

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

OIL CONSERVATION DIVISION
RECEIVED



'92 OCT 5 PM 9 56

October 1, 1992

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: Application for Unorthodox Jalmat Gas Well Location & Simultaneous Dedication
G. W. Toby WN Gas Com #2
SE/4 Section 12, T24S, R36E, Lea County, New Mexico
NE/4 Section 13, T-24S, R-36E, Lea County, New Mexico
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 G. W. Toby WN Gas Com #2 well, located 660' FNL, 660' FEL, Section 13, T-24S, R-36E in Lea County, New Mexico. The G. W. Toby WN Gas Com #2 is a Langlie Mattix (Seven Rivers/Queen/Grayburg) 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 G. W. Toby WN Gas Com #4 well with the Jalmat gas production from the G. W. Toby WN Gas Com #2 well. The G. W. Toby WN Gas Com #4 Jalmat gas well is currently dedicated to an existing 320-acre proration unit comprised of the SE/4 Section 12, T-24S, R-36E and the NE/4 Section 13, T-24S, R-36E.

Attached are C-102 forms identifying both the existing and proposed configuration of the subject 320-acre Jalmat gas proration unit. Also attached is a list of offset operators and/or co-owners 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) 688-5546.

Sincerely,

Kevin D. Renfro / eeg

Kevin D. Renfro
Operations/Analytical Engineer
KDR:lrh
cc: J. Cogburn - Hobbs
Attachments

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 Jalmat Gas Well Location
G. W. Toby WN Gas Com #2**

and

Simultaneous Dedication of Jalmat Gas Production

G. W. Toby WN Gas Com #4 (existing)

G. W. Toby WN Gas Com #2 (new)

Jalmat Gas Pool

SE/4 Section 12, T-24S, R-36E

NE/4 Section 13, T24S, 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 G. W. Toby WN Gas Com #2, and simultaneous dedication of Jalmat gas production from the G. W. Toby WN Gas Com #4 to an existing 320-acre proration unit.

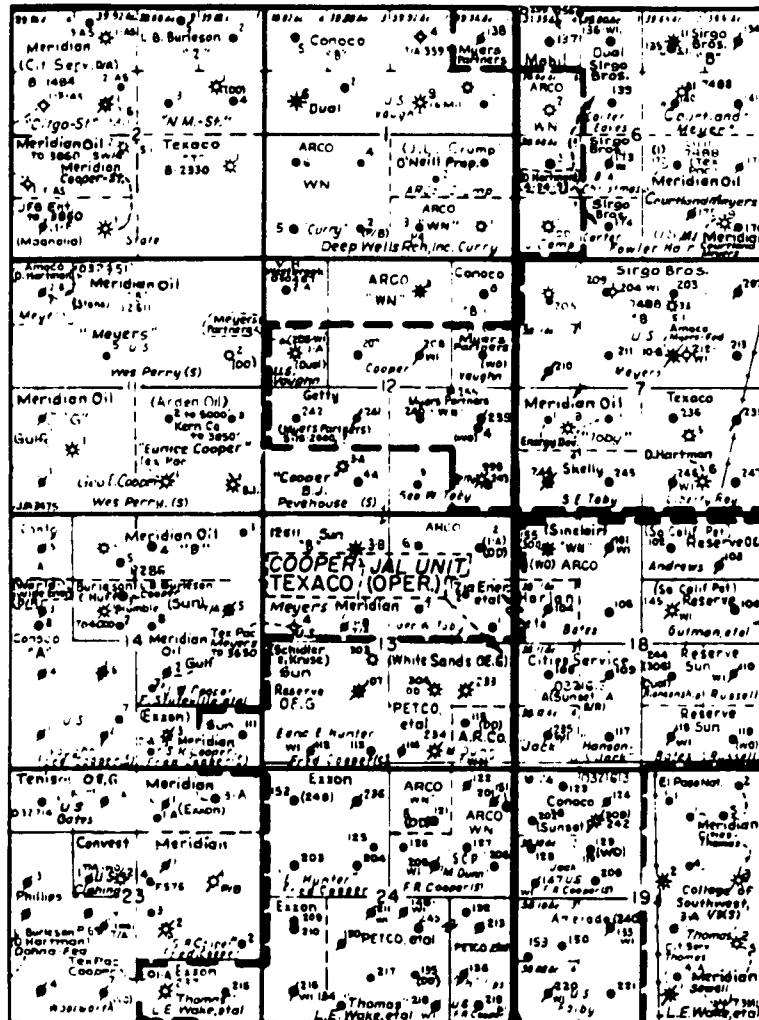
Signed: _____

Title: _____

Company: _____

Date: _____

Simultaneous Dedication of Jalmat Gas Production
G. W. Toby WN Gas Com #4 (existing)
G. W. Toby WN Gas Com #2 (new)
Jalmat Gas Pool
SE/4 Section 12, T24S, R36E
NE/4 Section 13, T-24S, R-36E
Lea County, New Mexico



Meridian Oil Inc.
Doyle Hartman
Texaco Expl. & Prod.
Conoco, Inc.
Oxy USA Inc.
Kern Company
V. H. Westbrook
Zia Energy Inc.
Tenison Oil Co.

