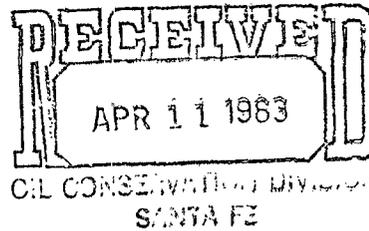


ARCO Oil and Gas Company
Rocky Mountain District
717-17th Street
Mailing address: P.O. Box 5540
Denver, Colorado 80217
Telephone 303 575 7000



March 30, 1983

Mr. Joe D. Ramey, Director
Oil Conservation Division
State of New Mexico
Box 2088
Santa Fe, New Mexico 87501

*NSP 1369
Rule 4(b) R5353
Chascon-Dakota Pool
Associated
5-11-83*

RE: Application for Administrative Approval
For a Non-Standard Gas Proration Unit
Chacon Federal Well #6 (Dakota)
790' FNL & 790' FWL (Unit D)
NW/4 of Section 20-T24N-R3W
Rio Arriba County, New Mexico

Dear Mr. Ramey:

In response to Mr. Frank Chavez's letter of March 2, 1983, the subject application is hereby made to the Oil Conservation Division of the State of New Mexico requesting Administrative Approval for a non-standard Gas Proration Unit on the subject well.

This well was drilled and completed as an oil well on a 160 acreage dedication. The well has since been reclassified as a gas well due to a high gas/oil ratio. ARCO does not have a lease on the offsetting 160 acres.

Enclosed is a copy of the certified letter sent to the offset operator requesting their approval of the non-standard well location. A fully executed copy will be forwarded to your office when received. Also enclosed is a copy of the New Mexico Form C-102, as well as a location plat and listing showing the offset operators.

Your early approval of this application will be appreciated.

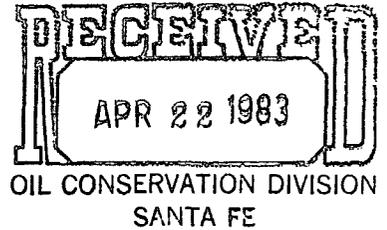
Very truly yours,


W. A. Walther, Jr.
Operations Manager

WAW/BRS:dc

Enclosure

cc: Mr. Frank T. Chavez, New Mexico Oil Cons. Div., Aztec, New Mexico
Bureau of Land Management, Farmington, New Mexico



CONSENT AND APPROVAL

Chacon Federal #6

EL PASO EXPLORATION COMPANY by its authorized signatory below, hereby consents to and approves of the non-standard acreage dedication of 160 acres for the foregoing gas well at the location indicated.

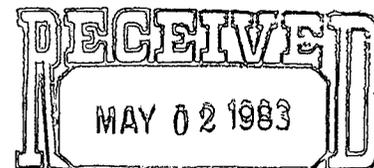
Dated this 18th day of April, 1983

By: David M. Poage

David M. Poage

Title: Landman

ARCO Oil and Gas Company
Rocky Mountain District
717-17th Street
Mailing address: P.O. Box 5540
Denver, Colorado 80217
Telephone 303 575 7000



OIL CONSERVATION DIVISION
SANTA FE

March 29, 1983

h3p
1369

TO: Offset Operators (See Attached Listing)

Certified Mail
Return Receipt Requested

RE: Chacon Federal Well No. 6 (Dakota)
790' FNL & 790' FWL
Section 20-T24N-R3W
Rio Arriba County, New Mexico

Dear Offset Operator:

ARCO Oil and Gas Company, Division of Atlantic Richfield Company, requests your consent and approval of a non-standard acreage dedication of 160 acres for the subject well.

Pursuant to Rule 104-D of the Oil Conservation Commission of the State of New Mexico, it is necessary to notify all offset operators when an application has been filed for a non-standard acreage dedication.

The subject well was drilled and completed as an oil well on a 160 acreage dedication. The well has since been reclassified as a gas well due to a high gas/oil ratio. The standard gas well acreage dedication is 320 acres.

I would appreciate it if you would sign and date the Consent and Approval Form contained in this letter, and return one executed and dated copy of the letter to me in the enclosed self-addressed stamped envelope and keep the other copy for your records. Due to time limitations, we would also appreciate your calling Mr. Joe D. Ramey, Director, New Mexico Oil Conservation Division, Area Code 505, 827-2434, advising him of your concurrence of this non-standard acreage dedication.

