



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



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

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Oil Conservation Division

June 16, 2000

Arch Petroleum, Inc.
c/o James Bruce
P. O. Box 1056
Santa Fe, New Mexico 87504

Telefax No. (505) 982-2151

Administrative Order NSL-4470

Dear Mr. Bruce:

Reference is made to the following: (i) your application on behalf of the operator, Arch Petroleum, Inc. ("Arch"), submitted to the New Mexico Oil Conservation Division ("Division") on June 5, 2000; and (ii) the Division's records in Santa Fe, including the files in Division Administrative Orders NSL-4449 and NSL-4467: all concerning Arch's request to drill its proposed C. E. Lamunyon Well No. 73 at an unorthodox oil well location within the Teague-Simpson Pool 1510 feet from the South line and 330 feet from the West line (Unit L) of Section 22, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico.

The NW/4 SW/4 of Section 22 is to be dedicated to this well in order to form a standard 40-acre oil spacing and proration unit.

This 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.

It is the Division's understanding that the NW/4 and the S/2 of Section 22 and the N/2 of Section 27, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico is a single Federal lease (United States Government Lease No. LC-030187) in which Arch is the leasehold operator; therefore, there are no effected offsets to the subject 40-acre tract other than Arch. It is further understood that Arch is seeking this location exception based on geology and previous reservoir drainage.

The proposed C. E. Lamunyon Well No. 73 is at the optimum location to test for remaining oil reserves within the C. E. Lamunyon federal lease, and, if successful, will allow the operator to drain production from the lease that would not otherwise be drained, thereby preventing waste.

Administrative Order NSL-4470
Arch Petroleum Inc.
June 16, 2000
Page 2

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox oil well location is hereby approved.

Sincerely,



Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
U. S. Bureau of Land Management - Roswell
U. S. Bureau of Land Management - Carlsbad
File: NSL-4449
NSL-4467 ✓



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Oil Conservation Division

June 16, 2000

Arch Petroleum, Inc.
c/o James Bruce
P. O. Box 1056
Santa Fe, New Mexico 87504

Telefax No. (505) 982-2151

Administrative Order NSL-4471

Dear Mr. Bruce:

Reference is made to the following: (i) your application on behalf of the operator, Arch Petroleum, Inc. ("Arch"), submitted to the New Mexico Oil Conservation Division ("Division") on June 5, 2000; and (ii) the Division's records in Santa Fe, including the files in Division Administrative Orders NSL-4449 and NSL-4467: all concerning Arch's request to drill its proposed C. E. Lamunyon Well No. 77 at an unorthodox oil well location within the Teague-Simpson Pool 1330 feet from the South line and 1650 feet from the West line (Unit K) of Section 22, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico.

The NE/4 SW/4 of Section 22 is to be dedicated to this well in order to form a standard 40-acre oil spacing and proration unit.

This 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.

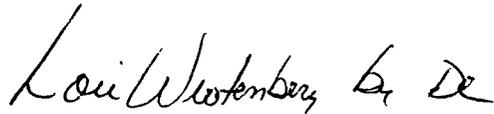
It is the Division's understanding that the NW/4 and the S/2 of Section 22 and the N/2 of Section 27, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico is a single Federal lease (United States Government Lease No. LC-030187) in which Arch is the leasehold operator; therefore, there are no effected offsets to the subject 40-acre tract other than Arch. It is further understood that Arch is seeking this location exception based on geology and previous reservoir drainage.

The proposed C. E. Lamunyon Well No. 77 is at the optimum location to test for remaining oil reserves within the C. E. Lamunyon federal lease, and, if successful, will allow the operator to drain production from the lease that would not otherwise be drained, thereby preventing waste.

Administrative Order NSL-4471
Arch Petroleum Inc.
June 16, 2000
Page 2

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox oil well location is hereby approved.

Sincerely,

A handwritten signature in cursive script that reads "Lori Wrotenbery, Director".

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
U. S. Bureau of Land Management - Roswell
U. S. Bureau of Land Management - Carlsbad
File: NSL-4449
NSL-4467 ✓



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

June 11, 2001

Lori Wrotenbery
Director
Oil Conservation Division

Arch Petroleum, Inc.
c/o James Bruce
P. O. Box 1056
Santa Fe, New Mexico 87504

Telefax No. (505) 982-2151

Administrative Order NSL-4467-A (SD)

Dear Mr. Bruce:

Reference is made to the following: (i) your original application on behalf of the operator, Arch Petroleum, Inc. ("Arch"), submitted to the New Mexico Oil Conservation Division ("Division") on May 2, 2001; and (ii) the Division's records in Santa Fe, including the file on Division Administrative Order NSL-4467: all concerning Arch's request for an unorthodox "infill" oil well location within an existing standard 40-acre oil spacing and proration unit comprising the SW/4 NW/4 (Unit E) of Section 27, Township 23 South, Range 37 East, NMPM, Teague-Simpson Pool, Lea County, New Mexico.

This 40-acre unit is currently dedicated to Arch's C. E. Lamunyon Well No. 71-Y (API No. 30-025-35106) located at an unorthodox oil well location (approved by AMENDED Division Administrative Order NSL-4467, dated July 19, 2000) 2305 feet from the North line and 1280 feet from the West line of Section 27.

This 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.