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

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

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

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

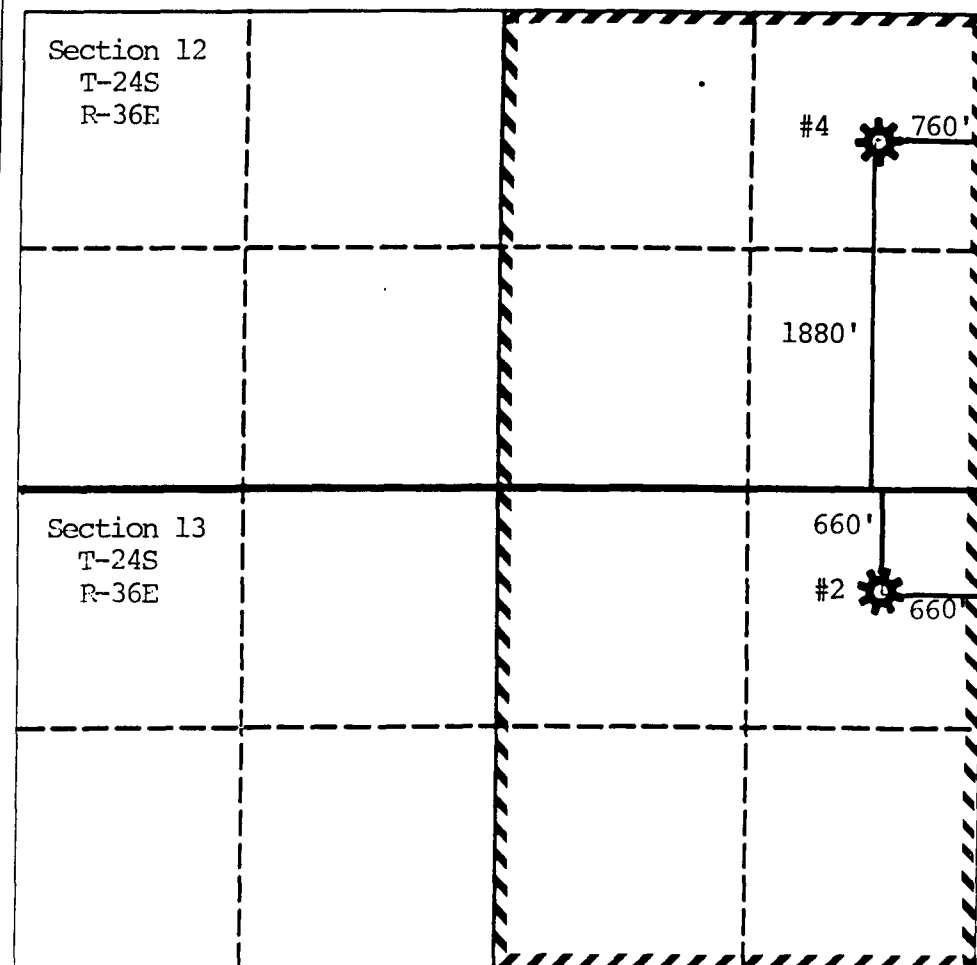
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Arco Oil and Gas Company			Lease G. W. Toby WN Gas Com		Well No. #2
Unit Letter A	Section 13	Township T-24S	Range R-36E	County NMPM	Lea
Actual Footage Location of Well: 660' feet from the North line and 660' feet from the East line					
Ground level Elev. 3318'	Producing Formation Tansill/Yates/Seven 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 Gilson
Printed Name
E. E. Gilson
Position
Engineering Technician
Company
ARCO Oil and Gas Company
Date

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.

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-12
Effective 1-1-65

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

Operator Atlantic Richfield Company			Lease G. W. Toby VN Gas Unit		Well No. 4
Unit Letter I	Section 12	Township 24S	Range 36E	County Lea	
Actual Footage Location of Wells					
1880 feet from the South line and		760 feet from the East line			
Ground Level Elev.	Producing Formation Yates & Seven Rivers		Pool Jalnat Gas	Dedicated Acreage: 320 Acres	

