



W. C. Blackburn
Division Manager
Production Department

Western Hemisphere Petroleum Division
Continental Oil Company
152 North Durbin
Pacific Western Life Building
Casper, Wyoming 82601
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RECEIVED
DEC 13 1971
OIL CONSERVATION COMM.
SANTA FE

December 10, 1971

State of New Mexico (2)✓
Oil Conservation Commission
P.O. Box 2088
Santa Fe, New Mexico 87501

Attention Mr. A. L. Porter, Jr., Secretary-Director

Gentlemen:

Application for Administrative Approval
Unorthodox Location - AXI Apache "J" No. 25
Rio Arriba County, New Mexico
File: DO-410-CF

Continental Oil Company requests administrative approval to drill the subject well at an unorthodox location under Rule No. 104, Section "D", Subsection II, Paragraph "F" of the Rules and Regulations of the New Mexico Oil Conservation Commission.

The following is the proposed drilling plan for the well:

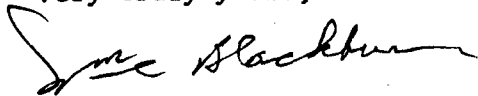
AXI Apache "J" No. 25
660' FNL, 660' FEL
Section 7, T25N, R5W
Proposed TD: 5300'
8 5/8" Casing @ 200' (est.)
5 1/2" casing @ TD
Completion Formations: Otero Chacra
Undesignated Mesaverde

As indicated by the attached plat, the orthodox location of 790' FNL, 790' FEL would fall on the Southern Union Gas Pipeline System for the area. An orthodox location cannot be made by moving the well west into the NW NE of Section 7 because of the pipeline. It is not desired to move the well location into the SE NE or SW NE of Section 7 because of the effects on spacing for future development of the lease. Present data indicate that drilling the well within the NE NE of Section 7 will encounter the best formation development.

State of New Mexico
Oil Conservation Commission
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December 10, 1971

Offset operators to the AXI Apache "J" lease have been notified of this application, as indicated by copies of this letter, by certified mail.

Very truly yours,



bjs
att.

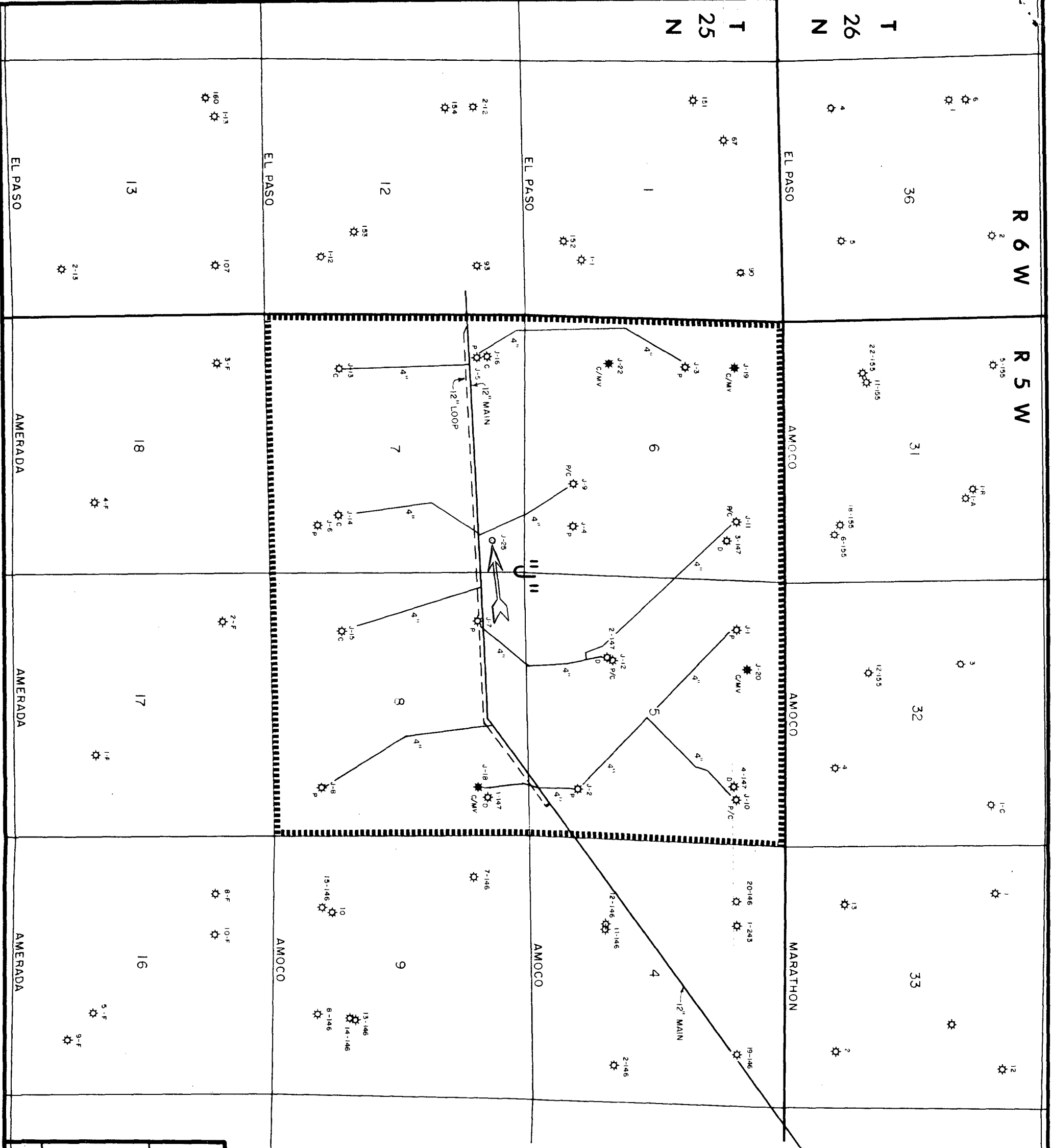
Copies to:
State of New Mexico
Oil Conservation Commission
1000 Rio Brazos Road
Aztec, New Mexico 87401

