

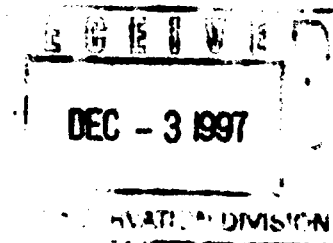


ARCO Permian
West Red Lake 4 Federal No. 1
Section 4-18S-27E, Eddy Co. NM
October 21, 1997
Telephone 915 688 5200

AMEND SWD 12/18/97

October 21, 1997

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 88505



Attention: Mr. Bill Lemay

**RE: Amended Application for
Administrative Approval for
Drill for Injection
Arco Permian
West Red Lake 4 Federal No. 1
Sec. 4- 18S-27E, Eddy Co. NM**

Gentlemen:

In early October we requested Administrative approval for Injection in the Arco Permian West Red Lake 4 Federal No. 1. Our request was made with my letter dated October 2, 1997. Included with it was a completed C-108 with all required attachments. The request was based on the West Red Lake 4 Federal No. 1 being drilled at a location of 660' FNL and 660' FWL of section 4-18S-27E.

The BLM has subsequently requested that we move our proposed location. **The new location is now 990' FNL and 990' FWL of section 4.** Attached to this letter is a new 1/2 mile radius map and a new 2 mile radius map. Also included are 3 new wellbore diagrams that fall within the new 1/2 mile radius that were not included in the previous mailing. The offset operators remain unchanged and the new location is moved back from the lease line more than the previous location.

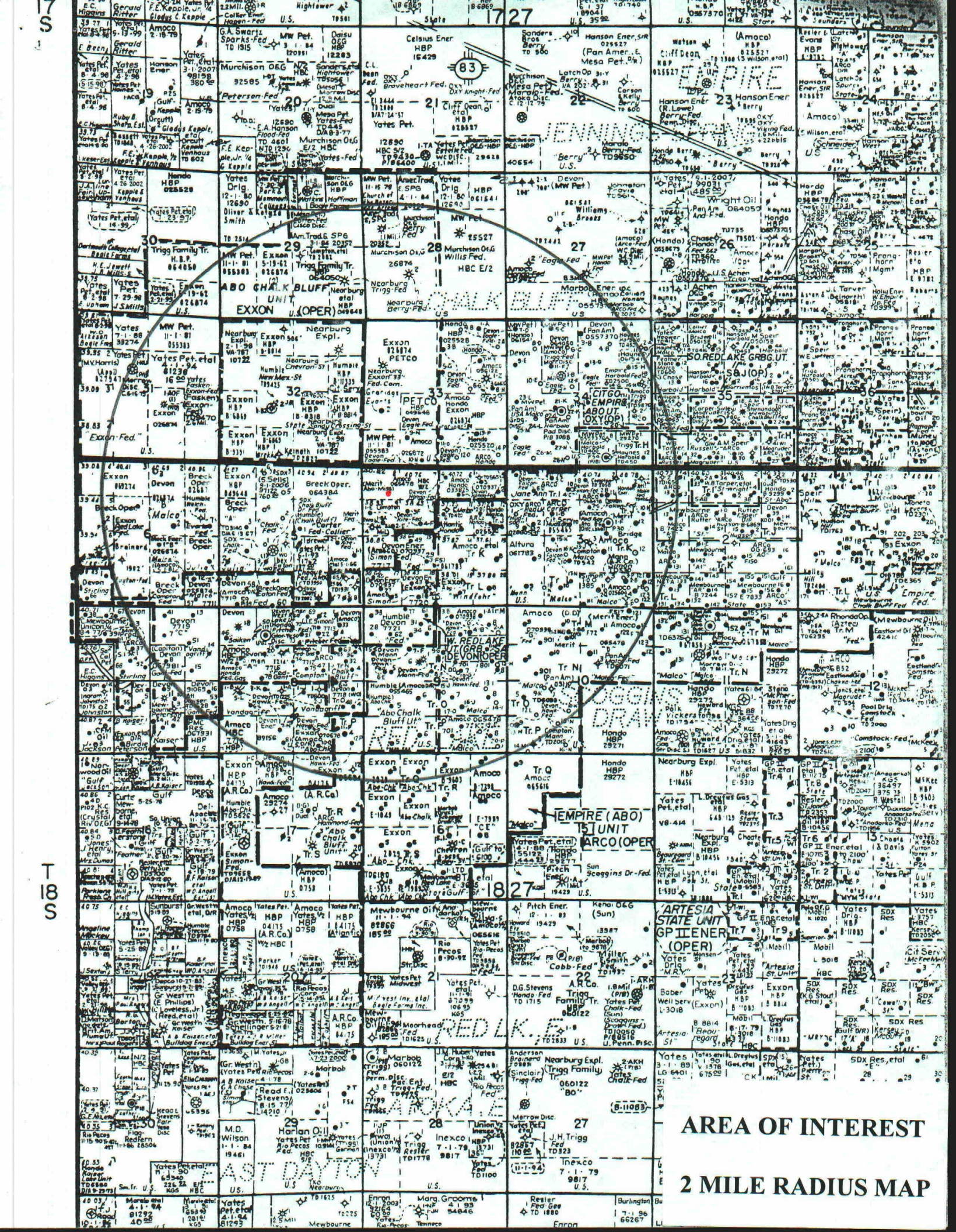
Also attached is our new Affidavit of Publication with the new location in it. The rest of our original application remains unchanged. We respectfully request that you approve this amended location and application for injection in the Arco Permian West Red Lake 4 Federal No. 1.

