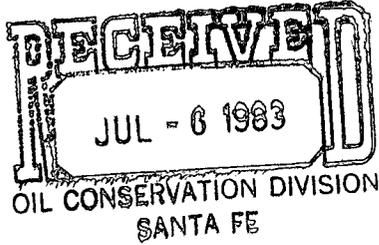


**El Paso** EXPLORATION COMPANY



P. O. BOX 289  
FARMINGTON, NEW MEXICO 87401  
PHONE: 505-325-2841

June 10, 1983

*nsp-1389*

ARCO Oil & Gas  
Dave M. Thomas, Jr.  
Jack Cole

Gentlemen:

El Paso Exploration Company has requested administrative approval for a non-standard proration unit in the Chacon Dakota Associated Pool for its Jicarilla Jt.Venture KD #8 well located in the SW/4 of Section 4, T-23-N, R-3-W, Rio Arriba County, New Mexico.

The Jicarilla Jt.Venture KD #8 is currently classified as a gas well which would require the 320 acres of the S/2 of Section 4, T-23-N, R-3-W to be dedicated to this well. However, the Jicarilla Jt.Ventures KD #1 located in the SE/4 of Section 4, T-23-N, R-3-W is classified as an oil well which requires a 160 acre dedication. Since simultaneous dedication of acreage is prohibited, it is impossible to operate the Jicarilla Jt.Venture KD #8 on a standard proration unit.

In compliance with New Mexico Oil Conservation Division rules, we are notifying you, as operators of an offsetting proration unit, of our application for administrative approval for a non-standard proration unit on the Jicarilla Jt.Ventures KD #8 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, Post Office Box 2088, Santa Fe, New Mexico 87501; one copy to El Paso Exploration Company; and keep one copy for your files.

Plats showing the well location and offset ownership are attached.

Sincerely,

G. W. Brink  
Project Drilling Engineer

GWB:pb

*Dave M. Thomas, Jr.* hereby waives objection to El Paso Exploration Company's application for non-standard proration unit for their Jicarilla Jt.Venture KD #8 well proposed above.

By *Dave M. Thomas, Jr.*  
Date 6-20-83

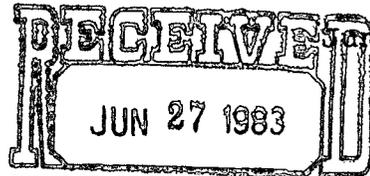
**El Paso** EXPLORATION  
COMPANY

RECEIVED

JUN 20 1983

AOGC - OIG

P. O. BOX 289  
FARMINGTON, NEW MEXICO 87401  
PHONE: 505-325-2841



June 10, 1983

OIL CONSERVATION DIVISION  
SANTA FE

ARCO Oil & Gas  
Dave M. Thomas, Jr.  
Jack Cole

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Project Drilling Engineer

GWB:pb

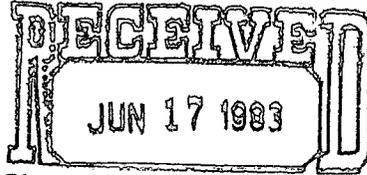
WAIVER

ARCO Oil and Gas Company hereby waives objection to El Paso Exploration Company's application for non-standard proration unit for their Jicarilla Jt.Venture KD #8 well proposed above.

By [Signature]  
Date June 22, 1983



**El Paso** EXPLORATION COMPANY



P. O. BOX 289  
FARMINGTON, NEW MEXICO 87401  
PHONE: 505-325-2841

OIL CONSERVATION DIVISION  
SANTA FE

June 10, 1983 *Frd*

*NSP (389)  
R-1, 46) R5353  
7-17-83*

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

Re: Jicarilla Jt. Venture KD #8  
Unit K, Section 4, T-23-N, R-3-W  
Rio Arriba County, New Mexico  
Chacon Dakota Associated Pool

Dear Mr. Ramey:

This is a request by El Paso Exploration Company for 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 Jicarilla Jt. Venture KD #8 is currently classified as a gas well which would require the 320 acres of the S/2 of Section 4, T-23-N, R-3-W to be dedicated to this well. However, the Jicarilla Jt. Venture KD #1 located in the SE/4 of Section 4, T-23-N, R-3-W is classified as an oil well which requires a 160 acre dedication. Since simultaneous dedication of acreage is prohibited, it is impossible to operate the Jicarilla Jt. Venture KD #8 on a standard proration unit.

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.

Sincerely,  
*A. W. Brink*  
G. W. Brink

cc: Frank Chavez- NMOCD  
Minerals Management Service-BLM

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

P. O. BOX 2088  
SANTA FE, NEW MEXICO 87501

Form C-107  
Revised 10-1-78

All distances must be from the outer boundaries of the Section.

