

ARCO Oil and Gas Company
Central District
Post Office Box 1610
Midland, Texas 79702
Telephone 915 688 5200



October 30, 1989

Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

RE: Administrative Approval of Non-Standard Oil Well Location
Seven Rivers Queen Unit #79
Langlie Mattix Oil Pool
Lea County, New Mexico

Dear Mr. LeMay,

Attached please find copies of the return receipts documenting notification of the captioned application to John Hendrix Corporation and Rasmussen Operating Inc., the offset operators. This should complete our application.

If you need any further information, call me at (915) 688-5546.

Very truly yours,

A handwritten signature in cursive script that reads "Cindy W. Ellis". The signature is written in black ink and is positioned above the typed name.

Cindy W. Ellis
Senior Engineer

CC: NMOCD District 1 Office
P.O. Box 1980
Hobbs, New Mexico 88240

Administrative Approval of Non-Standard Oil Well Location
 Seven Rivers Queen Unit #79
 Langlie Mattix Oil Pool
 Lea County, New Mexico

PS Form 3811, July 1983 447-845

SENDER: Complete items 1, 2, 3 and 4.
 Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

1. Show to whom, date and address of delivery.
 2. Restricted Delivery.

3. Article Addressed to:
 John Hendrix Corporation
 223 W. Wall
 Midland, Texas 79701

4. Type of Service:	Article Number
<input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail	P 046 661 752

Always obtain signature of addressee or agent and **DATE DELIVERED.**

5. Signature - Addressee
 X *[Signature]*

6. Signature - Agent
 X *Athy Price*

7. Date of Delivery
10/20/89

8. Addressee's Address (ONLY if requested and fee paid)

DOMESTIC RETURN RECEIPT

PS Form 3811, July 1983 447-845

SENDER: Complete items 1, 2, 3 and 4.
 Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

1. Show to whom, date and address of delivery.
 2. Restricted Delivery.

3. Article Addressed to:
 Rasmussen Operating Inc.
 6 Desta Drive, Suite 5850
 Midland, Texas 79705

4. Type of Service:	Article Number
<input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail	P 046 661 753

Always obtain signature of addressee or agent and **DATE DELIVERED.**

5. Signature - Addressee
 X

6. Signature - Agent
 X *Gary J Rasmussen*

7. Date of Delivery
10/20/89

8. Addressee's Address (ONLY if requested and fee paid)

DOMESTIC RETURN RECEIPT

ARCO Oil and Gas Company
Central District
Post Office Box 1610
Midland, Texas 79702
Telephone 915 688 5200

OIL CONSERVATION DIVISION
RECEIVED



October 19, 1989

'89 OCT 23 AM 9 35

✓ Mr. William J. LeMay, Director
New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

RE: Administrative Approval of Non-Standard Oil Well Location
Seven Rivers Queen Unit #79
Langlie Mattix Oil Pool
Lea County, New Mexico

Dear Mr. LeMay,

ARCO Oil and Gas Company respectfully requests administrative approval to drill the Seven Rivers Queen Unit No. 79, a proposed producing well in an active waterflood unit, at a non-standard location of 1400 ft FNL & 90 ft FEL of Section 3, T 23 S, R 36 E, Lea County, New Mexico.

The well is proposed to a total depth of 3850 ft to test the Seven Rivers and Queen formations within the vertical limits of the Langlie Mattix (Seven Rivers/ Queen) Oil Pool.

In ARCO's opinion, completion of the well at the proposed location will provide an efficient production and injection pattern within the secondary recovery project. This well is expected to recover unswept oil by increasing the amount of floodable pay and by increasing the injection efficiency due to increased continuity.

The offset operators have been notified of this application by certified mail. Copies of the return receipts will be forwarded when received. Attached is a plat showing the SRQU and the proposed well's location.

If you need any further information regarding this request, please call me at (915) 688-5546.

Thank you for your consideration.

