

ERNEST L. PADILLA
ATTORNEY AND COUNSELOR AT LAW

By JPP

P.O. Box 2523
Santa Fe, New Mexico 87501
(505) 988-7577

January 23, 1985

RECEIVED

JAN 23 1985

OIL CONSERVATION DIVISION

Mr. Richard L. Stamets
Director
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

NSL-1976
Special RULE OF DIVISION ORDER R-5353
Release Immediately

Re: Application of BCO, Inc. for
Unorthodox Location

WAIVERS IN !

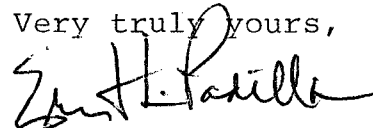
Dear Mr. Stamets:

Federal lease

Enclosed in triplicate is the Application of BCO, Inc. for administrative approval of an unorthodox location which is subject to the Escrito-Gallup Pool Rules.

Please let me know if you need additional information or whether I can answer any questions that you may have.

Very truly yours,



Ernest L. Padilla

ELP/dd

Encl.

cc: BCO, Inc.;
Mr. Frank Chavez, Supervisor,
Oil Conservation Division;
Mr. Roger M. Buelow
Chevron, U.S.A., Inc.
P.O. Box 599
Denver, Colorado 80201

Mr. Bill Cooper
Union Texas Petroleum
P.O. Box 1290
Farmington, New Mexico 87499

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JAN 23 1985

BEFORE THE OIL CONSERVATION DIVISION
OF THE STATE OF NEW MEXICO

OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION
OF BCO, INC. FOR ADMINISTRATIVE
APPROVAL OF UNORTHODOX LOCATION

NO. _____

APPLICATION FOR UNORTHODOX LOCATION

Applicant requests the Division Director to approve the proposed unorthodox location described herein and for the reasons herein stated:

1. Applicant proposes to drill a well located 250'FWL and 2040'FSL of Section 21, T-24-N, R-7-W, N.M.P.M., Rio Arriba County, New Mexico. A copy of form C-102 is attached hereto as Exhibit "A".
2. That such location is unorthodox in that a standard well location would require that the well be located no closer than 330'FWL of Section 21.
3. That topographical conditions in the area prohibit drilling a well at a standard location. Attached hereto as Exhibit "B" is a portion of a topographical map showing topographic conditions in the area of the proposed well.
4. Applicant proposes to operate the well. That the only offset operator affected by the unorthodox location is Union Texas Petroleum Corporation which owns and operates the oil and gas rights underlying the SE/4 of Section 20, T-24-N, R-7-W, N.M.P.M., Rio Arriba County, New Mexico. Attached hereto is Exhibit "C" which is the waiver of Union Texas Petroleum Corporation to said non-standard unorthodox location.

WHEREFORE, Applicant requests that the Division Director grant an exception to the applicable well location requirements without notice or hearing due to topographical conditions and due to waiver from the only affected offset operator.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ernest L. Padilla". The signature is fluid and cursive, with the first name "Ernest" and last name "Padilla" clearly distinguishable.

Ernest L. Padilla
Attorney for Applicant
Post Office Box 2523
Santa Fe, New Mexico 87501
(505) 988-7577

ERNEST L. PADILLA
ATTORNEY AND COUNSELOR AT LAW

P.O. Box 2523
Santa Fe, New Mexico 87501
(505) 988-7577

January 10, 1985

Mr. Bill Cooper
Union Texas Petroleum
Post Office Box 1290
Farmington, New Mexico 87499

Dear Mr. Cooper:

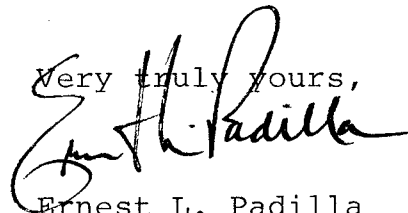
In accordance with our telephone conversation of today, I am enclosing a copy of BCO, Inc.'s form C-102 showing a location for its proposed well in Section 21, T-24-N, R-7-W, N.M.P.M., Rio Arriba County, New Mexico. This location is 250'FWL and 2040'FSL of Section 21.

As I indicated to you during our telephone conversation, we will be making application to the New Mexico Oil Conservation Division for an exception to its well spacing requirements in this instance, due to the topography of the area. Because of topography we are precluded from drilling a well at a standard location. I am enclosing a portion of the topographic map showing the approximate well location and the surrounding topographic conditions.

If you are inclined to waive a standard location, please indicate by executing the extra copy of this letter at the appropriate place provided below.

Thank you for your prompt consideration of this matter.

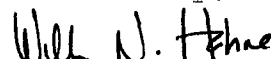
Very truly yours,



Ernest L. Padilla

ELP/dd
cc: BCO, Inc.

