

Stogner, Michael

From: postmaster@YPCNM.COM
Sent: Thursday, June 09, 2005 9:29 AM
To: MSTOGNER@state.nm.us
Subject: Delivery Status Notification (Failure)



ATT68930.TXT Arley Federal Unit
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Stogner, Michael

From: Stogner, Michael
Sent: Thursday, June 09, 2005 9:33 AM
To: Cy Cowan (E-mail)
Cc: Arrant, Bryan
Subject: Arley Federal Unit #4

Mr. Cowan:

In reviewing your application of June 3, 2005 (**administrative application reference No. pMES0-516037437**) for administrative approval for Yates' proposed Arley Federal Unit Well No. 4 in Sec. 1-T20S-R21E, you state that this well "was originally located at 2500' FSL and 660' FEL [and] was moved to the captioned unorthodox location on the recommendation by Mr. Berry Hunt, Surface Protection Specialist, BLM, Carlsbad Field Office because the original location placed it on the side of an embankment, putting the location unorthodox will place the well pad on more suitable terrain for location construction." The original location is even more unorthodox then the alternative, see Division Rule 104.C (2) (a). No explanation was given, much less supporting data provided, as to why the original location was even considered in the first place. Your application at face value and assuming no other factors, there is no apparent reason why this well cannot be drilled at a standard deep gas well location within either the NE/4 or SE/4 of Section 1.

Either move the location to a standard position within the E/2 equivalent of Section 1 or provide me with an adequate explanation, with supporting geological and/or topographical data showing why this well cannot be drilled in a standard drilling window, again see Division Rule 104.C (2) (a).

Since Division management considers the processing of administrative applications a time sensitive issue, please provide this information no later then Tuesday, June 21, 2005, otherwise I am required to deny and return it to you or set it to hearing.