Very truly yours,

Cindy W. Ellis
Senior Engineer

CC: New Mexico Oil Conservation Division District 1 Office
P.O. Box 1980
Hobbs, New Mexico 88240

John Hendrix Corporation
223 W. Wall
Midland, TX 79701

Rasmussen Operating, Inc.
6 Desta Drive, Suite 5850
Midland, TX 79705

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

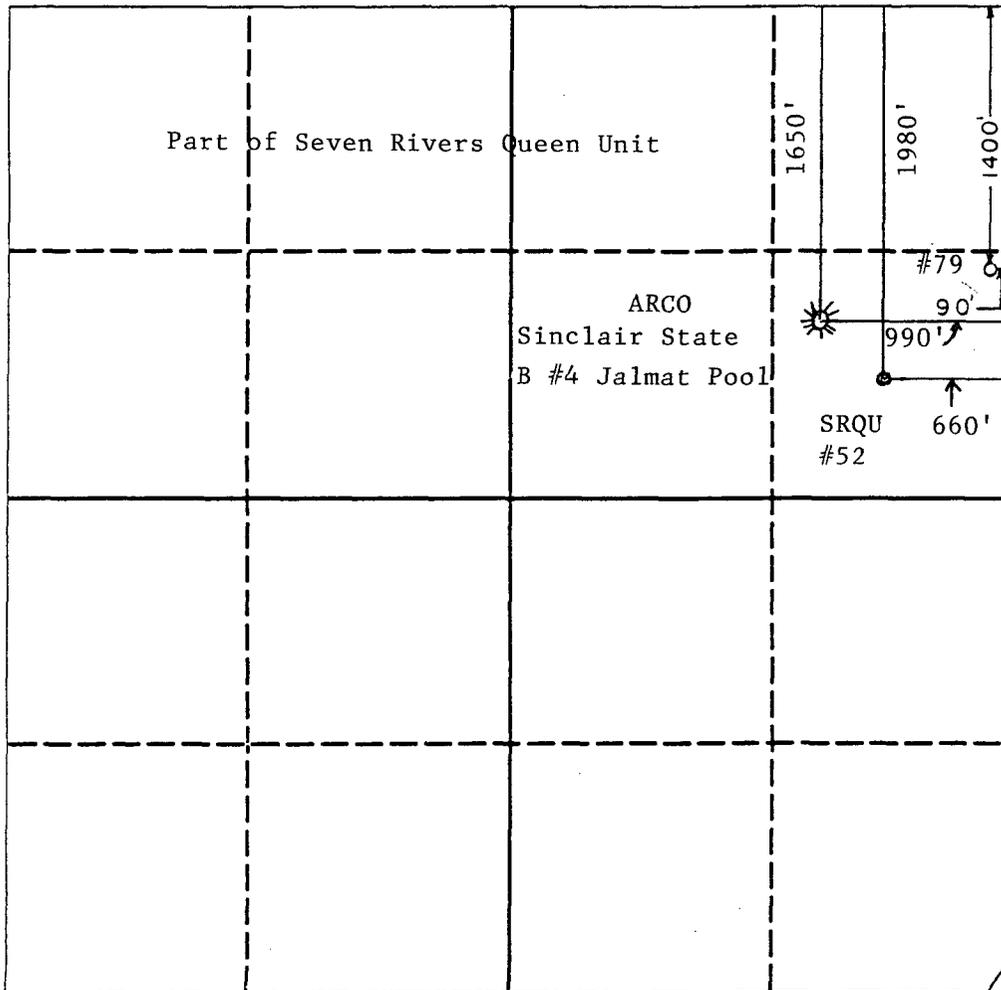
All Distances must be from the outer boundaries of the section

Operator ARCO Oil & Gas Company			Lease S.R.Q.U.		Well No. 79
Unit Letter H	Section 3	Township 23 South	Range 36 East	County NMPM	Lea
Actual Footage Location of Well: 1400 feet from the North line and 90 feet from the East line					
Ground level Elev. 3470.5	Producing Formation Seven Rivers/Queen		Pool Langlie Mattix	Dedicated Acreage: 40 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 Unitization

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: *Cindy W. Ellis*
 Printed Name: Cindy W. Ellis
 Position: Senior Engineer
 Company: ARCO
 Date: 10-18-89

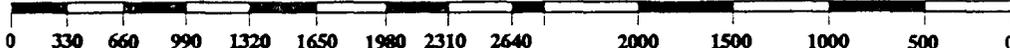
SURVEYOR CERTIFICATION

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.

