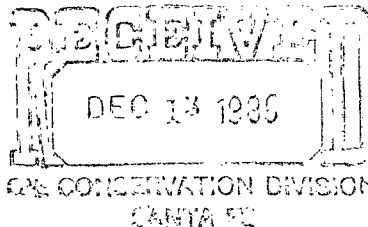


*Release Immediately
Urgent in!*

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

Stephen G. Suellentrop
District Engineer



December 6, 1985

*NSL-2214
RULE-104F(1)*

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

40 Acre dedication

NW1/4 NE1/4

Section 2

Langlie Mattix Pool

RE: Unorthodox Location
Seven Rivers Queen Unit No. 71
Lea County, New Mexico
Langlie Mattix Field

Dear Mr. Stamets:

ARCO Oil and Gas Company respectfully requests administrative approval to drill its Seven Rivers Queen Unit No. 71, a proposed producing well in an active waterflooding unit, at an unorthodox location of 1310' FNL and 2480' FEL, Section 2, Township 23 South, Range 36 East, Lea County. The well is to be drilled to a TD of 3870' to test the Seven Rivers 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. Offset operators have been notified of this request via certified mail. Attached is a plat showing the Seven Rivers Queen Unit and the proposed well's location.

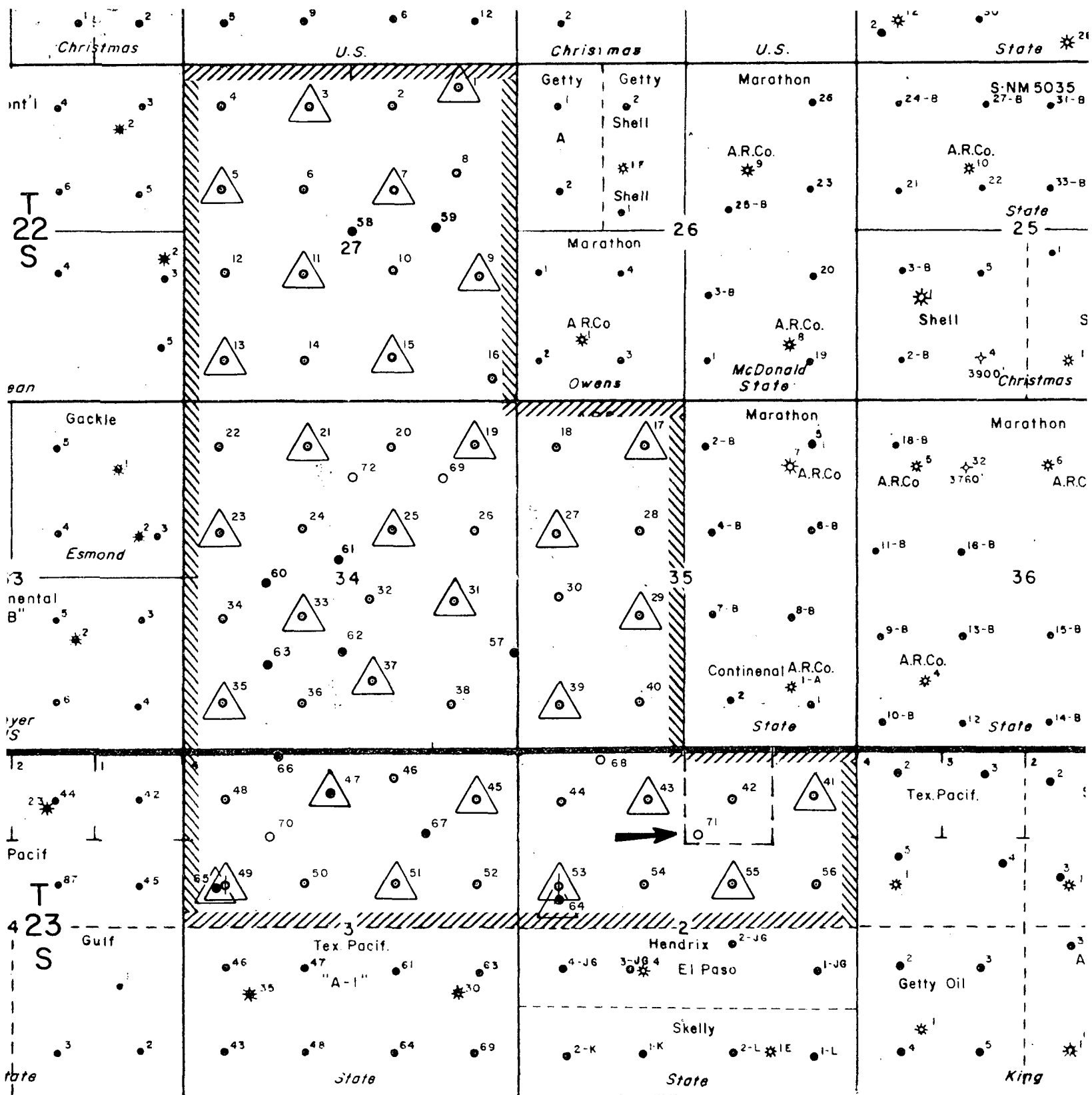
Very truly yours,

S. G. Suellentrop
District Engineer

SGS:CWE:tis
Attachment

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

Marathon Oil Company
P. O. Box 2409
Hobbs, New Mexico 88240



R 36 E

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

SEVEN RIVERS-QUEEN UNIT
LEA COUNTY, NEW MEXICO

SCALE: 1" = 2000'

By C. ELLIS	Drawn By	Date 7-85
Date 7-85	Revised By E. Davis	Date 12-85
Dept. WEST AREA ENGR.	Dwg. No.	

