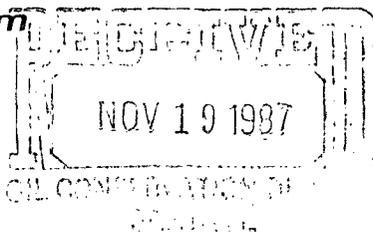


Please Date
December 8, 1987

By DRC

Union Texas Petroleum



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

November 16, 1987

NSL-2457
RULE-104 F(I)

Mr. William LeMay
N. M. Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87501-2088

Otero Chacra Pool
Dedicated Acreage - See Note.

Re: Angel Peak #21, Otero Chacra Recomplete
.840' FNL & 990' FEL
Section 12-T28N-R11W
San Juan County, N.M.

Dear Mr. LeMay:

Union Texas Petroleum requests administrative approval for an unorthodox location. The current completion in the Basin Dakota has reached its economic limit and will be plugged and abandoned. We desire to recomplete in the Otero Chacra Pool. This well is located in a short section with the Chacra proration unit comprising the E2 E2 of Section 12-T28N-R11W and the W/2 Section 7-T28N-R10W (Order R-6234). This proration unit is different from the original Dakota proration unit.

There are two leases comprising the Chacra proration unit which are communitized under agreement SRM-1473. This well, when recompleted, will be the second well on this proration unit. The original well is the Angel Peak #22.

Each of the offset operators will be notified of our intentions by certified mail as of this date.

In an effort to maximize reserve production, and thereby prevent waste, and to utilize an existing wellbore to maximize the economic potential, Union Texas Petroleum requests approval to recomplete this well in the Otero Chacra Pool. If I may be of any further assistance, please advise.

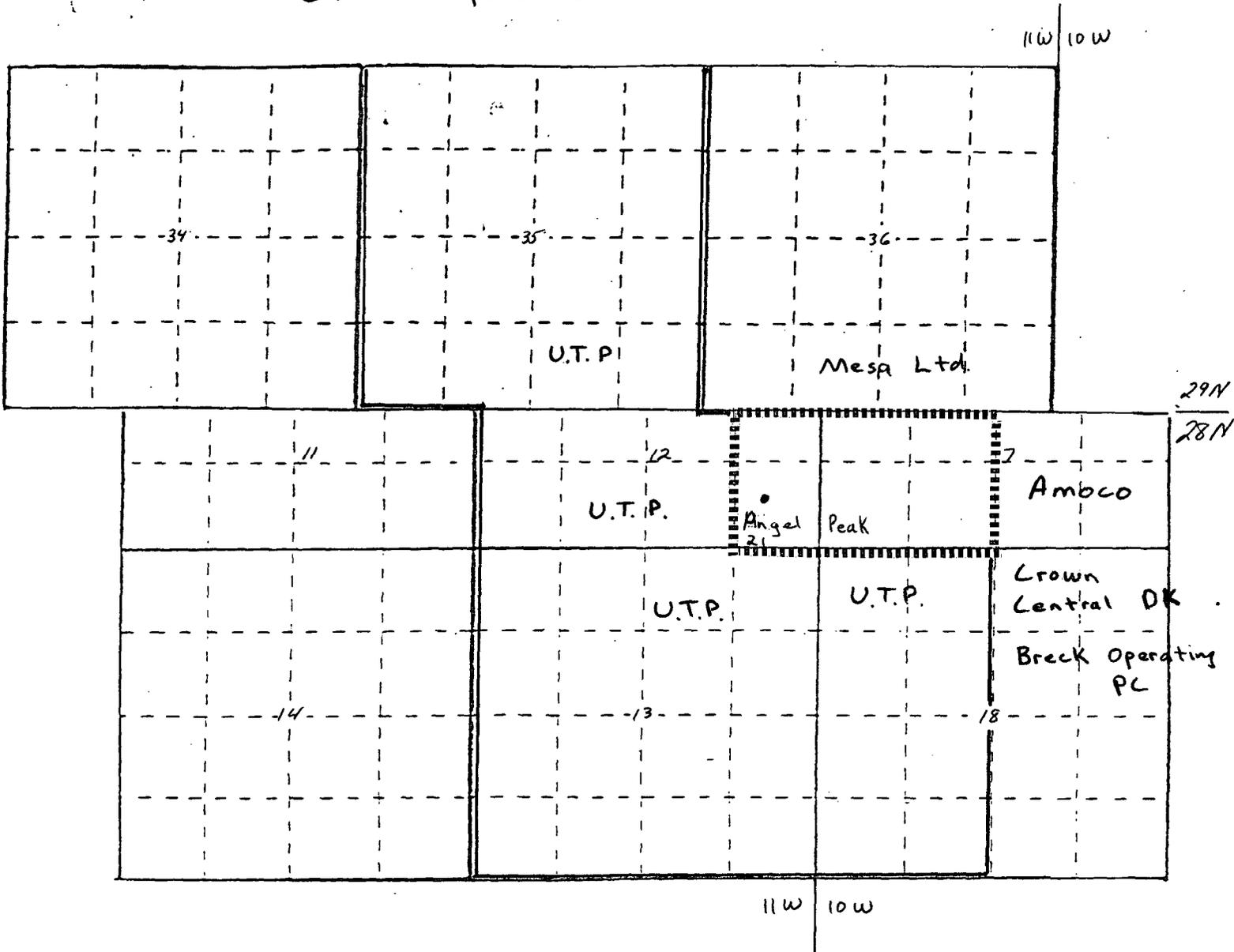
Very truly yours,

Robert C. Frank

Robert C. Frank

A 192.97 acre non-standard proration unit consisting of the W/2 of Section 7, Township 28 North, Range 10 West, N14R10W and the E/2 E/2 of Section 12 Township 28 North, Range 11 West, N14R11W, previously approved by Division Order No. R-6234 shall be dedicated to the proposed well and to the existing Angel Peak well No. 22, located 790 feet from the West line and 1105 feet from the South line of said Section 7.

