



Arch Petroleum Inc.

March 9, 2004

New Mexico Oil Conservation Division
Attn: Mr. David Catanach
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: Teague Prospect
Lea County, New Mexico
**Application for Administrative Approval
for Downhole Commingling**
C. E. Lamunyon #45
500' FNL & 990' FWL
Section 21, T23S, R37E

RECEIVED

MAR 12 2004

Oil Conservation Division
1220 S. Saint Francis Drive
Santa Fe, NM 87505

4/6/04
DHC-3257
PWJ 0409767310

Gentlemen:

Arch Petroleum Inc. hereby respectfully submits Form C-107A (in duplicate), along with attachments thereto, in connection with Arch's request for Administrative Approval to downhole commingle production from the captioned well. A copy of this application, along with all attachments thereto, has been sent to the New Mexico Oil Conservation Division's District Supervisor in Hobbs, New Mexico, and the Bureau of Land Management.

Should you have any questions regarding this matter, please contract Mr. Mark Kelley in this office at (432) 685-8100.

Sincerely,

ARCH PETROLEUM INC.

Tom R. Land
Consulting Landman

Enclosures

District I
1625 N. French Drive, Hobbs, NM 88240

District II
1301 W. Grand Avenue, Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised June 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE
Single Well
Establish Pre-Approved Pools
EXISTING WELLBORE
X Yes No

APPLICATION FOR DOWNHOLE COMMINGLING

Arch Petroleum Inc.

P. O. Box 10340, Midland, TX 79702-7340

Operator Address
C. E. Lamunyon 45 D/21/T23S/R37E Lea

Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 000962 Property Code 014898 API No. 30-025-25919 Lease Type: X Federal State Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Teague Paddock Blinebry		Imperial Tubb Drinkard
Pool Code	58300		33600
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	5155-5170		6350-6438
Method of Production (Flowing or Artificial Lift)	Artificial Lift		Artificial Lift
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	1443		1778
Oil Gravity or Gas BTU (Degree API or Gas BTU)	41.7		41.7
Producing, Shut-In or New Zone	SI		Producing
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: 09/30/03 Rates: 5 BO, 13 BW, 34 MCF	Date: Rates:	Date: 12/04/03 Rates: 10 BO, 2 BW, 3 MCF
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas 33 % 92 %	Oil Gas % %	Oil Gas 67 % 8 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes X No
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes No

Are all produced fluids from all commingled zones compatible with each other? Yes X No

Will commingling decrease the value of production? Yes No X

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes X No

NMOCD Reference Case No. applicable to this well:

Attachments:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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

SIGNATURE Cathy Wright TITLE Sr. Operation Tech DATE 03/08/04

TYPE OR PRINT NAME Cathy Wright TELEPHONE NO. (432) 685-8100

E-MAIL ADDRESS tomlberli@pogoproducing.com

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 15, 2000

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-25919		2 Pool Code 33600		3 Pool Name Imperial Tubb Drinkard	
4 Property Code 014898		5 Property Name C. E. Lamunyon			6 Well Number 45
7 OGRID No. 000962		8 Operator Name Arch Petroleum Inc.			9 Elevation

10 Surface Location

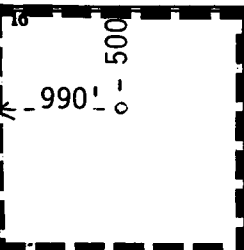
UL or lot no. D	Section 21	Township 23S	Range 37E	Lot Idn	Feet from the 500	North/South line North	Feet from the 990	East/West line West	County Lea
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11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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12 Dedicated Acres 40	13 Joint or Infill	14 Consolidation Code	15 Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

				<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Cathy Wright</i> Signature</p> <p>Cathy Wright Printed Name</p> <p>Sr. Operation Tech Title</p> <p>02/12/04 Date</p>
				<p>18 SURVEYOR CERTIFICATION</p> <p>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 belief.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>Certificate Number</p>

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-25919	² Pool Code 58300	³ Pool Name Teague Paddock Blinbry
⁴ Property Code 014898	⁵ Property Name C. E. Lamunyon	⁶ Well Number 45
⁷ OGRID No. 000962	⁸ Operator Name Arch Petroleum Inc.	⁹ Elevation

