

DATE 3/25/03	SUSPENSE 4/13/03	ENGINEER MS	LOGGED IN KW	TYPE NSL	PKRV0308556798
--------------	------------------	-------------	--------------	----------	----------------

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



RECEIVED

MAR 25 2003

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATION 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

3/25/03

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

March 25, 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 two unorthodox oil well locations, for the following wells:

<u>Well:</u>	C.E. Lamunyon Well No. 84
<u>Location:</u>	545 feet FNL & 1169 feet FEL
<u>Well Unit:</u>	NE $\frac{1}{4}$ NE $\frac{1}{4}$ S28

X <u>Well:</u>	C.E. Lamunyon Well No. 85
<u>Location:</u>	2310 feet FNL & 2630 feet FWL
<u>Well Unit:</u>	SE $\frac{1}{4}$ NW $\frac{1}{4}$ S28

*covered
in NSL-4878(sx)*

Both wells are in located in Township 23 South, Range 37 East, NMPM, Lea County, New Mexico.

The wells will be drilled to test the Teague Paddock-Blinebry Pool, which is an oil pool developed on statewide spacing. APD's for the wells are attached as Exhibits A and B.

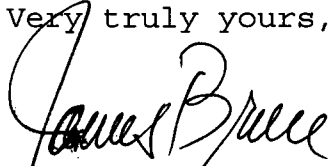
Attached as Exhibit C is a structure/production map of the Teague Paddock-Blinebry Pool, with the locations of the two proposed wells noted thereon. The two locations are located at structurally good locations, and are situated between existing wells in the anticipation that they will recover reserves not produced by the existing wells.

Exhibit D outlines the C.E. Lamunyon lease (Federal Lease LC 030187), which covers (among other acreage) the N $\frac{1}{2}$ of Section 28. Because the locations are interior to the lease, and interest ownership in the lease is common, no one is affected by the

unorthodox locations. Therefore, notice of the locations has not been given to anyone.

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

Very truly yours,

A handwritten signature in cursive script that reads "James Bruce". The signature is written in dark ink and is positioned above the printed name.

James Bruce

Attorney for Arch Petroleum Inc.

Form 3160-3
(July 1992)

PLEASE EXPEDITE

SUBMIT IN TRIPLICATE*

(Other instructions on
reverse side)FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

APPLICATION FOR PERMIT TO DRILL OR DEEPEN 1 2003

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐

MIDLAND

b. TYPE OF WELL

OIL
WELL ☒GAS
WELL ☐

OTHER

SINGLE
ZONE ☒MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

ARCH PETROLEUM, INC.

(RICHARD WRIGHT 915-685-8140)

3. ADDRESS AND TELEPHONE NO.

P.O. BOX 10340 MIDLAND, TEXAS 79702-7340 (915-685-8100)

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface

545' FNL & 1169' FEL SEC. 28 T23S-R37E LEA CO. NM

At proposed prod. zone SAME

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

Approximately 15 miles Southeast of Eunice New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drg. unit line, if any)

545'

16. NO. OF ACRES IN LEASE

1520

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

530'

19. PROPOSED DEPTH

5500'

20. ROTARY OR CABLE TOOLS

ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3287' GR.

22. APPROX. DATE WORK WILL START*

WHEN APPROVED

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
25"	Conductor	NA	40'	Cement to surface with Redi-mix
12 1/2"	J-55 8 5/8"	32	1100'	775 Sx. circulate to surface
7 7/8"	J-55 5 1/2"	15.5	5500'	1150 Sx. 2 stage cement to surface

1. Drill 25" hole to 40'. Set 40' of 20" conductor and cement to surface with Redi-mix.
2. Drill 12 1/2" hole to 1100'. Run and set 1100' of 8 5/8" 32# J-55 ST&C casing. Cement with 775 Sx. of Class "C" cement + 1/2# Floccs/Sx, + 2% CaCl, circulate cement to surface.
3. Drill 7 7/8" hole to 5500'. Run and set 5500' of 5 1/2" 15.5# J-55 ST&C casing. Cement in Two stages with DV tool at 1500'±. Cement 1st stage with 800 Sx. of Class "C" cement + additives, cement 2nd stage with 350 Sx. of Class "C" cement + additives, circulate cement to surface.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

