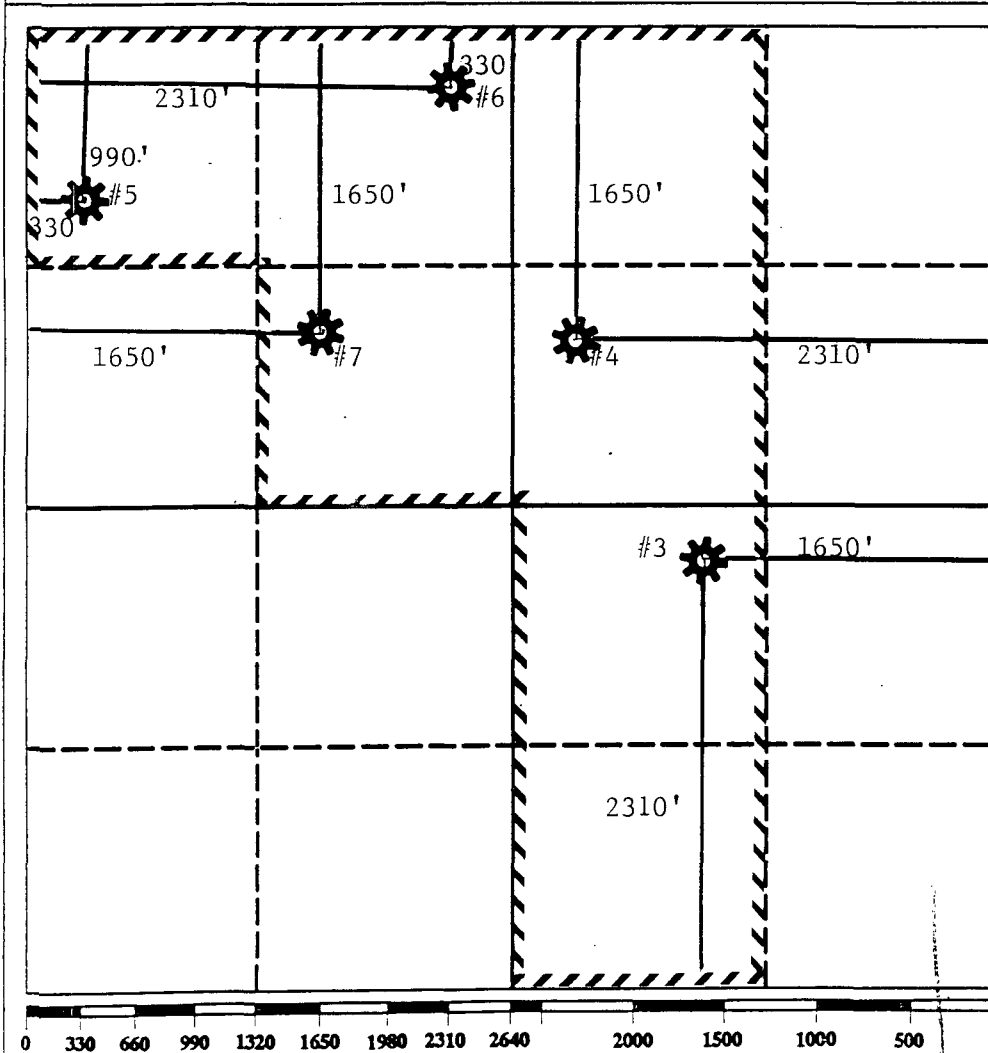
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator ARCO OIL AND GAS COMPANY			Lease STATE 176		Well No. #6
Unit Letter C	Section 19	Township 21S	Range 36E	County NMPM	LEA
Actual Footage Location of Well: 330 feet from the NORTH line and 2310 feet from the WEST line					
Ground level Elev. 3638'	Producing Formation YATES/7-RIVERS/QUEEN		Pool EUMONT		Dedicated Acreage: 275 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 interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
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Evelyn E. Gilson
Printed Name

EVELYN E. GILSON

Position

ENGINEERING TECHNICIAN

Company

ARCO OIL AND GAS COMPANY

Date

JUNE 14, 1993

SURVEYOR CERTIFICATION

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Date Surveyed

Signature & Seal of
Professional Surveyor

Certificate No.

