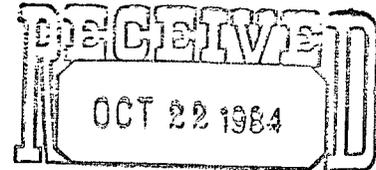


ARCO Oil and Gas Company
Permian District
Post Office Box 1610
Midland, Texas 79702
Telephone 915 684 0149

Joe R. Hastings
District Engineer — West



OIL CONSERVATION DIVISION
SANTA FE

October 18, 1984

Fee lease

Mr. Richard L. Stamets
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

NSL-1929

Release Nov. 9, 1984

Rule 104FI

Dear Mr. Stamets:

Application for Unorthodox Location

Dedicated →

R. F. Fort Lease - South Knowles Devonian Field Pool
W/2 SW/4 Section 24, T17S, R38E
Lea County, New Mexico

330' FWL & 2310' FSL,

ARCO Oil and Gas Company (AOGC) respectfully requests administrative approval for an unorthodox location for its proposed R. F. Fort No. 1, to be located 330' FWL, 2310' FSL, Section 24, T17S, R38E, Lea County, New Mexico. This is necessary for topographical reasons.

AOGC originally planned to drill the subject well 660' FWL, 1980' FSL of Section 24, an orthodox location in conformance with South Knowles Devonian Field Rule No. 2. However, this location is in the path of a center pivotal irrigation system that covers a 1320' radius circle in the SW/4 of Section 24. This leaves no orthodox location in either 80 acre proration unit in the SW/4 of Section 24. A map showing the orthodox locations, the proposed unorthodox location, and the area covered by the irrigation system is attached. Also attached is a C-102 plat of the proposed unorthodox location, and a map showing offset operators and/or unleased mineral interest owners.

The proposed unorthodox location will be 330' from both the northern and western edges of the proration unit, which are also quarter-quarter section boundaries.

Only one company has obtained any leases from mineral owners in the offset proration units, and that is ARCO Oil and Gas Company. However, some mineral interest

NOTE: Verbal approval was given because all offset operators had given verbal approval, and they were unorthodox to their own property! JRP

STAMETS Approved
according to Craig Payton

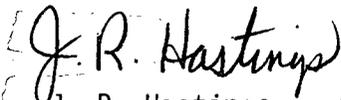
ARCO Oil and Gas Company is a Division of AMANTIC Richfield Company

Mr. Richard L. Stamets
October 18, 1984
Page 2

remains unleased in the offset proration units. AOGC is notifying these mineral interest owners of this application by registered mail. A list of these owners is attached as "Offset Operators".

Please contact Mr. Craig Payken at (915) 684-0151 if you have any questions.

Very truly yours,


J. R. Hastings

JRH:CLP:sc
Atts.

Xc: New Mexico Oil Conservation Division
P. O. Box 1980
Hobbs, New Mexico 88240

Offset Operators
(attached list)

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-102
Revised 10-1-78

All distances must be from the outer boundaries of the Section.

