

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



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 Eumont Gas Well Location & Simultaneous Dedication
Barber Gas Com Wells #1, #2, #3
E/2 of E/2, Section 7, T20S, R37E, Lea County, NM
W/2 of W/2, Section 8, T20S, R37E, Lea County, NM
Eumont (Yates/Seven Rivers/Queen) Gas Pool

Dear Mr. LeMay / Mr. Sexton:

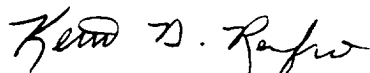
ARCO Oil and Gas Company respectfully requests administrative approval for an unorthodox Eumont gas well location for the Barber Gas Com #3 well (currently known as the B. J. Barber #18, and to be renamed after recompletion) located 1650' FNL, 330' FEL, Section 7, T-20S, R-37E in Lea County, New Mexico. The Barber Gas Com #3 is currently known as the B. J. Barber #18, and is a Monument Paddock oil well which ARCO is preparing to recomplete uphole to the Eumont pool. At the same time, ARCO requests simultaneous dedication of the Eumont gas production from the Barber Gas Com Wells #1 and #2 with the Eumont gas production from the Barber Gas Com #3 well. The Barber Gas Com Wells #1 and #2 are Eumont gas wells currently dedicated to an existing 320 acre proration unit comprised of the E/2 of E/2 of Section 7 and the W/2 of W/2 of Section 8, T20S, R37E.

Attached are C-102 forms identifying both the existing and proposed configuration of the subject 320 acre Eumont 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 Eumont 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