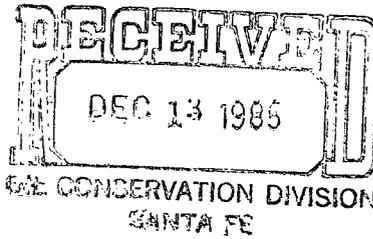


*Release Immediately
No Offsets, within unit*

ARCO Oil and Gas Company
Permian District
Post Office Box 1610
Midland, Texas 79702
Telephone 915 684 0363

Stephen G. Suellentrop
District Engineer



By DEC

*NSL-2203
RULE-104 (FZ)*

December 6, 1985

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

*Langlie-Mattix Pool
40 Acres dedicated*

RE: Unorthodox Location
Seven Rivers Queen Unit No. 70.
Lea County, New Mexico
Langlie Mattix Field

NE1/4 NW1/4 Section 3

Dear Mr. Stamets:

ARCO Oil and Gas Company respectfully requests administrative approval to drill its Seven Rivers Queen Unit No. 70, a proposed producing well in an active waterflooding unit, at an unorthodox location of 1310' FNL and 1330' FWL, Section 3, Township 23 South, Range 36 East, Lea County. The well is to be drilled to a TD of 3900' to test the Seven Rivers Queen formations. In ARCO's opinion, completion of the well at the proposed location will provide an efficient production and injection pattern within a secondary recovery project. This well is expected to recover unswept oil by increasing the amount of floodable pay and by increasing the injection efficiency due to increased continuity. The proration units which offset this proposed well are within the Seven Rivers Queen Unit and, therefore, no offset operators are to be notified of this request. Attached is a plat showing the Seven Rivers Queen Unit and the proposed well's location.

Very truly yours,

S. G. Suellentrop
District Engineer

SGS:CWE:tis
Attachment

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

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

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

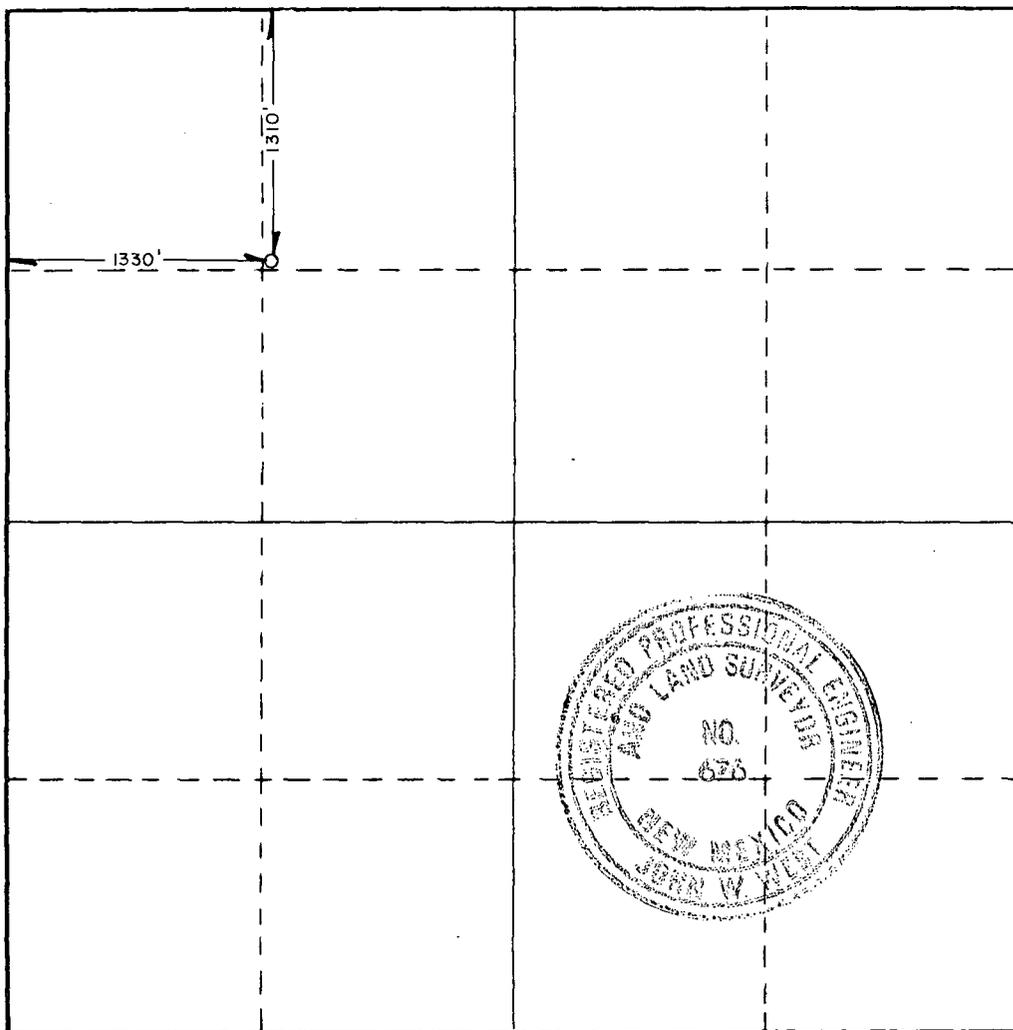
| | | | | |
|--|--|----------------------------------|----------------------------------|----------------|
| Operator ARCO OIL & GAS COMPANY | | Lease SEVEN RIVERS QUEEN UNIT | | Well No. 70 |
| Unit Letter D | Section 3 | Township 23 SOUTH | Range 36 EAST | County LEA |
| Actual Footage Location of Well: 1310 feet from the NORTH line and 1330 feet from the WEST line | | | | |
| Ground Level Elev. 3493.0' | Producing Formation Seven Rivers/ Queen | Pool Langlie Mattix | Dedicated Acreage: 40.0 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 Unitization

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 Commission.



CERTIFICATION

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

Cindy W. Ellis

Name
Cindy W. Ellis

Position
Engineer

Company
ARCO Oil & Gas Co.

Date
December 6, 1985

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
DECEMBER 3, 1985

Registered Professional Engineer and/or Land Surveyor

John W. West

Certificate No. JOHN W. WEST, 676
RONALD J. EIDSON, 3239