Offset Operators



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.

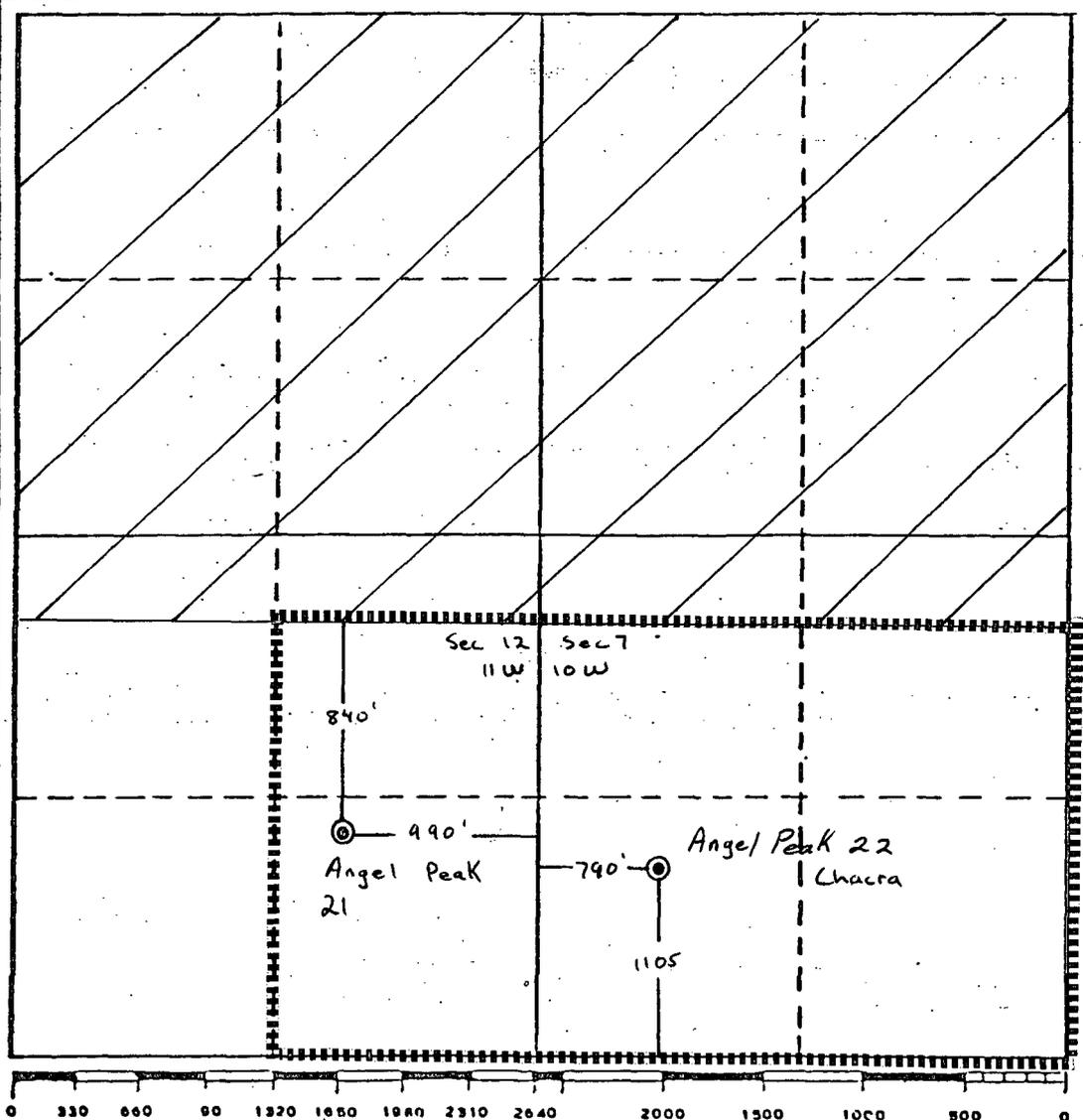
Operator Union Texas Petroleum			Lease Angel Peak			Well No. 21		
Unit Letter P	Section 12	Township 28N	Range 11W	County San Juan				
Actual Footage Location of Well: 840 feet from the North line and 990 feet from the East line								
Ground Level Elev. 5738	Producing Formation Chacra			Pool Otero	Dedicated Acreage: 192.97 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 Communitized: SRM-1473

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: November 13, 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.

August 21, 1959
 Date Surveyed: On file
 Registered Professional Engineer and/or Land Surveyor

Certificate No.



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

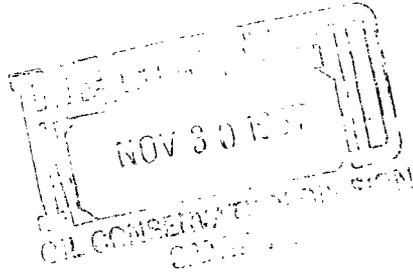
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

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

OIL CONSERVATION DIVISION
BOX 2088
SANTA FE, NEW MEXICO 87501

DATE 11-23-87

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



Gentlemen:

I have examined the application dated 11-18-87

for the Union Texas Petroleum Corp. Angel Peak #21 P-12-28N-11W
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approve

Yours truly,

E. J. Burch