LOGGED IN

APPNO. 23/82-923/

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE **Application Acronyms:** [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication] [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling] [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement] [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] [SWD-Sait Water Disposal] [IPI-injection Pressure Increase] [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response] [1] TYPE OF APPLICATION - Check Those Which Apply for [A] Location - Spacing Unit - Simultaneous Dedication [A] NSL NSP SD Check One Only for [B] or [C] Commingling - Storage - Measurement ☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM Injection - Disposal - Pressure Increase - Enhanced Oil Recovery [C] ☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR DI Other: Specify [2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply Working, Royalty or Overriding Royalty Interest Owners [A] Offset Operators, Leaseholders or Surface Owner B [C] Application is One Which Requires Published Legal Notice D Notification and/or Concurrent Approval by BLM or SLO U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office E] For all of the above, Proof of Notification or Publication is Attached, and/or. F Waivers are Attached [3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE. [4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division. Note: Statement must be completed by an individual with managerial and/or supervisory capacity. Attorney for Applicant James Bruce Print or Type Name

Title

e-mail Address

jamesbruc@aol.com

Signature

JAMES BRUCE ATTORNEY AT LAW

(1.60) 1.0/Tay 8:

POST OFFICE BOX 1056 SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213 SANTA FE, NEW MEXICO 87501

(505) 982-2043 (PHONE) (505) 982-2151 (FAX)

jamesbruc@aol.com

November 12, 2002

Hand Delivered

Michael E. Stogner Oil Conservation Division 1220 South St. Francis Drive Santa Fe, New Mexico 87505

Dear Mr. Stogner:

(30-025-22323)

Pursuant to Rule 104.F(2), Arch Petroleum Inc. applies for an unorthodox gas well location for the following well:

Well:
Location:

C.E. Lamunyon Well No. 21 510 feet FNL & 660 feet FWL VAT YAV

Well Unit:

NE¼ §28, Township 23 South, Range 37 East,

NMPM, Lea County, New Mexico

The well was originally completed in the McKee zone of the Teague (Simpson) Pool, which is an oil pool developed on statewide spacing. The well will be recompleted uphole in the San Andres formation (wildcat San Andres). Based on a DST, it is anticipated that the San Andres will be a gas zone. Attached as Exhibit A is a structure map on top of the San Andres.

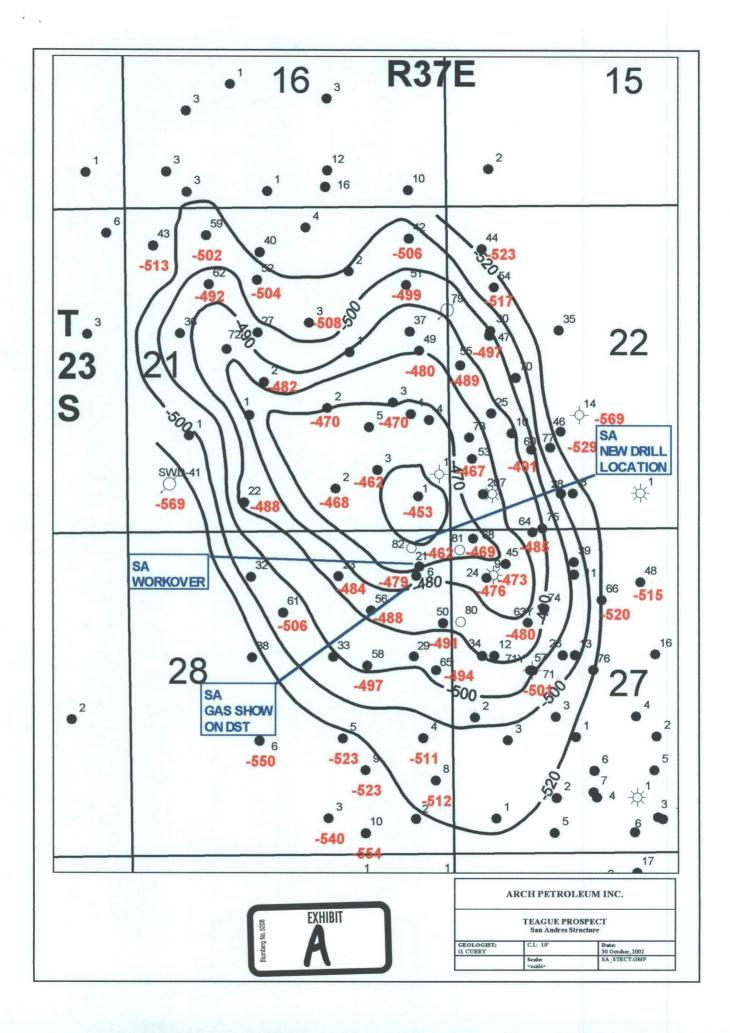
Exhibit B outlines the C.E. Lamunyon lease (Federal Lease LC 030187), which covers the N½ of Section 28, the N½ of Section 27, and the SW¼ of Section 22, among other acreage. Applicant is also a working interest owner in, and the operator of, the SE¼ of Section 21. However, there are several other working interest owners in that quarter section, who are identified in Exhibit C. Those interest owners have been notified of this application, and the notice letter sent to them is attached hereto as Exhibit D.

