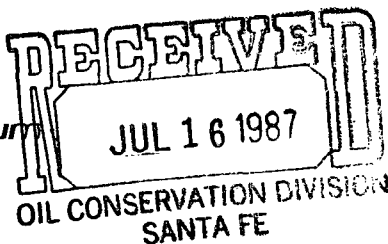


Release Date: Aug 4, 1987

B4 DC



Union Texas Petroleum



July 14, 1987

375 U.S. Highway 64
Farmington, New Mexico 87401
Telephone (505) 325-3587

Mr. W. J. LeMay
N.M. Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501-2088

NSL- 2370
RULE-104 F(E)

Re: Administrative Approval
Unorthodox Location Approval
Recompletion in Otero Chacra
Angel Peak B #37
795' FNL & 569' FEL
Section 24-T28N-R11W

Otero Chacra Pool
160 Acres dec.
NE 1/4 Section 24

Dear Mr. LeMay:

Union Texas Petroleum requests Administrative Approval for an Unorthodox Location for an Otero Chacra recompletion. This well is currently completed in the Armenta Gallup. We intend to temporarily abandon the Gallup until such time as the reservoir pressures are compatible for commingling with the Chacra. A sundry notice has been filed outlining the aforementioned recompletion procedure.

The only offset operator adjacent to the Otero Chacra "proration" unit is Meridian Oil, Inc. and they were notified by a letter of this date of our intentions.

If I may be of any further assistance, please advise.

Very truly yours,

Robert C. Frank

Robert C. Frank
Permit Coordinator

RCF:lmg
attachments

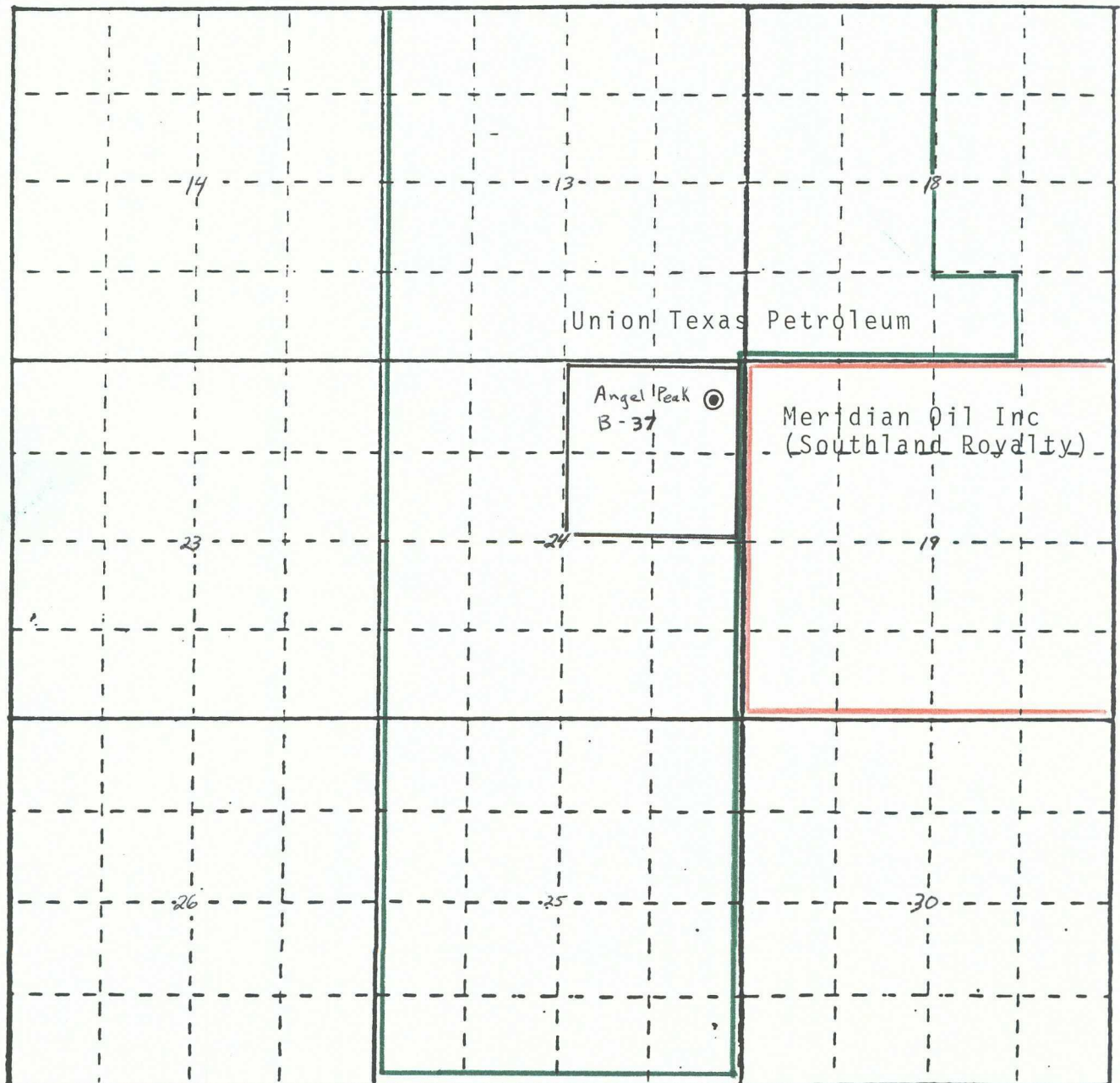
cc: NMOCD-Aztec

Unorthodox Location
Otero Chacra Pool

Angel Peak B-37
795' FNL & 569' FEL
Section 24-T28N-R11W
San Juan County, New Mexico

— Union Texas

— Meridian Oil Inc.
(Southland Royalty Co.)