If you have any objections or questions concerning this request, please call me at your earliest convenience.

Very truly yours,


W. A. Walther, Jr.
District Operations Manager

WAW/dc

Enclosure

142 MCFD - 5 BOPD
269 MCFD - 31 M30

CONSENT AND APPROVAL

Chacon Federal #6

Southland Royalty Company _____ by its authorized signatory below, hereby consents to and approves of the non-standard acreage dedication of 160 acres for the foregoing gas well at the location indicated.

Dated this 29th day of April, 1983

By: CC Parsons

Title: District Production Manager

OFFSET OPERATORS

CHACON FEDERAL #2, #3, #5, #6, #7, #8

19-24N-3W

29-24N-3W

30-24N-3W

33-24N-3W

Rio Arriba County, New Mexico

Mobil Oil Company

Odessa Natural Gas Corporation

Southland Royalty

Cotton Petroleum

El Paso Natural Gas Corporation

Mountain States Resources, Inc.

WELL LOCATION AND ACREAGE DEDICATION PLAT

All distances are in feet unless otherwise stated.

RECEIVED
APR 11 1983

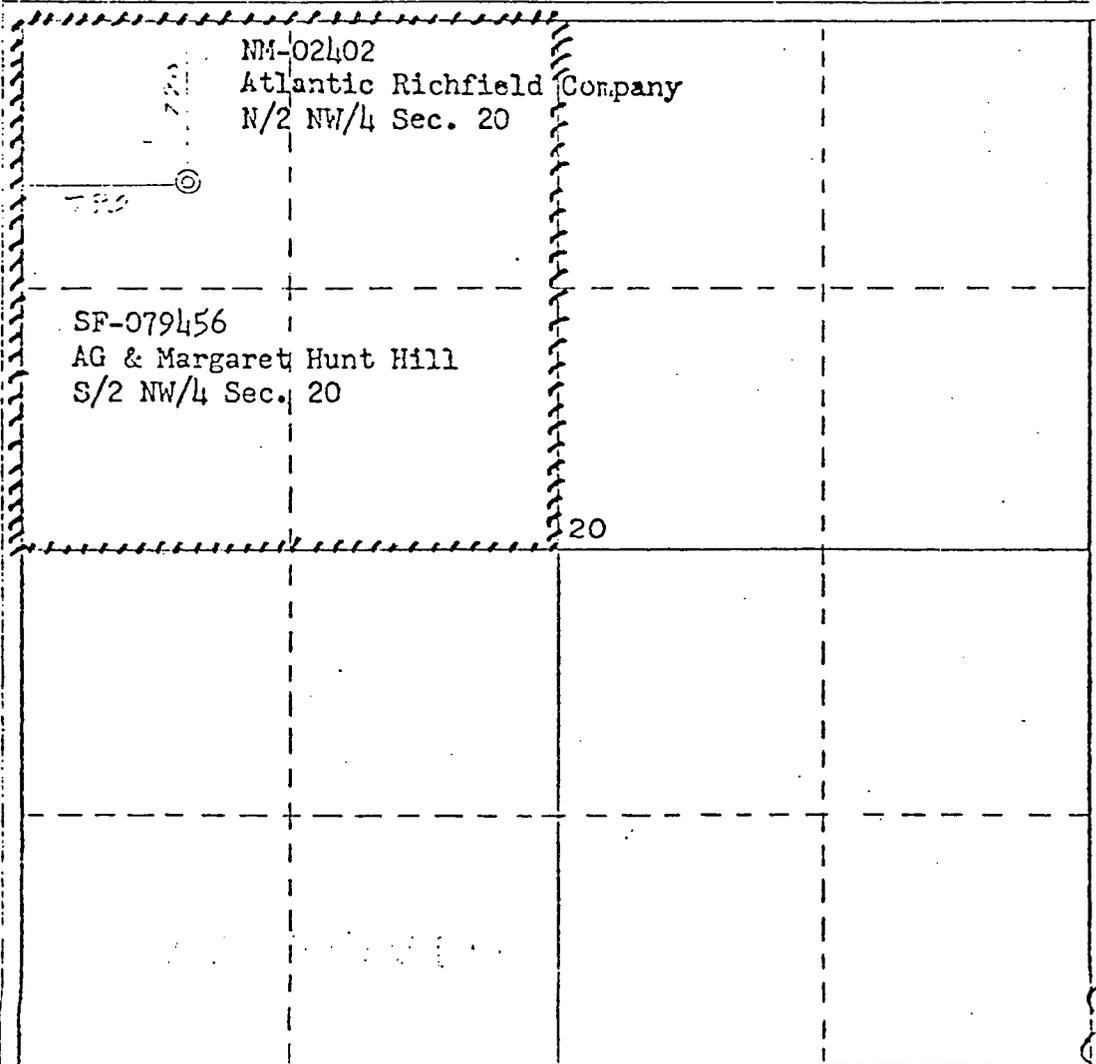
THE ATLANTIC RICHFIELD COMPANY		CHACON FEDERAL	
Quarter	Section	Township	Range
D	20	24 NORTH	3 WEST
COUNTY			STATE
OLIGO-SERRERA			SAN JUAN

