



RECEIVED
JUN 14 1983
OIL CONSERVATION DIVISION

May 4, 1983

1384 SANTA FE
NSP-1110
Order R-5353-B
Rule 2(a)
7-14-83
160 acres
NE/4
32-24N-3W

Mr. Joe Ramey
New Mexico Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

Re: Federal 1 #2
Unit B, Sec 32, T24N, R3W
Rio Arriba County, New Mexico
Chacon Dakota Associated Pool

Dear Mr. Ramey:

Damson Oil Corporation respectfully requests administrative approval for a non-standard proration unit for the subject gas well located in the Chacon Dakota Associated Pool.

Reference is made to the special rules and regulations for the Chacon Dakota Associated Pool which states a standard oil proration unit shall be 160 acres and a standard gas proration unit shall be 320 acres.

The subject well was originally drilled and completed as an oil well. Due to a high gas-oil ratio, the well was reclassified as a gas well. Since a change in acreage dedication would require a communitization agreement between the leases, it is more equitable for all parties involved to continue to produce this well on a non-standard proration unit consisting of 160 acres.

A copy of this application is being submitted to all offset operators by certified mail with a request that they furnish your Santa Fe office with a waiver of objection. Plats showing the well location and offset ownership are attached.

Yours very truly,

A.R. Lenning Jr.
S.R. Lenning, Jr.
Regulatory Affairs Engineer

CC: Frank Chavez, New Mexico Oil Conservation Division

SL/ks

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION

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JUN 14 1983

All distances shall be from the corner or corners of the well.

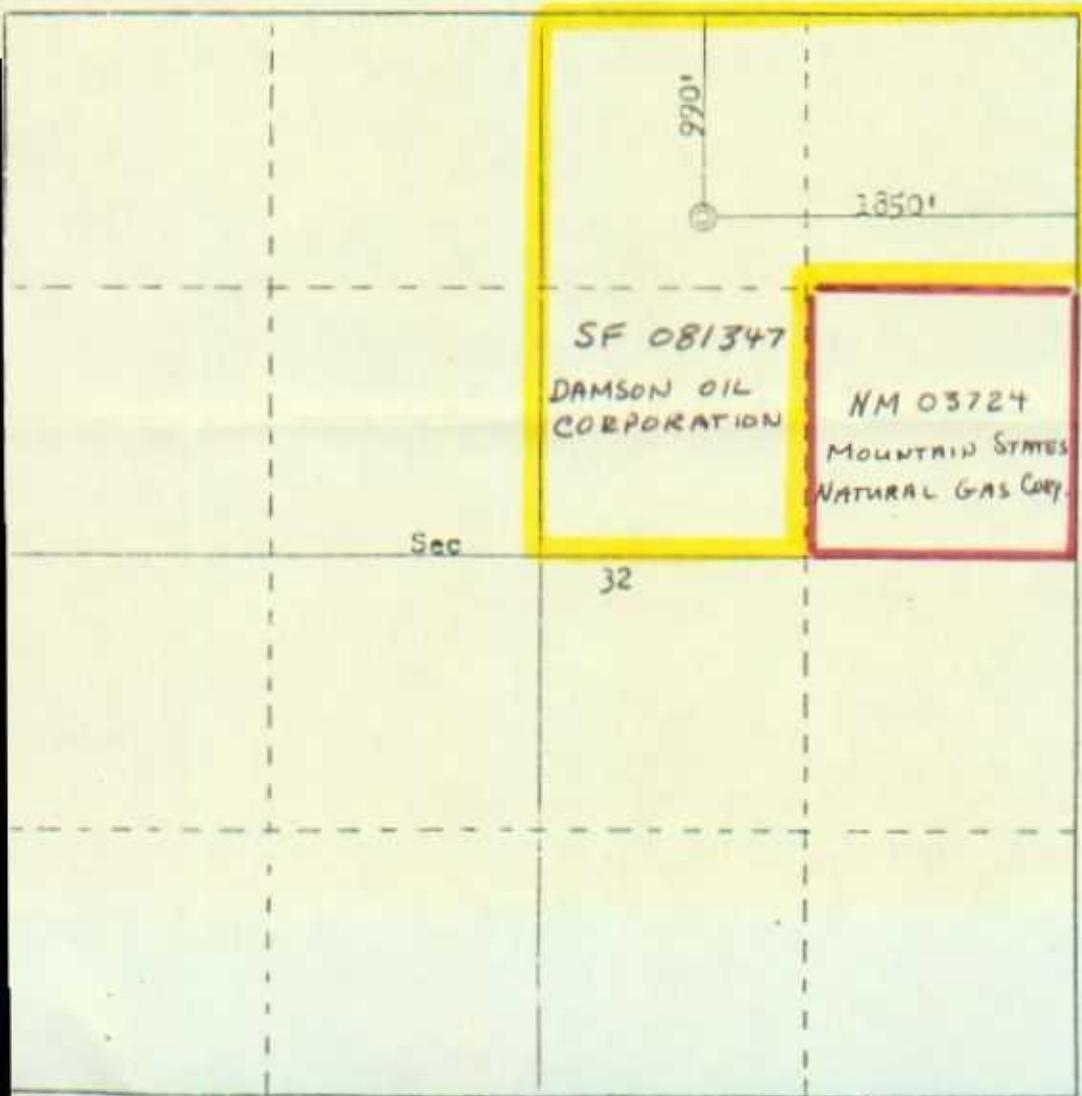
Damson Oil Corporation		FEDERAL 1		OIL CONSERVATION DIVISION SANTA FE	
9	32	24N	3W	RIO ARRIBA	
990	North	1850	East		
7115	Dakota	Chacon-Dakota Associated	160		

