

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

OIL CONSERVATION DIVISION
RECEIVED



'92 SEP 25 PM 9 23

September 18, 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
H. S. Record WN #2
S/2 Section 10, T22S, R36E, Lea County, NM
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 H. S. Record WN #2, located 560' FSL, 660' FWL, Section 10, T-22S, R-36E in Lea County, New Mexico. The H. S. Record WN #2 is a Eunice Seven-Rivers Queen South oil well which ARCO is preparing to recomplete uphole to the Jalmat pool. At the same time, ARCO requests simultaneous dedication of the Jalmat gas production from the H. S. Record WN #1 and #6 with the Jalmat gas production from the H. S. Record WN #2 well. The H. S. Record WN #1 and #6 are Jalmat gas wells currently dedicated to an existing 320-acre proration unit comprised of the S/2 of Section 10, T-22S, 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
Operations/Analytical Engineer

KDR:lrh

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 stamped, 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**

H. S. Record WN #2

and

Simultaneous Dedication of Jalmat Gas Production

H. S. Record WN #1 and #6 (existing)

H. S. Record WN #2 (new)

Jalmat Gas Pool

S/2 Section 10, T22S, R36E, Lea County, NM

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 H. S. Record WN #2, and simultaneous dedication of Jalmat gas production from the H. S. Record WN #1, #2 and #6 to an existing 320-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

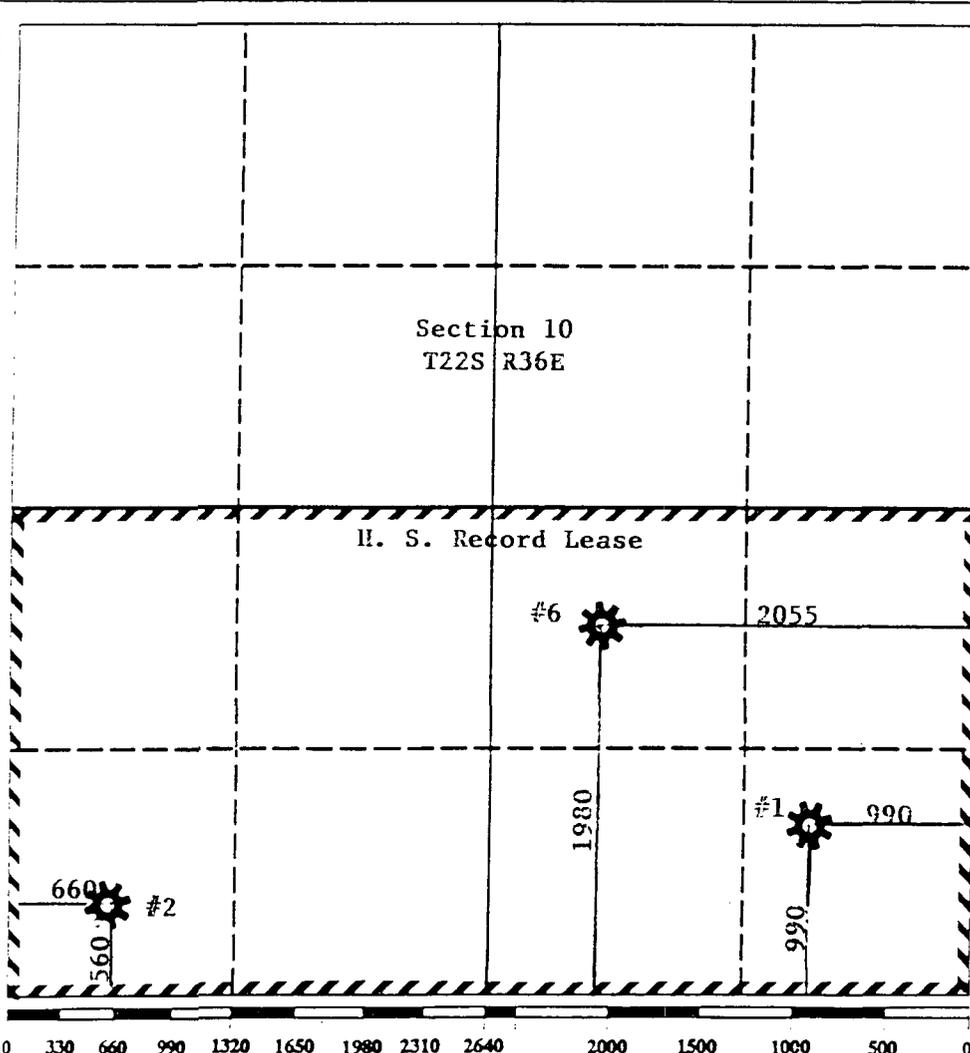
Operator ARCO Oil and Gas Company			Lease H.S. Record WN		Well No. #2
Unit Letter M	Section 10	Township T22S	Range R36E	County NMPM Lea	
Actual Footage Location of Well:					
560 feet from the South line and		660 feet from the West line			
Ground level Elev. 3553'	Producing Formation Yates Seven Rivers	Pool Jalpat 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
Evelyn Gilson