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State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

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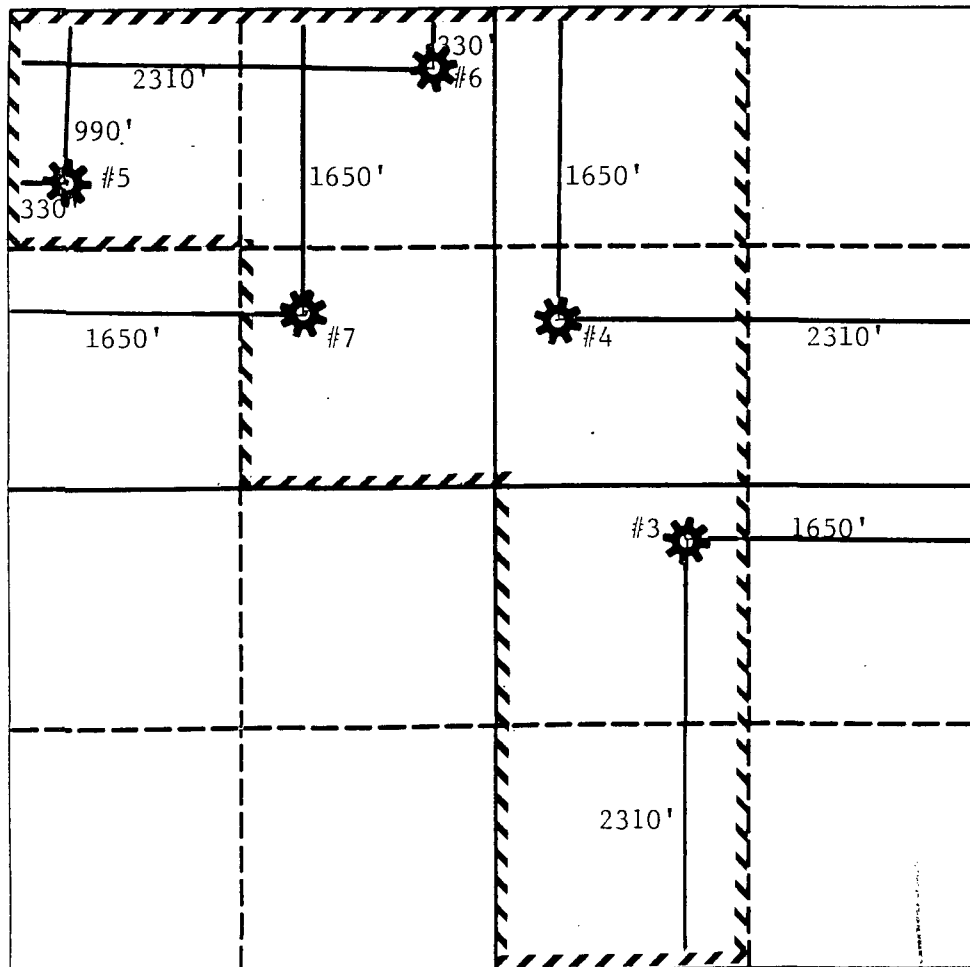
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator ARCO OIL AND GAS COMPANY			Lease STATE 176		Well No. #7
Unit Letter F	Section 19	Township 21S	Range 36E	County NMPM	LEA
Actual Footage Location of Well: 1650 feet from the NORTH line and 1650 feet from the WEST line					
Ground level Elev. 3644'	Producing Formation YATES/7-RIVERS/QUEEN		Pool EUMONT		Dedicated Acreage: 275 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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.?
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OPERATOR CERTIFICATION

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

Signature

Printed Name
EVELYN E. GILSON

Position
ENGINEERING TECHNICIAN

Company
ARCO OIL AND GAS COMPANY

Date
JUNE 14, 1993

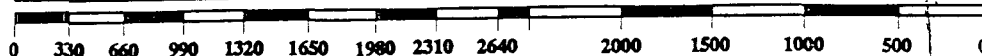
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Date Surveyed

Signature & Seal of
Professional Surveyor

Certificate No.



OIL CONSERVATION DIVISION
RECEIVED

WAIVER TO OBJECTION

'93 JUN 28 AM 10 02

ARCO OIL AND GAS COMPANY

Application for an Unorthodox Eumont Gas Well Location

State 176 #5, located 990' FNL and 330' FWL, Section 19-21S-36-E
and
State 176 #7, located 1,650' FNL and 1,650' FWL, Section 19-21S-36-E

AND

Simultaneous Dedication of Eumont Gas Production

State 176 #3, #4, and #6 (Existing)
State 176 #5 and #7 (New)
Eumont Gas Pool
Section 19, T21S, R36E
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 State 176 #5 and State 176 #7, and simultaneous dedication of Eumont Gas Production from the State 176, #3, #4, #5, #6 and #7 to an existing 275-acre proration unit.

