

BENSON-MONTIN-GREER DRILLING CORP.

221 PETROLEUM CENTER BUILDING, FARMINGTON, NM. 87401 505-325-8874

June 13, 1989

New Mexico Oil Conservation Division
Department of Energy and Minerals
P.O. Box 2088
Santa Fe, NM 87504

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JUN 15 1989

OIL CONSERVATION DIV.
SANTA FE

Re: REQUEST FOR ADMINISTRATIVE APPROVAL
OF UNORTHODOX LOCATION:
WEST PUERTO CHIQUITO MANCOS POOL
CANADA OJITOS UNIT #43 (H-8)
SE/4 NE/4 SECTION 8, T-26N, R-1W
1632' FNL, 1139' FEL

Gentlemen:

*No Other Wells in
Unit*

Benson-Montin-Greer Drilling Corp., operator of the Canada Ojitos Unit, hereby requests under Rule 4 of the Pool Rules (Order R-6469-A, and as further amended) administrative approval of the captioned unorthodox location.

All offsetting sections are within the participating area of the Canada Ojitos Unit and so there are no offset operators to notify.

The proration unit for the subject well lies within the Santa Fe National Forest. The reason for the unorthodox location is topography: topography influences the preservation of the natural and cultural resources by the roads and excavation necessary for the location.

These considerations are recognized by review of the topography as shown by the two enclosed copies of topographic maps. One map, from the Canada Ojitos Unit 7-1/2 minute quadrangle (scale 2.64" per mile, C.I. 20') shows the south half of Section 8, T-26N, R-1W in which the topography is clearly unsuitable for a location at the orthodox "windows" in either the SE/4 or SW/4.

The north half of Section 8 is shown on the Los Indios 7-1/2 minute quadrangle (scale 2.64" per mile, C.I. 20'). The NW window is in a topographically undesirable location from the standpoint of excavation and the window in the NE/4 of Section 8 is

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BENSON-MONTIN-GREER DRILLING CORP.

New Mexico Oil Conservation Division

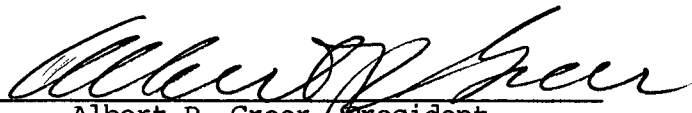
Page No. 2
June 13, 1989

too far out in an open meadow and would result in undesirable visual impact. The Forest Service landscape architect has, however, approved the unorthodox location which we are requesting here. This location is identified with a circle in the NE/4 of Section 8.

Yours truly,

BENSON-MONTIN-GREER DRILLING CORP.

BY:


Albert R. Greer, President

ARG/tlp

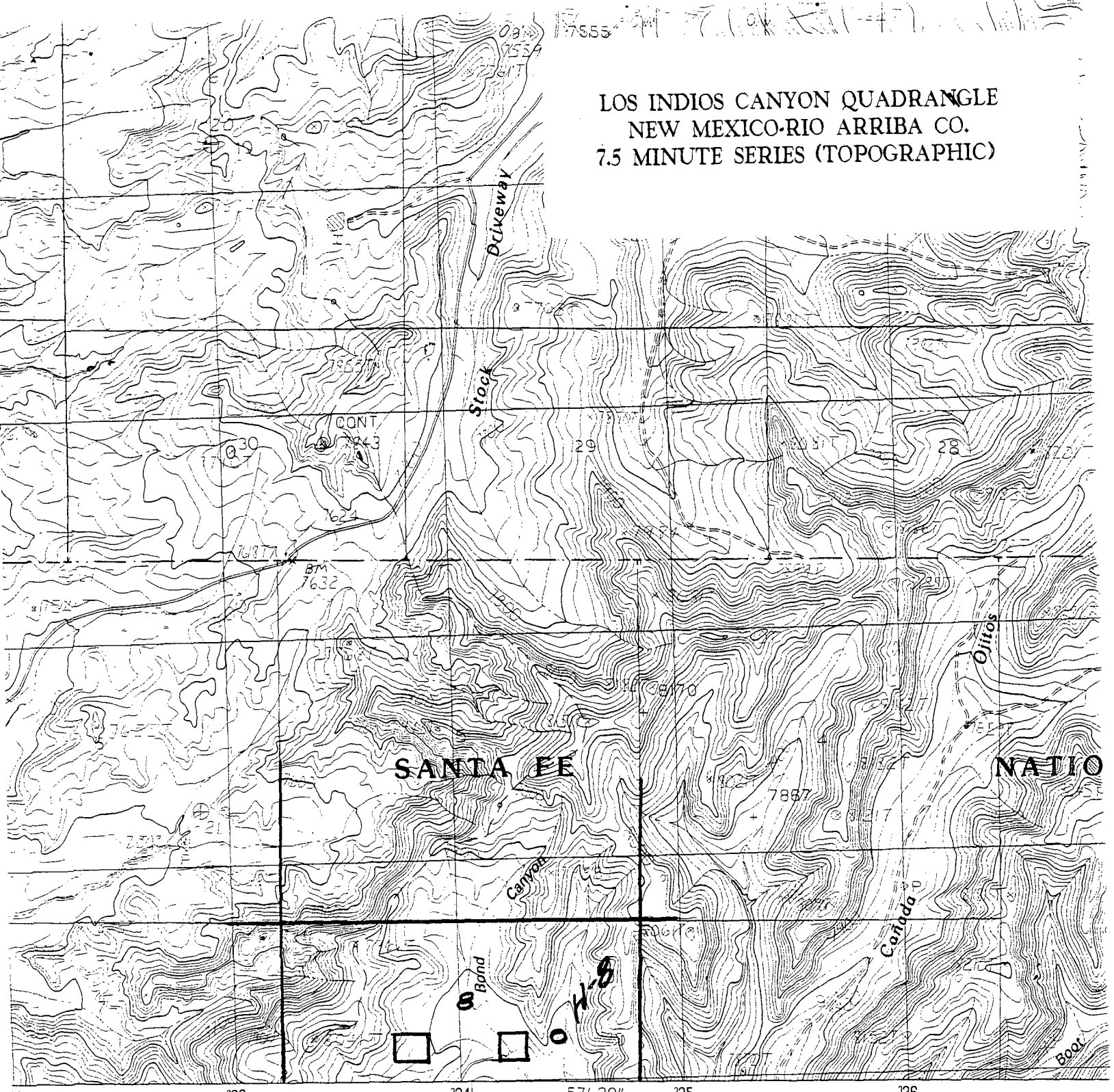
Enclosures

cc: Frank T. Chavez, NMOCD, Aztec

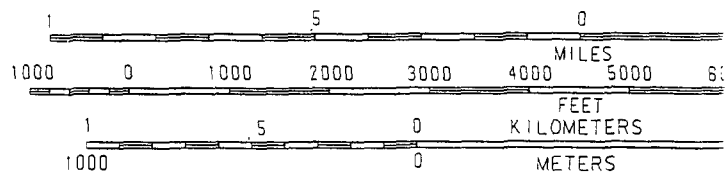


CAÑADA OJITOS QUADRANGLE
NEW MEXICO-RIO ARriba CO.
75 MINUTE SERIES (TOPOGRAPHIC)

LOS INDIOS CANYON QUADRANGLE
NEW MEXICO-RIO ARriba CO.
7.5 MINUTE SERIES (TOPOGRAPHIC)



SCALE 1:24 000



CONTOUR INTERVAL 20 FEET

DASHED LINES REPRESENT 10-FOOT

PROVISIONAL MAP
Produced from original
manuscript drawings. Infor-
mation shown as of date of
field check.

3

THIS MAP COMPLIES WITH NATIONAL MAP ACC
FOR SALE BY U.S. GEOLOGICAL SURVEY, DENV
OR RESTON, VIRGINIA 2209

OLOGICAL SURVEY
..... USGS, NOS/NOAA
..... 1976
..... 1983
TRANSVERSE MERCATOR
FOR ZONE 13
EXICO, CENTRAL ZONE
..... 1°09' WEST
..... 12' EAST
VERTICAL DATUM OF 1929
WITH AMERICAN DATUM
an Datum of 1983,
dashed corner ticks

e boundaries of any
map
established
l and positioned by

non-standard unit within 30 days after the Director received the application.

