



ARCO Permian
PO Box 1089
Eunice NM 88231
Telephone 505 394 1600

Southeast New Mexico Asset Area

PAC 1/6/98
959

December 9, 1997

~~Mike Stogner~~
State of New Mexico
Oil Conservation Commission
2040 S. Pacheco
Santa Fe, NM 87505

DEC 17 1997

Dear Mr. Stogner:

ARCO Permian submits application for Administrative Approval of an exception to Rule 303 (a) of the Commission Rules and Regulations to permit the surface commingling of the oil produced from the Monument Tubb and the Skaggs Drinkard pools from all wells presently completed or hereafter drilled on the J.H. Williams lease comprising of the S/2 of Section 34, T19S, R37E, NMPM, Lea County, New Mexico.

Gas sales on the J.H. Williams #2 will be measured and sold separately on lease. With your approval, it is our intent to commingle the crude and water production with the #1 well allocating by well test.

Pursuant to the Manual for the Installation and Operation of Commingling Facilities, and Rule 303 (b) (2), detailed gravity data, facility drawings, plats identifying the location of both wells are enclosed. The chart below estimates produced values of the liquid hydrocarbons for each pool.

J.H. Williams #2 (Skaggs Drinkard)	57800	60 BO, 42.4 API Grav. \$18.00 bbl
J.H. Williams #1 (Monument Tubb)		40 BO, 35.2 API Grav. \$17.89 bbl
Combined Price per bbl	47090	100 BO, 39.5 Grav. \$17.98 bbl

We believe that the crude from the J.H. Williams lease will not be devalued by commingling the total production. Should you require additional information in order to approve this request, please do not hesitate to contact the undersigned at (505)394-1659.

Respectfully,

Larry D. Henson
Area Operations Supervisor

LHkdm

xc: Dave Newell - MIO 23

Enclosures



Laboratory Services, Inc.

1331 Tasker Drive

Hobbs, New Mexico 88240

Telephone: (505) 397-3713

SULFUR IN CRUDE OIL

ARCO Permian
Attention: Mr. Larry Henson
P. O. Box 1089
Eunice, New Mexico 88231

Aug 15, 1997

	Sulfur	API Gravity @ 60° F	Specific Gravity @ 60° F
J. H. Williams #1	0.4256 wt. %	35.2	0.8488

Thank You,
Rolland Perry



Laboratory Services, Inc.

1331 Tasker Drive
Hobbs, New Mexico 88240
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SULFUR IN CRUDE OIL

ARCO Permian
Attention: Mr. Larry Henson
P. O. Box 1089
Eunice, New Mexico 88231

Dec 2, 1997

	Sulfur	API Gravity @ 60° F	Specific Gravity @ 60° F
J.H. Williams #2	0.3669 wt. %	42.4	0.8137

Thank You,
Rolland Perry

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
811 S. 1st Street, Artesia, NM 88210-2834
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Revised October 18, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-34163		² Pool Code 57000	³ Pool Name SKAGGS DRINKARD
⁴ Property Code 20949	⁵ Property Name J.H. WILLIAMS		⁶ Well Number 2
⁷ OGRID No. 000990	⁸ Operator Name ARCO Permian		⁹ Elevation 3569'

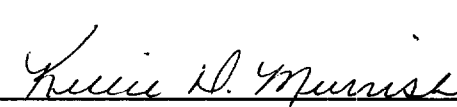
¹⁰ Surface Location

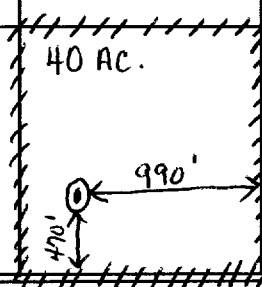
UL or lot no. P	Section 34	Township 19S	Range 37E	Lot. Idn	Feet from the 470	North/South Line S	Feet from the 990	East/West line E	County LEA
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
¹² Dedicated Acres 40		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