**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.

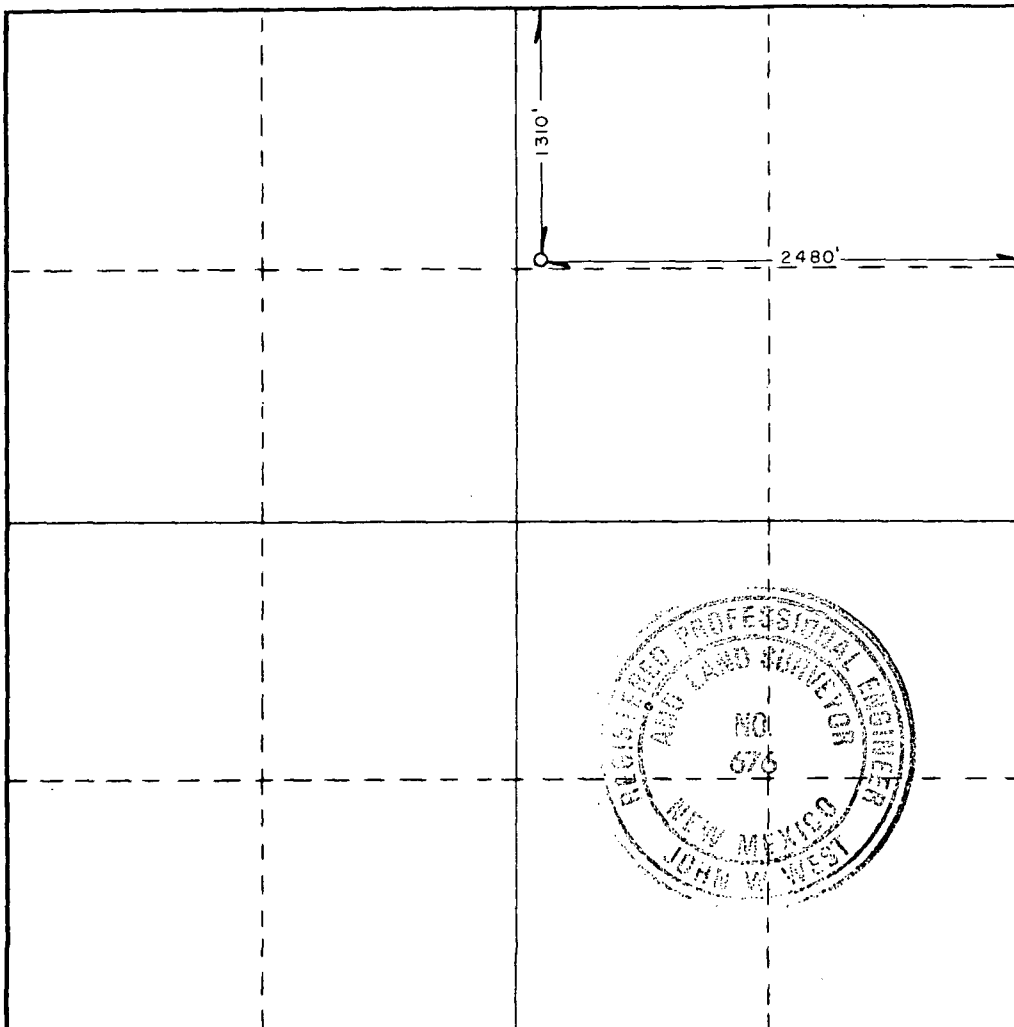
Operator ARCO OIL & GAS COMPANY			Lease SEVEN RIVERS QUEEN UNIT		Well No. 71
Unit Letter B	Section 2	Township 23 SOUTH	Range 36 EAST	County LEA	
Actual Footage Location of Well: 1310 feet from the NORTH line and 2480 feet from the EAST line					
Ground Level Elev. 3463.5'	Producing Formation Seven Rivers/ Queen		Pool Langlie Mattix		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

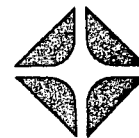
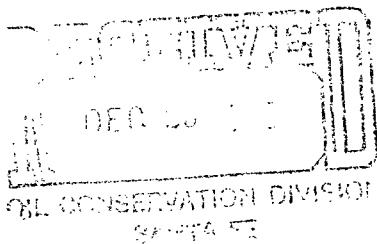
Registered Professional Engineer
and/or Land Surveyor

John W. West

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

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

Stephen G. Suellentrop
District Engineer



CERTIFIED RETURN RECEIPT REQUESTED

December 6, 1985

Marathon Oil Company
P.O. Box 2409
Hobbs, New Mexico 88240

Attached is a copy of ARCO Oil and Gas Company's Application for Administrative Approval of Unorthodox Locations on our Seven Rivers Queen Units #69 and #71. These locations are necessary for infill drilling on 20 acre spacing. If you have no objection, please sign the waiver at the bottom of this letter and mail it to the New Mexico Oil Conservation Division in the attached envelope. Also, please return one copy to me. Thank you for your consideration.

Yours very truly,

Stephen G. Suellentrop
District Engineer

SGS:CWE:tis

Attachment

WAIVER APPROVAL:

for Marathon Oil Company

12/16/85
Date