

ARCO Permian
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December 7, 1995

Mr. Michael Stogner
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

Mr. J. T. Sexton
New Mexico Oil Conservation Division
P. O. Box 1980
Hobbs, New Mexico 88240

RE: NSP-1624
Application for Unorthodox Eumont Gas Well Location & Simultaneous Dedication
State G Com #5
Section 5, T-21S, R-36E, Lea County, NM
Eumont (Yates/Seven Rivers/Queen) Gas Pool

Dear Mr. Stogner / Mr. Sexton:

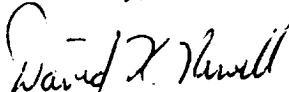
ARCO Permian respectfully requests administrative approval for an unorthodox Eumont gas well location for the State G Com #5 well to be located 990' FSL, 890' FWL, Section 5, T-21S, R-36E in Lea County, New Mexico. This location is 100' west of an orthodox location in order for this well to be drilled 100' away from a primary power line. At the same time, ARCO requests simultaneous dedication of the Eumont gas production from the State G Com #1 and #4 wells with the Eumont gas production from the State G Com #5 well. The State G Com #1 and #4 are Eumont gas wells currently dedicated to an existing 200-acre proration unit (NSP-1624) comprised of Unit Letters S, T, U, V, and W of Section 5, T-21S, R-36E. ARCO plans to drill the State G Com #5 as soon as this request is approved.

Attached are C-102 forms for the proposed configuration of the subject 200-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)
Attachments

