



Resources Conservation Division  
RECEIVED

'90 OCT 25 AM 8 54

October 22, 1990

518 17th St., Suite 1030  
Denver, Colorado 80202  
(303) 571-4220

State of New Mexico  
Energy, Minerals and Natural Resources Dept.  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504

Attn: William J. Lemay

Re: Unorthodox Locations  
Hammond W.N. Fed No. 9  
Hammond W.N. Fed No. 10  
Hammond W.N. Fed No. 11  
Oxnard W.N. Fed No. 9  
~~Oxnard W.N. Fed No. 10~~  
Marron W.N. Fed No. 8  
Marron W.N. Fed Com No. 9  
Township 27 North, Range 8 West  
San Juan County, NM

Gentlemen:

Maralex Resources, Inc. (Maralex) as stated in our applications for unorthodox locations dated October 5, 1990, hereby submits the return receipt cards signifying receipt by the offset operators of notification of our applications.

As with the applications, the notifications for the different wells were submitted in one package to each of the operators. Therefore, there is only one card per operator. Copies of the applications were hand delivered to the Bureau of Land Management on October 10, 1990.

Please let us know at your earliest convenience the status of our applications so that we may proceed with the drilling and completion of our wells prior to expiration of the Section 29 tax credit.

Sincerely,

A. M. O'Hare, P.E.  
President  
Maralex Resources, Inc.

**SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.** Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available: Consult postmaster for fees and check boxes for additional services requested.

1  Show to whom delivered, date, and addressee's address 2  Restricted Delivery (Extra charge)

3 Article Addressed to:  
**ibex Partnership**  
 P.O. Box 911  
 BRECKENRIDGE, TX 76024

4 Article Number:  
 P 712 015 285

Type of Service:  
 Registered  Insured  
 Certified  COD  Return Receipt for Merchandise  
 Express Mail

Always obtain signature of addressee or agent and DATE DELIVERED.

5 Signature - Addressee

6 Signature - Agent  
 *Bill Adams*

7 Date of Delivery  
 OCT 15 1990

PS Form 3811, Apr. 1989

**DOMESTIC RETURN RECEIPT**

**SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.** Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available: Consult postmaster for fees and check boxes for additional services requested.

1  Show to whom delivered, date, and addressee's address 2  Restricted Delivery (Extra charge)

3 Article Addressed to:  
**WESTERN OIL & MINERALS LTD.**  
 P.O. Drawer 1228  
 Farmington, NM 87499  
 ATTN: Mr. Jack Beaty

4 Article Number:  
 P 712 015 282

Type of Service:  
 Registered  Insured  
 Certified  COD  Return Receipt for Merchandise  
 Express Mail

Always obtain signature of addressee or agent and DATE DELIVERED.

5 Signature - Addressee

6 Signature - Agent  
 *Jack Beaty*

7 Date of Delivery  
 10-11-90

PS Form 3811, Apr. 1989

**DOMESTIC RETURN RECEIPT**

**SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.** Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available: Consult postmaster for fees and check boxes for additional services requested.

1  Show to whom delivered, date, and addressee's address 2  Restricted Delivery (Extra charge)

3 Article Addressed to:  
**MERIDIAN OIL PRODUCTION CO.**  
 P.O. Box 4289  
 Farmington, NM 87499

4 Article Number:  
 P 712 015 284

Type of Service:  
 Registered  Insured  
 Certified  COD  Return Receipt for Merchandise  
 Express Mail

Always obtain signature of addressee or agent and DATE DELIVERED.

5 Signature - Addressee

6 Signature - Agent

7 Date of Delivery  
 10-11-90

PS Form 3811, Apr. 1989

**DOMESTIC RETURN RECEIPT**

**SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.** Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available: Consult postmaster for fees and check boxes for additional services requested.

1  Show to whom delivered, date, and addressee's address 2  Restricted Delivery (Extra charge)

3 Article Addressed to:  
**GREAT LAKES CHEMICAL**  
 BOX 2200  
 WEST LAFAYETTE, IN 47906

4 Article Number:  
 P 712 015 283

Type of Service:  
 Registered  Insured  
 Certified  COD  Return Receipt for Merchandise  
 Express Mail

Always obtain signature of addressee or agent and DATE DELIVERED.