1. Outline the acreage dedicated to the subject well by colored pencil or lachure 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): Working Interest--Damson Oil Corporation, Mountain States Natural Gas Corp. Royalty--U. S. Government on both wells/leases.
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 Force Pooling

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowale 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.

S. R. Lenning Jr.

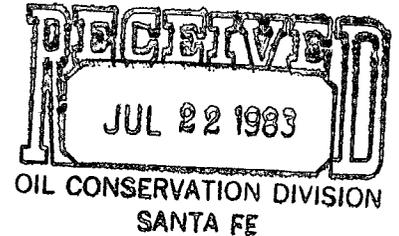
NAME	S. R. Lenning, Jr.
CAPACITY	Regulatory Engineer
COMPANY	Damson Oil Corporation
DATE	5/4/83

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 Certified
August 25, 1978

Fred W. Kerr Jr.
Fred W. Kerr Jr.

damson
OIL CORPORATION



June 10, 1983

*NSP
1384*

El Paso Exploration Co.
Box 1492
El Paso, Texas 79978

Waiver

Re: Federal-1, No. 2
Unit B, Section 32, T-24-N, R-3-W
Rio Arriba County, New Mexico
Chacon Dakota Associated Pool

Gentlemen:

Damson Oil Corporation has requested administrative approval for a non-standard proration unit in the Chacon Dakota Associated Pool for the subject well.

This well was originally drilled and completed as an oil well with a 160 acre dedication. However, due to a high gas-oil ratio, the well was reclassified as a gas well, which required a 320 acre dedication. Since a change in dedication would require a communitization agreement, it is more equitable for all parties involved to continue to produce this well on a non-standard proration unit consisting of 160 acres.

In compliance with New Mexico Oil Conservation Division rules, we are notifying you, as operator of an offsetting proration unit, of our application for administrative approval for a non-standard proration unit on this well. Enclosed are three copies of this letter. If there is no objection to this application, please sign and return one copy to the New Mexico Oil Conservation Division, P.O. Box 2088, Santa Fe, New Mexico 87501; one copy to Damson Oil Corporation; and keep one copy for your files.

Plats showing the well location and offset ownership are attached.

Yours very truly,

A. R. Lenning Jr.

S.R. Lenning Jr.
Regulatory Affairs Engineer

vh

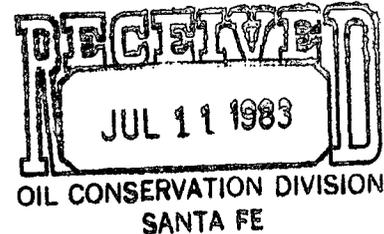
WAIVER

El Paso Exploration Co. hereby waives objection to Damson Oil Corporation's application for the non-standard proration unit for their abovementioned well.

By: *Damson Oil Corp.*
Date: July 19, 1983



June 10, 1983



nsp - 1384

Mobil Producing Texas and New Mexico
Box 778
Farmington, New Mexico 87401

Re: Federal-1, No. 2
Unit B, Section 32, T-24-N, R-3-W
Rio Arriba County, New Mexico
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Yours very truly,

A. R. Lenning Jr.

S.R. Lenning Jr.
Regulatory Affairs Engineer

vh

WAIVER

Mobil Producing Texas & N.M. Inc. hereby waives objection to Damson Oil Corporation's application for the non-standard proration unit for their abovementioned well.