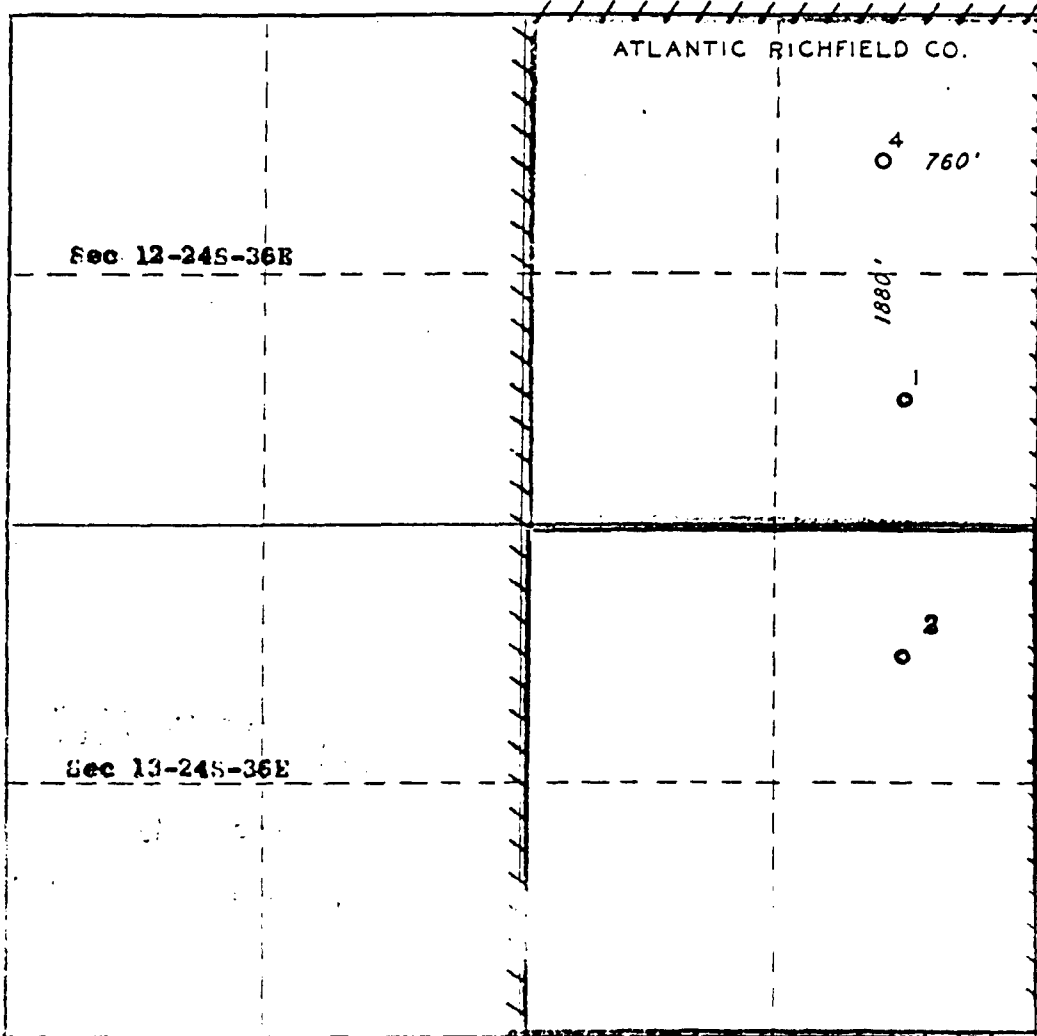
1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation **Pooled by Lease Amendment as to Jalnat Gas only**

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.

R 36E



CERTIFICATION

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

Name *[Signature]*
Position **Dist. Drlg. Supv.**
Company **Atlantic Richfield Company**
Date **4/9/75**

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 **APRIL 2, 1974**

Surveyed by *[Signature]*
Checked by *[Signature]*

[Signature]
Certificate No. **648**



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

'92 OCT 9 PM 9 54

BRUCE KING
GOVERNOR

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 20 _____
NSP _____
SWD _____
WFX _____
PMX _____

Gentlemen:

I have examined the application for the:

Arco oil & Gas Co. G.W. Joby #2-A 13-24-36
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK

Not NSL for 320 ac

Yours very truly,

Jerry Sexton
Jerry Sexton
Supervisor, District 1

/ed

DOYLE HARTMAN

Oil Operator

500 N. MAIN

P.O. BOX 10426

MIDLAND, TEXAS 79702

(915) 684-4011

OIL CONSERVATION DIVISION
RECEIVED

'92 OCT 23 AM 9 15

October 15, 1992

Certified Mail - Return Receipt Requested

Mr. William J. Lemay
State of New Mexico
Energy, Minerals & Natural Resources Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Re: ARCO Oil and Gas Company
Administrative Application for
Unorthodox Location and Simultaneous
Dedication
Jalmat (Gas) Pool
G. W. Toby WN Gas Com No. 2
660' FNL and 660' FEL
Section 13, T-24-S, R-36-E
Lea County, New Mexico

Gentlemen:

Reference is made to the attached notification from ARCO Oil and Gas Company dated October 1, 1992 and received by Hartman October 5, 1992, regarding ARCO's application for an unorthodox location and simultaneous dedication of the above-referenced well. The G. W. Toby WN Gas Com No. 2 well, to be recompleted from the Langlie Mattix (7R-Qn-Gbg) to the Jalmat (Gas) pool, is located 660' FNL and 660' FEL of Section 13, T-24-S, R-36-E and would be simultaneously dedicated along with ARCO's G. W. Toby WN Gas Com No. 4 well to the existing 320-acre non-standard Jalmat (Gas) proration unit consisting of the SE/4 of Section 12 and the NE/4 of Section 13, T-24-S, R-36-E, Lea County, New Mexico.