UNION TEXAS PETROLEUM, as operator of the SE/4 of Section 20, T-24-N, R-7-W, N.M.P.M., Rio Arriba County, New Mexico, has no objection to a well location to be completed in the Gallup formation located at 250'FWL and 2040'FSL of Section 21, T-24-N, R-7-W, N.M.P.M., Rio Arriba County, New Mexico.


DISTRICT MANAGER

(Title)

OIL CONSERVATION DIVISION

EXHIBIT "A"

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENTP. O. BOX 2088
SANTA FE, NEW MEXICO 87501Form C-102
Revised 10-1-78

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

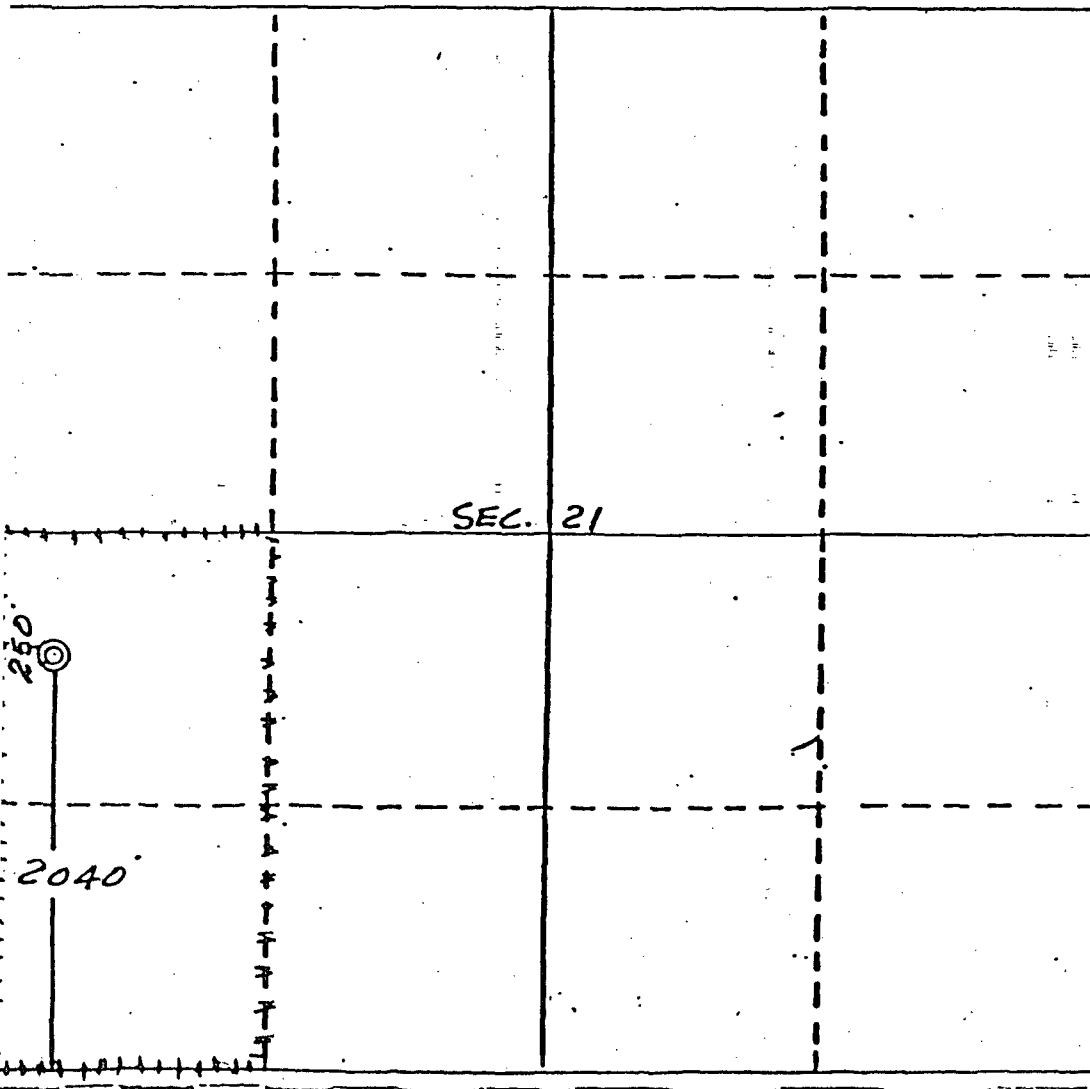
Operator BCO, Inc.		Lease 3-21		Well No. 5	
Well Letter L	Section 21	Township 24 North	Range 7 West	County Rio Arriba	
Original Footage Location of Well: 2040 feet from the South line and 250 feet from the West line					
Ground Level Elev. 7285	Producing Formation Gallup	Pool Escrito Gallup	Dedicated Acreage: 80 Acres		

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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.

Elizabeth B. Keeshan

Name

Elizabeth B. Keeshan

Position

Comptroller

Company

BCO, Inc.