Signed: JE Godbold
Title: Engineering Supervisor, N. Mexico Area
Company: Chevron U.S.A. Production Co.
Date: 6/24/93

RUN-DATE 11 Oct 81
PAGE: 4

P.OOL / OPERATOR	LEASE / WELL NUM U SE TWN RAN STA TRANS	ACREAGE	AF	DELIVER OCT TEST AVG	91-MAR 92 MO SALES	O/P LIM	MAR 92 O/U	MAR 91 O/U	MONTHLY ALLOWABLE
EUMONT YATES 7 RYRS ON (PRO GAS)									
ARCO OIL & GAS COMPANY									
ERNEST C ADKINS									
5 H 9 21S 36E M SRC	160.00	1.00			3.957				3.957
9 D 8 21S 36E M SRC	160.00	1.00			5.775				5.775
BARBER GAS COM									
1 E 8 20S 37E MMU EPG					17.433				
2 P 7 20S 37E MMU WAR					11.653				
P.U. SUMMARY	320.00	2.00			29.086				29.086
J H BROWNLEE									
1 K 25 21S 36E MMU WAR					1.082				
1 N 25 21S 36E MMU WAR					1.975				
P.U. SUMMARY	160.00	1.00			3.057				3.057
BYRD GAS COM									
5 E 11 20S 36E MMU SRC					8.652				
7 C 11 20S 36E MMU SRC					21.822				
P.U. SUMMARY	320.00	2.00			30.481				30.481
COLEMAN									
1 C 17 21S 36E M WAR	80.00	.50			7.905				7.905
J R PHILLIPS A									
6 L 31 19S 37E M WAR	160.00	1.00			15.468				15.468
J R PHILLIPS B									
6 C 31 19S 37E MMU SRC					22.726				
P.U. SUMMARY	160.00	1.00			22.726				22.726
H C ROACH									
1 D 21 20S 37E MMU NNG					6.73				
6 C 21 20S 37E MMU NNG					12.997				
7 K 21 20S 37E MMU NNG					6.988				
P.U. SUMMARY	320.00	2.00			20.658				20.658
SELBY MAUEETY									
2 K 35 19S 36E M WAR	80.00	.50			8.892				8.892
STATE 157 D									
4 I 12 22S 36E MMU WAR					9.866				
7 N 12 22S 36E MMU WAR					5.201				
P.U. SUMMARY	320.00	2.00			15.067				15.067
STATE 176									
3 J 19 21S 36E MMU NNG					8.142				
6 C 19 21S 36E MMU NNG					11.711				
4 G 19 21S 36E MMU NNG					6.124				
P.U. SUMMARY	275.00	1.72			25.977				25.977
STATE F DE									
1 E 19 21S 36E MMU NNG					2.708				
4 M 19 21S 36E MMU NNG					1.616				
P.U. SUMMARY	145.00	.91			4.324				4.324
STATE G COM									
1 V 5 21S 36E M NNG	200.00	1.25			6.694				6.694
STATE H									
5 I 5 21S 36E M NNG	160.00	1.00			8.492				8.492
STATE K									
3 S 6 21S 36E N NNG	80.00	.50			8.392	54.900		8.853-	12.365
OPERATOR TOTALS					216,951				220.924