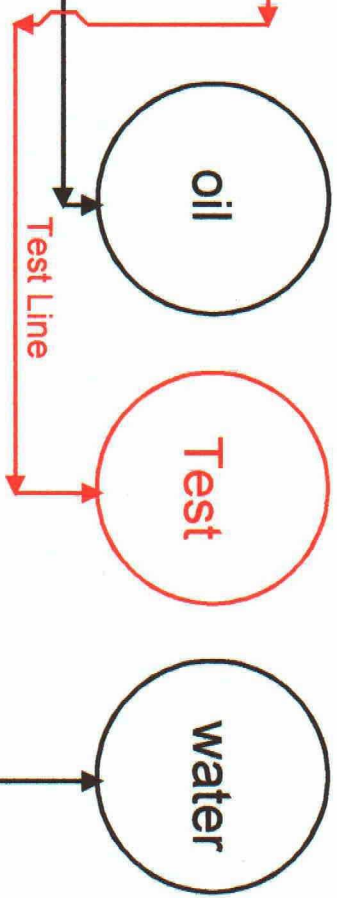
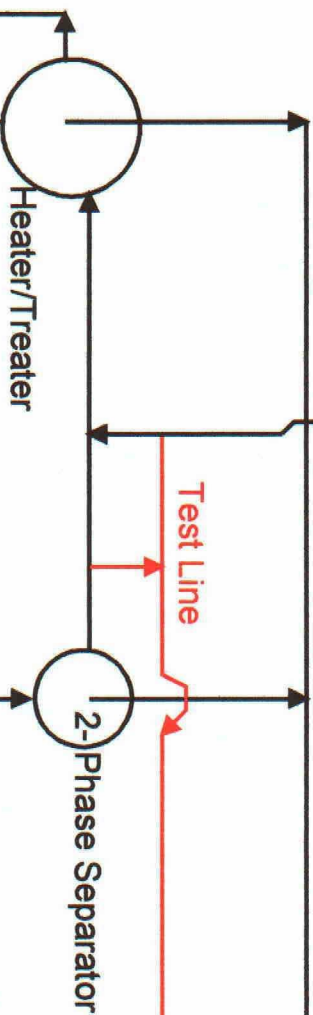
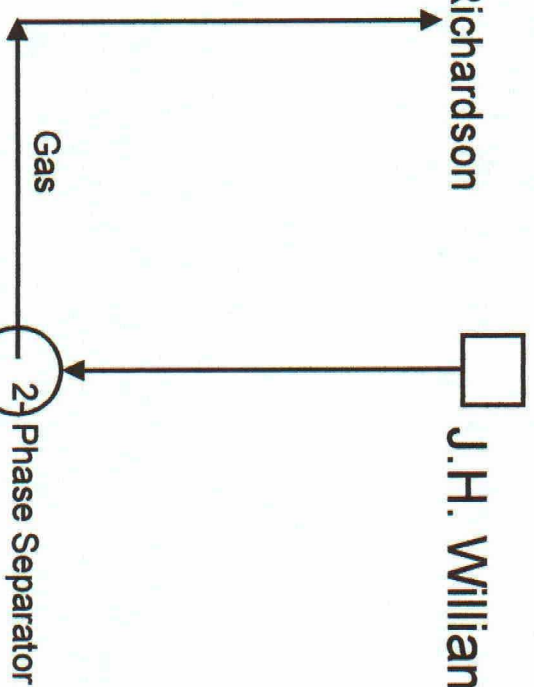
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<div style="border: 1px solid black; height: 100px; width: 100%;"></div> <div style="border: 1px solid black; height: 100px; width: 100%;"></div> <div style="border: 1px solid black; height: 100px; width: 100%;"></div> <div style="border: 1px solid black; height: 100px; width: 100%;"></div>	<p>¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <div style="text-align: center;">  Signature Kellie D. Murrish Printed Name Administrative Assistant Title 12/09/97 Date </div> <p>¹⁸ 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 belief.</p> <div style="text-align: center;"> Date of Survey Signature and Seal of Professional Surveyer: _____ Certificate Number </div>
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Sid Richardson

J.H. Williams #2



J.H. Williams #1

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102

Revised October 18, 1994

Instructions on back

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-34017	² Pool Code 47090	³ Pool Name MONUMENT TUBB
⁴ Property Code 20949	⁵ Property Name J.H. WILLIAMS	⁶ Well Number 1
⁷ OGRID No. 000990	⁸ Operator Name ARCO Permian	⁹ Elevation 3564'

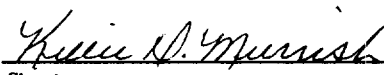
¹⁰ Surface Location

UL or lot no. 0	Section 34	Township 19S	Range 37E	Lot. Idn	Feet from the 660	North/South Line S	Feet from the 1980	East/West line E	County LEA
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
¹² Dedicated Acres 80	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.						

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OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

										¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  _____ Signature Kellie D. Murrish _____ Printed Name Administrative Assistant _____ Title 12/09/97 _____ Date
										¹⁸ 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 belief. _____ Date of Survey Signature and Seal of Professional Surveyer: _____ Certificate Number