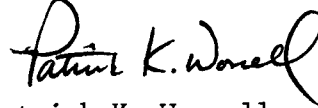
In light of the fact that ARCO's proposed recompletion does not directly offset us and we are not being encroached upon, we do not feel it is appropriate for us to object to ARCO's administrative request for a location consisting of 660' FNL and 660' FEL of Section 13, T-24-S, R-36-E.

Mr. William J. Lemay
October 15, 1992
Page 2

Thank you for your consideration in this matter, and please let me know if you need anything further.

Very truly yours,

DOYLE HARTMAN

A handwritten signature in black ink, appearing to read "Patrick K. Worrell", written in a cursive style.

Patrick K. Worrell
Engineer

PKW/jg
Attachment

cc: Mr. Kevin D. Renfro
ARCO Oil and Gas Company
P. O. Box 1610
Midland, Texas 79702

Mr. James A. Davidson
P. O. Box 494
Midland, Texas 79702

Gallegos Law Firm
Attn: Mr. Gene Gallegos
141 East Palace Avenue
Santa Fe, New Mexico 87501

Mr. Daniel S. Nutter
105 E. Alicante
Santa Fe, New Mexico 87501

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



October 1, 1992

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: Application for Unorthodox Jalmat Gas Well Location & Simultaneous Dedication
G. W. Toby WN Gas Com #2
SE/4 Section 12, T24S, R36E, Lea County, New Mexico
NE/4 Section 13, T-24S, R-36E, Lea County, New Mexico
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 G. W. Toby WN Gas Com #2 well, located 660' FNL, 660' FEL, Section 13, T-24S, R-36E in Lea County, New Mexico. The G. W. Toby WN Gas Com #2 is a Langlie Mattix (Seven Rivers/Queen/Grayburg) 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 G. W. Toby WN Gas Com #4 well with the Jalmat gas production from the G. W. Toby WN Gas Com #2 well. The G. W. Toby WN Gas Com #4 Jalmat gas well is currently dedicated to an existing 320-acre proration unit comprised of the SE/4 Section 12, T-24S, R-36E and the NE/4 Section 13, T-24S, R-36E.

Attached are C-102 forms identifying both the existing and proposed configuration of the subject 320-acre Jalmat gas proration unit. Also attached is a list of offset operators and/or co-owners 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) 688-5546.

Sincerely,

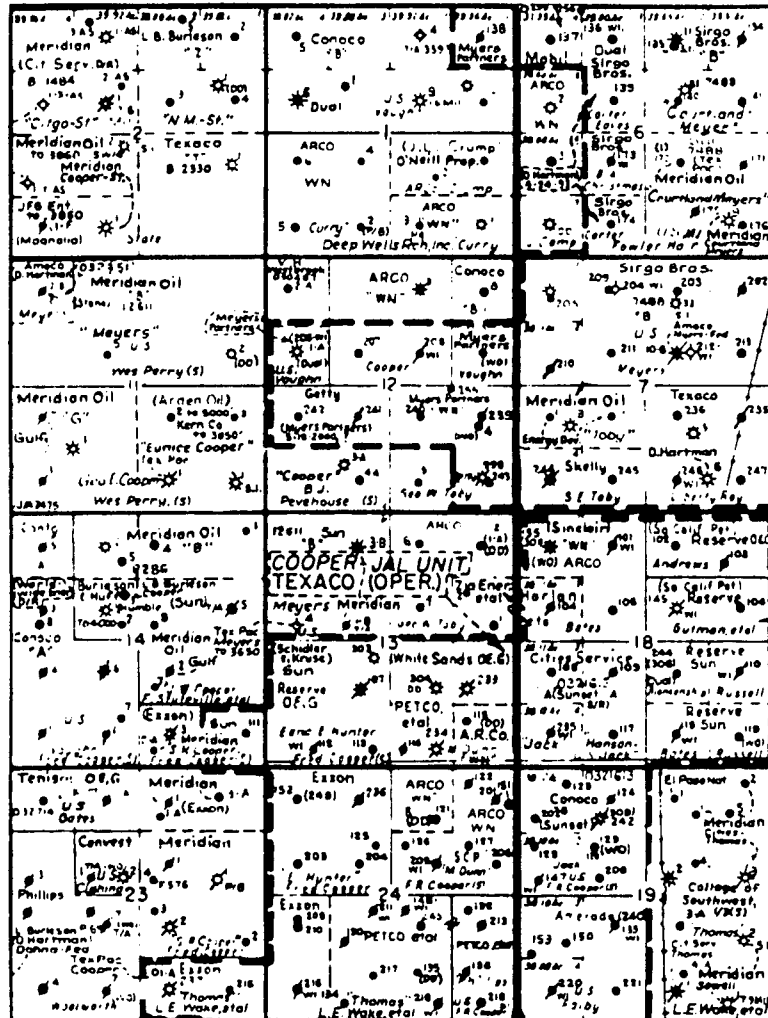
Kevin D. Renfro / eeg

Kevin D. Renfro
Operations/Analytical Engineer
KDR:lrh
cc: J. Cogburn - Hobbs
Attachments