By: *N. J. Mason*

Date: *July 4, 1983*

damson
OIL CORPORATION

RECEIVED
JUN 20 1983

OIL CONSERVATION DIVISION
June 10, 1983
SANTA FE

RECEIVED
JUN 14 1983
AOGC - OIG

NSP-1384

ARCO Exploration Co.
P.O. Box 5540
Denver, Colorado 80217

Re: Federal-1, No. 2
Unit B, Section 32, T-24-N, R-3-W
Rio Arriba County, New Mexico
Chacon Dakota Associated Pool

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S.R. Lenning Jr.
Regulatory Affairs Engineer

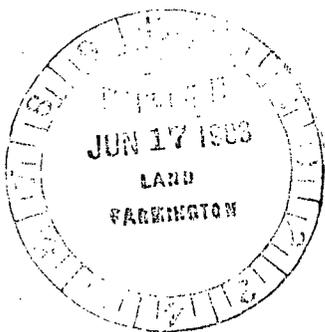
vh

WAIVER

ARCO Oil and Gas Company hereby waives objection to Damson Oil Corporation's application for the non-standard proration unit for their abovementioned well.

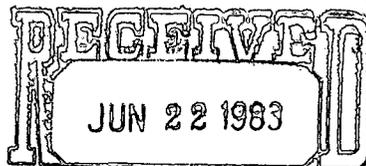
By: *[Signature]*
Date: June 14, 1983

damson
OIL CORPORATION



Marne

June 10, 1983



El Paso Exploration Co.
Box 1492
El Paso, Texas 79978

OIL CONSERVATION DIVISION

Re: ^{SANTA FE} Federal-1, No. 2
Unit B, Section 32, T-24-N, R-3-W
Rio Arriba County, New Mexico
Chacon Dakota Associated Pool

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S.R. Lenning Jr.
Regulatory Affairs Engineer

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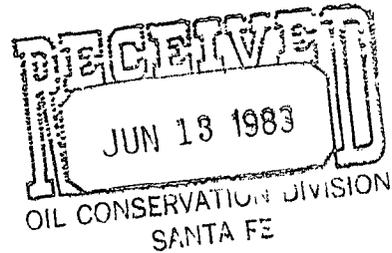
WAIVER

El Paso Exploration hereby waives objection to Damson Oil Corporation's application for the non-standard proration unit for their above mentioned well.

By: Donald R. Read
Date: 6-21-83



May 4, 1983



Mr. Joe Ramey
New Mexico Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

Re: Federal 1 #2
Unit B, Sec 32, T24N, R3W
Rio Arriba County, New Mexico
Chacon Dakota Associated Pool

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A.R. Lenning Jr.
S.R. Lenning, Jr.
Regulatory Affairs Engineer