Position
Engr. Tech.

Company
ARCO Oil and Gas Company

Date
September 16, 1992

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
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

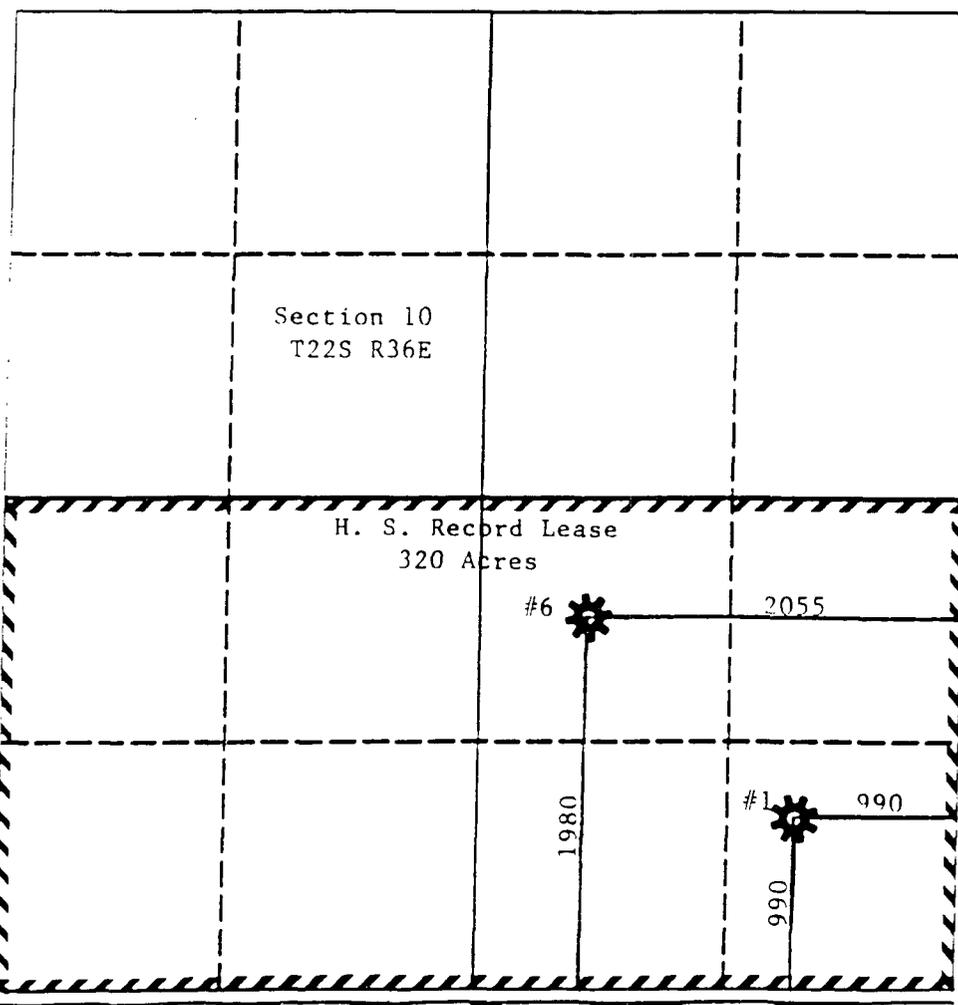
DISTRICT II
P.O. Drawer DD, Artesa, NM 88210