Actual Footage Location of Well:			
790	feet from the	NORTH	line and
790	feet from the	WEST	line
Ground Elev.	Producing Formation	Pool	Dedicated Acreage:
6879	Dakota	Chacon Dakota	160 (NW/4)

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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.) See Below for Ownership. Communitization and Joint Operating Agreements will be executed.
 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 Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name: M. E. Brown
 Position: M. E. Brown
 Oprns. Info., Asst.
 Company: Atlantic Richfield Company
 Date: June 1, 1978

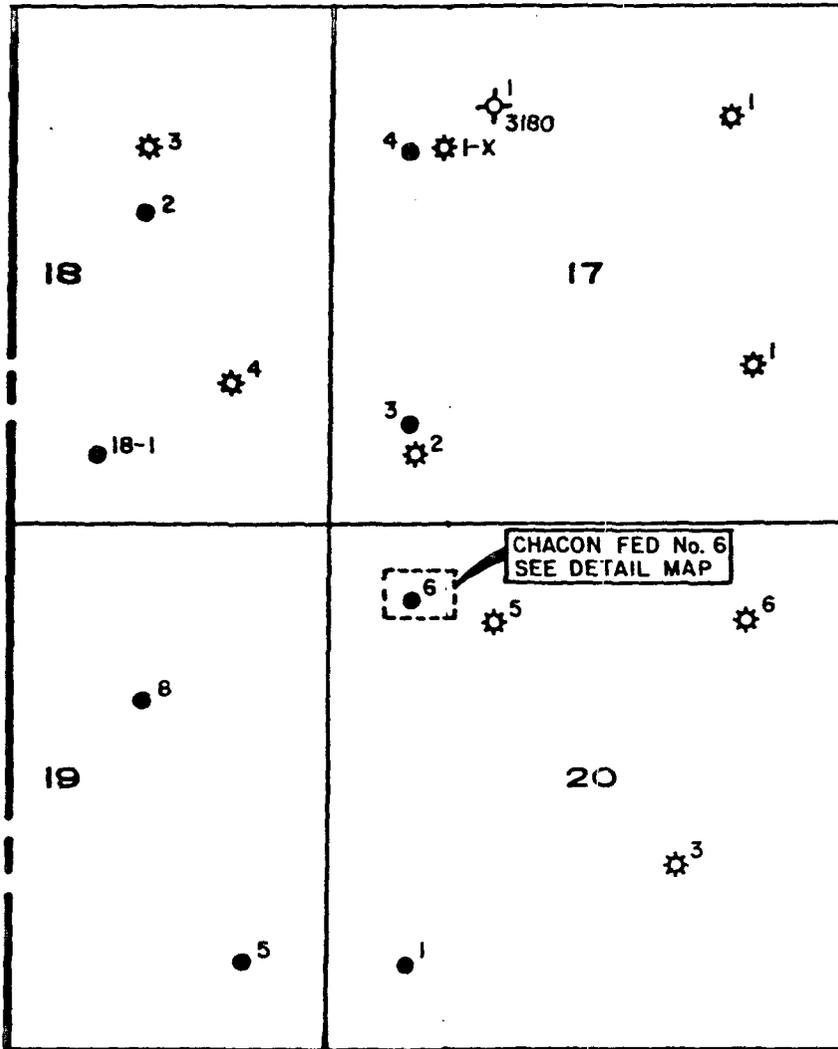
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed: 24 April, 1978