RUN-DATE 11/06/92
PAGE: 21

POOL/OPERATOR/LEASE/WELL	NUM U SE TWP RAN STA TRANS	ACREAGE	AF	DELIVER OCT TEST AVG	91-MAR 92 MO SALES	O/P LIM	MAR 92 O/U	MAR 91 O/U	MONTHLY ALLOWABLE
EUMONT YATES 7 RYRS ON (PRO GAS)									
DAVID H. ARRINGTON OIL & GAS INC.									
STATE A									
6 A 2 20S 36E MMU SRC									
7 G 2 20S 36E MMU SRC									
P.U. SUMMARY		160.00	1.00						24.730
OPERATOR TOTALS									24.730
BEC CORP.									
BAKER B									
2 K 10 22S 37E M WAR		240.00	1.50		160				160
OPERATOR TOTALS					160				160
CHEVRON U.S.A. INC.									
THEODORE ANDERSON									
1 O 8 20S 37E M NNG		160.00	1.00		14,160				14,160
4 B 17 20S 37E MMU NNG					8,923				
7 H 17 20S 37E MMU NNG					12,052				
P.U. SUMMARY		240.00	1.50		20,975	164,700		15,853-	37,095
ARNOTT RAMSAY NCT C									
5 N 21 21S 36E MMU WAR					8,233				
13 F 21 21S 36E MMU WAR					31,701				
P.U. SUMMARY		640.00	4.00		39,934				39,934
ARNOTT RAMSAY NCT D									
3 F 33 21S 36E MMU NNG					7,321				
15 B 33 21S 36E MMU NNG					8,748				
P.U. SUMMARY		320.00	2.00		16,069				16,069
BELL JANDA GAS COM.									
2 E 15 21S 36E MMU NNG					21,149				
1 L 15 21S 36E MMU NNG					22,117				
P.U. SUMMARY		320.00	2.00		43,266				43,266
BELL RAMSAY NCT A									
5 U 4 21S 36E M NNG		120.00	.75		5,640				5,640
8 L 4 21S 36E M NNG		120.00	.75		3,909				3,909
BELL RAMSAY NCT B									
1 M 29 20S 37E M NNG		160.00	1.00		1,046				1,046
2 M 33 20S 37E M NNG		160.00	1.00		1,325				1,325
3 L 28 20S 37E M NNG		160.00	1.00		625				625
BELL RAMSAY NCT C COM									
1 J 34 20S 37E MMU SRC					2,865				
2 F 34 20S 37E MMU SRC					3,017				
P.U. SUMMARY		480.00	3.00		5,882				5,882
R R BELL NCT A COM									
2 P 8 21S 36E M NNG		240.00	1.50		5,469				5,469
R R BELL NCT F									
2 K 36 20S 36E MMU NNG					1,673				
3 F 36 20S 36E MMU NNG					8,105				
P.U. SUMMARY		320.00	2.00		9,778				9,778
R R BELL NCT G COM									
1 P 13 20S 36E M NNG		160.00	1.00		3,646				3,646

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 1494
Order No. R-1256

APPLICATION OF SINCLAIR OIL & GAS
COMPANY FOR ESTABLISHMENT OF A 275-
ACRE NON-STANDARD GAS PRORATION UNIT
IN THE EUMONT GAS POOL, LEA COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on August 20, 1958, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 16th day of October, 1958, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, Sinclair Oil & Gas Company, is the operator of the W/2 E/2, E/2 NW/4 and the NW/4 NW/4 of Section 19, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico.
- (3) That the applicant is the operator of the Sinclair State 176 Well No. 3, located 2310 feet from the South line and 1650 feet from the East line of said Section 19.
- (4) That the applicant proposes the establishment of a 275-acre non-standard gas proration unit in the Eumont Gas Pool, consisting of the above-described acreage, to be dedicated to the aforementioned Sinclair State 176 Well No. 3.
- (5) That the NW/4 NW/4 of said Section 19 cannot reasonably be presumed to be productive of gas in the perforated interval of the said Sinclair State 176 Well No. 3.

(6) That the said Sinclair State 176 Well No. 3 should be assigned a 240-acre non-standard gas proration unit instead of a 275-acre non-standard unit, said 240-acre unit to comprise the W/2 E/2 and E/2 NW/4 of said Section 19.

IT IS THEREFORE ORDERED:

(1) That the application of Sinclair Oil & Gas Company for the establishment of a 275-acre non-standard gas proration unit in the Eumont Gas Pool to consist of the W/2 E/2, E/2 NW/4 and the NW/4 NW/4 of Section 19, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, and to be dedicated to the applicant's State 176 Well No. 3, located 2310 feet from the South line and 1650 feet from the East line of said Section 19, be and the same is hereby denied.

(2) That a 240-acre non-standard gas proration unit in the Eumont Gas Pool, consisting of the W/2 E/2 and the E/2 NW/4 of said Section 19, be and the same is hereby established, said unit to be dedicated to the above-described Sinclair State 176 Well No. 3.

(3) That Administrative Order NSP-43 be and the same is hereby superseded.

(4) That the said Sinclair State 176 Well No. 3 be assigned an allowable in the proportion that the acreage in the non-standard gas proration unit established above bears to the acreage in a standard gas proration unit for the Eumont Gas Pool, subject to the provisions of the Special Rules and Regulations for the Eumont Gas Pool, as set forth in Order No. R-520.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

MURRAY E. MORGAN, Member

A. L. PORTER, Jr., Member & Secretary

S E A L

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BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5801
Order No. R-5323

APPLICATION OF ATLANTIC RICHFIELD
COMPANY FOR A NON-STANDARD PRORATION
UNIT AND SIMULTANEOUS DEDICATION,
LEA COUNTY, NEW MEXICO.