Amoco Production Company, w/enc
Security Life Building
Denver, Colorado 80202

Amerada Hess Corporation, w/enc
P.O. Box 2040
Tulsa, Oklahoma 74102

El Paso Natural Gas Company, w/enc
P.O. Box 1492
El Paso, Texas 79999

✓ Marathon Oil Company, w/enc
P.O. Box 120
Casper, Wyoming 82601



- LEGEND
- DAKOTA GAS WELL
 - PICTURED CLIFFS GAS WELL
 - CHACRA GAS WELL
 - DUAL PICTURED CLIFFS / CHACRA GAS WELL
 - DUAL CHACRA GAS / MESAVERDE GAS/OIL WELL

CONTINENTAL OIL COMPANY
PRODUCTION DEPARTMENT
Casper, Wyoming



AXI APACHE "J" LEASE

SOUTHERN UNION GATHERING SYSTEM

County: Rio Arriba
State: New Mexico
Engineer: J.A. Mozzo
Draftsman: B.S.
Date: 12-10-71
Scale: 1" = 2000'
Well Status Posted to: 12-71

gms

MARATHON OIL COMPANY

PRODUCTION-UNITED STATES AND CANADA

CASPER DIVISION

MORRIS G. GRAY
DIVISION ATTORNEY

ROBERT H. ANDERSON
ATTORNEY

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P.O. BOX 120
CASPER, WYOMING 82601

December 20, 1971

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

Attention Mr. A. L. Porter, Jr., Secretary-Director

RE: Application for Administrative Approval
Unorthodox Location - AXI Apache "J" No. 25
Rio Arriba County, New Mexico

Gentlemen:

Please be advised that Marathon Oil Company has no objection to the granting of Continental Oil Company's request for administrative approval to drill the above well at the unorthodox location described in Continental Oil Company's letter application dated December 10, 1971.

Yours very truly,

Morris G. Gray
Morris G. Gray
Division Attorney

MGG:gm

cc: Mr. W. C. Blackburn
Continental Oil Company

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DEC 27 1971
OIL CONSERVATION COMM.
SANTA FE