BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF ARCH PETROLEUM INC. FOR AN AMENDMENT TO DIVISION ORDER NO. R-10453 FOR AUTHORIZING A CHANGE IN AN UNORTHODOX OIL WELL LOCATION, LEA COUNTY, NEW MEXICO.

RECEIVED

DFC 1 9 1995

All Conservation Division

CASE NO. $11^{1/1}$

APPLICATION

ARCH PETROLEUM INC. ("Arch"), through its undersigned attorneys, hereby makes application to the Oil Conservation Division for an order amending Division Order No. R-10453 which was entered on September 1, 1995, authorizing seven unorthodox oil well locations in the Teague-Blinebry Pool, and in support of this application states:

1. Arch operates wells which produce from the Blinebry formation in the Teague-

Blinebry Pool which is located in portions of Townships 23 and 24 South, Range 37 East,

N.M.P.M., Lea County, New Mexico.

2. By Order No. R-10453 entered on September 1, 1995, Arch was authorized to drill seven oil wells at unorthodox locations in this pool.

3. The C.E. Lamunyon Well No. 56 was approved at an unorthodox oil well location 1300 feet from the North line and 1300 feet from the East line in Unit A of Section 28, Township 23 South, Range 37 East.

4. This location lies in close proximity to a Sid Richardson Gas Pipeline and to avoid this line must be moved 150 feet to the West to a new unorthodox oil well location 1300 feet from the North line and 1450 feet from the East line in Unit B of said Section 28.

5. Approval of this application will be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Arch Petroleum Inc. requests that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on January 11, 1995, and that after notice and hearing as required by law and the rules of the Division, the Division enter its order granting this application.

Respectfully submitted,

CAMPBELL, CARR & BERGE, P.A.

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ATTORNEYS FOR ARCH PETROLEUM INC.