5 Signature - Addressee

6 Signature - Agent  
 *Jack Beaty*

7 Date of Delivery  
 10-12-90

PS Form 3811, Apr. 1989

**DOMESTIC RETURN RECEIPT**



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

GARREY CARRUTHERS  
GOVERNOR

October 26, 1990

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

Maralex Resources, Inc.  
518 17th Street  
Suite 1030  
Denver, CO 80202

Attention: A.M. O'Hare

*RE: Application for an unorthodox coal gas well location; Oxnard W.N. Federal Well No. 10, 1233' FNL - 1757' FWL (Unit C) Section 15, Township 27 North, Range 8 West, NMPM, Basin-Fruitland Coal Gas Pool, San Juan County, New Mexico.*

Dear Mr. O'Hare:

Your application dated October 5, 1990 does not provide sufficient data to show why a single suitable location in the standard drilling window for a coal gas well in the NE/4 of said Section 15 does not exist.

Please provide a more detailed plat showing the topographic and archeological restrictions preventing the drilling of a well in this area. Also, submit copies of each archeological evaluation and any and all correspondence between you and the U.S. Bureau of Land Management concerning the NE/4.

I appreciate your cooperation in this matter, and should you have any questions please contact me. Also, please refer to Memorandum No. 3-89 for future reference. Thank you.

Sincerely,

Michael E. Stogner  
Chief Hearing Officer/Engineer

MES/ag

cc: Oil Conservation Division - Aztec  
US Bureau of Land Management - Farmington

## ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

## OIL CONSERVATION DIVISION

GARREY CARRUTHERS  
GOVERNORPOST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

No. 3-89

MEMORANDUM

TO: ALL OIL AND GAS OPERATORS  
FROM: WILLIAM J. LEMAY, DIRECTOR *WJL*  
SUBJECT: UNORTHODOX WELL LOCATIONS  
DATE: MARCH 24, 1989

Previously, it has been the practice of the Division to approve applications for unorthodox well locations without penalty if they were not opposed by any off-setting operator. However, due to the increased applications for unorthodox locations based predominantly on "closeology", this Division policy may no longer be appropriate. In the future, applications for unorthodox locations, whether for administrative approval or through the hearing process, will have to be supported by substantial evidence.

The Division will be reviewing future applications in an effort to develop guidelines for approving or denying such applications. Generally, if the application is based upon surface conditions, i.e., topography, archaeological considerations, etc., it will have to be clearly shown what obstructions prevent the drilling of the well at a legal location and the unorthodox location will have to be as close as practicable to the orthodox location. If unorthodox location is being requested for geological reasons, the applicant should be prepared to present evidence showing the geological factors that dictate the necessity for drilling an unorthodox location.

As always, the Division welcomes industry input into the process.

dr/



# DIVISION OF CONSERVATION ARCHAEOLOGY

OIL CONSERVATION DIVISION

San Juan County  
Museum Association

DCA Project No. 688-90-23  
NOV 30 1990

November 28, 1990

Mr. Mike Stockner  
State of New Mexico  
Energy, Minerals, and Natural Resources  
Oil Conservation Division  
Post Office Box 2088  
Santa Fe, New Mexico 87504

Dear Mr. Stockner:

The proposed ~~Oxnard Well Federal No. 10~~ well pad was originally plotted for staking in the northeast quarter of Section 15. Due to geographical constraints, existing well pads, and previously recorded archaeological sites in the vicinity, the well pad was not staked, a formal survey was not done, and an alternate location was sought. The well pad was then moved to the northwest quarter of the section (Walker-Buchanan 1990a and 1990b). This second location proved to be unorthodox and thus, an archaeological survey was completed at the original location in the northeast quarter of Section 15 and written as an addendum to the original report.

During the survey, one site (LA 80460/DCA-90-625) was found. The well pad could not be moved to allow sufficient area between the site and well pad construction activities. Therefore, due to the location of the site within the original well pad location and the presence of three previously recorded sites in the vicinity, it is recommended that the well pad project be abandoned or remain at its present (unorthodox) location.

Sincerely,

*Patricia Walker-Buchanan*

Patricia Walker-Buchanan  
Supervisory Archaeologist

PWB:jf

cc: Marty Ward, ARCO Oil and Gas Company, Midland, Texas  
Mickey O'Hare, ~~MARALEX Resources~~, Blanco, New Mexico

REFERENCES CITED

Walker-Buchanan, Patricia

- 1990 An Archaeological Survey of the Proposed Oxnard W.N. Federal No. 10 Well Pad and Access Road Located in Largo Canyon, San Juan County, New Mexico. Division of Conservation Archaeology Technical Report No. 2265. Farmington, New Mexico.
- 1990 An Addendum to An Archaeological Survey of the Proposed Oxnard W.N. Federal No. 10 Well Pad Located in Largo Canyon, San Juan County, New Mexico. Division of Conservation Archaeology Technical Report No. 2265. Farmington, New Mexico.