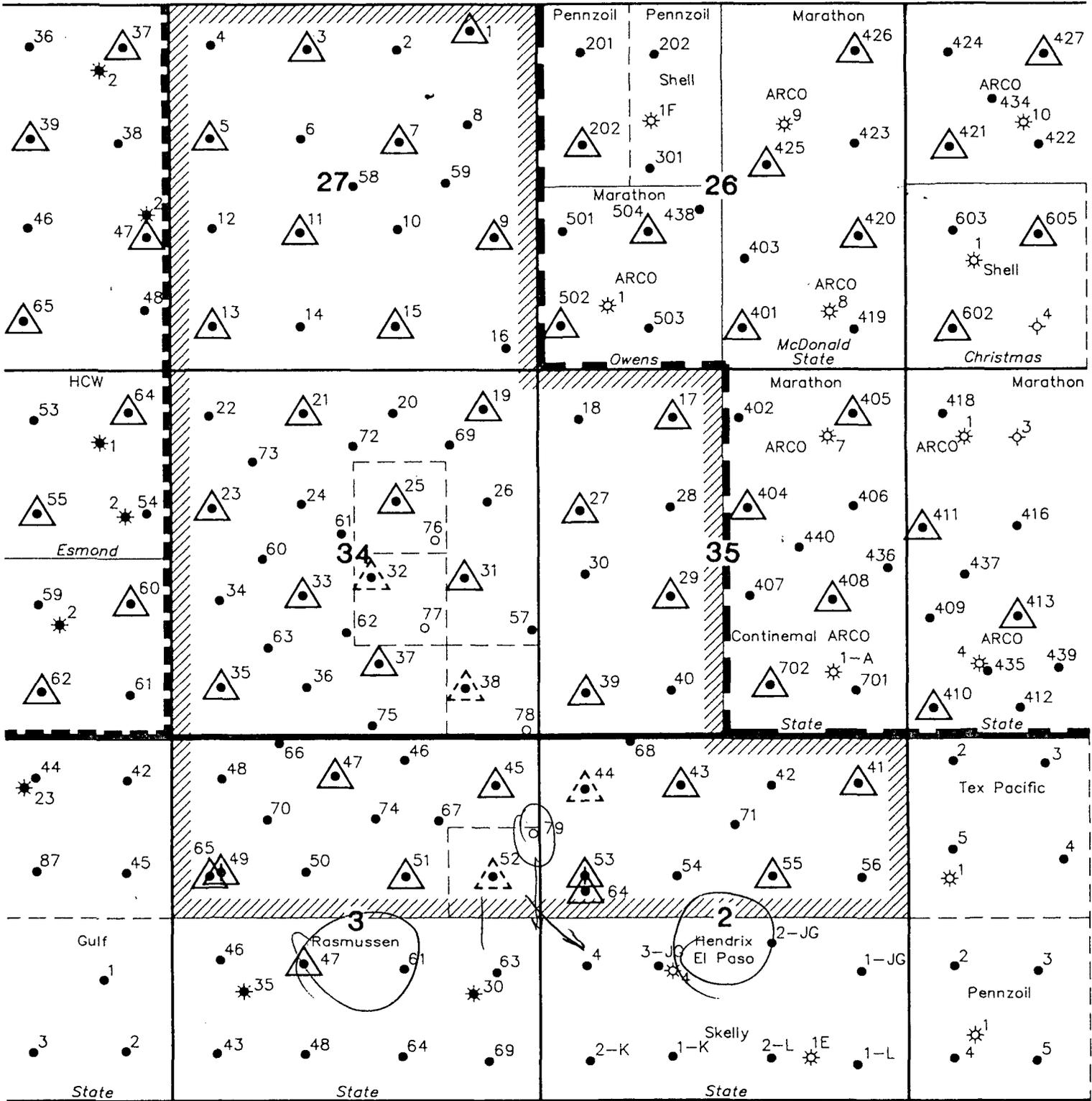
Date Surveyed: October 11, 1989

Signature & Seal of Professional Surveyor

Certificate No. 03749 W. WEST 676
 RONALD J. EIBSON, 3239
 REGISTERED PROFESSIONAL SURVEYOR
 NEW MEXICO



R 36 E



T
22
S

T
23
S

ARCO Oil and Gas Company 
Division of AtlanticRichfieldCompany

Central District Midland, Texas

SEVEN RIVERS- QUEEN UNIT

Lea Co., New Mexico

Proposed Producers
Nos. 76, 77, 78 & 79
Proposed Conversions
Nos. 32, 38, 44 & 52

Scale: 1" = 2000'

By: GNDY ELLIS	Drawn By: LGA Date: 8/89
Date: 8-8-89	Revised By: Date:
Dept: NORTHWEST	Dwg No. NM22S36E

SOUTH EUNICE POOL
LANGLIE MATTIX POOL
(Atlantic Seven Rivers-Queen Unit Waterflood)
Lea County, New Mexico

Order No. R-4589, Authorizing Atlantic Richfield Company to Institute a Waterflood Project in the Seven Rivers-Queen Unit Area in the South Eunice and Langlie Mattix Pools, Lea County, New Mexico, July 13, 1973.

Application of Atlantic Richfield Company for a Waterflood Project, Lea County, New Mexico.

CASE NO. 5017
Order No. R-4589

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 a.m. on June 27, 1973, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 13th day of July, 1973, 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 authority to institute a waterflood project in the Seven Rivers-Queen Unit Area by the injection of water into the Seven Rivers and Queen formations through 28 injection wells in Sections 27, 34, and 35, Township 22 South, Range 36 East, NMPM, South Eunice Pool, and Sections 2 and 3, Township 23 South, Range 36 East, NMPM, Langlie Mattix Pool, Lea County, New Mexico.

(3) That applicant proposes to inject water through tubing, set in a packer into the Seven Rivers or Queen formation through perforations or the open hole; the annulus to be filled with inert fluid with a pressure gauge at the surface.

(4) That the wells in the project area are in an advanced state of depletion and should properly be classified as "stripper" wells.

(5) That the proposed waterflood project should result in the recovery of otherwise unrecoverable oil, thereby preventing waste.

(6) That the subject application should be approved and the project should be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

IT IS THEREFORE ORDERED:

(1) That the applicant, Atlantic Richfield Company, is hereby authorized to institute a waterflood project in the Seven Rivers-Queen Unit Area, South Eunice and Langlie Mattix Pools, by the injection of water into the Seven Rivers and Queen formations through the following-described wells:

