

ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION



GARREY CARROLL-HERS  
CLERK

POST OFFICE BOX 2068  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-5900

January 6, 1987

Arco Oil & Gas Company  
P. O. Box 1610  
Midland, Texas 79702

Attention: Cindy W. Ellis

RE: Amendment of Division  
Order No. R-6318

Dear Ms. Ellis:

Reference is made to your request dated November 25, 1986, for an amendment to Division Order No. R-6318. This order dated April 15, 1980, granted Arco an unorthodox oil well location 2123 feet from the South line and 1644 feet from the East line of Section 12, Township 22 South, Range 36 East, NMPM, Lea County, New Mexico, for a well drilled to the Drinkard formation. It is our understanding that Arco now wishes to recomplete said well in the Arrowhead Grayburg Pool. It is further our understanding that Chevron, the sole offset operator, has been notified of your intention.

Inasmuch as the location is merely six feet closer to the quarter-quarter section line than the Division permits, and that Chevron has not entered an objection within the prescribed waiting period, your request will be granted.

You are therefore authorized to recomplete the State 157 "D" No. 11 Well in the Arrowhead Grayburg Pool at a location of 2123 feet from the South line and 1644 feet from the East line of said Section 12. The NW14 SE14 of said Section 12 shall be dedicated to the well.

Sincerely,

Division Director

xc: OCD - Hobbs  
Case File 6862



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
HOBBS DISTRICT OFFICE

TONEY ANAYA  
GOVERNOR

12-2-86

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

OIL CONSERVATION DIVISION  
P. O. BOX 2088  
SANTA FE, NEW MEXICO 87501

RE: Proposed:

MC \_\_\_\_\_  
DHC \_\_\_\_\_  
NSL X \_\_\_\_\_  
NSP \_\_\_\_\_  
SWD \_\_\_\_\_  
WFX \_\_\_\_\_  
PMX \_\_\_\_\_

*Approved for L.B.  
by letter amending  
K-6318 1-6-87*

Gentlemen:

I have examined the application for the:

Arco oil & Gas State 157 O# 11-2 12-22-36  
Operator Lease & Well No. Unit S-T-R

and my recommendations are as follows:

OK S.S.

Yours very truly,

Jerry Sexton  
Supervisor, District 1

/mc

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 respectfully 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.

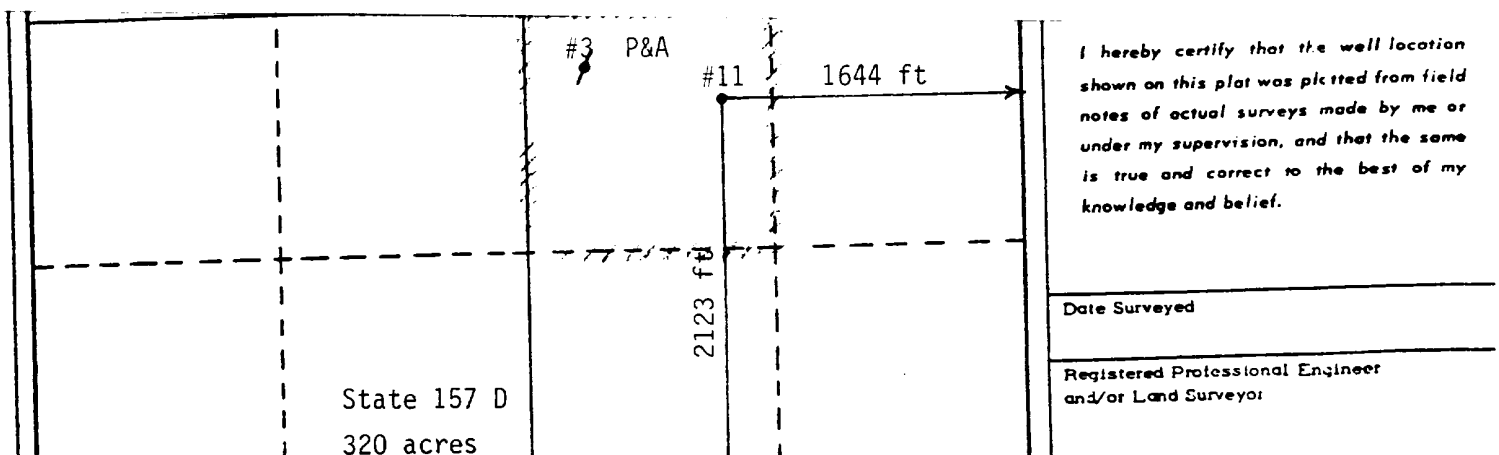
Yours very truly,

Cindy L. 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**  
OIL CONSERVATION DIVISION  
HOBBS DISTRICT OFFICE

TONEY ANAYA  
GOVERNOR

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

Jerry Sexton  
Supervisor, District I

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Orig - CF  
KC - S. Smith - Hobbs  
- D. Douglas - 120  
- Dry File  
- KWG - 1445

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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 15th 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.

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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:

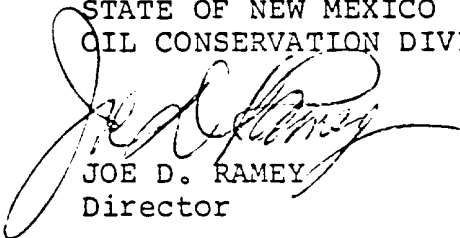
(1) That an unorthodox oil well location for the Drinkard formation is hereby approved for the ARCO Oil and Gas Company State 157 "D" Well No. 11 drilled at a point 2123 feet from the South line and 1644 feet from the East line of Section 12, Township 22 South, Range 36 East, NMPM, Drinkard Pool, Lea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



JOE D. RAMEY  
Director

S E A L

fd/

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION  
P. O. BOX 2088  
SANTA FE, NEW MEXICO 87501

Form C-101  
Revised 10-1-78

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
OPERATOR	

5A. Indicate Type of Lease	
STATE <input checked="" type="checkbox"/>	FEE <input type="checkbox"/>
5. State Oil & Gas Lease No.	
157	

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work		7. Unit Agreement Name	
b. Type of Well DRILL <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input checked="" type="checkbox"/> OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		8. Farm or Lease Name	
2. Name of Operator ✓ ARCO OIL AND GAS COMPANY		9. Well No. 11	
3. Address of Operator P. O. Box 1610, Midland, Texas 79702		10. Field and Pool, or Wildcat Arrowhead	
4. Location of Well UNIT LETTER J LOCATED 1980 FEET FROM THE South LINE AND 1644 FEET FROM THE East LINE OF SEC. 12 TWP. 22S RGE. 36E NMPM		12. County Lea	
19. Proposed Depth		19A. Formation Grayburg	20. Rotary or C.T.
21. Elevations (Show whether DF, RT, etc.) 3461.9' GR	21A. Kind & Status Plug. Bond GCA #8	21B. Drilling Contractor	22. Approx. Date Work will start 11-24-86

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

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  
- RWG - 1445

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM; IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Signed Ken W. Gosnell Title Engr. Tech. Spec. Date 11-4-86

(This space for State Use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY: NO

NOV 12 1986



STATE OF NEW MEXICO  
**ENERGY AND MINERALS DEPARTMENT**  
OIL CONSERVATION DIVISION  
HOBBS DISTRICT OFFICE

TONEY ANAYA  
GOVERNOR

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:

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Very truly yours,

OIL CONSERVATION DIVISION

Jerry Sexton  
Supervisor, District I

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