

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

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

James Bruce
 Signature

Attorney for Applicant
 Title

4/18/05
 Date

jamesbruc@aol.com
 e-mail Address

2005 APR 18 PM 3 07

JAMES BRUCE
ATTORNEY AT LAW

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jamesbruc@aol.com

April 18, 2005

Hand delivered

Michael E. Stogner
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Request to amend Division Administrative Order NSL-4855(SD)

Dear Mr. Stogner:

The above order approved an unorthodox oil well location (and simultaneous dedication) in the Teague Paddock-Blinebry Pool for the following well:

<u>Well:</u>	E.C. Hill "C" Well No. 4	<i>30-025-36240</i>
<u>Location:</u>	1260 feet FSL & 990 feet FWL	
<u>Well unit:</u>	SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 27, Township 23 South, Range 37 East, N.M.P.M., Lea County, New Mexico	

Pursuant to Division Rule 104.F(2), Arch Petroleum Inc. applies to amend the order and for approval of an unorthodox oil well location in both the (wildcat) Grayburg formation and Langlie-Mattix Pool. The formations are both spaced on statewide rules, with 40 acre spacing, and wells to be located no closer than 330 feet to a quarter-quarter section line. The original Form C-102 for the well is attached as Exhibit A.

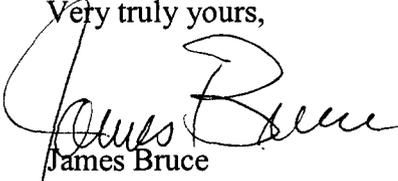
The well was drilled to the Paddock-Blinebry in 2003, and produced from that zone. It has been recompleted to the Grayburg. However, applicant intends at some point to complete the well in the Langlie-Mattix Pool, so approval is also requested for that zone.

Attached as Exhibit B is a land plat. The well is located on a fee lease which covers the W $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 27. Therefore, the location is interior to the well unit, there is no adversely

affected offset, and notice has not been given to anyone. (The offsetting lease, the E.C. Hill "B" lease, covers the E½SW¼ of Section 27, so the well is not encroaching on that acreage.)

Please contact me if you need any further information on this application.

Very truly yours,



James Bruce

Attorney for Arch Petroleum Inc.

DISTRICT I

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

DISTRICT II

P.O. Drawer 88, Artesia, NM 88211-0088

DISTRICT III

1000 Rio Grande 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	Pool Name
	58300	TEAGUE PADDOCK BLINEBRY
Property Code	Property Name	Well Number
27142	E.C. HILL "C"	4
OGRID No.	Operator Name	Elevation
962	ARCH PETROLEUM, INC.	3286'

Surface Location

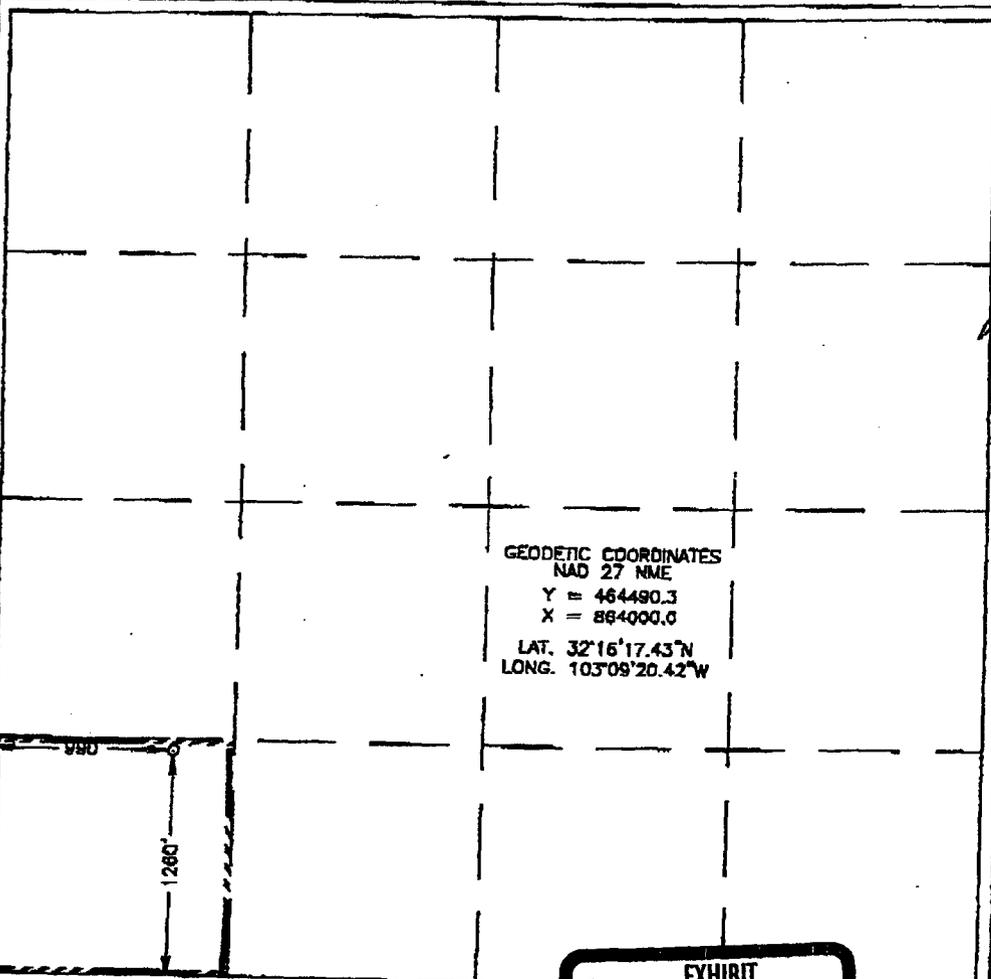
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	27	23-S	37-E		1260'	SOUTH	990'	WEST	LEA

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.
40			

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.