Registered Professional Engineer
 and Land Surveyor
James P. Leese
 James P. Leese

Certificate No. 1463

R 3 W



T
24
N

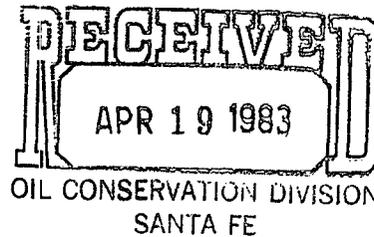
T
24
N

R 3 W



Atlantic Richfield Company
 CHACON FED No. 6
 RIO ARRIBA COUNTY, NEW MEXICO
 SHEET 1 OF 4

ARCO Oil and Gas Company
Rocky Mountain District
717-17th Street
Mailing address: P.O. Box 5540
Denver, Colorado 80217
Telephone 303 575 7000



April 15, 1983

Mr. Joe D. Ramey, Director
Oil Conservation Division
State of New Mexico
Box 2088
Santa Fe, New Mexico 87501

RE: Application for Administrative Approval for a
Non-Standard Gas Proration Unit
Chacon Federal Well #6 (Dakota)
790' FNL & 790' FWL (Unit D)
NW/4 of Section 20-T24N-R3W
Rio Arriba County, New Mexico

Dear Mr. Ramey:

Please refer to our letter of March 30, 1983, regarding an Application for Administrative Approval for a Non-Standard Gas Proration Unit for the subject well.

In response to your Mr. Dick Stamets' telephone request of April 12, 1983, attached are three "corrected location plats" showing offset operators for this well.

If additional information is required, please let me know.