Please call me at 915-688-5359 with any questions.

Sincerely,

Gary B. Smallwood

Gary B. Smallwood
Sr. Engineer



WELLBORE SCHEMATIC

**DEVON ENERGY CORP.
KITE 5I FEDERAL NO. 1**

**1825' FSL & 325' FEL (I)
Sec. 05, T-18-S, R-27-E,
Eddy County, NM
API: 30-015-29023
Spudded: 08/26/1996
Completed: 10/03/1996**

KB: 3508'

Surface Casing 8-5/8"
Cmt'd w/600 sx.
Cement Calculated to Surface.
Shoe @ 1021'

Production Casing 5-1/2"
Cement w/525 sx, Shoe @ 2349'
Cement Calculated to Surface

Perforations :
Perfs @ 1,625'-2,110'

TD @ 2350'

WELLBORE SCHEMATIC

HONDO OIL & GAS FEDERAL EG NO. 1

1592' FSL & 2302' FWL (K)
Sec. 04, T-18-S, R-27-E,
Eddy County, NM
API: 30-015-00770
Spudded: 01/19/1961
Last Completed: 03/09/1965

KB: 3598'

DF: 3597'

Surface Casing 8-5/8"
Cmt'd w/800 sx.
Cement Calculated to Surface.
Shoe @ 1519'

Production Casing 4-1/2"
Cement w/852 sx, Shoe @ 5618'
Cement Calculated to Surface

Perforations:
Perfs @ 2,037'-2,159'

Perforations:
Perfs @ 2,871'-2,900'

Perforations:
Perfs @ 5,290'-5,590'
TD @ 5620'

WELLBORE SCHEMATIC

DEVON ENERGY CORP. HONDO FEDERAL NO. 5

990' FNL & 1750' FEL (B)

Sec. 04, T-18-S, R-27-E,

Eddy County, NM

API: 30-015-29052

Spudded: 10/01/1996

Completed: 11/05/1996

KB: 3583'

Surface Casing 8 5/8"
Cmt'd w/ 500 sx.
Cement Calculated to Surface.
Shoe @ 1096'

Production Casing 5-1/2"
Cement w/550 sx, Shoe @ 2449'
Cement Calculated to Surface

Perforations :
Perfs @ 1,809'-2,230'

TD @ 2450'

Affidavit of Publication

No. 16050

STATE OF NEW MEXICO,

County of Eddy:

Gary D. Scott being duly sworn, says: That he is the Publisher of The Artesia Daily Press, a daily newspaper of general circulation, published in English at Artesia, said county and state, and that the hereto attached Legal Notice

was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for 2 consecutive weeks on the same day as follows:

First Publication November 7, 1997

Second Publication November 9, 1997

Third Publication _____

Fourth Publication _____

Subscribed and sworn to before me this 13th day of November 19 97

Barbara Ann Adams
Notary Public, Eddy County, New Mexico

My Commission expires September 23, 1999

Copy of Publication

LEGAL NOTICE

ARCO Permian proposes to drill the West Red Lake 4 Federal No. 1. Public notice was previously given for a location 630' FW&NL of section 4-18S-27E in Eddy Co., New Mexico. At the request of the BLM the well will be restaked. The new location is 990' FW&NL of Section 4-18S-27E. The zone of injection is the Grayburg/San Andres at 1700-2800'. The maximum expected injection rate and pressure is 5000 BWPD and 1462 psig. respectively. For information contact: Gary B. Smallwood

ARCO Permian
P.O. Box 1610
Midland, Tx. 79702
phone: 915-688-5359
Interested parties must file any objections or requests for hearing with the:
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501
Filings must be made within 15 days.
Published in the Artesia Daily Press, Artesia, N.M. November 7, 9, 1997.

Legal 16050