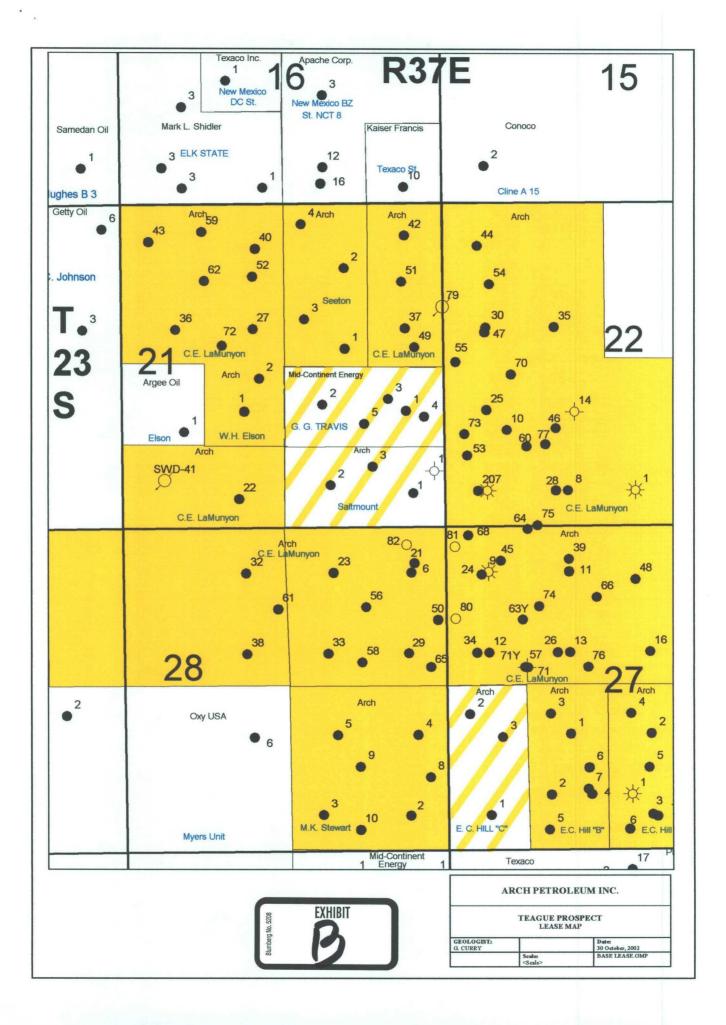
Please call me if you need anything further regarding this matter.

Very truly yours,

ames Bruce

Attorney for Arch Petroleum Inc.





Travis-SaltmeuntWIOListxls

Working Interest Owner List - Section 21, (SE/4), T-23-S, R-37-E, N.M.P.M., Lea County, NM - G. G. Travis Saltmount Leases

	Working interest					Telephone	
	Owner	Mailing Address	City	State	Zip Code	Number	Attention
	1. Wynn-Crosby	5500 W. Plano Parkway, Suite				perfectly the party of the perfect o	Herb Schroeder,
	Energy, Inc.	200	Plano	Texas	75093-4836	972.380 5500	972:380 5500 V.P. Operations
N	2 Apache	6120 South Yale					Mario R. Morono, Jr.,
	Carporation	Two Warren Place, Suite 1500	Tulsa	Oklahoma	74136 4224	918-491-4963	918-491-4963 Senior Staff Landman
3	3 Audrey M. Baker P. O. Box 1	P. O. Box 1263	Midland	Texas	79702-1263	915-Unlished	915-Unlisted Audrey M. Baker
7	Patricia Galt		San			American de la company de la c	
-	Steves	501 Grandview Place	Antonio	Texas	78209	210-826-5773	210.826-5773 Patricia Galt Steves



JAMES BRUCE ATTORNEY AT LAW

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(505) 982-2043 (PHONE) (505) 982-2151 (FAX)

jamesbruc@aol.com

November 12, 2002

CERTIFIED MAIL RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and Gentlemen:

Enclosed is a copy of an application for administrative approval of an unorthodox gas well location, filed with the New Mexico Oil Conservation Division by Arch Petroleum Inc., regarding the NE% of Section 28, Township 23 South, Range 37 East, N.M.P.M., Lea County, New Mexico. If you object to the location, you must notify the Division, in writing, no later than Monday, December 2, 2002 (1220 South St. Francis Drive, Santa Fe, New Mexico 87505; Attention: Michael E. Stogner). Failure to object will preclude you from contesting this matter at a later date.

