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May 4, 2004

Hand Delivered

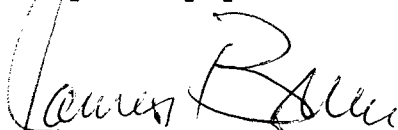
Florene Davidson
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Dear Florene:

Enclosed for filing are an original and one copy of an application for two non-standard well units, together with a proposed advertisement, filed on behalf of Arch Petroleum Inc. and Westbrook Oil Corporation. Please set this matter for the May 27, 2004 Examiner hearing. Thank you.

The advertisement is also on the enclosed disk.

Very truly yours,



James Bruce

Attorney for Arch Petroleum Inc.

RECEIVED

MAY - 4 2004

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

Case 13274

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BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION MAY 4 2004

APPLICATION OF ARCH PETROLEUM INC.
AND WESTBROOK OIL CORPORATION FOR
APPROVAL OF TWO NON-STANDARD GAS
SPACING AND PRORATION UNITS IN THE
JALMAT GAS POOL, LEA COUNTY, NEW MEXICO.

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

No. 13274

APPLICATION

Arch Petroleum Inc. and Westbrook Oil Corporation apply for approval of two non-standard gas spacing and proration units in the Jalmat Gas Pool in the S½ of Section 20, Township 23 South, Range 37 East, N.M.P.M., Lea County, New Mexico, and in support thereof, state:

1. Westbrook Oil Corporation is currently the operator in the Jalmat Gas Pool of the S½ of Section 20, which is dedicated to the Steeler "A" Well No. 1, located in the NW¼SW¼ of the section.

2. Applicant proposes to re-form the S½ well unit so that a non-standard gas spacing and proration unit comprised of the SW¼ of Section 20 will be dedicated (in the Jalmat Gas Pool) to the Steeler "A" Well No. 1.

3. Simultaneously, Arch Petroleum Inc. will form a non-standard gas spacing and proration unit comprised of the SE¼ of Section 20, to be dedicated (in the Jalmat Gas Pool) to the Resler "B" Well No. 1, located in the NW¼SE¼ of the section.

4. The granting of the foregoing non-standard gas spacing and proration units will prevent waste and protect correlative rights.

WHEREFORE, Applicant requests that, after notice and hearing, the Division enter its order granting the relief requested above.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "James Bruce", is written over a horizontal line.

James Bruce
Post Office Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Applicants

PROPOSED ADVERTISEMENT

Case 13274: Application of Arch Petroleum Inc. and Westbrook Oil Corporation for approval of two non-standard gas spacing and proration units in the Jalmat Gas Pool, Lea County, New Mexico. Applicants seek approval of (i) a non-standard gas spacing and proration unit comprised of the SW $\frac{1}{4}$ of Section 20, Township 23 South, Range 37 East, NMPM, to be dedicated in the Jalmat Gas Pool to the Steeler "A" Well No. 1, located in the NW $\frac{1}{4}$ SW $\frac{1}{4}$ of the section, and (ii) a non-standard gas spacing and proration unit comprised of the SE $\frac{1}{4}$ of Section 20 in said township and range, to be dedicated in the Jalmat Gas Pool to the Resler "B" Well No. 1, located in the NW $\frac{1}{4}$ SE $\frac{1}{4}$ of the section. The units are located approximately 10 $\frac{1}{2}$ miles south-southwest of Eunice, New Mexico.

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