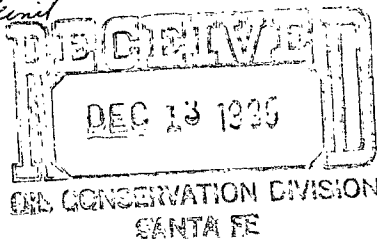


*Release Immediately
No offset, wellhead*

ARCO Oil and Gas Company
Permian District
Post Office Box 1610
Midland, Texas 79702
Telephone 915 684 0363

Stephen G. Suellentrop
District Engineer



By DEC



December 6, 1985

*NSL-2202
RULE-104F(I)*

Mr. Richard D. Stamets
New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

RE: Unorthodox Location
Seven Rivers Queen Unit No. 72
Lea County, New Mexico
South Eunice Field

*Largie-Mattix Pool
40 Acres dec.
NE1/4 NW1/4 Section 34*

Dear Mr. Stamets:

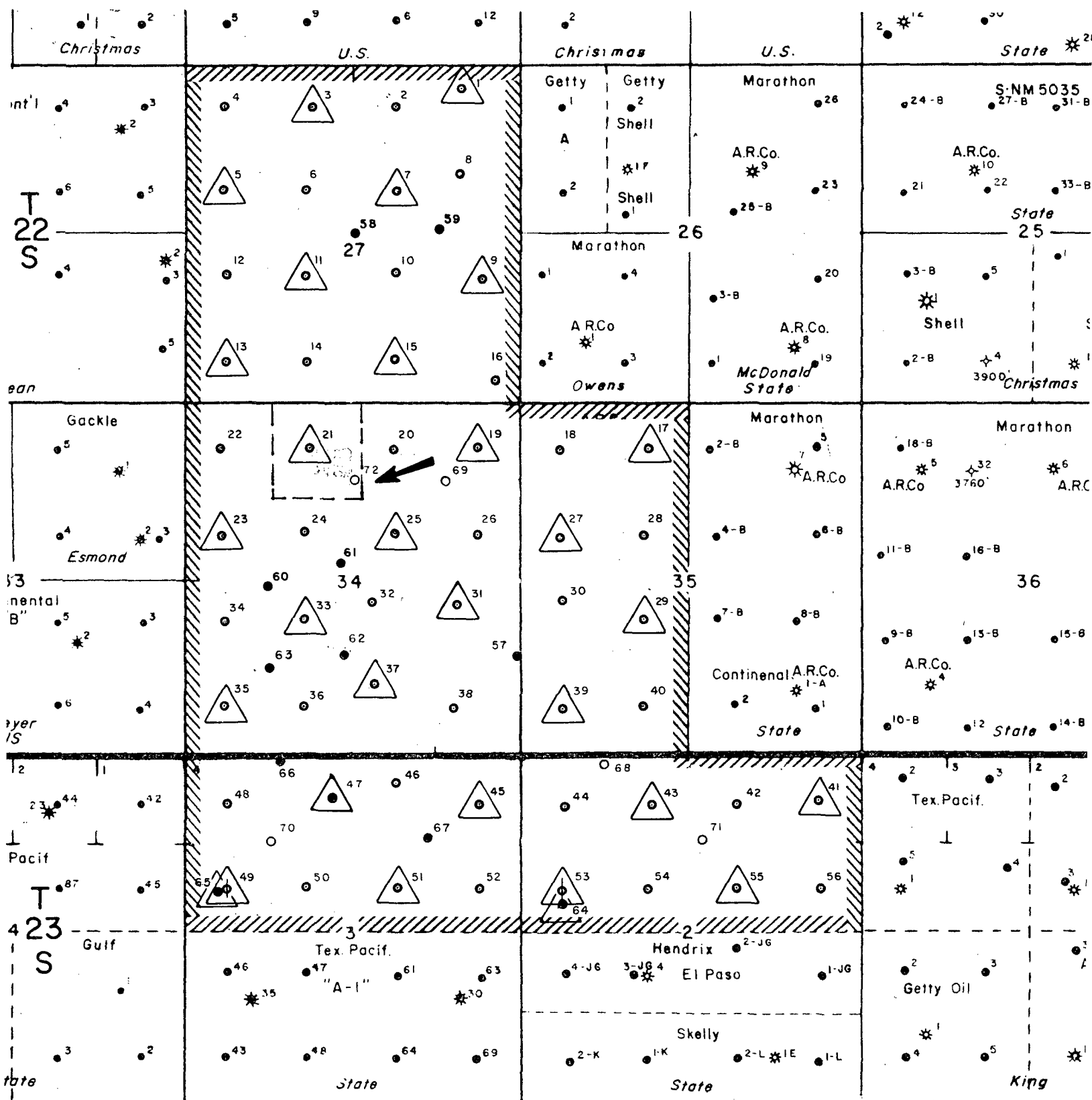
ARCO Oil and Gas Company respectfully requests administrative approval to drill its Seven Rivers Queen Unit No. 72, a proposed producing well in an active waterflooding unit, at an unorthodox location of 1160' FNL & 2630' FWL, Section 34, Township 22 South, Range 36 East, Lea County, New Mexico. The well is to be drilled to a TD of 3900' to test the Seven Rivers and Queen formations. In ARCO's opinion, completion of the well at the proposed location will provide an efficient production and injection pattern within a secondary recovery project. This well is expected to recover unswept oil by increasing the amount of floodable pay and by increasing the injection efficiency due to increased continuity. The proration units which offset this proposed well are all within the Seven Rivers Queen Unit and, therefore, no offset operators are to be notified of this request. Attached is a plat showing the Seven Rivers Queen Unit and the proposed well's location.