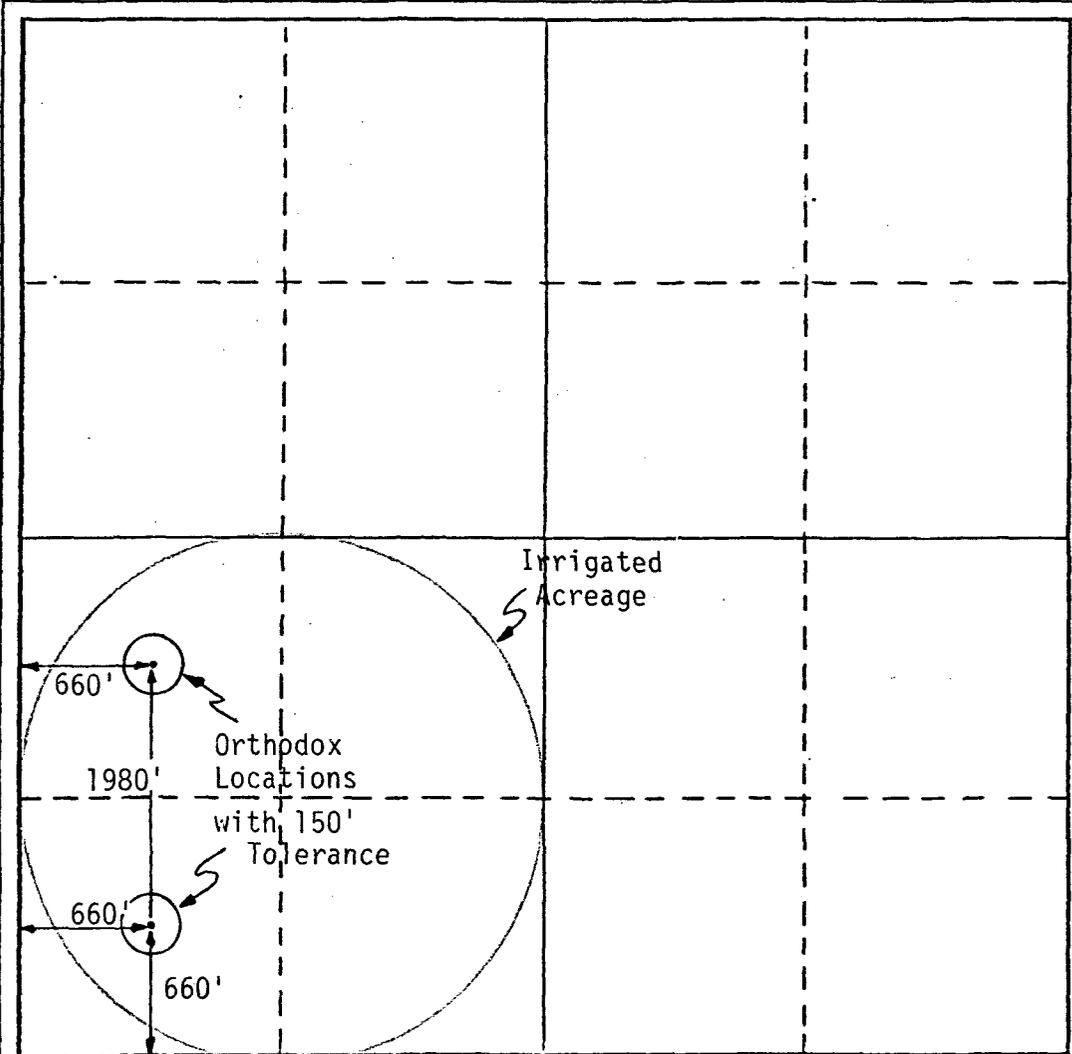
Operator ARCO Oil and Gas Co.		Lease R. F. Fort		Well No. 1
Unit Letter L	Section 24	Township 17S	Range 38E	County Lea
Actual Footage Location of Well: 330 feet from the West line and 2310 feet from the South line				
Ground Level Elev. 3664.1'	Producing Formation Devonian	Pool South Knowles	Dedicated Acreage: 80 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Craig L. Payken

Name

Craig L. Payken

Position

Area Engineer

Company

ARCO Oil and Gas Company

Date

October 18, 1984

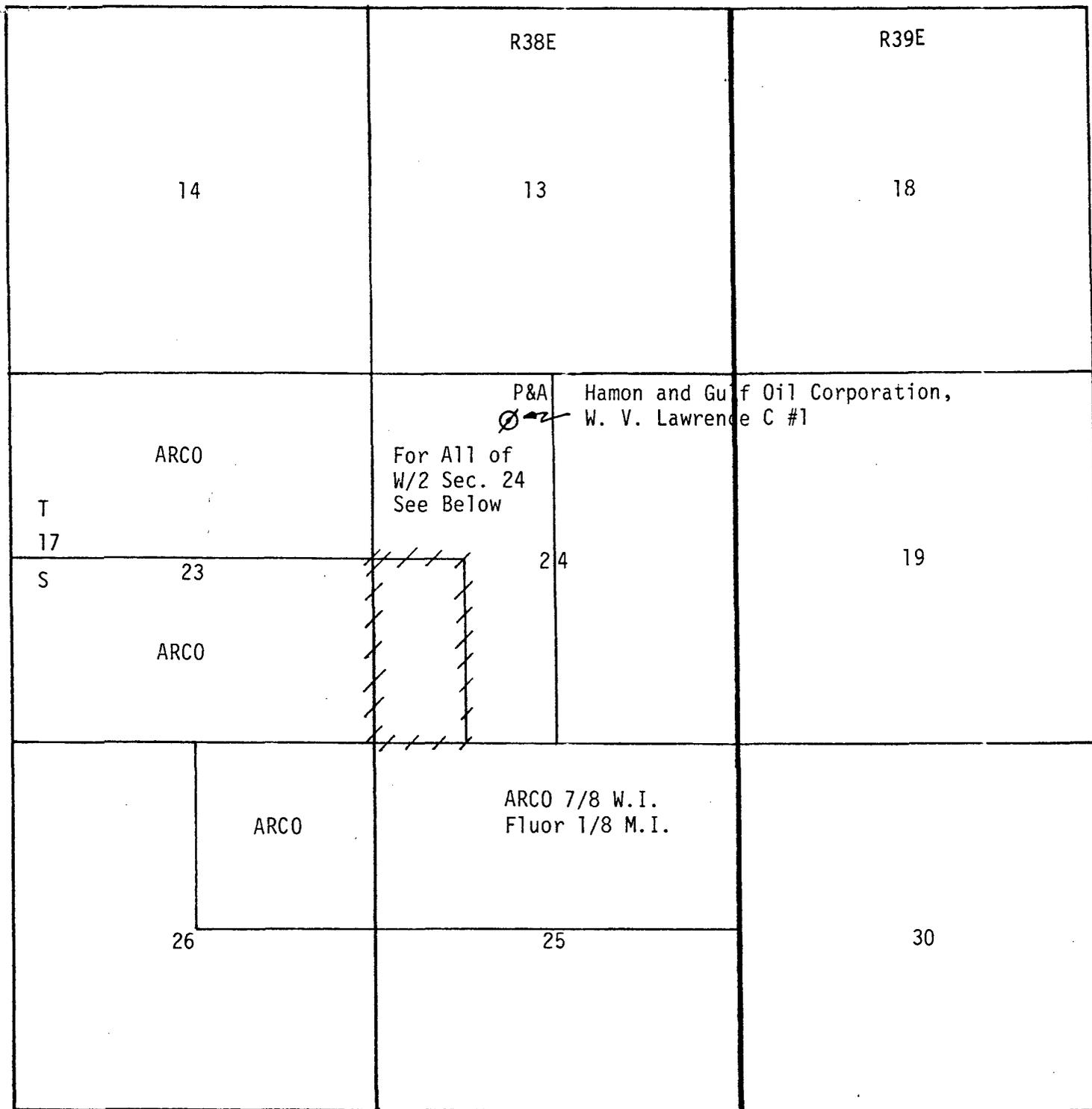
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