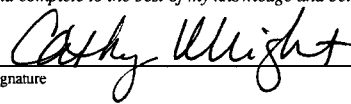
¹⁰ Surface Location

UL or lot no. D	Section 21	Township 23S	Range 37E	Lot Idn	Feet from the 500	North/South line North	Feet from the 990	East/West line West	County Lea
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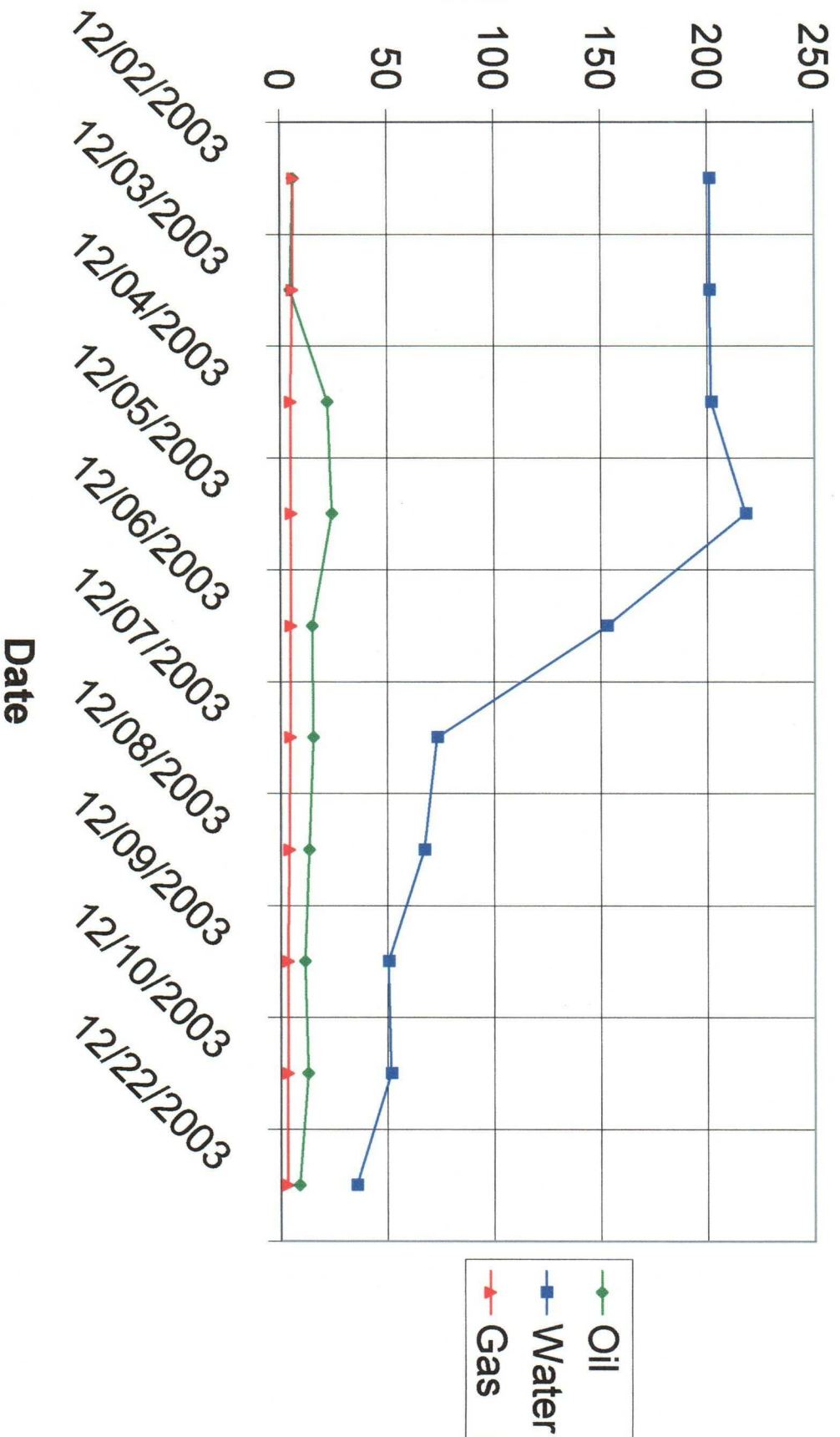
¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

¹⁶ 990' --- 500'				¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>  Signature Cathy Wright Printed Name Sr. Operation Tech - tomberti@pogoproducing.com Title and E-mail Address 03/08/04 Date
				¹⁸ SURVEYOR CERTIFICATION <i>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 belief.</i> Date of Survey Signature and Seal of Professional Surveyor:
				Certificate Number

Lamunyon #45 - Imperial Tubb Drinkard



Lamunyon #45 - Teague Paddock Blinebry