*Also see
R-5323-A*

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 10, 1976, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 30th day of November, 1976, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Atlantic Richfield Company, seeks approval of a 275-acre non-standard gas proration unit comprising the W/2 E/2, N/2 NW/4, and SE/4 NW/4 of Section 19, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to its State 176 Wells Nos. 3 and 6 located at unorthodox locations in Units J and C, respectively, of said Section 19.

(3) That the entire non-standard proration unit may reasonably be presumed productive of gas from the Eumont Gas Pool and that the entire non-standard gas proration unit can be efficiently and economically drained and developed by the aforesaid wells.

(4) That approval of the subject application will afford the applicant the opportunity to produce his just and equitable share of the gas in the Eumont Gas Pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

(5) That Commission Order No. R-1256 should be superseded.

IT IS THEREFORE ORDERED:

(1) That a 275-acre non-standard gas proration unit in the Eumont Gas Pool comprising the W/2 E/2, N/2 NW/4, and SE/4 NW/4 of Section 19, Township 21 South, Range 36 East, NMPM, Lea County, New Mexico, is hereby established and simultaneously dedicated to its State 176 Wells Nos. 3 and 6, located at unorthodox locations in Units J and C, respectively, of said Section 19.

(2) That Commission Order No. R-1256 is hereby superseded.

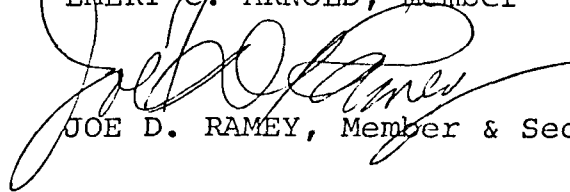
(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman


EMERY C. ARNOLD, Member


JOE D. RAMEY, Member & Secretary

S E A L

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5827
Order No. R-5323-A

APPLICATION OF ATLANTIC RICHFIELD
COMPANY FOR AN UNORTHODOX GAS WELL
LOCATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 5, 1977, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 25th day of January, 1977, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Atlantic Richfield Company, is the operator of a previously established 275-acre Eumont gas proration unit comprising the W/2 E/2, N/2 NW/4, and SE/4 NW/4 of Section 19, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico.

(3) That the applicant seeks to simultaneously dedicate to said non-standard unit its State 176 Wells Nos. 2, 3, 4, and 6, located at unorthodox locations in Units O, J, G, and C, respectively, of said Section 19.

(4) That the above-described wells at said unorthodox locations will better enable applicant to produce the gas underlying the proration unit.

(5) That no offset operator objected to the proposed unorthodox locations.

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

(7) That Commission Order No. R-5323 dated November 30, 1976, which approved the aforesaid non-standard proration unit dedicated to the State 176 Wells Nos. 3 and 6 only, should be superseded.

IT IS THEREFORE ORDERED:

(1) That the applicant, Atlantic Richfield Company, is hereby authorized to simultaneously dedicate to a previously approved 275-acre Eumont gas proration unit comprising the W/2 E/2, N/2 NW/4, and SE/4 NW/4 of Section 19, Township 21 South, Range 36 East, NMPM, Eumont Gas Pool, Lea County, New Mexico, its State 176 Wells Nos. 2, 3, 4, and 6, located at unorthodox locations in Units O, J, G, and C, respectively, of said Section 19.

(2) That the allowable assigned to the above-described gas proration unit shall be based upon the unit size of 275 acres, and that the operator may produce the allowable assigned to the unit from the subject wells in any proportion.

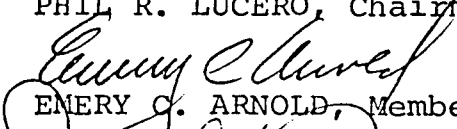
(3) That Commission Order No. R-5323 is hereby superseded.

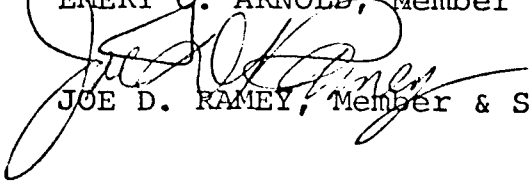
(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman


EMERY C. ARNOLD, Member


JOE D. RAMEY, Member & Secretary

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STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

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

RE: Proposed:

MC _____
DHC _____
NSL 4 SD _____
NSP _____
SWD _____
WFX _____
PMX _____

Gentlemen:

I have examined the application for the:

Arco Oil & Gas Co State 176 #7-F 19-21-37
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK

Yours very truly,

Jerry Sexton
Supervisor, District 1

/ed