OCT 5 1992

Simultaneous Dedication of Jalmat Gas Production
G. W. Toby WN Gas Com #4 (existing)
G. W. Toby WN Gas Com #2 (new)
Jalmat Gas Pool
SE/4 Section 12, T24S, R36E
NE/4 Section 13, T-24S, R-36E
Lea County, New Mexico



Meridian Oil Inc.
Doyle Hartman
Texaco Expl. & Prod.
Conoco, Inc.
Oxy USA Inc.
Kern Company
V. H. Westbrook
Zia Energy Inc.
Tenison Oil Co.

OIL CONSERVATION DIVISION

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

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

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 G. W. Toby WN Gas Com		Well No. #2
Unit Letter A	Section 13	Township T-24S	Range R-36E	County NMPM Lea	

Actual Footage Location of Well:

660' feet from the **North** line and **660'** feet from the **East** line

Ground level Elev. 3318'	Producing Formation Tansill/Yates/Seven 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 communization, 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 communization, 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 Gilson

Printed Name
E. E. Gilson

Position
Engineering Technician

Company
ARCO Oil and Gas Company

Date

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.

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-162
Supersedes C-1.
Effective 1-1-65

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

Operator Atlantic Richfield Company			Lease G. W. Toby VN Gas Unit		Well No. 4
Unit Letter I	Section 12	Township 24S	Range 36E	County Lea	
Actual Footage Location of Well:					
1880 feet from the South line and		760 feet from the East line			
Ground Level Elev.	Producing Formation Yates & Seven Rivers		Pool Jalmat Gas	Dedicated Acreage: 320 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 interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