LEA COUNTY, NEW MEXICO
TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM

Well Name	Well No.	Location	Section
Gulf A. L. Christmas "A"	6	330' FNL & 990' FEL	27
ARCO Shipley "A"	5	660' FNL & 2080' FWL	27
ARCO Shipley "A"	3	1980' FNL & 660' FWL	27
Gulf A. L. Christmas "A"	4	1980' FNL & 1980' FEL	27
A. L. Christmas "A"	8	1980' FSL & 660' FEL	27
ARCO Mattie Shipley	3	1980' FSL & 1980' FWL	27
ARCO Mattie Shipley	4	660' FSL & 660' FWL	27
Gulf A. L. Christmas "A"	7	660' FSL & 1980' FEL	27
ARCO R. M. Jones	3	660' FNL & 1980' FWL	35
ARCO C. Jones	6	660' FNL & 660' FEL	34
ARCO C. Jones	3	660' FNL & 1980' FWL	34
ARCO C. Jones	9	1980' FNL & 660' FWL	34
ARCO C. Jones	8	1980' FNL & 1980' FEL	34
ARCO R. Jones	5	1980' FNL & 660' FWL	35
Gackle R. Jones	3	1980' FSL & 1980' FWL	35
ARCO O. L. Jones "C"	1	2310' FSL & 990' FEL	34
ARCO Hale	2	1980' FSL & 1980' FWL	34
ARCO Hale	5	660' FSL & 660' FWL	34
ARCO O. L. Jones "B"	2	990' FSL & 2310' FEL	34
Gackle R. Jones	4	660' FSL & 660' FWL	35

TOWNSHIP 23 SOUTH, RANGE 36 EAST, NMPM

Gulf Janda "I" State	4	660' FNL & 660' FEL	2
Gulf Janda "I" State	5	660' FNL & 1980' FWL	2
Gackle Sinclair State "B"	7	660' FNL & 660' FEL	3
Gackle Sinclair State "B"	6	660' FNL & 2310' FWL	3
Gackle Sinclair State "B"	9	1980' FNL & 660' FWL	3
Gackle Sinclair State "B"	11	1980' FNL & 1980' FEL	3
Gulf Janda "I" State	10	1980' FNL & 660' FWL	2
Janda "I" State	8	1980' FNL & 1980' FEL	2

(2) That the subject waterflood project is hereby designated the Seven Rivers-Queen Unit Waterflood Project and shall be governed by the provisions of Rules 701, 702, and 703 of the Commission Rules and Regulations.

(3) That injection into each of the above-authorized water injection wells shall be through internally plastic-coated tubing set in a packer which shall be set as near as is practicable to the uppermost perforation or the casing-shoe, in open-hole completions. The casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge at the surface.

(4) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(5) 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.

SOUTH EUNICE POOL
LANGLIE MATTIX POOL
(Atlantic Seven Rivers-Queen Unit Waterflood)
Lea County, New Mexico

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ARCO R. M. Jones	3	660' FNL & 1980' FWL	35
ARCO C. Jones	6	660' FNL & 660' FEL	34
ARCO C. Jones	3	660' FNL & 1980' FWL	34
ARCO C. Jones	9	1980' FNL & 660' FWL	34
ARCO C. Jones	8	1980' FNL & 1980' FEL	34
ARCO R. Jones	5	1980' FNL & 660' FWL	35
Gackle R. Jones	3	1980' FSL & 1980' FWL	35
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Gackle R. Jones	4	660' FSL & 660' FWL	35

TOWNSHIP 23 SOUTH, RANGE 36 EAST, NMPM

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Gackle Sinclair State "B"	9	1980' FNL & 660' FWL	3
Gackle Sinclair State "B"	11	1980' FNL & 1980' FEL	3
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Janda "I" State	8	1980' FNL & 1980' FEL	2

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(4) That monthly progress reports of the waterflood project herein authorized shall be submitted to the Commission in accordance with Rules 704 and 1120 of the Commission Rules and Regulations.

(5) 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
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION
RECEIVED

89 OCT 26 AM 9:59

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

10-20-89

GARREY CARRUTHERS
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 _____
- NSP _____
- SWD _____
- WFX _____
- PMX _____

Gentlemen:

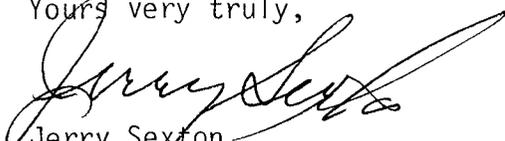
I have examined the application for the:

Arco Oil & Gas Co. Seven Rivers Queen Unit # 79-H 3-23-36
 Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK

Yours very truly,


 Jerry Sexton
 Supervisor, District 1

/ed