Date

January 7, 1985

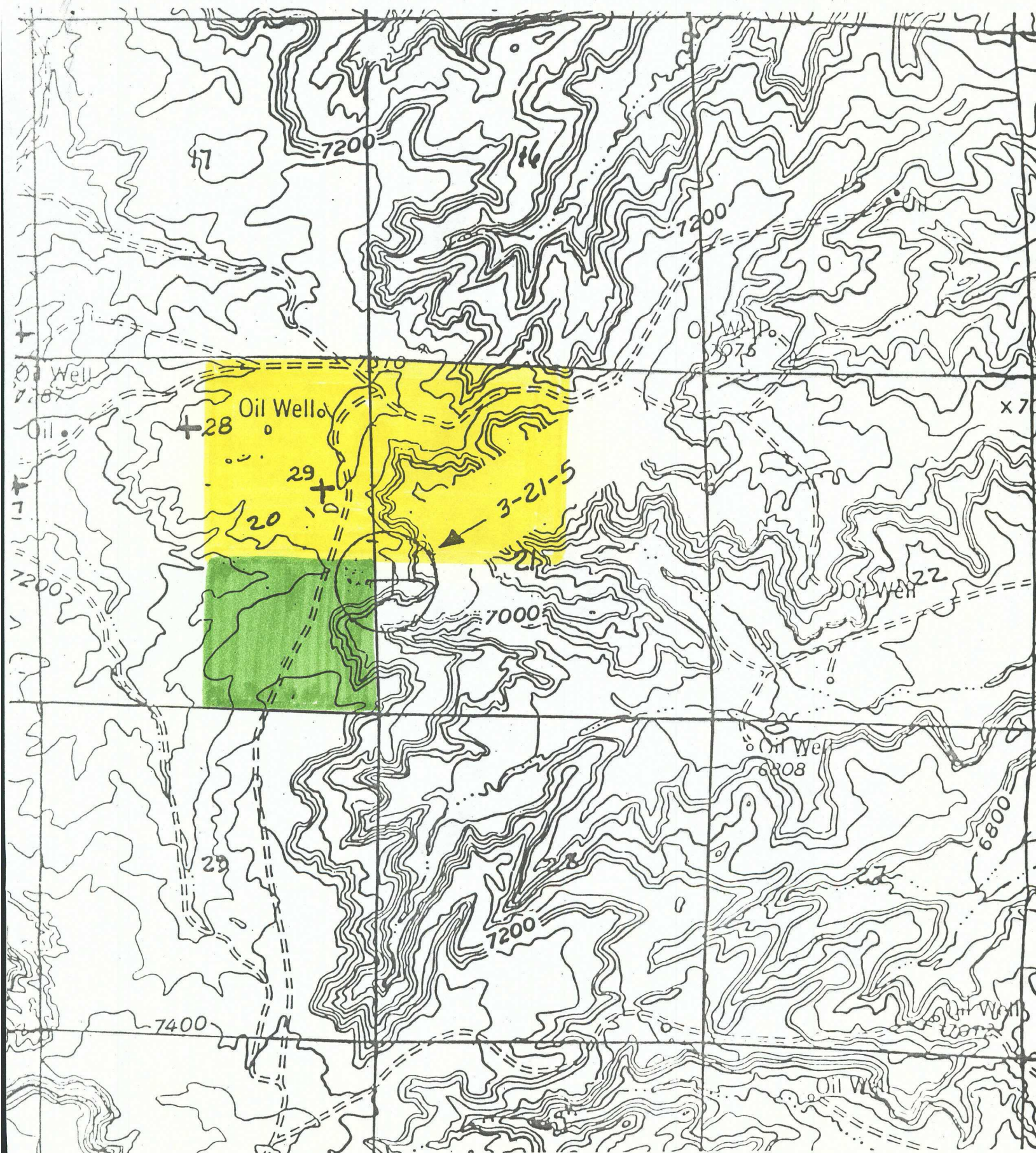
I have personally located the location shown on the plat was taken from field notes of actual measurements made by me or under my supervision and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

December 7, 1984

 Registered Professional Engineer
and/or Land Surveyor

 Edgar L. Risenhoover
Certificate No. 5979



⊕ Approximate Well Location

Operated by BCO, Inc. under the Gallup Escrito Unit

Operated by Union Texas Petroleum

Sections 20 and 21,
T-24-N, R-7-W, N.M.P.M.
Rio Arriba County,
New Mexico

Exhibit "B"

ERNEST L. PADILLA
ATTORNEY AND COUNSELOR AT LAW

P.O. Box 2523
Santa Fe, New Mexico 87501
(505) 988-7577

January 10, 1985

Mr. Bill Cooper
Union Texas Petroleum
Post Office Box 1290
Farmington, New Mexico 87499

Dear Mr. Cooper:

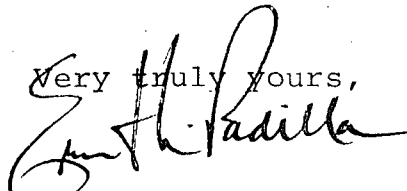
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Will N. Hume

(Title)