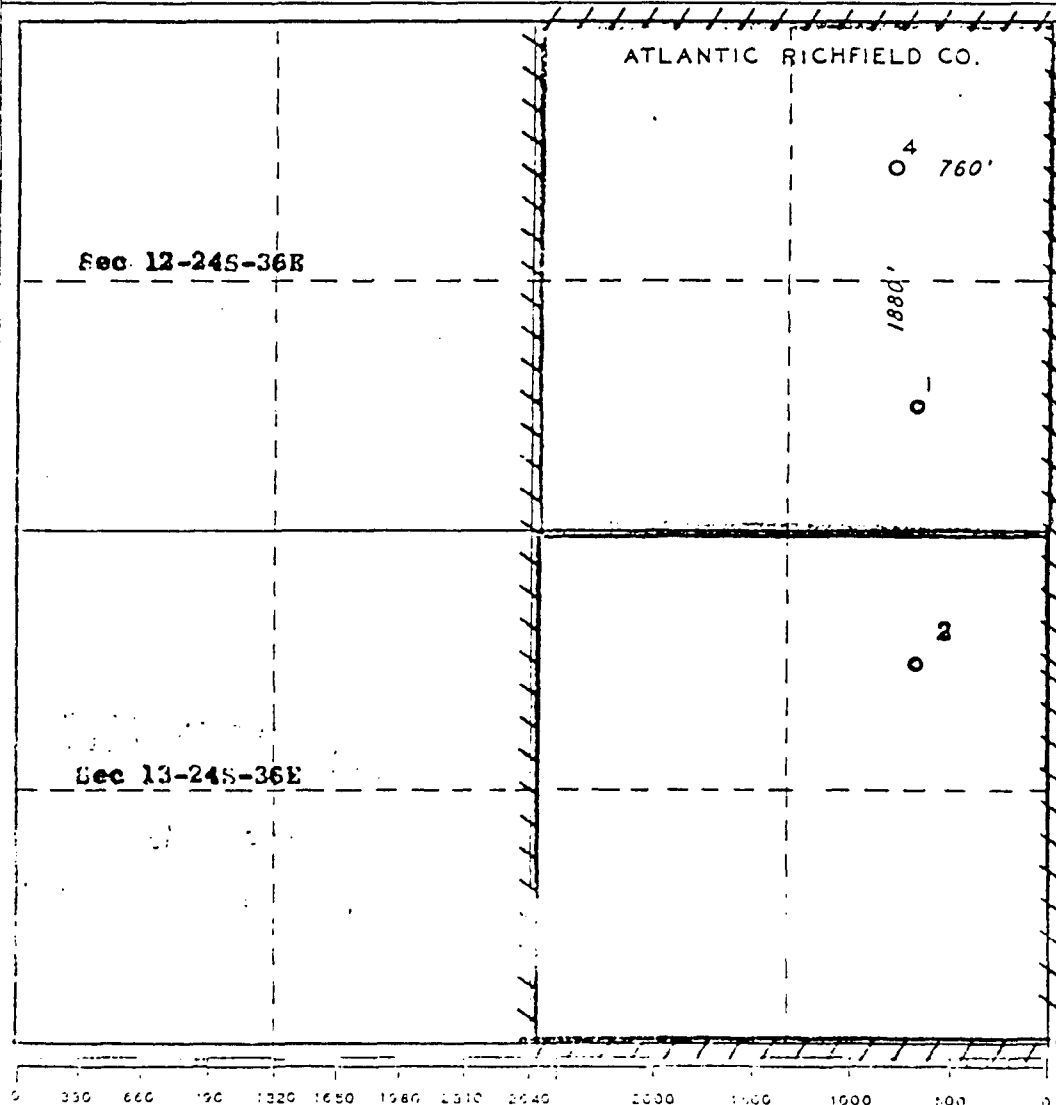
Pooled by Lease Amendment as to

☒ Yes ☐ No If answer is "yes," type of consolidation **Jalmat Gas only**

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.

R 36E



CERTIFICATION

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

Name *John R. Smith*
Position **Dist. Dril. Supv.**
Company **Atlantic Richfield Company**
Date **4/9/75**

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 **APRIL 2, 1974**

Surveyed by *John R. Smith*
Checked by *John R. Smith*
Certified by *John R. Smith*
648

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

OIL CONSERVATION DIVISION
RECEIVED



'92 NOV 2 AM 10 21

October 26, 1992

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: Application for Unorthodox Jalmat Gas Well Location, Simultaneous Dedication, and Reduction of Proration unit size
G. W. Toby WN Gas Com #2
SE/4 Section 12, T24S, R36E, Lea County, New Mexico
N/2 of NE/4, SW/4 of NE/4 Section 13, T-24S, R-36E, Lea County, New Mexico
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 G. W. Toby WN Gas Com #2 well, located 660' FNL, 660' FEL, Section 13, T-24S, R-36E in Lea County, New Mexico. The G. W. Toby WN Gas Com #2 is a Langlie Mattix (Seven Rivers/Queen/Grayburg) oil well which ARCO is preparing to recompleat uphole to the Jalmat pool. At the same time, ARCO would like to request approval for a reduction in proration unit size from 320 to 280 acres, due to deletion of the 40-acre tract comprised of the SE/4 of NE/4, Section 13, T-24S, R-36E. Also, ARCO requests simultaneous dedication of the Jalmat gas production from the G. W. Toby WN Gas Com #4 well with the Jalmat gas production from the G. W. Toby WN Gas Com #2 well. The G. W. Toby WN Gas Com #4 Jalmat gas well is currently dedicated to an existing 320-acre proration unit comprised of the SE/4 Section 12, T-24S, R-36E and the NE/4 Section 13, T-24S, R-36E. After approval of this complete application, the G. W. Toby WN Gas Com #2 and #4 wells will both be simultaneously dedicated to the revised 280-acre proration unit.

Attached are C-102 forms identifying both the existing and proposed configuration of the subject 280-acre Jalmat gas proration unit. Also attached is a list of offset operators and/or co-owners 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) 688-5546.

Sincerely,

Kevin D. Renfro
Operations/Analytical Engineer
KDR:lrh
cc: J. Cogburn - Hobbs
Attachments