Very truly yours,

Mames Bruće

Attorney for Arch Petroleum Inc.



EXHIBIT A

Apache Corporation Suite 100 2000 Post Oak Boulevard Houston, Texas 77056

Attention: Mario R. Moreno, Jr.

Audrey M. Baker 809 Lawson Midland, Texas 79701

Patricia Galt Steves 501 Grandview Place San Antonio, Texas 78209

Wynn-Crosby Energy, Inc. Suite 200 5500 West Plano Parkway Plano, Texas 75093

Attention: Herb Schroeder

CMD : OG6IWCM

ONGARD
INQUIRE WELL COMPLETIONS

12/06/02 10:28:08 OGOWVJ -TQI4

API Well No : 30 25 22323 Eff Date : 09-25-1995 WC Status : A

Pool Idn : 58300 TEAGUE; PADDOCK-BLINEBRY

OGRID Idn : 962 ARCH PETROLEUM INC

Prop Idn : 14898 C E LAMUNYON

Well No : 021 GL Elevation: 3297

U/L Sec Township Range North/South East/West Prop/Act(P/A)

B.H. Locn : A 28 23S 37E FTG 510 F S FTG 660 F E A

Lot Identifier:

Dedicated Acre: 40.00

Lease Type : F

Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O) :

M0025: Enter PF keys to scroll

 PF01
 HELP
 PF02
 PF03
 EXIT
 PF04
 GoTo
 PF05
 PF06

 PF07
 PF08
 PF09
 PF10
 NEXT-WC
 PF11
 HISTORY
 PF12
 NXTREC

CMD: ONGARD OGSULST INQUIRE ULSTR PRODUCTION AND AGREEMENT DATA OGOWVJ -TQ14

12/06/02 10:27:40

PAGE NO: 1

Sec: 28 Twp: 23S Rng: 37E UL: A Lot-Idn:

Acreage : 40.00 Bene Grp : Seismic Permit :

Lease Number : NO ACT IVE Expr Dte :

Lessee

Comm Agr Names :

000000

Unit Agr Names :

000000

S	API Num	Status				
	30 025 1086 30 025 2232	3 A				
	30 025 3052	5 A				
PF01	HELP PFO	2	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	BKWD PF0	ଃ FWD	PF09	PF10	PF11	PF12

CMD : OGSSECT

ONGARD
INQUIRE LAND BY SECTION

12/06/02 10:27:34 OGOWVJ -TQI4 PAGE NO: 1

Sec : 28 Twp : 23S Rng : 37E Section Type : NORMAL

D	C	В	A
40.00	40.00	40.00	40.00
			n ann
Federal owned	Federal owned	Federal owned	Federal owned
С	A A	A A	A A A
E	F	G	Н
40.00	40.00	40.00	40.00
Federal owned	Federal owned	Federal owned	Federal owned
	A	A A	A A
DEAT HELD DEAG	DEA2 EVI	DEGL COTO DEGE	DEAC
PF01 HELP PF02	PF03 EXIT	PF04 GoTo PF05	PF06
PF07 BKWD PF08	FWD PF09 PRINT	PF10 SDIV PF11	PF12

CMD	:
OG53	SEC2

ONGARD

INQUIRE REMARKS OF LAND BY SECTION

12/06/02 10:29:09 OGOWVJ -TQI4

PAGE NO: 1

Sec :	28	Twp	:	235	Rng	:	37E
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Section Type : NORMAL

	The second secon						OIL	and GA	S			
U	Lot/	Qtr	L	:	SRF	SUB	A	CTIVE			REMARKS	
S L	Tret	Qtr	W	ACREAGE	OWI	IER	L	EASE #	(may	show	restrictions	codes)
A		NE4NE4	N	40.00	FE	FD						
В	I	NW4NE4	N	40.00	FE	FD						
С	1	NE4NW4	N	40.00	FE	FD						
D	1	NW4NW4	N	40.00	FE	FD						
E	Ç	SW4NW4	N	40.00	FE	FD						
F	S	SE4NW4	N	40.00	FE	FD						
G	5	SW4NE4	N	40.00	FE	FD						
Н	(SE4NE4	N	40.00	FE	FD						
I	1	NE4SE4	N	40.00	FE	FD						
J	1	NW4SE4	N	40.00	FE	FD						
K	1	NE4SW4	N	40.00	FE	FD						
F01	HELP	PF	02	PREV	PF()3 E :	XIT	PF04	GoTo	PF	05 PF	06
F07	BKWD	PF	809	FWD	PFO	9 P	RINT	PF10	SDIV	PF	11 PF	12