It is the Division's understanding that the NW/4 and the S/2 of Section 22 and the N/2 of Section 27, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico is a single Federal lease (United States Government Lease No. LC-030187) in which Arch is the leasehold operator; therefore, there are no effected offsets to the subject 40-acre tract other than Arch. It is further understood that Arch is seeking this location exception based on geology and previous reservoir drainage.

It is further understood that Arch's proposed infill well is at the optimum location to test for remaining oil reserves within the C. E. Lamunyon federal lease, and, if successful, will allow the operator to drain production from the lease and unit that would not otherwise be drained, thereby preventing waste.

By the authority granted me under the provisions of Division Rule 104.F (2), the

Administrative Order NSL-4467-A(SD)
Arch Petroleum, Inc.
June 11, 2001
Page 2

following described well to be drilled at an unorthodox infill oil well location within the above-described 40-acre unit is hereby approved:

**C. E. Lamunyon Well No. 80
1500' FNL & 150' FWL.**

Both the existing C. E. Lamunyon Well No. 71-Y and the proposed C. E. Lamunyon Well No. 80 are to be simultaneously dedicated to the subject 40-acre unit within the Teague-Simpson Pool; furthermore, Arch shall be permitted to produce the allowable assigned this 40-acre unit from both wells in any proportion.

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox oil well location is hereby approved.

Sincerely,



Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
U. S. Bureau of Land Management - Carlsbad
File: NSL-4467 /



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

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Oil Conservation Division

June 16, 2000

Arch Petroleum, Inc.
c/o James Bruce
P. O. Box 1056
Santa Fe, New Mexico 87504

Telefax No. (505) 982-2151

Administrative Order NSL-4468

Dear Mr. Bruce:

Reference is made to the following: (i) your application on behalf of the operator, Arch Petroleum, Inc. ("Arch"), submitted to the New Mexico Oil Conservation Division ("Division") on June 5, 2000; and (ii) the Division's records in Santa Fe, including the files in Division Administrative Orders NSL-4449 and NSL-4467: all concerning Arch's request to drill its proposed C. E. Lamunyon Well No. 74 at an unorthodox oil well location within the Teague-Simpson Pool 1310 feet from the North line and 1515 feet from the West line (Unit C) of Section 27, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico.

The NE/4 NW/4 of Section 27 is to be dedicated to this well in order to form a standard 40-acre oil spacing and proration unit.

This 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.

It is the Division's understanding that the NW/4 and the S/2 of Section 22 and the N/2 of Section 27, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico is a single Federal lease (United States Government Lease No. LC-030187) in which Arch is the leasehold operator; therefore, there are no effected offsets to the subject 40-acre tract other than Arch. It is further understood that Arch is seeking this location exception based on geology and previous reservoir drainage.

The proposed C. E. Lamunyon Well No. 74 is at the optimum location to test for remaining oil reserves within the C. E. Lamunyon federal lease, and, if successful, will allow the operator to drain production from the lease that would not otherwise be drained, thereby preventing waste.

Administrative Order NSL-4468
Arch Petroleum Inc.
Juen 16, 2000
Page 2

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox oil well location is hereby approved.

Sincerely,

A handwritten signature in cursive script that reads "Lori Wrotenberg by De".

Lori Wrotenberg
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
U. S. Bureau of Land Management - Roswell
U. S. Bureau of Land Management - Carlsbad
File: NSL-4449
NSL-4467 /



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Oil Conservation Division

June 16, 2000

Arch Petroleum, Inc.
c/o James Bruce
P. O. Box 1056
Santa Fe, New Mexico 87504

Telefax No. (505) 982-2151

Administrative Order NSL-4469

Dear Mr. Bruce:

Reference is made to the following: (i) your application on behalf of the operator, Arch Petroleum, Inc. ("Arch"), submitted to the New Mexico Oil Conservation Division ("Division") on June 5, 2000; and (ii) the Division's records in Santa Fe, including the files in Division Administrative Orders NSL-4449 and NSL-4467: all concerning Arch's request to drill its proposed C. E. Lamunyon Well No. 75 at an unorthodox oil well location within the Teague-Simpson Pool 10 feet from the South line and 1505 feet from the West line (Unit N) of Section 22, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico.

The SE/4 SW/4 of Section 22 is to be dedicated to this well in order to form a standard 40-acre oil spacing and proration unit.

This 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.

It is the Division's understanding that the NW/4 and the S/2 of Section 22 and the N/2 of Section 27, Township 23 South, Range 37 East, NMPM, Lea County, New Mexico is a single Federal lease (United States Government Lease No. LC-030187) in which Arch is the leasehold operator; therefore, there are no effected offsets to the subject 40-acre tract other than Arch. It is further understood that Arch is seeking this location exception based on geology and previous reservoir drainage.

The proposed C. E. Lamunyon Well No. 75 is at the optimum location to test for remaining oil reserves within the C. E. Lamunyon federal lease, and, if successful, will allow the operator to drain production from the lease that would not otherwise be drained, thereby preventing waste.

Administrative Order NSL-4469
Arch Petroleum Inc.
June 16, 2000
Page 2

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox oil well location is hereby approved.

Sincerely,

A handwritten signature in cursive script that reads "Lori Wrotenbery, Esq.".

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
U. S. Bureau of Land Management - Roswell
U. S. Bureau of Land Management - Carlsbad
File: NSL-4449
NSL-4467 /