Registered Professional Engineer and/or Land Surveyor

Certificate No.

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0



For W/2 Sec. 24:

ARCO
 H. L. Brown, Jr.
 Kathleen Cone
 Douglas L. Cone
 Clifford Cone
 Tom R. Cone
 Cathie Cone Auvenshine
 Kenneth G. Cone
 Hamilton Brothers Oil Co.

<p>ARCO Oil and Gas Company </p> <p><small>Division of AtlanticRichfieldCompany</small></p> <p>Permian District Midland, Texas</p>
<p>South Knowles Field</p> <p>LEA COUNTY, NEW MEXICO</p>
<p>OFFSET OPERATORS</p>

OFFSET OPERATORS

H. L. Brown, Jr.
P. O. Box 2237
Midland, TX 79702

Hamilton Brothers Oil Co.
320 High
Denver, CO 80218
Attn: Gene Wentworth

Kathleen Cone
P. O. Drawer 1509
Lubbock, TX 88260

Fluor Oil and Gas Corp.
615 Midland Tower Bldg.
223 W. Wall St.
Midland, TX 79701-4567

Douglas L. Cone
P. O. Box 6217
Lubbock, TX 79493-6217

Clifford Cone
P. O. Box 6010
Lubbock, TX 79493-6010

Tom R. Cone
P. O. Box 778
Jay, OK 74346

Cathie Cone Auvenshine
P. O. Box 33280-296
Austin, TX 78764

Kenneth G. Cone
P. O. Box 11310
Midland, TX 79702

RECEIVED
NOV 26 1984
OIL CONSERVATION DIVIS
SANTA FE

Waiver of Objection to Unorthodox Location Request
R. F. Fort Lease - ARCO Oil and Gas Company Operator
South Knowles Devonian Field
W/2 SW/4 Section 24, T17S, R38E
Lea County, New Mexico

I/We hereby waive any objection to ARCO Oil and Gas Company's request for NMOCD administrative approval of an unorthodox location for AOGC's R. F. Fort No. 1, a well to be drilled to the Devonian in the South Knowles Field, Lea County, New Mexico.

Signed

Douglas H. Lane

Company

MINERAL OWNER

Date

20 Nov 1984

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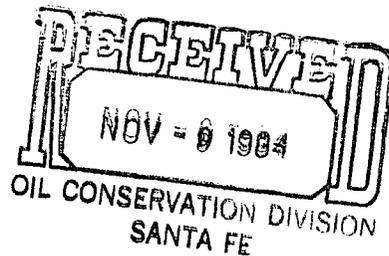
Signed *Helen Wilson Landman*
Company *Cathie Auvenshine*
Date *11-15-84*

1052-1929

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R. F. Fort Lease - ARCO Oil and Gas Company Operator
South Knowles Devonian Field
W/2 SW/4 Section 24, T17S, R38E
Lea County, New Mexico

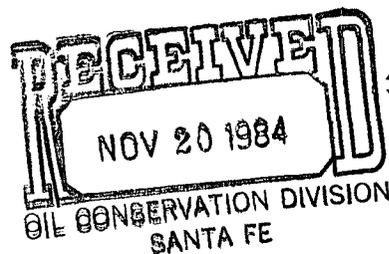
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Signed Kenneth G. Cone
Company Kenneth G. Cone
Date 11/06/84



ARCO Oil and Gas Company
Permian District
Post Office Box 1610
Midland, Texas 79702
Telephone 915 684 0149

Joe R. Hastings
District Engineer — West



October 18, 1984

Mr. Richard L. Stamets
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

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R. F. Fort Lease - South Knowles Devonian Field
W/2 SW/4 Section 24, T17S, R38E
Lea County, New Mexico

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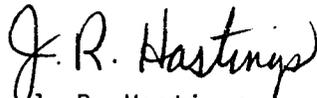
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