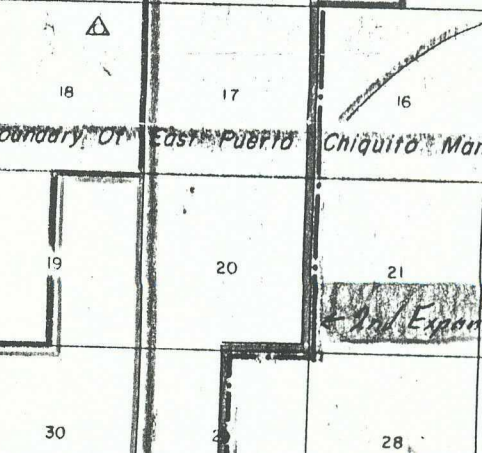
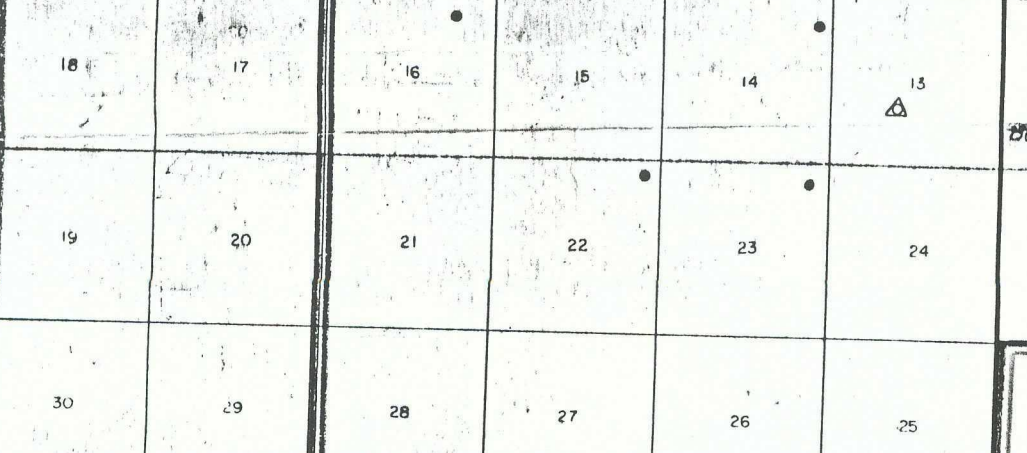
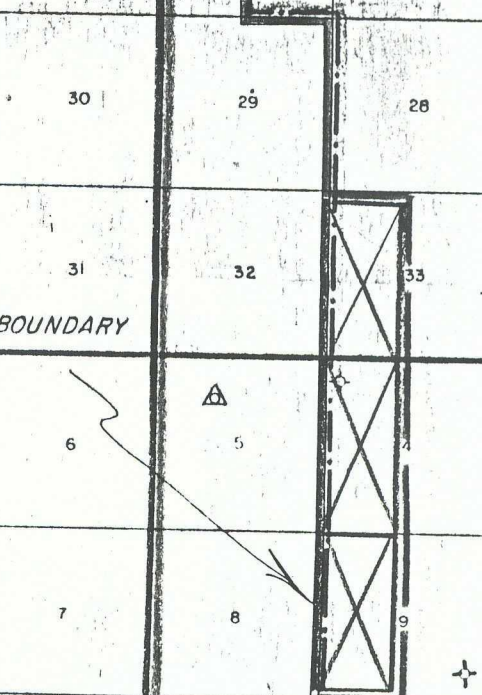
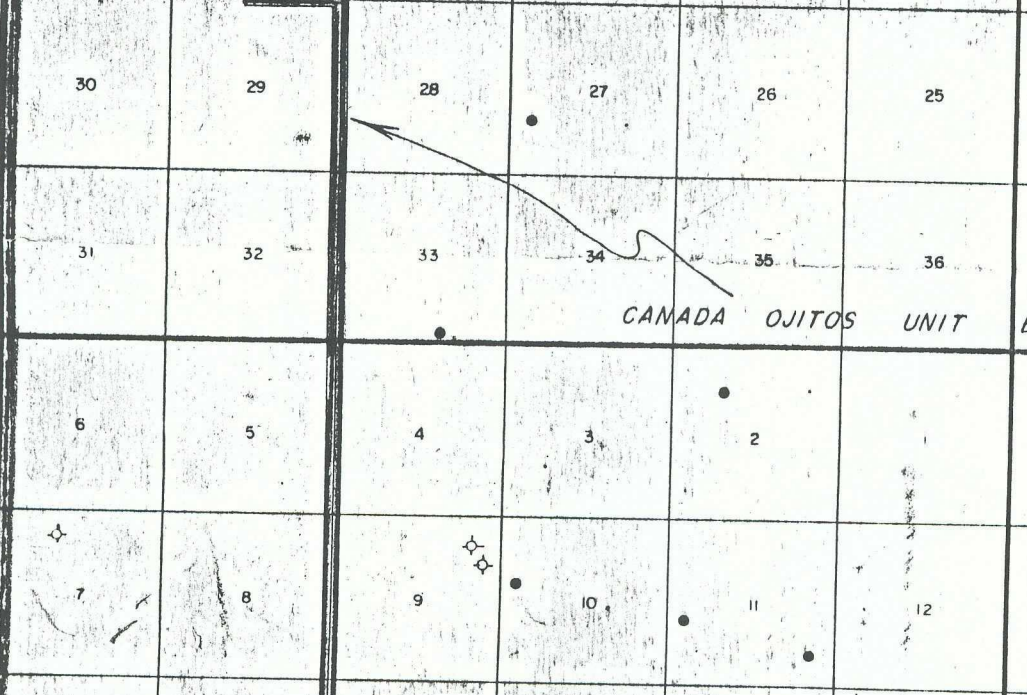
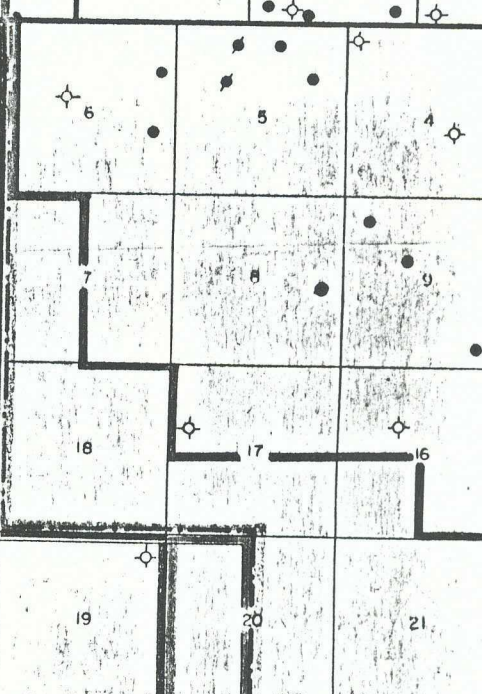
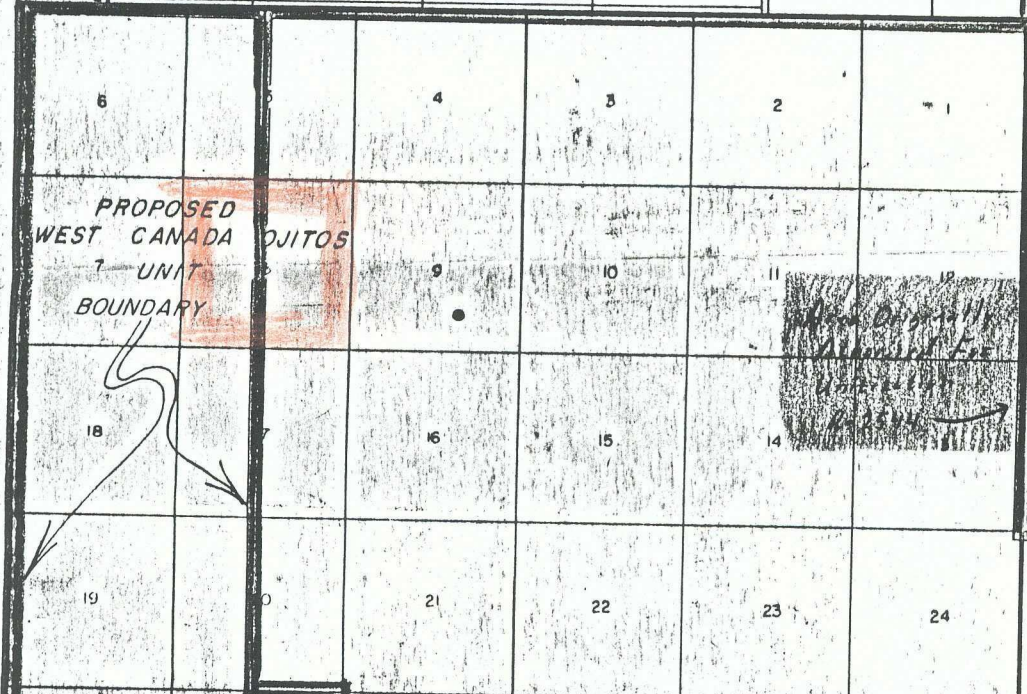
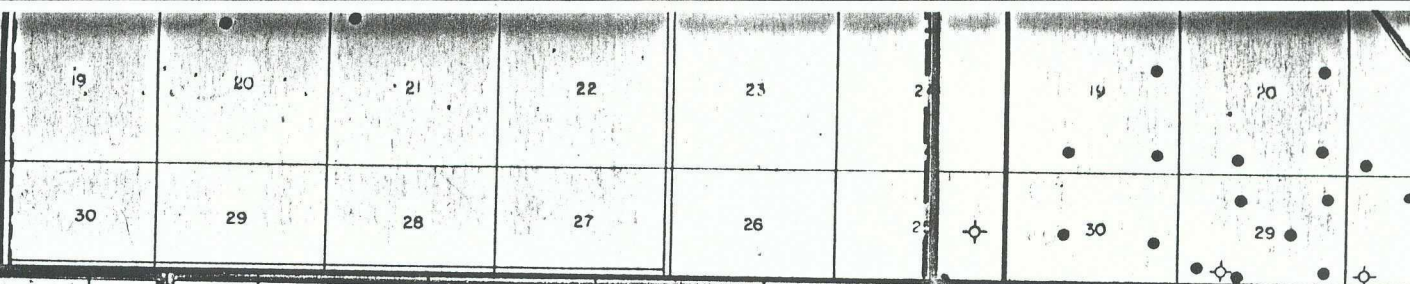
RULE 4. (a) Each well completed or recompleted in the West Puerto Chiquito-Mancos Oil Pool shall be located no nearer than 1650 feet to the outer boundary of the proration unit nor closer than 330 feet to a quarter section line, provided however, that, with the exception of those areas as described in Rule 5 below, nothing contained herein shall be construed as permitting the drilling of more than one well on a spacing or proration unit.