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

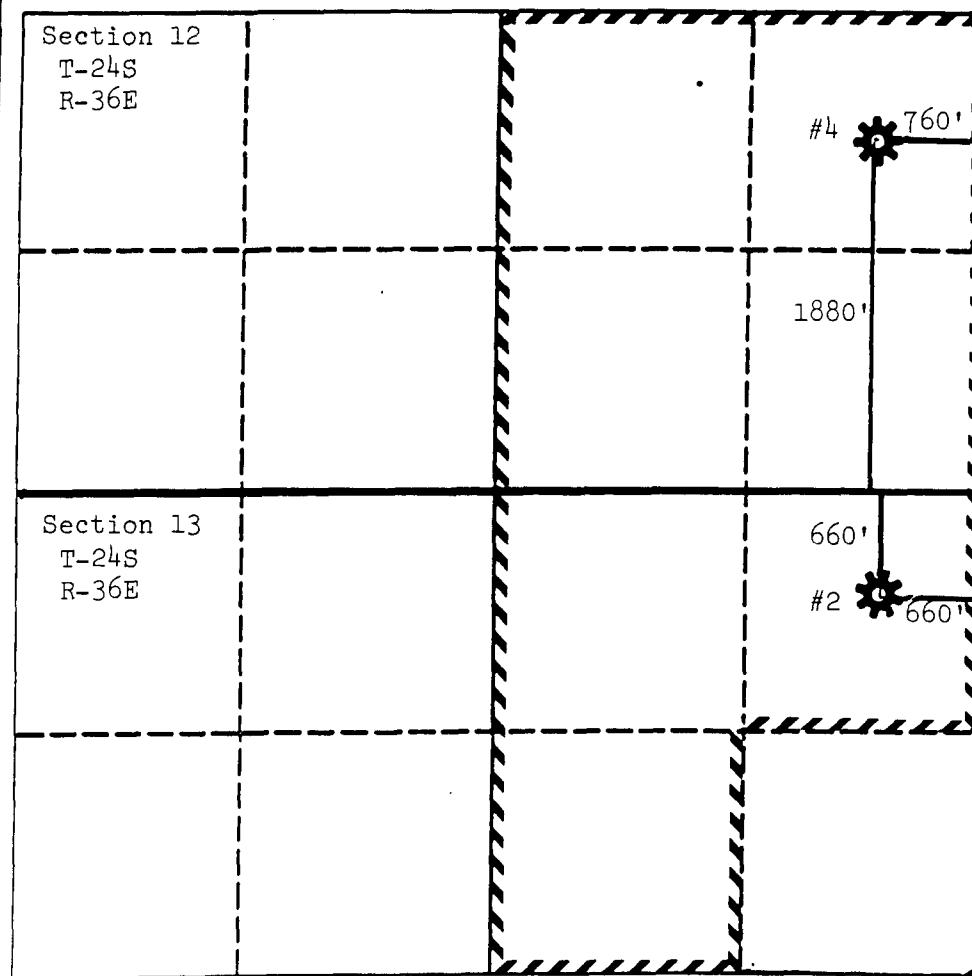
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Arco Oil and Gas Company			Lease G. W. Toby WN Gas Com		Well No. #2
Unit Letter A	Section 13	Township T-24S	Range R-36E	County NMPM	Lea
Actual Footage Location of Well: 660' feet from the North line and 660' feet from the East line					
Ground level Elev. 3318'	Producing Formation Tansill/Yates/Seven Rivers			Pool Jalmat Gas	Dedicated Acreage: 280 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 acre-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

10-26-92

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.

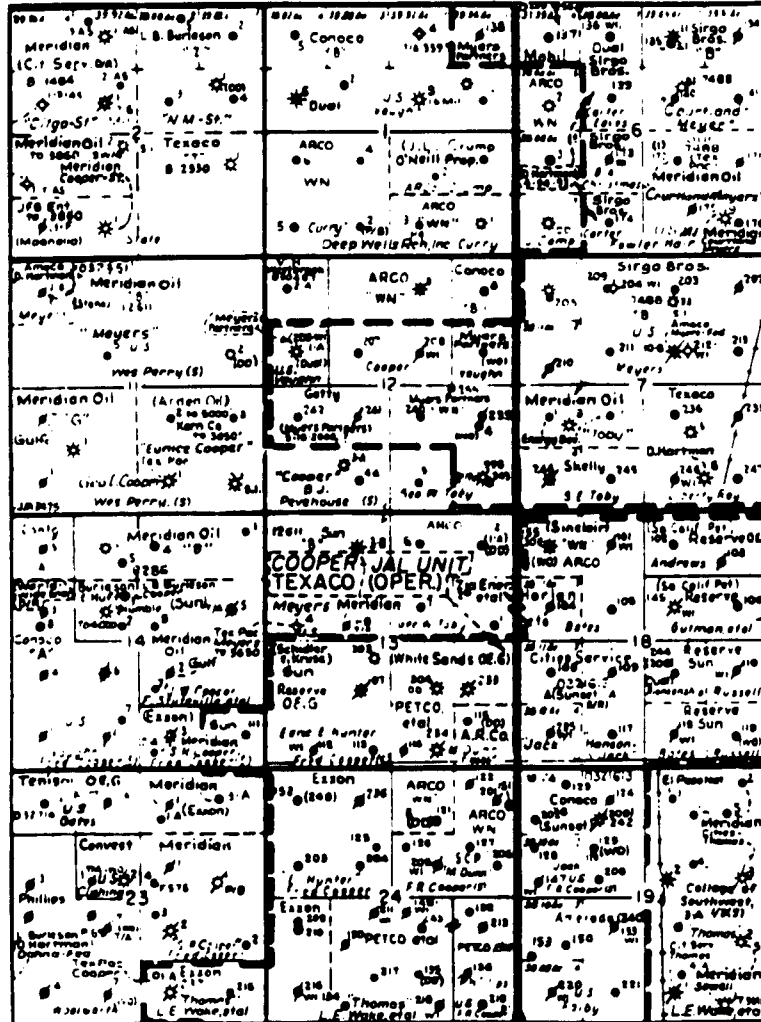
Date Surveyed

Signature & Seal of
Professional Surveyor

Certificate No.

