

January 9, 1995

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: NSP-1685

Application for Unorthodox Eumont Gas Well Location & Simultaneous Dedication

Ernest C. Adkins #13

E/2 Section 9, T-21S, R-36E, Lea County, NM Eumont (Yates/Seven Rivers/Queen) Gas Pool

Dear Mr. LeMay / Mr. Sexton:

ARCO Permian respectfully requests administrative approval for an unorthodox Eumont gas well location for the Ernest C. Adkins #13 well to be located 1051' FNL, 1980' FEL, Section 9, T-21S, R-36E in Lea County, New Mexico. This location is unorthodox do to being closer than 330' from a quarter-quarter section inner line. It is necessary to be closer than 330' from a quarter-quarter section inner line in order for this well to be drilled 100' away from a primary power line. At the same time, ARCO requests simultaneous dedication of the Eumont gas production from the Ernest C. Adkins #5, #9, and #12 with the Eumont gas production from the Ernest C. Adkins #13 well. The Ernest C. Adkins #5, #9, and #12 are Eumont gas wells currently dedicated to an existing 320-acre proration unit (NSP-1685) comprised of the E/2 Section 9, T-21S, R-36E. ARCO plans to drill the Ernest C. Adkins #13 as soon as this request is approved.

Attached are C-102 forms for the proposed configuration of the subject 320-acre Eumont gas proration unit. Also attached is a list of offset operators for this unit, and a land plat map of the surrounding area.

ARCO Permian 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 Permian 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) 688-5446.

Sincerely,

David K. Newell

Sr. Operations/Analytical Engineer

cc: K. Murrish - (Hobbs)

Javid V. Newell

Attachments