Agent

DATE

03/07/03

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

TITLE

DATE

*See Instructions

EXHIBIT

A

DISTRICT I

P.O. Box 1000, Hobbs, NM 88241-1000

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 80, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT III

1000 Rio Brazos Ed., Aztec, 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	Pool Name
Property Code	Property Name C.E. LAMUNYON	Well Number 84
OGRIID No.	Operator Name ARCH PETROLEUM, INC.	Elevation 3287'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	28	23-S	37-E		545'	NORTH	1169'	EAST	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	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

		OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.	
		Signature _____ Printed Name _____ Title _____ Date _____	
GEODEIC COORDINATES NAD 27 NME Y = 467943.5 X = 861799.0 LAT. 32°16'51.84"N LONG. 103°09'45.61"W		SURVEYOR CERTIFICATION 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.	
		MARCH 03, 2003 Date Surveyed _____ A.W.B. Signature & Seal of Professional Surveyor 03-11-0263 Certificate No. RONALD E. EDSON 3238 CARL EDSON 12641	

Form 3160-3
(July 1992)

PLEASE EXPEDITE

SUBMIT IN TRIPLICATE*

(Other instructions on
reverse side)FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

MAR 11 2003

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐

MIDLAND

b. TYPE OF WELL

OIL
WELL ☒GAS
WELL ☐

OTHER

SINGLE
ZONE ☒MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

ARCH PETROLEUM, INC.

(RICHARD WRIGHT 915-685-8140)

3. ADDRESS AND TELEPHONE NO.

P.O. BOX 10340 MIDLAND, TEXAS 79702-7340 (915-685-8100)

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements*)

At surface

2310' FNL & 2630' FWL SEC. 28 T23S-R37E LEA CO. NM

At proposed prod. zone SAME

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

Approximately 15 miles Southeast of Eunigel New Mexico

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest Grig. Unit line, if any)

2310'

16. NO. OF ACRES IN LEASE

1520

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

245'

19. PROPOSED DEPTH

5500'

20. ROTARY OR CABLE TOOLS

ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3313' GR.

22. APPROX. DATE WORK WILL START*

WHEN APPROVED

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
25"	Conductor	NA	40'	Cement to surface with Redi-mix
12 1/2"	J-55 8 5/8"	32	1100'	775 Sx. circulate to surface
7 7/8"	J-55 5 1/2"	15.5	5500'	1150 Sx. 2 stage cement to surface

1. Drill 25" hole to 40'. Set 40' of 20" conductor and cement to surface with Redi-mix.
2. Drill 12 1/2" hole to 1100'. Run and set 1100' of 8 5/8" 32# J-55 ST&C casing. Cement with 775 Sx. of Class "C" cement + 1/2# Floccs/Sx, + 2% CaCl, circulate cement to surface.
3. Drill 7 7/8" hole to 5500'. Run and set 5500' of 5 1/2" 15.5# J-55 ST&C casing. Cement in Two stages with DV tool at 1500'±. Cement 1st stage with 800 Sx. of Class "C" cement + additives, cement 2nd stage with 350 Sx. of Class "C" cement + additives, circulate cement to surface.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout prevention program, if any.

24.

SIGNED

TITLE Agent

DATE 03/07/03

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

TITLE

DATE

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001 makes it a crime for any person knowingly and willfully to make to any department or agency of the

Blumberg No. 5208

EXHIBIT

B

DISTRICT I

P.O. Box 1888, Hobbs, NM 88241-1888

DISTRICT II

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

DISTRICT III

1000 Rio Brazos Rd., Artesia, NM 87410

DISTRICT IV

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

State of New Mexico

Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code 58300	Pool Name TEAGUE PADDOCK BLINEBRY
Property Code 14898	Property Name C.E. LAMUNYON	Well Number 85
GRID No. 962	Operator Name ARCH PETROLEUM, INC.	Elevation 3313'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	28	23-S	37-E		2310'	NORTH	2630'	WEST	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	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

	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. <i>Joe T. Janica</i> Signature Joe T. JANICA Printed Name Agent Title 03/07/03 Date
	SURVEYOR CERTIFICATION 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. MARCH 03, 2003 Date Surveyed Signature (A Seal) <i>Raymond S. Johnson</i> Professional Surveyor NEW MEXICO 03.11.0264 Certificate No. RONALD S. JOHNSON 3239 CARY JOHNSON 12641

EXHIBIT "A"