ARCO OIL AND GAS COMPANY
Application for an
Unorthodox Jalmat Gas Well Location
G. W. Toby WN Gas Com #2

Simultaneous Dedication of Jalmat Gas Production
and reduction of proration unit size
G. W. Toby WN Gas Com #4 (existing)
G. W. Toby WN Gas Com #2 (new)
Jalmat Gas Pool
SE/4 Section 12, T24S, R36E
N/2 of NE/4, SW/4 of NE/4 Section 13, T-24S, R-36E
Lea County, New Mexico



OFFSET OPERATORS

Meridian Oil Inc.
✓ Doyle Hartman
Texaco Expl. & Prod.
Conoco, Inc.
Oxy USA Inc.
Kern Company
V. H. Westbrook
Zia Energy Inc.
Tenison Oil Co.

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 Jalmat Gas Well Location
G. W. Toby WN Gas Com #2**

and

**Simultaneous Dedication of Jalmat Gas Production
and reduction of proration unit size**

G. W. Toby WN Gas Com #4 (existing)

G. W. Toby WN Gas Com #2 (new)

Jalmat Gas Pool

SE/4 Section 12, T-24S, R-36E

N/2 of NE/4, SW/4 of NE/4 Section 13, T24S, 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 G. W. Toby WN Gas Com #2, and simultaneous dedication of Jalmat gas production from the G. W. Toby WN Gas Com #4 to a revised 280-acre proration unit, as described above.

Signed: _____
Title: _____
Company: _____
Date: _____



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

RECEIVED

OIL CONSERVATION DIVISION

HOBBS DISTRICT OFFICE

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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 + 5B _____
NSP _____
SWD _____
WFX _____
PMX _____

Gentlemen:

I have examined the application for the:

Arco oil & Gas Co. G.W. Joby #2-A 13-24-36
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK

Yours very truly,

Jerry Sexton
Supervisor, District 1

/ed

Journal Gas Pool

*

Applicant also requests the SE 1/4 of Section 13 be removed from this unit resulting in a 280-acre gas spacing and production unit. Said 40-acre area is operated by Sun Energy, Inc. and currently has a natural gas well. If the production unit size is reduced to 280 acres, the well location will be standard.

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. 5409
Order No. R-4987

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 19, 1975, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 25th day of March, 1975, 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 the approval for a non-standard 320-acre gas proration unit comprising the SE/4 of Section 12 and the NE/4 of Section 13, both in Township 24 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico.

(3) That the applicant seeks to simultaneously dedicate to said non-standard unit its George W. Toby WN Wells Nos. 4, 1, and 1-A, located, respectively, in Units I and P of said Section 12, and in Unit A of said Section 13, said Well No. 4 being at an unorthodox location for a 320-acre unit, with unit production to be taken from said wells in any proportion.

(4) That the proposed non-standard gas proration unit can be efficiently and economically drained and developed by the subject wells.

(5) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the Jalmat Gas Pool and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That effective at 7:00 a.m. April 1, 1975, the applicant, Atlantic Richfield Company, is hereby authorized to simultaneously dedicate a non-standard 320-acre gas proration unit comprising the SE/4 of Section 12 and the NE/4 of Section 13, both in Township 24 South, Range 36 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico, to its (George) W. Toby WN Wells Nos. 4, 1, and 1-A, located, respectively, at unorthodox and orthodox locations in Units I and P of Section 12 and in Unit A of Section 13 with unit production to be taken from said wells in any proportion.

(2) That the allowable assigned to the above-described gas proration unit shall be based upon the unit size of 320 acres and that the operator may produce the allowable assigned to the unit from the subject wells in any proportion.

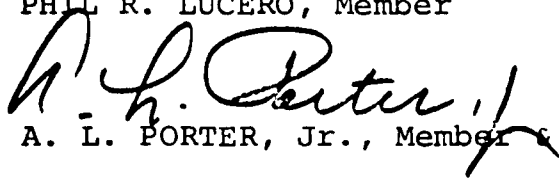
(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


I. R. TRUJILLO, Chairman


PHIL R. LUCERO, Member


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

S E A L

dr/

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

Form C-10
Revised: 1/80

Operator: **Zia Energy, Inc.**

Unit Letter: **H** Section: **13** Township: **24 South** Range: **36 East** County: **Lea** Well No.: **1**

Actual Footage Location of Well: **2310** feet from the North
Ground Level Elev.: **3000'** Producing Formation: **Yates** Line and: **330** Pool: **Jalmat Y/SR oil**

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 interests 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 interests, has been approved by the Division.

CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.
Name: **M. J. Nelson**
Position: **Engineer**
Company: **Zia Energy, Inc.**
Date: **1/19/89**
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.: _____

RECEIVED
JAN 19 1989
OCD
HOBBS OFFICE

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