CC: Frank Chavez, New Mexico Oil Conservation Division

SL/ks

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION FORM - AT

Form No. 1
Revised 10/78

ALL DIMENSIONS ARE TO BE IN THE HORIZONTAL PLANE UNLESS OTHERWISE NOTED

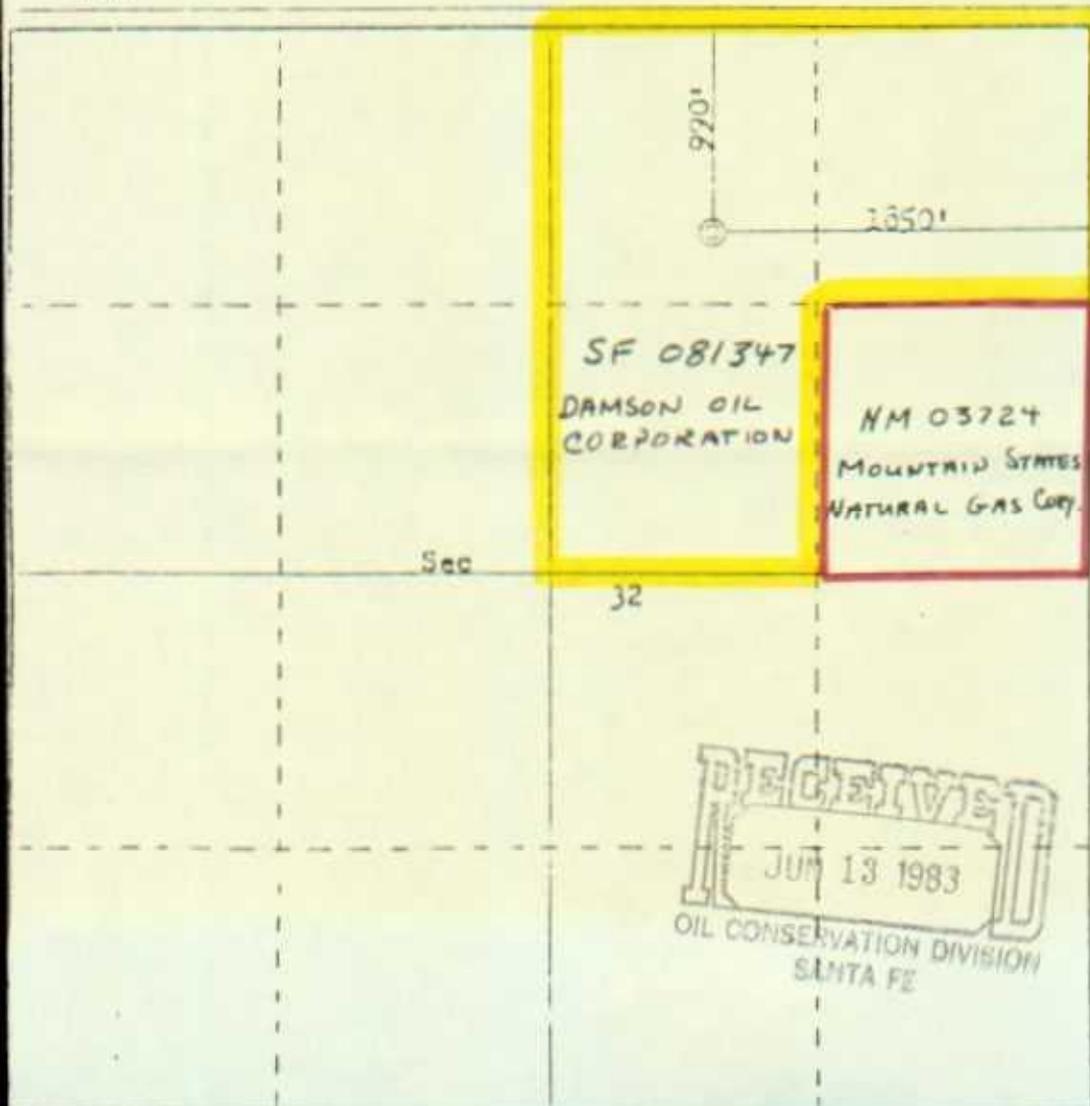
Operator Damson Oil Corporation		Well No. FEDERAL 1		Section 2	
Block B	Tract 32	County 24N	Range 3W	Township RIO ARRIBA	
Well No. 990	Section North	Range 1850	Township East		
Well No. 7115	County Dakota	Operator Chacon-Dakota Associated		Section 160	

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Yes No If answer is "yes," type of consolidation: Force Pooling

If answer is "no," list the owners and tract descriptions which have actually been consolidated, if on reverse side of this form if necessary.) _____

No allowables will be assigned to the well until all interests have been consolidated (by communitization, unitization, force-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.