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

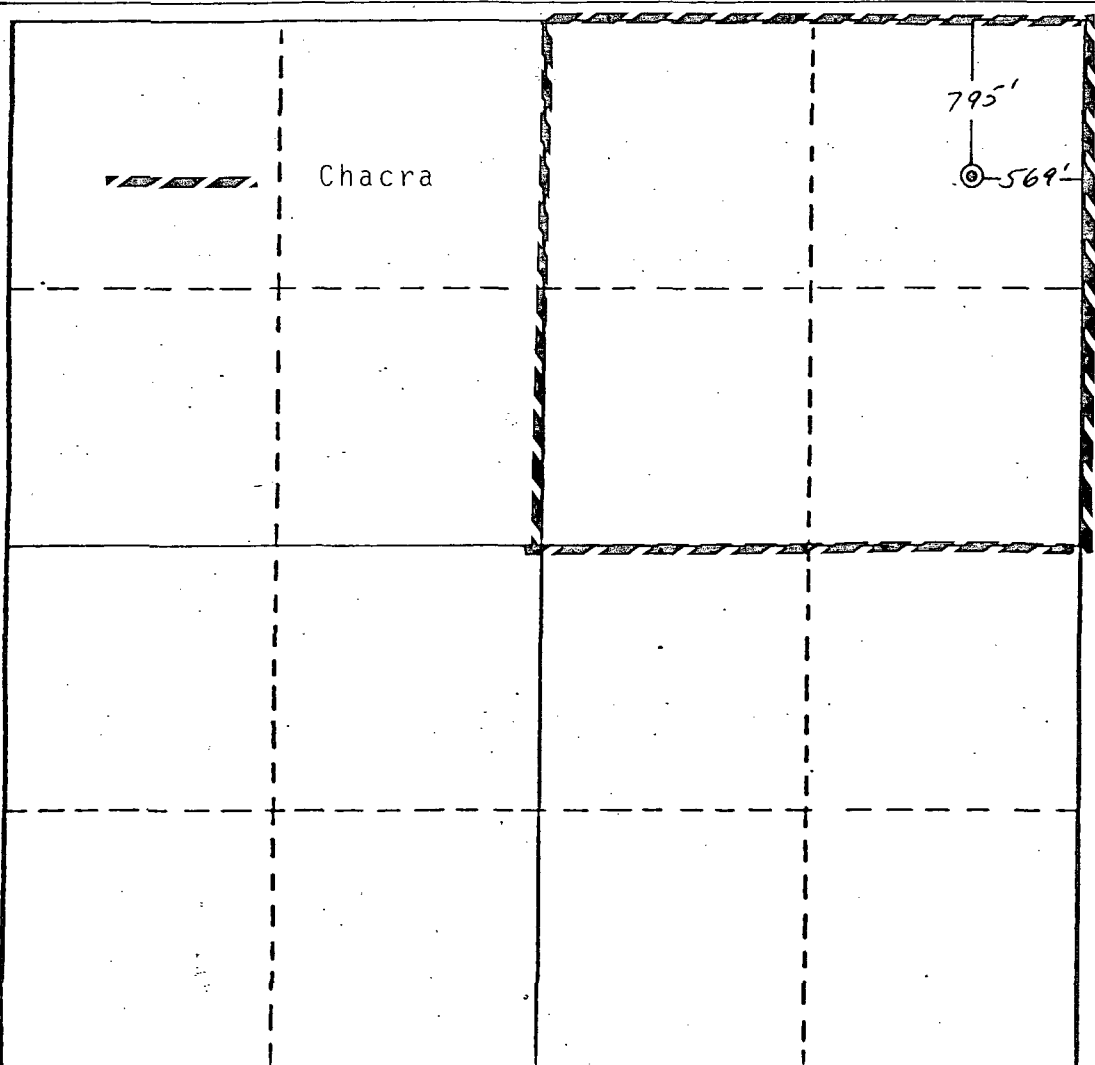
Operator Union Texas Petroleum			Lease Angel Peak B		Well No. 37
Unit Letter A	Section 24	Township 28N	Range 11W	County San Juan	
Actual Footage Location of Well: 795 feet from the North line and 569 feet from the East line					
Ground Level Elev. 5888	Producing Formation Chacra	Pool Otero	Dedicated Acreage: 160 NE/4 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.

Robert C. Frank

Name
Robert C. Frank
Position
Permit Coordinator
Company
Union Texas Petroleum
Date
July 10, 1987

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
Original on file
Registered Professional Engineer
and/or Land Surveyor

Certificate No.

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



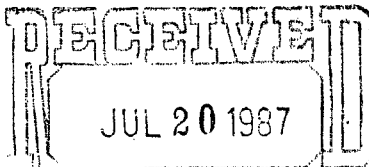
STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

OIL CONSERVATION DIVISION
BOX 2088
SANTA FE, NEW MEXICO 87501

DATE 7-15-87



OIL CONSERVATION DIVISION
SANTA FE

RE: Proposed MC _____
Proposed DHC _____
Proposed NSL X _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application dated 7-14-87
for the Union Texas Petroleum Corp. Angel Peak B#37 A-24-28N-10W
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approve

Yours truly,

E. Bernal