



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

July 19, 2000

Lori Wrotenbery
Director
Oil Conservation Division

Arch Petroleum, Inc.
P. O. Box 10340
Midland, Texas 79702
Attention: Garland H. Lang III

Telefax No. (915) 685-8151

AMENDED Administrative Order NSL-4467

Dear Mr. Lang:

Reference is made to your letter of application telefaxed to the New Mexico Oil Conservation Division ("Division") on July 19, 2000 to amend Division Administrative Order NSL-4467, dated June 15, 2000, which order authorized Arch Petroleum, Inc. ("Arch") to drill its C. E. Lamunyon Well No. 71 (API No. 30-025-35058) at an unorthodox oil well location 2310 feet from the North line and 1310 feet from the West line (Unit E) of Section 27, Township 23 South, Range 37 East, NMPM, Teague-Simpson Pool, Lea County, New Mexico.

It is our understanding while drilling the C. E. Lamunyon Well No. 71 Arch experienced problems that resulted in the abandonment of this wellbore. The drilling rig was skidded to the west-northwest 30.5 feet and a replacement wellbore, designated the C. E. Lamunyon Well No. 71-Y, was commenced.

This amended application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

By the authority granted me under the provisions of Division Rule 104.F (2), Arch is hereby authorized to continue drilling its C. E. Lamunyon Well No. 71-Y at an unorthodox oil well location 2305 feet from the North line and 1280 feet from the West line (Unit E) of Section 27. Further, this well is to be dedicated to the standard 40-acre oil spacing and proration unit comprising the SW/4 NW/4 of Section 27.

The original Administrative Order NSL-4467, dated June 15, 2000, is hereby placed in abeyance until further notice.

Sincerely,

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
James Bruce, Legal Counsel for Arch Petroleum, Inc. - Santa Fe
File: NSL-4467