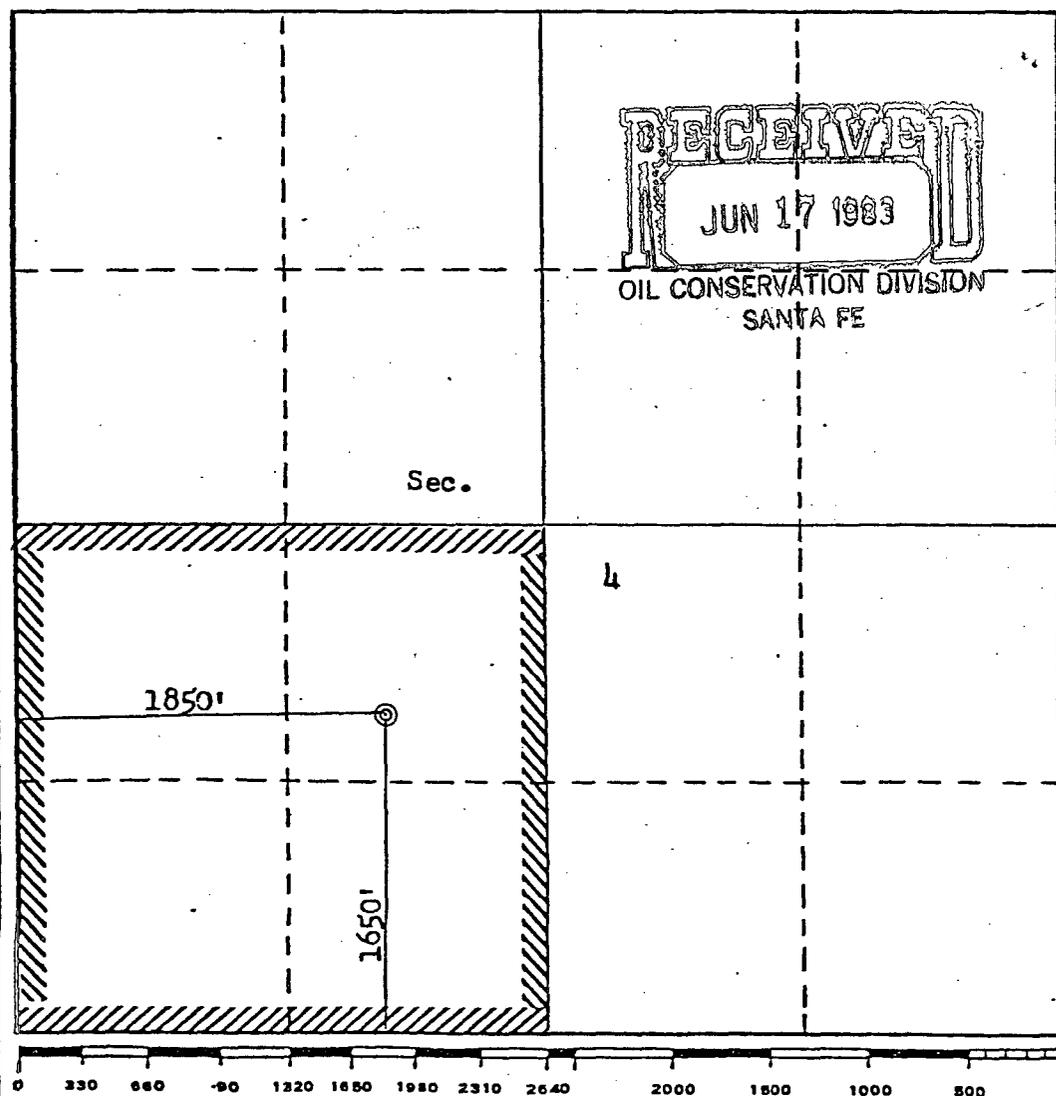
Operator EL PASO EXPLORATION COMPANY			Lease JICARILLA JOINT VENTURES "KD"		Well No. 8
Unit Letter K	Section 4	Township 23N	Range 3W	County Rio Arriba	
Actual Footage Location of Well: 1650 feet from the South line and 1850 feet from the West line					
Ground Level Elev. 7201	Producing Formation Dakota		Pool Chacon Dakota Associated	Dedicated Acreage: 160 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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.) \_\_\_\_\_

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.



**RECEIVED**  
JUN 17 1983  
OIL CONSERVATION DIVISION  
SANTA FE

CERTIFICATION

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

Nora P. Busco  
Name  
Drilling clerk  
Position  
El Paso Exploration Co.  
Company  
June 8, 1983  
Date

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  
August 10, 1983  
Registered Professional Engineer and/or Land Surveyor  
Fred B. Kerr, Jr.  
Certificate No. 3950

