

**ARCO Oil and Gas Company** 

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January 3, 1994

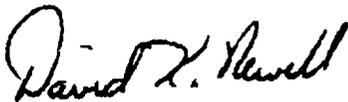
Mr. William J. LeMay  
New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

RE: Hearing on Jalmat Gas Pool Minimum Gas Allowable  
January 6, 1994

Dear Mr. LeMay:

ARCO Oil and Gas Company is in support of maintaining a minimum gas allowable in the Jalmat Gas Pool of 600 MCFD. ARCO completed 21 workovers or recompletions in the Jalmat Gas Pool in 1993. ARCO is planning to workover 14 wells in 1994 if the minimum gas allowable is maintained at 600 MCFD. Although the current pool allowable for October 1993 through March 1994 is above 600 MCFD, the 600 MCFD minimum allowable is seen as necessary for making a prudent investment in these wells by providing a floor for future allowables. These wells are expected to produce for a number of years.

Sincerely,



David K. Newell  
Senior Operations/Analytical Engineer  
ARCO Oil and Gas Company