(b) The operator of each well projected to and completed in the West Puerto Chiquito-Mancos Oil Pool shall conduct deviation tests on such well to determine the deviation from the vertical at least once each 500 feet or at the first bit change succeeding 500 feet. A tabulation of all deviation tests run, sworn to and notarized, shall be filed with Form C-104, Request for Allowable and Authorization to Transport Oil and Gas.

(c) If the total deviation, assumed in a constant direction, indicates a horizontal displacement of the lowermost perforation, or the bottom of the hole in the case of an open-hole completion, of more than 330 feet from the surface location, no allowable shall be approved for the well unless a directional survey approved by the Division Director establishes a horizontal displacement of 330 feet or less, or unless the well has been approved for production, subject to a possible production penalty; after notice and hearing.

RULE 5. The Division Director may grant an exception to the surface location requirements of Rule 4 (a) without notice and hearing when an application has been filed for an unorthodox location necessitated by topographical conditions or the recompletion of a well previously drilled to another horizon. All operators offsetting the proposed unorthodox location shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Division Director may approve the application upon receipt of written waivers of objection from all operators or if no objection is received from any offsetting operator within 20 days after receipt of the application and written waivers have been received from all offset operators whose lands are being "crowded" either directly or diagonally by the proposed unorthodox location.

RULE 6. (a) A second well may be drilled on any proration unit which lies within the following described





GARREY CARRUTHERS
GOVERNOR

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

Date: 7-7-89

Oil Conservation Division
P.O. Box 2088
Santa Fe, NM 87504-2088

Re: Proposed MC _____
Proposed DHC _____
Proposed NSL X _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

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OIL CONSERVATION DIV.
SANTA FE

Gentlemen:

I have examined the application dated 6-15-89
for the Bunker-Martin Green COLL#43 (H-8)
Operator Lease & Well No.

H-8-26N-1W and my recommendations are as follows:
Unit, S-T-R

Approved

Yours truly,

Eric Busch