S. R. Lenning, Jr.

S. R. Lenning, Jr.

Regulatory Engineer

Damson Oil Corporation

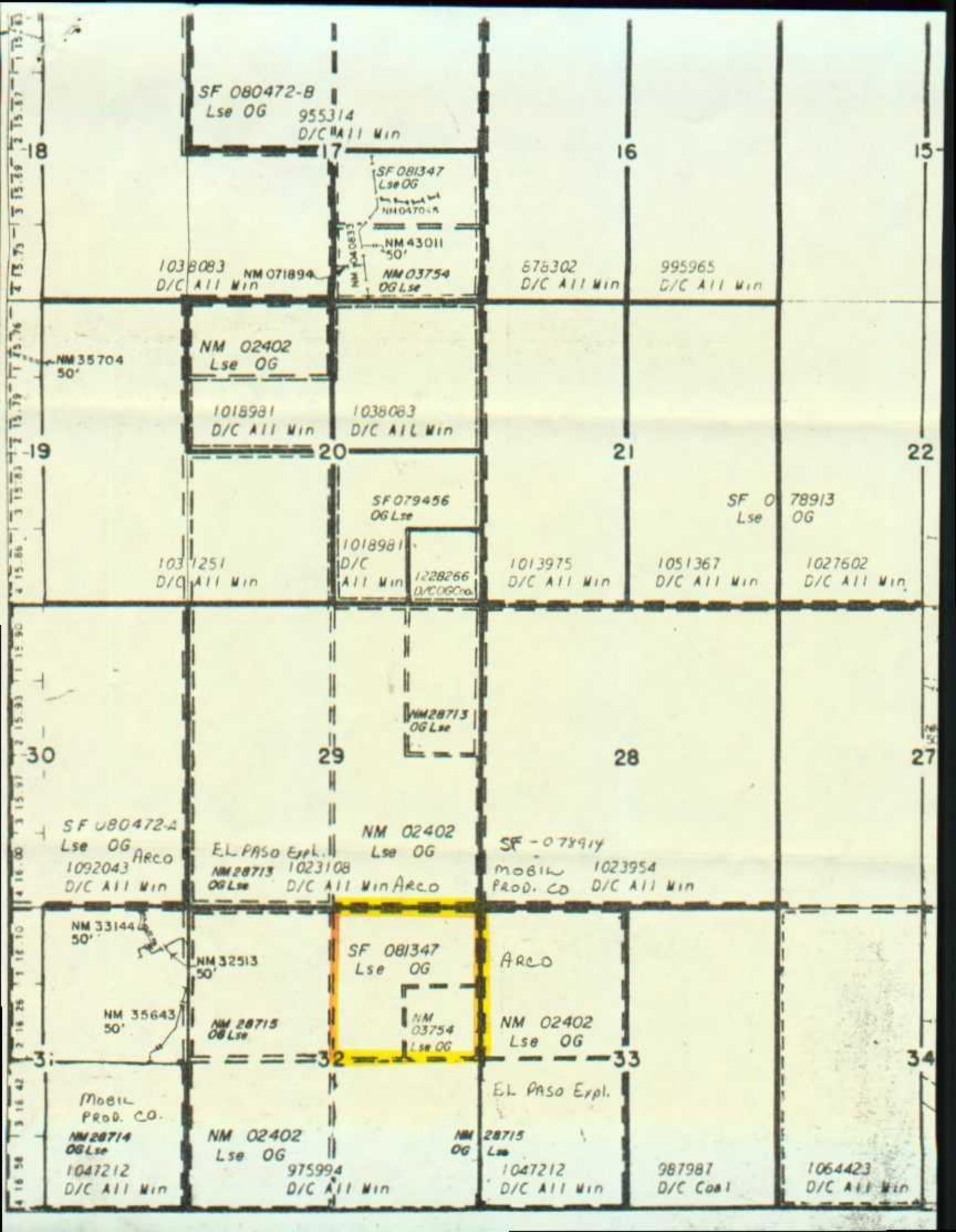
5/4/83

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 25, 1978

Fred J. ...
Fred J. ... Jr.

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JUN 13 1983
OIL CONSERVATION DIVISION
SANTA FE



SF 080472-B
Lse OG 955314
D/C All Min

SF 081347
Lse OG
NM 047015

1038083 NM 071894
D/C All Min

NM 43011
50'
NM 03754
OGLse

676302
D/C All Min

995965
D/C All Min

NM 35704
50'

NM 02402
Lse OG

1018981
D/C All Min

1038083
D/C All Min

SF 079456
OGLse

SF 078913
Lse OG

1031251
D/C All Min

1018981
D/C All Min
1228266
D/C OGLse

1013975
D/C All Min

1051367
D/C All Min

1027602
D/C All Min

NM 28713
OGLse

SF 080472-A
Lse OG ARCO
1092043
D/C All Min

EL PASO Expl.
NM 28713 1023108
OGLse D/C All Min

NM 02402
Lse OG ARCO

SF - 078914
MOBIL PROD. CO. 1023954
D/C All Min

NM 33144
50'

NM 32513
50'

SF 081347
Lse OG

ARCO

NM 35643
50'

NM 28715
OGLse

NM 03754
Lse OG

NM 02402
Lse OG

MOBIL PROD. CO.
NM 28714
OGLse
1047212
D/C All Min

NM 02402
Lse OG
975994
D/C All Min

EL PASO Expl.
NM 28715
OG Lse
1047212
D/C All Min

987987
D/C Coal

1064423
D/C All Min