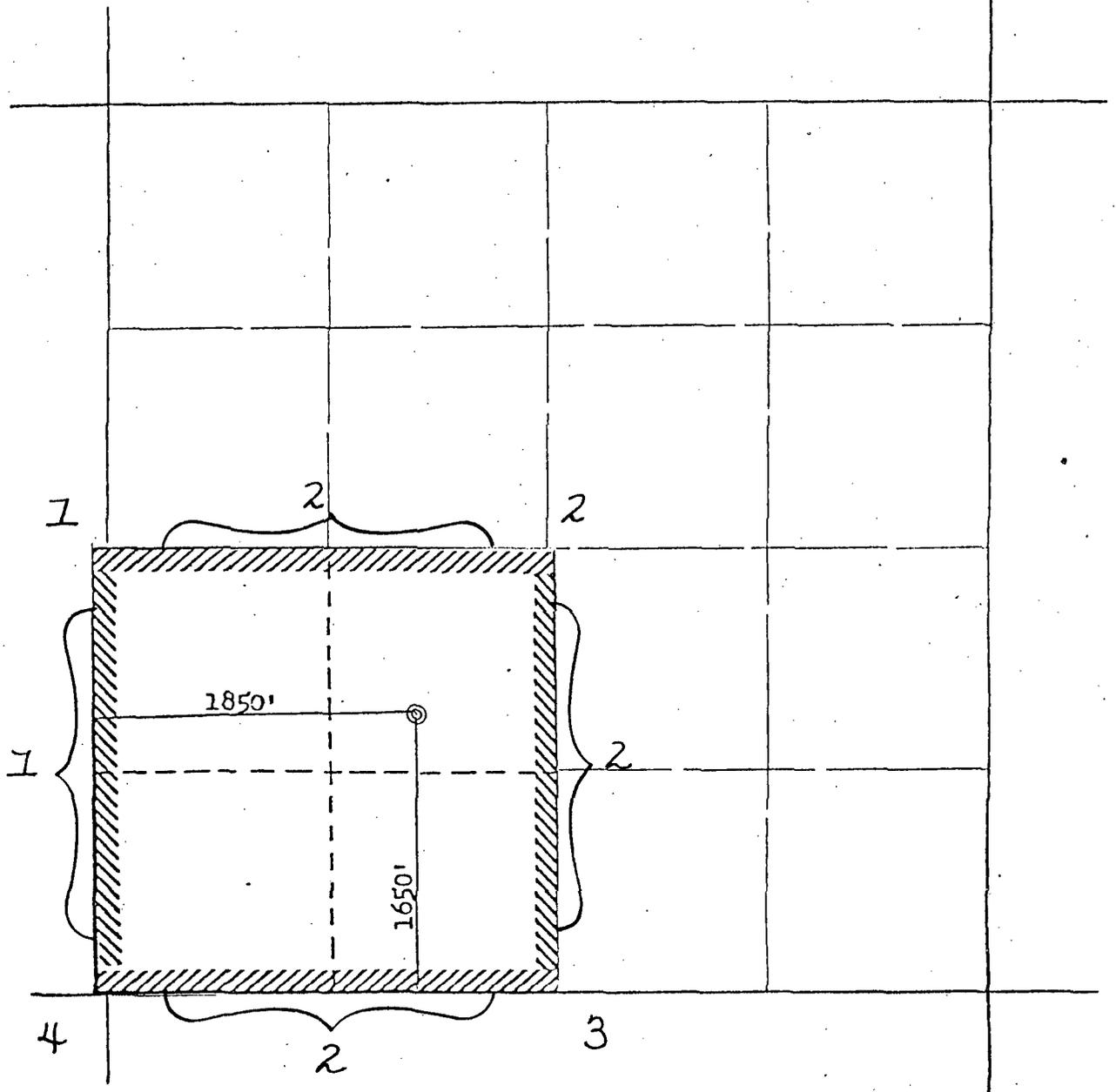
EL PASO EXPLORATION COMPANY

Well Name Jicarilla Joint Venture "KD" #8, Chacon Dakota

Footage 1650' FSL, 1850' FWL

APPLICATION FOR NON-STANDARD PRORATION UNIT

County Rio Arriba State New Mexico Section 4 Township 23N Range 3W

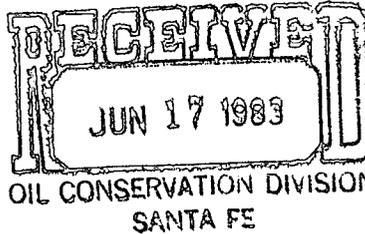


REMARKS:

- (1) Arco Oil & Gas Company
- (2) El Paso Exploration Company
- (3) Dave M. Thomas, Jr.
- (4) Jack Cole

**El Paso** EXPLORATION  
COMPANY

P. O. BOX 289  
FARMINGTON, NEW MEXICO 87401  
PHONE: 505-325-2841



June 10, 1983

ARCO Oil & Gas  
Dave M. Thomas, Jr.  
Jack Cole

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Sincerely,

A handwritten signature in dark ink, appearing to read "G. W. Brink". The signature is written in a cursive style with a large initial "G".

G. W. Brink  
Project Drilling Engineer

GWB:pb

WAIVER

\_\_\_\_\_ hereby waives objection to El Paso  
Exploration Company's application for non-standard proration unit for  
their Jicarilla Jt.Venture KD #8 well proposed above.

By \_\_\_\_\_

Date \_\_\_\_\_