



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

OIL CONSERVATION DIVISION
BOX 2088
SANTA FE, NEW MEXICO 87501

DATE 1-16-86

RE: Proposed MC _____
Proposed DHC _____
Proposed NSL _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

NSP

Gentlemen:

I have examined the application dated 1-16-86
for the Champlin Petroleum Co E-20 E-29.25N-10W
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Object for hearing - Pool rules require 1/2 x 5/2
deductions.

Yours truly,

E. J. Arnel



A Subsidiary of
Union Pacific Corporation

January 10, 1986

State of New Mexico
Oil Conservation Commission
P O Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Mike Stogner

RE: Non-Standard Proration Unit
New Mexico State Order R-1069-D
Township 25 North, Range 11 West
Section 29: W/2NW/4
San Juan County, New Mexico

Gentlemen:

Champlin Petroleum Company (operator), along with its partners Chorney Oil Company and Norcen Energy Inc., plan to drill a 5120' Lower Gallup formation test on Federal Oil and Gas Lease NM-57577 at a location in the SW/4NW/4 of Section 29, Township 25 North, Range 11 West, San Juan County, New Mexico.

Champlin, on behalf of its partners, hereby respectfully requests that a non-standard proration unit covering the W/2NW/4, Sec. 29, T25N, R11W be assigned to the above-mentioned well. Champlin has distributed waiver-of-objections to the offsetting lease owners and will forward same to you upon receipt of the executed copies.

Enclosed for your reference is a lease plat showing lease ownership in the subject area. If you have any questions or would like to discuss this matter, please call me at (303) 779-2784. Thank you.

Very truly yours,

Larry D. Lillo
Landman

LDL:kmj

Enc.

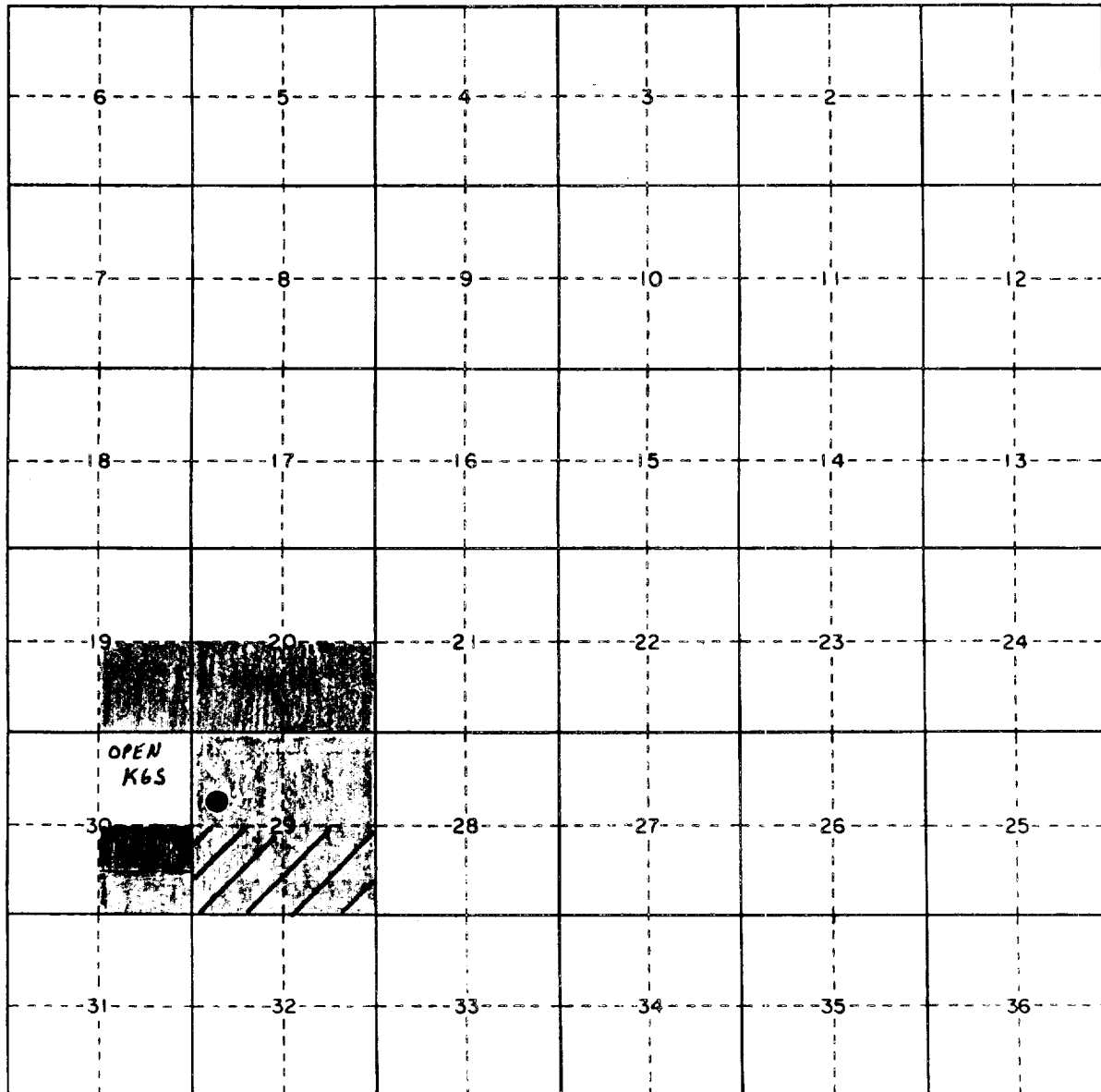
cc: State of New Mexico-Aztec Office, Mr. Frank Chavez
BLM-Farmington Office, Mr. Bill Bingham
Norcen
Chorney

JAN 16 1986

OIL CON. DIV.
DIST. 3

Section 29 Township 25 North Range 11 West

County San Juan State New Mexico



CHAMPLIN 50%, NORCEN 25%,
CHORNEY 25%



CHAMPLIN 35%, SOUTHERN UNION 30%,
NORCEN 17.5%, CHORNEY 17.5%



WARRAN CARR 80%,
KATHLEEN CONE 20%



HIXON DEVELOPMENT COMPANY