ARCO Oil and Gas Company

Permian District Post Office Box 1610 Midland. Texas 79702 Telephone 915 684 0100



November 25, 1986

Mr. David R. Catanach New Mexico Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501

RE: State 157 'D' No. 11 Arrowhead Grayburg/Drinkard Pools Amendment of Order #R-6318 Unorthodox Oil Well Location

Dear Mr. Catanach:

ARCO Oil and Gas Company respectfuly requests that Order #R-6318, granting an unorthodox oil well location in the Drinkard Pool, be administratively amended to include the Arrowhead Grayburg Pool. The well is located 2123' FSL and 1644' FEL of Section 12, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico. The NW/4 SE/4 of Section 12 is dedicated to the well, as illustrated on the attached C-102 acreage dedication plat. Due to an error in surveying, this location is six feet too close to the quarter-quarter section line. The location is, however, 507 feet from the nearest lease line. The unorthodox location was previously approved for the Drinkard Pool by Order #R-6318. The current completion in the Drinkard is producing at an uneconomical rate, and it is our intention to recomplete the well to the Arrowhead Grayburg Pool.

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 Arrowhead Grayburg reserves from the subject acreage.

Chevron, the only offset operator, has been sent a copy of this request by registered mail. Thank you for your prompt consideration.

Yours very truly,

Cindy . Ellis Sr. Operations/Analytical Engineer

CWE:sc Attachment

- cc: Chevron U.S.A. Inc. 1923 North Dal Paso Hobbs, New Mexico 88240
- cc: Jerry Sexton NMOCD - Hobbs ARCO Oil and Gas Company is a Division of AtlanticRichfieldCompany

### STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT SANTA FE, NEW MEXICO 87501

# OIL CONSERVATION DIVISION P. O. BOX 2088

Form C-102 Revised 10-1-78

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ARCO Oil &	Gas Company			St	ate 157 'D	1			.1
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	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).								
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Lea County, New Mexico

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GOVERNOR

# ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION HOBBS DISTRICT OFFICE

November 10, 1986

POST OFFICE BOX 1980 HOBBS, NEW MEXICO 88240 (505) 393-6161

ARCO Oil & Gas Company P.O. Box 1610

Midland, TX 79702

Attn: Ken Gosnell

Re: State 157 D #11-J Section 12, T22S, R36E

Gentlemen:

We have received your intention to plug back and recomplete the above referenced well in the Grayburg formation. The location of this well is six feet too close to the quarter quarter section line and the non-standard location for the Drinkard was approved by Division Order R-6318. Before the Grayburg can be produced, you will need to have the NSL order amended to include the Grayburg.

Very truly yours,

OIL CONSERVATION DIVISION rel

Jerry Sexton Supervisor, District I

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Orig - CF xe - s. smith - Hobbs - D. Douglas - 120 - Dry File - KWG - 1445

## STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 6862 Order No. R-6318

APPLICATION OF ARCO OIL AND GAS COMPANY FOR AN UNORTHODOX OIL WELL LOCATION, LEA COUNTY, NEW MEXICO.

### ORDER OF THE DIVISION

#### BY THE DIVISION:

This cause came on for hearing at 9 a.m. on April 9, 1980, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>15th</u> day of April, 1980, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, ARCO Oil and Gas Company, seeks approval of an unorthodox oil well location for its State 157 "D" Well No. 11 drilled at a point 2123 feet from the South line and 1644 feet from the East line of Section 12, Township 22 South, Range 36 East, NMPM, Drinkard Pool, Lea County, New Mexico.

(3) That the NW/4 SE/4 of said Section 12 is to be dedicated to the well.

(4) That due to an error in surveying, the subject well was drilled six feet closer to the proration unit boundary than is permitted by the Division Rules and Regulations.

(5) That no offset operator objected to the proposed unorthodox location. -2-Case No. 6862 Order No. R-6318

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

#### IT IS THEREFORE ORDERED:

(1) That an unorthodox oil well location for the Drinkard formation is hereby approved for the ARCO Oil and Gas Company State 157 "D" Well No. 11 drilled at a point 2123 feet from the South line and 1644 feet from the East line of Section 12, Township 22 South, Range 36 East, NMPM, Drinkard Pool, Lea County, New Mexico.

(2) That the NW/4 SE/4 of said Section 12 shall be dedicated to the above-described well.

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

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

STATE OF NEW MEXICO **QIL CONSERVATION DIVISION** JOE D. RAMEY Director

SEAL

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STATE OF NEW MEXICO					
ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION			Form C-101		
	NO. OF COPICS RECEIVED P. O. BOX 2088			Revised 10-1-78	
DISTRIBUTION	SANTA FE, NEW N	AEXICO 87501	Г	5A. Indicate Type of Lease	
SANTA FE				STATE X PEE	
FILE				5. State Oil & Gas Lease No.	
U.S.G.S.				157	
LAND OFFICE				minimum	
OPERATOR					
APPLICATION FOR PE	RMIT TO DRILL, DEEPEN	<u>, OR PLUG BACK</u>	N		
1a. Type of Work				7. Unit Agreement Name	
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DRILL	DEEPEN	PLL	G BACK X	8. Form or Lease Name	
	ER	SINGLE X		State 157 "D"	
2. Name di Operator				9. Well No.	
ARCO OIL AND GAS COMPA	NY			11	
3. Address of Operator		<u> </u>		10. Field and Pool, or Wildcat	
P. O. Box 1610, Midlar	nd, Texas 79702 .,,	7 2		Arrowhead	
4. Location of Well UNIT LETTER J	LOCATED	Sout	th Line		
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1. Elevations (Show whether DF, RT, etc.)	21A. Kind & Status Plug. Bond	21B. Drilling Contracto	)r	22. Approx. Date Work will start	
3461.9' GR	GCA #8			11-24-86	
23.			· · · · ·		

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
	9-5/8"	36#	1209'	550	circ'd
	5-1/2"	15.5#	6800'	2025	circ'd
				1	

PROCEDURE

- 1. MIRU. Remove production equipment from well.
- 2. Set CIBP @ 6470' and spot 35' cmt on top. PRessure test.
- 3. Perf Grayberg w/1 JSPF @ 3640-3644', 3646-3652', 3662-3672', 3686-3730' & 3740-3786'.
- 4. Acidize Grayberg perfs f/3640-3786' w/5800 gals 15% NEFE HCL.
- 5. Swab test.
- 6. RIH w/production equipment and return well to pumping.

Orig - DF xC - D. Douglas - 120 - S. Smith Hobbs - KWG -1445

TIVE ZONE, SIVE SLOWOUT PREVENTER PROGRAM, IP ANY.	PRESENT PRODUCTIVE IC	DHE AND PROPOSED NEW PRODI
I hereby certify that the information above is true and complete to the best of my knowledge and bellef. $915 \ 688 - 5672$		
Signed Ken W Comell Title Engr. Tech. Spec.	Date	11-4-86
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