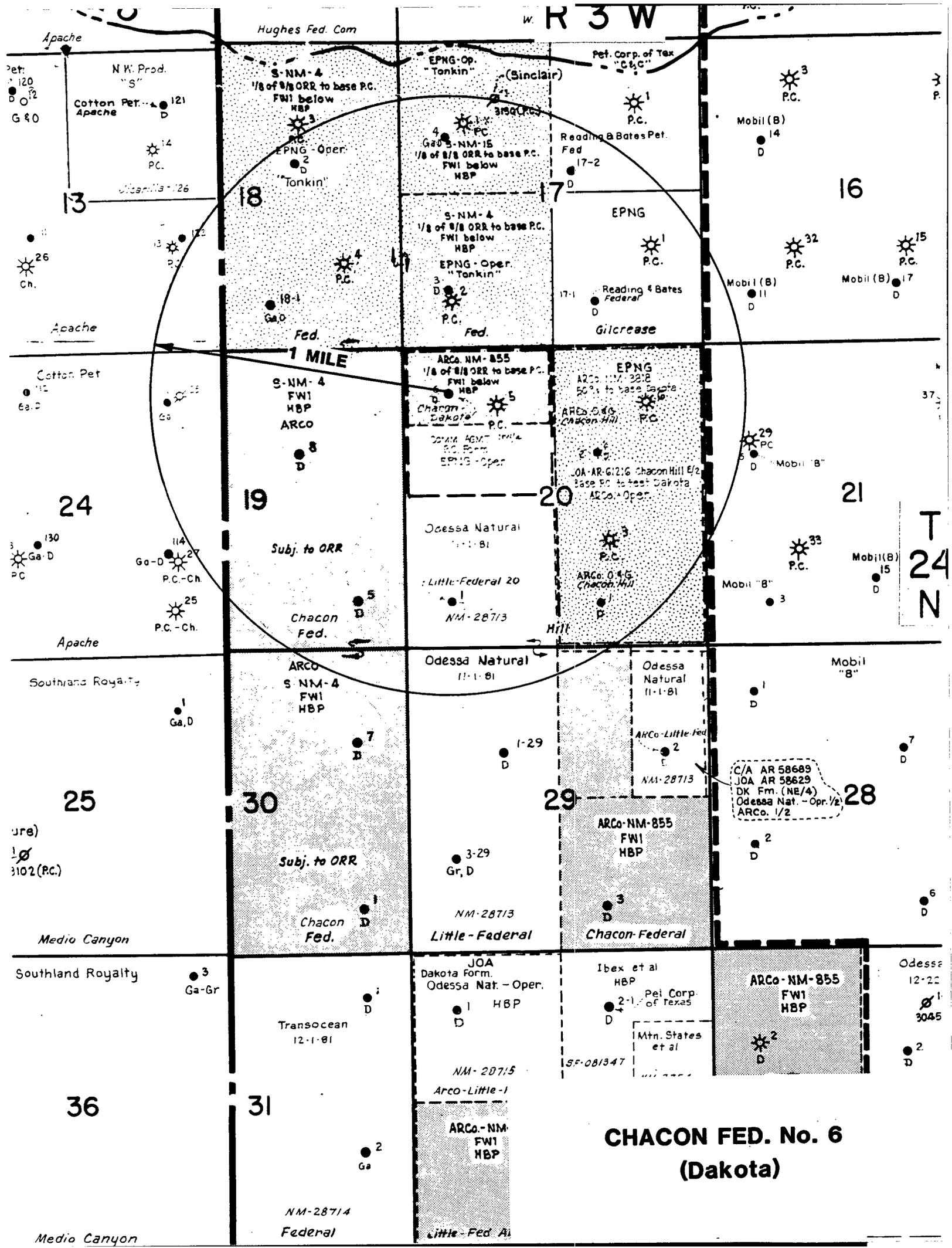
Very truly yours,

W. A. Walther, Jr.
W. A. Walther, Jr.
Operations Manager

WAW/BRS/rn

cc: Mr. Frank T. Chavez
New Mexico Oil Conservation District
Aztec, New Mexico

Bureau of Land Management
Farmington, New Mexico



W. R 3 W

Hughes Fed. Com

Pet. Corp. of Tex "C&G"

N.W. Prod. "S"

EPNG-Op. "Tonkin" (Sinclair)

Cotton Pet. Apache 121

S-NM-4 1/8 of 8/8 ORR to base P.C. FWI below HBP

S-NM-15 1/8 of 8/8 ORR to base P.C. FWI below HBP

Mobil (B) 14

EPNG-Oper. "Tonkin"

Reading & Bates Pet. Fed. 17-2

16

13

18

17

EPNG

Mobil (B) 11

Mobil (B) 17

26

13

P.C.

P.C.

P.C.

Apache

Fed.

Fed.

Gilcrease

1 MILE

ARCO-NM-855 1/8 of 8/8 ORR to base P.C. FWI below HBP

EPNG ARCO-NM-2218 50% to base Apache

Cotton Pet 115

S-NM-4 FWI HBP ARCO

Chacon Hill P.C.

ARCO-NM-2218 Chacon Hill P.C.

Mobil (B) 29

24

19

20

21

Subj. to ORR

Odessa Natural 11-1-81

ARCO-NM-2218 Chacon Hill E/2 Base P.C. to test Dakota ARCO-Oper.

130

114

Chacon Fed.

Little-Federal 20 NM-28713

ARCO-NM-2218 Chacon Hill

Mobil (B) 33

Mobil (B) 15

Apache

Hill

Southern Royalty

ARCO S-NM-4 FWI HBP

Odessa Natural 11-1-81

Odessa Natural 11-1-81

Mobil "B"

25

30

29

28

Subj. to ORR

Odessa Natural 11-1-81

ARCO-Little-Fed NM-28713

C/A AR 58689 JOA AR 58629 DK Fm. (NE/4) Odessa Nat. - Oper. 1/2 ARCO. 1/2

ure)

102 (P.C.)

Medio Canyon

Chacon Fed.

Little-Federal NM-28713

Chacon-Federal

ARCO-NM-855 FWI HBP

Southern Royalty

Ga-Gr

Transocean 12-1-81

JOA Dakota Form. Odessa Nat. - Oper. HBP

Ibex et al HBP Pet Corp. of Texas

Odessa 12-22

3045

36

31

ARCO-Little-1 NM-28715

Mtn. States et al SF-081347

ARCO-NM-FWI HBP

CHACON FED. No. 6 (Dakota)

NM-28714

Federal

Little-Fed A

Medio Canyon