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 H. S. Record WN		Well No. #1, #6
Unit Letter P, J	Section 10	Township 22 South	Range 36 East	County NMPM Lea	
Actual Footage Location of Well: 990 1980 feet from the South			Line and 2055	feet from the East line	
Ground level Elev. 3653, 3550.1	Producing Formation Yates Seven Rivers		Pool Jalmat Gas	Dedicated Acreage: 320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure 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
Evelyn Gilson

Position
Engr. Tech.

Company
ARCO Oil and Gas Company

Date
April 2, 1991

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

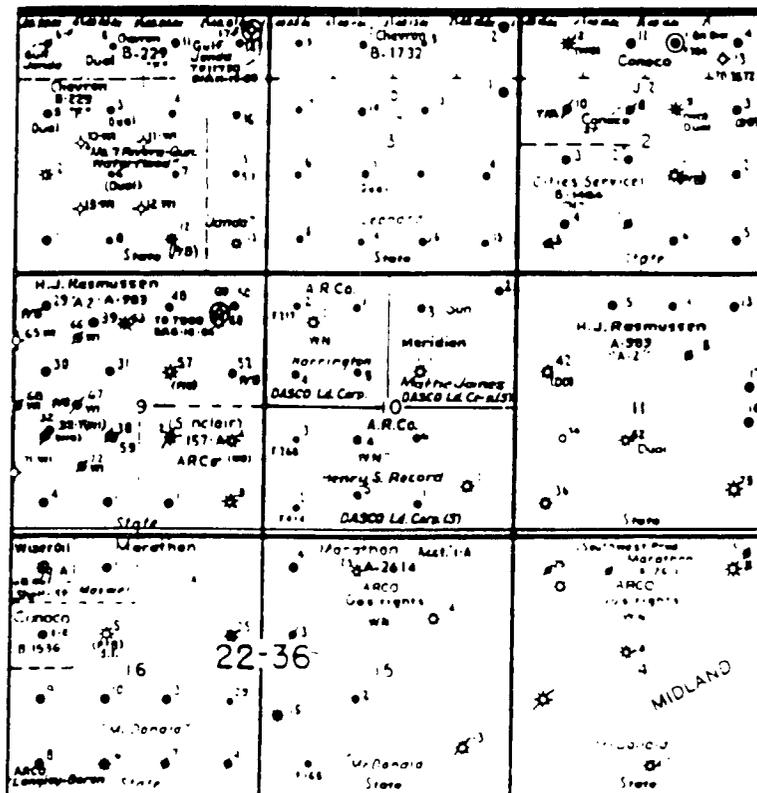
Signature & Seal of Professional Surveyor

Certificate No.

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

ARCO OIL AND GAS COMPANY
 Application for an
 Unorthodox Jalmat Gas Well Location
 H. S. Record WN #2

Simultaneous Dedication of Jalmat Gas Production
 H. S. Record WN #1 and #6 (existing)
 H. S. Record WN #2 (new)
 Jalmat Gas Pool
 S/2 Section 10, T22S, R36E, Lea County, NM
 Lea County, New Mexico



OFFSET OPERATORS

Chevron, USA
 Clayton Williams, Jr.
 Marathon Oil
 Meridian Oil



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

RECEIVED

OIL CONSERVATION DIVISION
HOBBS DISTRICT OFFICE

'92 OCT 6 PM 9 23

9-24-92

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 X + SD
- NSP _____
- SWD _____
- WFX _____
- PMX _____

Gentlemen:

I have examined the application for the:

Arco Oil & Gas Co. N.S. Record WN # 2-7m 10-22-36
 Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK

Yours very truly,

Jerry Sexton
Supervisor, District 1

/ed