Very truly yours,

S. G. Suellentrop
District Engineer

SGS:CWE:tis

cc: New Mexico Oil Conservation Division
P. O. Box 1980
Hobbs, New Mexico 88240



R 36 E

ARCO Oil and Gas Company
Division of Atlantic Richfield Company
Permian District Midland, Texas

SEVEN RIVERS-QUEEN UNIT
LEA COUNTY, NEW MEXICO

SCALE: 1" = 2000'

By C. ELLIS

Drawn By

Date 7-85

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

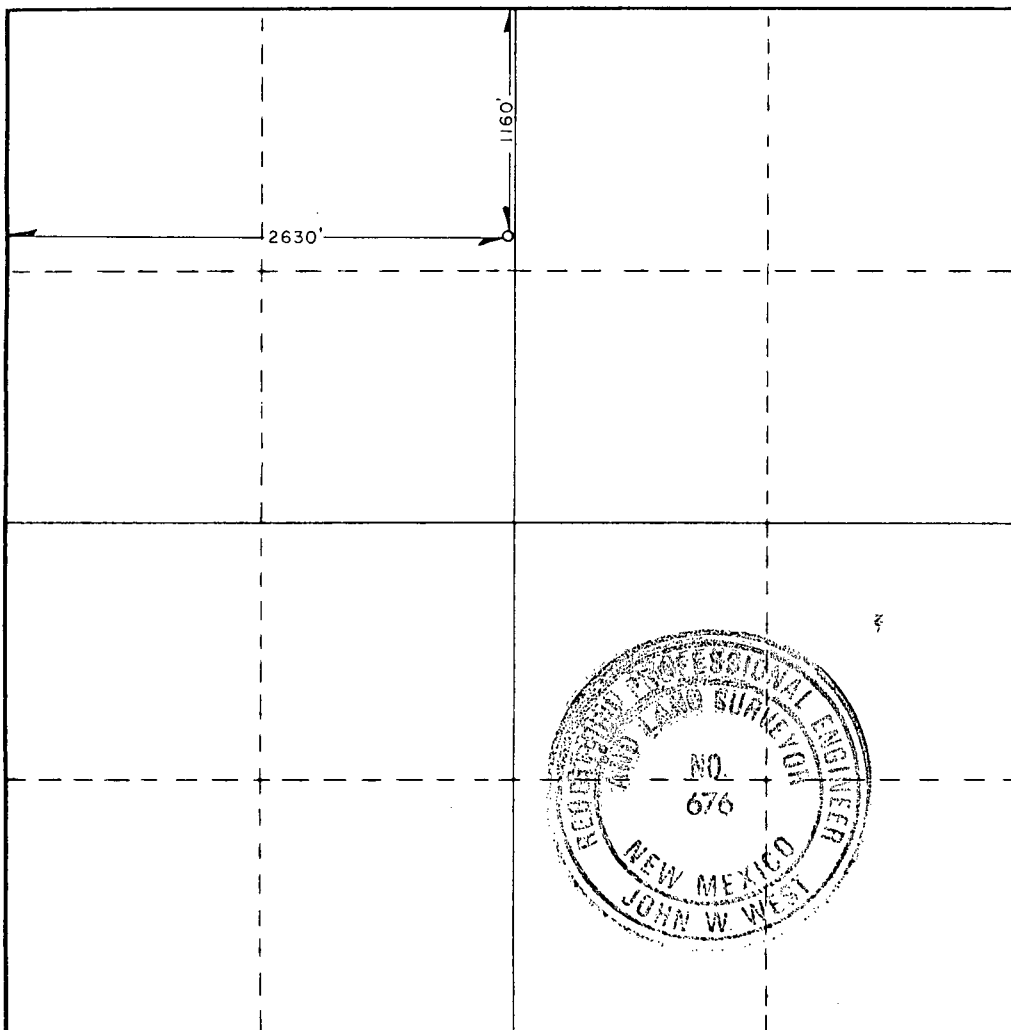
| | | | | | |
|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|-----------------------------|-----------------------------------------|----------------------|-----------------------------------------|
| Operator ARCO OIL & GAS COMPANY | | | Lease SEVEN RIVERS QUEEN UNIT | | Well No. 72 |
| Unit Letter C | Section 34 | Township 22 SOUTH | Range 36 EAST | County LEA | |
| Actual Footage Location of Well: 1160 feet from the NORTH line and 2630 feet from the WEST line | | | | | |
| Ground Level Elev. 3494.6' | Producing Formation Seven Rivers/ Queen | | Pool South Eunice | | Dedicated Acreage: 40.0 Acres |

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation Unitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

Cindy W. Ellis
Name
Cindy W. Ellis

Position
Engineer

Company
ARCO Oil & Gas Co.

Date
December 6, 1985

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
DECEMBER 2, 1985

Registered Professional Engineer and/or Land Surveyor

John W. West
Certificate No. **JOHN W. WEST, 676**
RONALD J. EIDSON, 3239