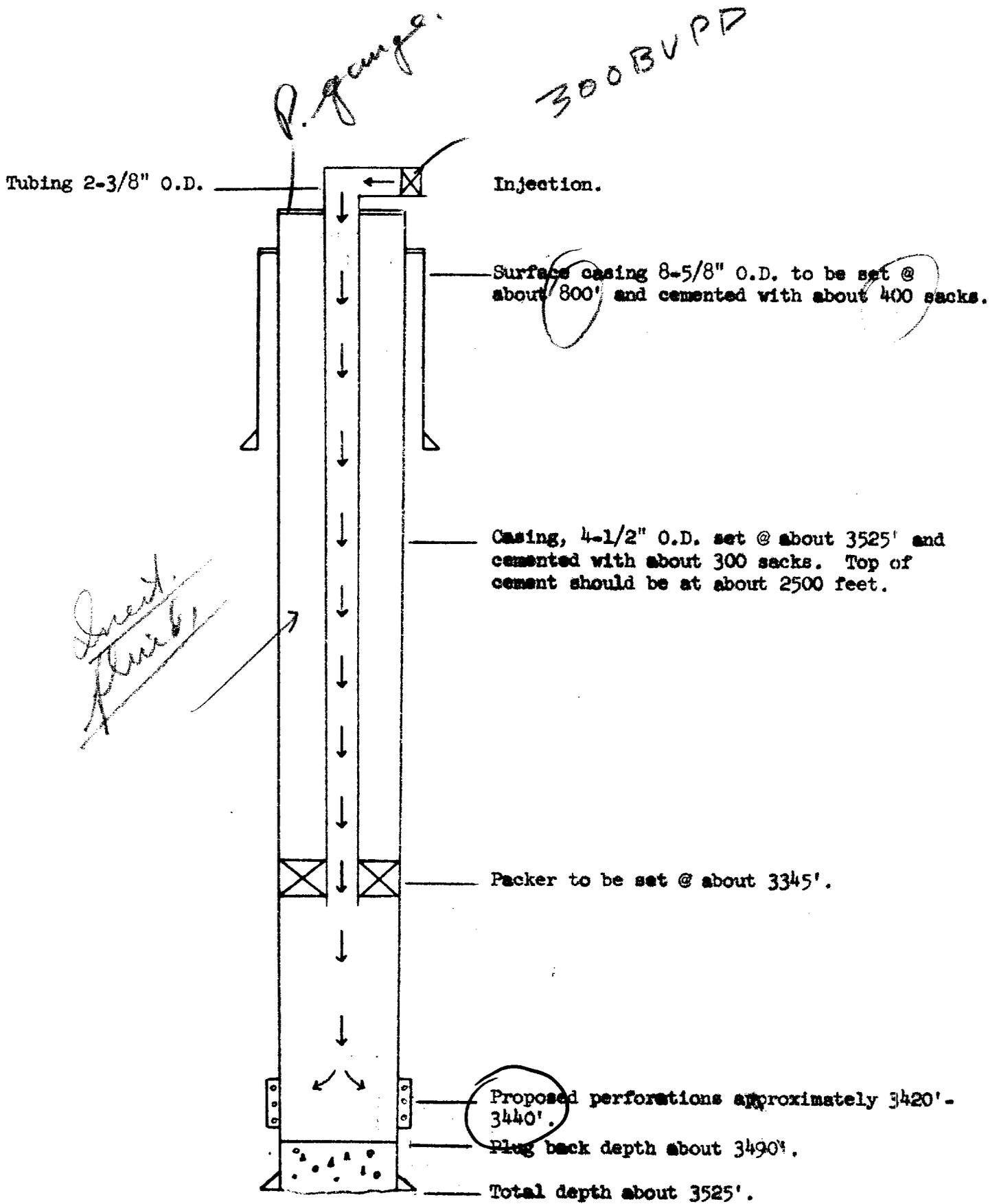


ATLANTIC RICHFIELD COMPANY
 STRUCTURE MAP
 CONTOURED ON QUEEN SAND
 SHUGART FIELD
 EDDY COUNTY, NEW MEXICO

EXHIBIT NO. 2

BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
App. EXHIBIT NO. 2
 CASE NO. 4110

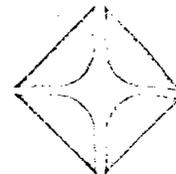
ATLANTIC RICHFIELD COMPANY
 SCHEMATIC DRAWING
 PROPOSED PANCO FEDERAL NO. 2
 SHUGART FIELD
 EDDY COUNTY, NEW MEXICO
 EXHIBIT NO. 4



BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
App. EXHIBIT NO. 4
 CASE NO. 4110

Atlantic Richfield Company North American Producing Division
New Mexico-Arizona District
Post Office Box 1978
Roswell, New Mexico 88201
Telephone 505 622 4041

Exhibit 5



W. P. Tomlinson
District Engineer

March 31, 1969

Gulf Oil Corporation ✓
P. O. Box 1938
Roswell, New Mexico 88201
Attention: Mr. M. I. Taylor

Marathon Oil Company
P. O. Box 552
Midland, Texas 79701
Attention: Mr. B. G. Howard

Re: Unorthodox Well Location
Panco Federal No. 2
100' FNL & 100' FWL, Sec. 23-18S-31E
Eddy County, New Mexico

Gentlemen:

Atlantic Richfield Company plans to drill the above described well to a depth of approximately 3550' and complete it as a water injection well in the Queen sand. We expect to inject about 250 BWPD into this well with a surface pressure of approximately 1500 psi.

As shown on the attached map, this well would be drilled in an unorthodox location. We are currently filing applications with the New Mexico Oil Conservation Commission for authority to drill this well in the proposed unorthodox location and to conduct a waterflood on the Panco Lease. A hearing on these applications will probably be held on April 23, 1969. Attached for your reference is a copy of the exhibits we plan to present at the hearing.

If you have no objections to these applications, we would appreciate your signing and returning one copy of this waiver to the undersigned for presentation at the hearing.

Respectfully yours,

W. P. Tomlinson

Company GULF OIL CORPORATION
Signed By M. I. Taylor
Date District Production Manager
April 1, 1969

BEFORE EXAMINER UTZ
OIL CONSERVATION COMMISSION
App. EXHIBIT NO. _____
CASE NO. _____