Joe T. Janica
Signature

Joe T. Janica
Printed Name

Agent
Title

03/13/03
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 04, 2003

Date Surveyed _____ A.W.B

Signature: *Gary Edson*
Professional Surveyor

GARY EDSON 3/13/03
03.17.0282

Certificate No. RONALD J. EDSON 3839
GARY EDSON 12641



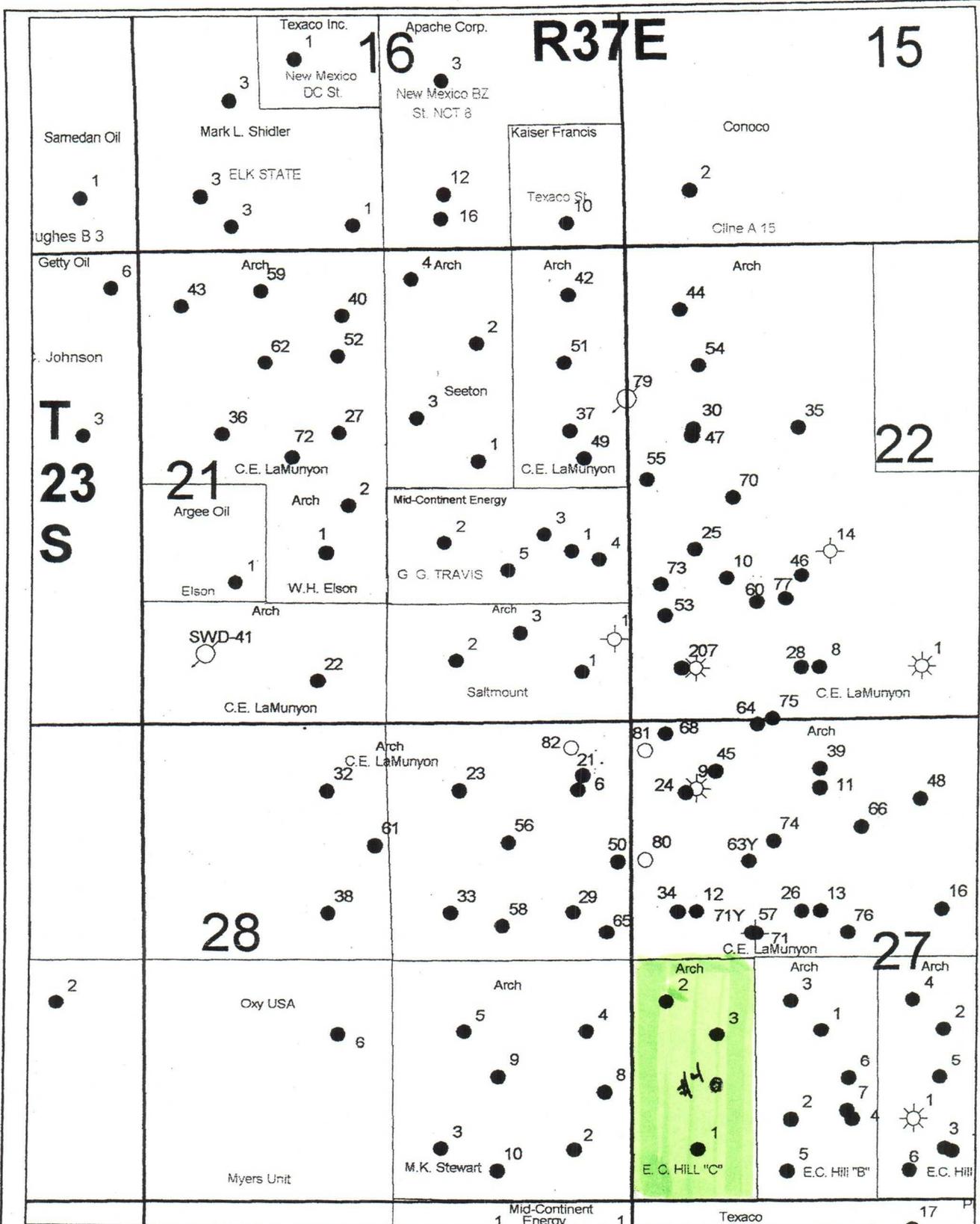


EXHIBIT
B

ARCH PETROLEUM INC.		
TEAGUE PROSPECT LEASE MAP		
GEOLOGIST: G. CURRY		Date: 30 October, 2002
Scale: <Scale>		BASE LEASE GMP