District I PO Box 1980, Hob District II 811 S. 1st Street, A District III 1000 Rio Brazos R District IV 2040 South Pachec	88210-28 VM 87410 , NM 875	334) 05	OIL CO	nerals & Nath ONSERVA 2040 Sou Santa Fe,	ATION DI th Pacheco NM 8750	TION DIVISION Subn Pacheco IM 87505			Grand C-101 Revised Octover 18, 1994 Instructions on back nit to Appropriate District Office State Lease - 6 Copies Fee Lease - 5 Copies			
APPLICATION FOR PERMIT TO DRILL, RE-EN							TER, DEEPENAL PLUGBACK, OR ADD A ZONE ARTESIA 2 OGRID Number					
ARCO PERMIAN P.O.BOX 1610 MIDLAND, TX	.(Operator name and	Address			···)	^E SIA	3 A.	000990 3 API Number 30-0 S - 3033 ~			
•	erty Code	/		⁵ Property Name						⁶ Well No.		
2	293	4			19							
UL or lot no.	Section	Townshi	ip Range	Range Lot. Idn		Location	South Line	Feet from the	East/West line	County		
K	33	175			236	o:	SOUTH	2165	WEST	EDDY		
⁸ Proposed Bottom Hole Location If Different From Surface												
UL or lot no.	Section	Townsh	ip Range	Lot. Idn	Feet from	the North	South Line	Feet from the	East/West line	County		
9 Proposed Pool 1 ARTESIA (Q-G-SA) 3230							¹⁰ Proposed Pool 2					
11 Work T	ype Code		12 Well Type C	ode	13 Cable	Rotary	Rotary ¹⁴ Lease Type Code ¹⁵ Ground Level Elevati					
	N					R		S	30	3669'GR		
16 Mul	¹⁶ Multiple		17 Proposed De	pth	18 Formation		19	¹⁹ Contractor		20 Spud Date		
NO			3200						6/98			
				_		and Ceme						
Hole S	ize		Casing Size	ing Size Casing		Setting		Sacks of Ceme		Estimated TOC		
12-1			8-5/8		24#	50		450 CIR 1200 CIR		C. TO SURF		
7-7/	8		5-1/2			.⊃ # J∠		200 1200 F		/ IU SURF		
								7-10-		98		
									API + LOC			
Describe the blow DRILL SUR DRILL 7-7 USING PRE 5-1/2 CA SUBJECT W 3000 PSI	FACE HOLE /8" HOLE -HYDRATE SING. (IELL PLAN BOPE WIL y that the in	LE W/FRI E TO 200 ED FW GI COMPLETI NNED AS LL BE U	am. if any. Use a	dditional sh 500". TED BRII L +/- 1: AN ANDR AIGHT H TO TD	SET & CEM NE. DRILL 5CC. LOG ES FORMATI 0LE.	ENT 8-5/8" 3200' TD WELL, RUN ON.	CASING. N/ SACT CEMENT S <u>C</u> - OIL C	18 Hours	Woc.	- 98		
Printed name: ELIZABETH A. CASBEER							Title: Ristrict Supervisor					
Title: REG./COMP. ANALYST						Approval Date: 7-6-98 Expiration Date: 7-6-99						

DISTRICT I P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II P.O. Drawer DD. Artesia. NM 88211-0719

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

DISTRICT IV P.O. BOX 2088, SANTA FE, N.M. 87504-2088 State of New Mexico

Energy, Minerals and Natural Resources Departmant

OIL CONSERVATION DIVISION P.O. Box 2088

Santa Fe, New Mexico 87504-2088

□ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number			Pool Code			ARTESIA (Q-G-SA)						
Property Code			Property Name						Well Number			
22954			WASHINGTON 33 STATE							19		
OGRID No.			Operator Name							Elevation		
000990			ARCO PERMIAN							3669		
Surface Location												
UL or lot No.	Section	Township	Range Lot Idu		Idn Feet from th		he North/South line		Feet from the	East/West line	County	
к 33 17 S		17 S	28 E	28 E)	SOUTH		2165	WEST	EDDY	
Bottom Hole Location If Different From Surface												
UL or lot No.	L or lot No. Section Township Range		Range	Lot Idn	Feet fro	om the North/Sout		line	Feet from the	East/West line	County	
Dedicated Acres	Joint o	r Infill Co	nsolidation (Code Or	der No.		L	1	l.		L	
40												
	WABLE V	ILL BE A	SSIGNED '	TO THIS	COMPLE	TION U	UNTIL ALL	INTER	ESTS HAVE BE	EN CONSOLIDA	ATED	
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												
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					0	3		0.2		R CERTIFICAT		
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									Centracate N		ON 3239 12641 LD 12185	

