

|                    |                    |                    |                     |                 |                       |
|--------------------|--------------------|--------------------|---------------------|-----------------|-----------------------|
| DATE <b>4/7/03</b> | SUSPENSE <b>NA</b> | ENGINEER <b>MS</b> | LOGGED IN <b>KV</b> | TYPE <b>NSL</b> | <b>AKRVO309853233</b> |
|--------------------|--------------------|--------------------|---------------------|-----------------|-----------------------|

ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
**- Engineering Bureau -**  
 1220 South St. Francis Drive, Santa Fe, NM 87505



**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]  
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION - Check Those Which Apply for [A]**

[A] ☒ Location - Spacing Unit - Simultaneous Dedication  
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] ☐ Commingling - Storage - Measurement  
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] ☐ Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] ☐ Other: Specify \_\_\_\_\_

[2] **NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply**

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
- [B] ☐ Offset Operators, Leaseholders or Surface Owner
- [C] ☐ Application is One Which Requires Published Legal Notice
- [D] ☐ Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] ☐ Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

James Bruce  
 Print or Type Name

Signature

Attorney for Applicant

Title

jamesbruc@aol.com

e-mail Address

Date

4/7/03

**RECEIVED**

APR 7 2003

Oil Conservation Division

**JAMES BRUCE**  
ATTORNEY AT LAW

POST OFFICE BOX 1056  
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213  
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (PHONE)  
(505) 982-2151 (FAX)

jamesbruc@aol.com

April 7, 2003

**Hand Delivered**

Michael E. Stogner  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

Dear Mr. Stogner:

Pursuant to Rule 104.F(2), Arch Petroleum Inc. ("Arch") applies for approval of an unorthodox oil well location for the following well:

|                   |  |
|-------------------|--|
| <u>Well:</u>      | E.C. Hill "C" Well No. 4   |
| <u>Location:</u>  | 1260 feet FSL & 990 feet FWL   |
| <u>Well Unit:</u> | SW $\frac{1}{4}$ SW $\frac{1}{4}$ S27, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico. |

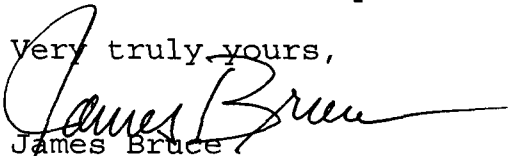
The well will be drilled to test the Teague Paddock-Blinebry Pool, which is an oil pool developed on statewide spacing. A Form C-102 for the well is attached as Exhibit A.

Exhibit B outlines the E.C. Hill "C" Lease, which covers the W $\frac{1}{2}$ SW $\frac{1}{4}$  of Section 27. The E.C. Hill "C" Well Nos. 1 and 2 are completed in the Teague Paddock-Blinebry Pool, and Arch desires to move away from those wells to minimize drainage effects. **The SW $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 27 will be simultaneously dedicated to the Nos. 1 and 4 wells,** and Arch requests approval of the simultaneous dedication.

The location is interior to the lease, and interest ownership in the lease is common, so no one is adversely affected by the location. Therefore, notice of the location has not been given.

Please call me if you need anything further regarding this matter.

Very truly yours,

  
James Bruce

Attorney for Arch Petroleum Inc.

*Talked w/ Jim Bruce  
@ 3:16 pm on 4-8-03  
- See lease covering 80 acres*

## DISTRICT I

P.O. Box 1080, Hobbs, NM 88241-1080

## State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

## DISTRICT II

P.O. Drawer 88, Artesia, NM 88211-0718

## OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

## DISTRICT III

1000 Rio Brazos Rd., Artesia, NM 87410

## DISTRICT IV

P.O. Box 2088, Santa Fe, N.M. 87504-2088

## WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

|                        |                                       |                                      |
|------------------------|---------------------------------------|--------------------------------------|
| API Number             | Pool Code<br>58300                    | Pool Name<br>TEAGUE PADDOCK BLINEBRY |
| Property Code<br>27142 | Property Name<br>E.C. HILL "C"        | Well Number<br>4                     |
| OGED No.<br>962        | Operator Name<br>ARCH PETROLEUM, INC. | Elevation<br>3286'                   |

## Surface Location

|                    |               |                  |               |         |                        |                           |                       |                        |               |
|--------------------|---------------|------------------|---------------|---------|------------------------|---------------------------|-----------------------|------------------------|---------------|
| UL or lot No.<br>M | Section<br>27 | Township<br>23-S | Range<br>37-E | Lot Idn | Feet from the<br>1260' | North/South line<br>SOUTH | Feet from the<br>990' | East/West line<br>WEST | County<br>LEA |
|--------------------|---------------|------------------|---------------|---------|------------------------|---------------------------|-----------------------|------------------------|---------------|

## Bottom Hole Location If Different From Surface

|               |         |          |       |         |               |                  |               |                |        |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|

|                       |                 |                    |           |
|-----------------------|-----------------|--------------------|-----------|
| Dedicated Acres<br>40 | Joint or Infill | Consolidation Code | Order No. |
|-----------------------|-----------------|--------------------|-----------|

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

|  |  |  |
|--|--|--|
|  | <p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Joe T. Janica</i><br/>Signature</p> <p>Joe T. Janica<br/>Printed Name</p> <p>Agent</p> <p>Title</p> <p>03/13/03<br/>Date</p>  |  |
|  | <p><b>SURVEYOR CERTIFICATION</b></p> <p>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 belief.</p> <p>MARCH 04, 2003</p> <p>Date Surveyed _____ A.W.B.</p> <p>Signature _____<br/>Professional Surveyor</p> <p>NEW MEXICO<br/>3/13/03<br/>03.17.0282</p> <p>Certificate No. RONALD J. EDSON 3239<br/>GARY EDSON 12641</p> |  |
|  | <p>GEODETIC COORDINATES<br/>NAD 27 NME<br/>Y = 464480.3<br/>X = 864000.0<br/>LAT. 32°16'17.43"N<br/>LONG. 103°09'20.42"W</p>   |  |
|  | <p>EXHIBIT<br/>A</p>   |  |