VICINITY MA



SCALE: 1'' = 2 MILES

SEC. <u>33</u> TWP. <u>17–S</u> RGE. <u>28–E</u>



JOHN WEST ENGINEERING HOBBS, NEW MEXICO (505) 393-3117

LOC TION VERIFICA ION MAP



SCALE: 1'' = 2000'

SEC. 33 TWP. 17-S RGE. 28-E SURVEY N.M.P.M. COUNTY EDDY DESCRIPTION 2360' FSL & 2165' FWL ELEVATION 3669 OPERATOR ARCO PERMIAN LEASE WASHINGTON 33 STATE U.S.G.S. TOPOGRAPHIC MAP RED LAKE, N.M. CONTOUR INTERVAL: RED LAKE – 10'

JOHN WEST ENGINEERING HOBBS, NEW MEXICO (505) 393-3117





ARCO Permlan 600 North Marienfeld Midland TX 79701-437 Post Office Box 1610 Midland TX 79702-1610 Telephone 915 688 5570

Elizabeth A. Casbeer Regulatory/Compliance Analyst

May 12, 1998

Oil Conservation Division 2040 South Pacheco Santa Fe, New Mexico 87505

Gentlemen:

Under the provisions of NMOCD Rule 104.F(d), ARCO Permian requests administrative approval for unorthodox location for its Washington "33" State #19, a new well in Artesia (Q-G-SA) Pool. The location for this well, is 2360' FSL and 2165'FWL of Section 33, T17S, R28E, Eddy County, New Mexico. This well is an unorthodox location.

As required, we are submitting a plat showing the subject 40-acre spacing unit with the unorthodox location and other supporting attachments. Since this unorthodox location is completely surrounded by other ARCO tracts in the same lease, there will be no impact on any other party.

Should you have any questions, please do not hesitate to call me at 915-688-5570 or Dave Pearcy at 915-688-5355. Thank you for your assistance in this matter.

Sincerely,

1. Custer 71

Elizabeth A. Casbeer Regulatory/Compliance Analyst

EAC:lc

cc: NMOCD, Artesia, New Mexico

Enclosures

Geologic and Engineering Discussion for Washington "33" State #19 Unit K of Section 33, T17S, R28E, Eddy County, New Mexico

ARCO Permian requests administrative approval for an unorthodox location for Washington 33 State #19, new well in the Artesia (Q-G-SA) Pool. This location is required for geologic reasons, and will be simultaneously dedicated along with #31 to Unit Letter K of Section 33.

As shown on the engineer's sketch plat, ARCO attempted to obtain an orthodox location for this well at 2310'FS & WL, but was prevented access by a major Empire Abo tank battery and numerous flowlines. We have shifted the location for #19 to the NW (to 2360'FSL, 2165'FWL) to allow adequate and safe setback for the small Unit rig we will use.

ARCO will require 2 strategically-spaced wellspots in each 40-acre tract to recover reserves in the an Andres dolomite, and later in the Yates-Seven Rivers and Queen-Grayburg "sands". An orthodox location for #31 has already been stated in the SW corner of Unit K to produce the San Andres, but we need this unorthodox location in the NE corner of Unit K to fully exploit the Queen-Grayburg-San Andres main pay. No orthodox location for #19 is available in this area due to topographical obstructions. Any shift south would place #19 too close to other wells to effectively drain the in-place oil. Direction drilling of these wells is untenable, since this would add approximately \$100,000 to the cost, and would not be economically justified with 50-85 MBO per-well reserves.

Since this unorthodox location is completely surrounded by ARCO tracts in the same lease, there will be no impact on any other party.