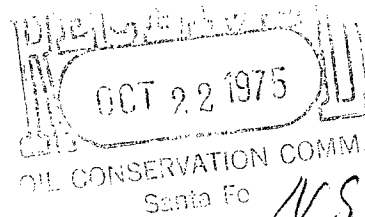


AtlanticRichfieldCompany

Legal Division
Post Office Box 2819
Dallas, Texas 75221
Telephone 214 651 4873

Duncan W. Holt, Jr.
Attorney



October 16, 1975

Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico 87501

Re: Application of Atlantic Richfield Company
for an Unorthodox Well Location N/2 of
Section 16, Township 21 South, Range 26
East, Eddy County, New Mexico - Avalon
Morrow Field.

Gentlemen:

Enclosed in triplicate is application of Atlantic Richfield Company in the subject matter. Administrative approval is requested for the application.

The off-set operators are named in paragraph 6 of the application. Each has been furnished with a copy of the application.

Very truly yours,

Duncan W. Holt, Jr.

DWH:bc

Enclosure

cc: Oil Conservation Commission (w/attach.)
Attention: Mr. William Gressett
Artesia, New Mexico 88210

BEFORE THE OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO

Application of Atlantic Richfield Company for an Unorthodox Gas Well Location, Eddy County, New Mexico. Applicant seeks approval of an Unorthodox Gas Well Location 660 feet South of the North Line and 1,830 feet East of the West Line of Section 16, Township 21 South, Range 26 East to Test the Morrow Zone of Pennsylvanian age and the Dedication to said well of the North-Half (N/2) of said Section 16.

Oil Conservation Commission
Post Office Box 2088
Santa Fe, New Mexico 87501

Comes Atlantic Richfield Company, acting by and through, the undersigned attorney, and hereby makes application for administrative approval for an unorthodox gas well location. Said location is 660 feet South of the North line and 1,830 feet East of the West line of Section 16, Township 21 South, Range 26 East, said well to be projected to approximately 10,500 feet to test the Morrow Zone of Pennsylvania age, and the dedication to said well of the North-Half (N/2) of said Section 16. In support of this application, the Applicant respectfully shows:

1. Statewide Rule 104 specifies that an orthodox well location will be 1,980 feet from the nearest end boundary and 660 feet from the nearest side boundary. Upon surveying the subject tract for the well location, it was found that the prescribed location from the nearest end boundary would be only 37 feet from a pipeline running in a north-south direction as shown on a plat attached hereto.

2. Applicant believes that the proposed unorthodox location is the most strategic position to obtain production from the Morrow Zone of Pennsylvania age.

3. The North-Half (N/2) of said Section 16 is land of the State of New Mexico and is covered by oil and gas leaseholds owned by the Applicant, Amoco Production Company and Cities Service Oil Company, all of which have approved and agreed to the drilling of the proposed well, which will be designated as State BR Com. No. 2.

4. It is believed that the granting of this application is justified in the interest of conservation, prevention of waste and the protection of correlative rights.

5. Attached hereto is a plat showing the ownership of all leases offsetting the spacing unit for which the unorthodox location is sought and also all wells completed thereon. Also attached is a plat showing the location of pipelines which necessitate moving from an orthodox location to an unorthodox location.

6. The offset operators are Gulf Oil Corporation, whose address is Post Office Box 1150, Midland, Texas 79701 and Coquina Oil Corporation, whose address is 200 Building of the Southwest, Midland, Texas 79701, both of whom have

been sent copies of the application by certified mail.
Applicant operates the units North and East of the subject
unit.

Respectfully submitted,

ATLANTIC RICHFIELD COMPANY

By Duncan W. Holt, Jr.
Duncan W. Holt, Jr.
Attorney for Applicant
Post Office Box 2819
Dallas, Texas 75221

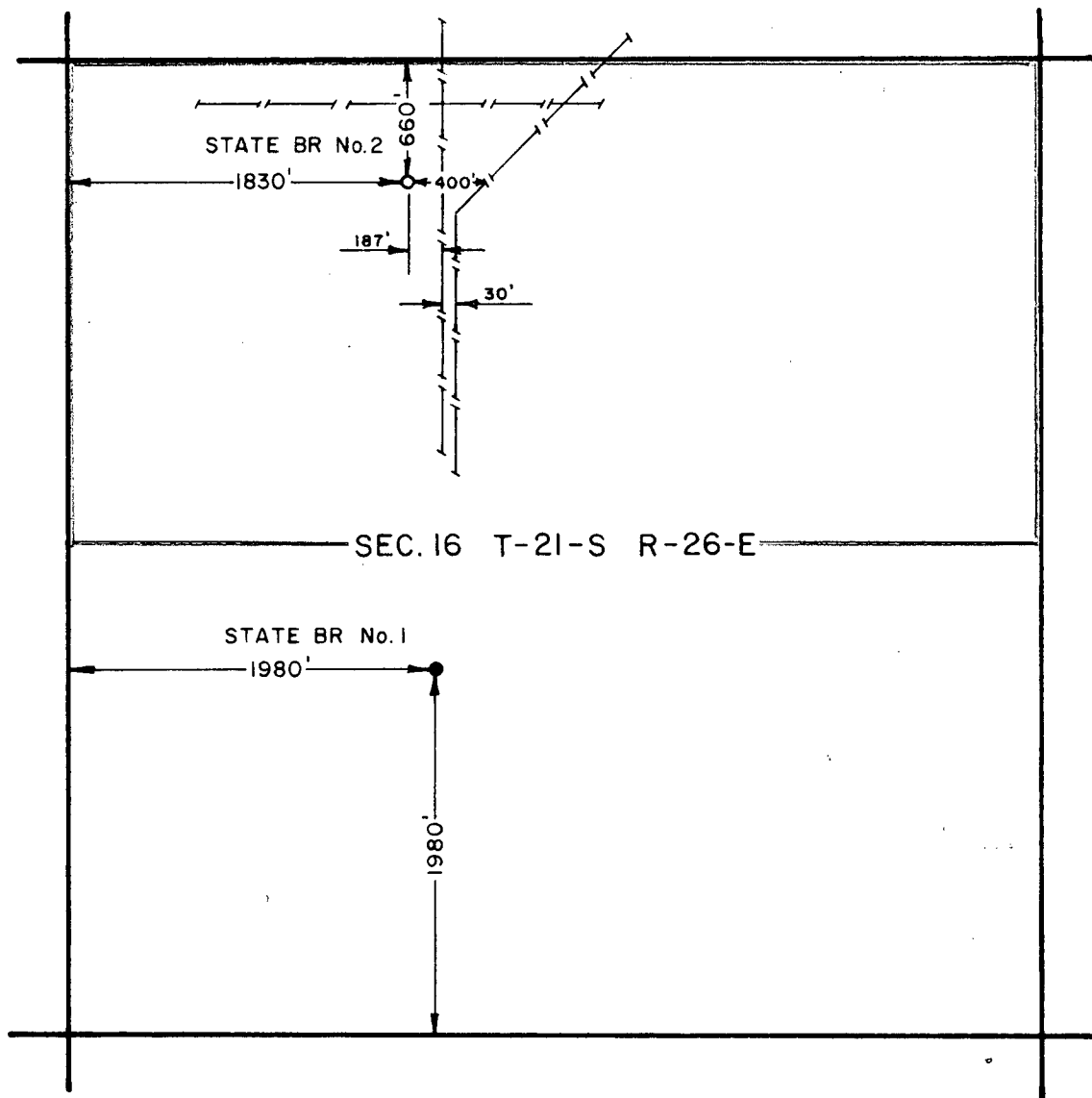
214-651-4873

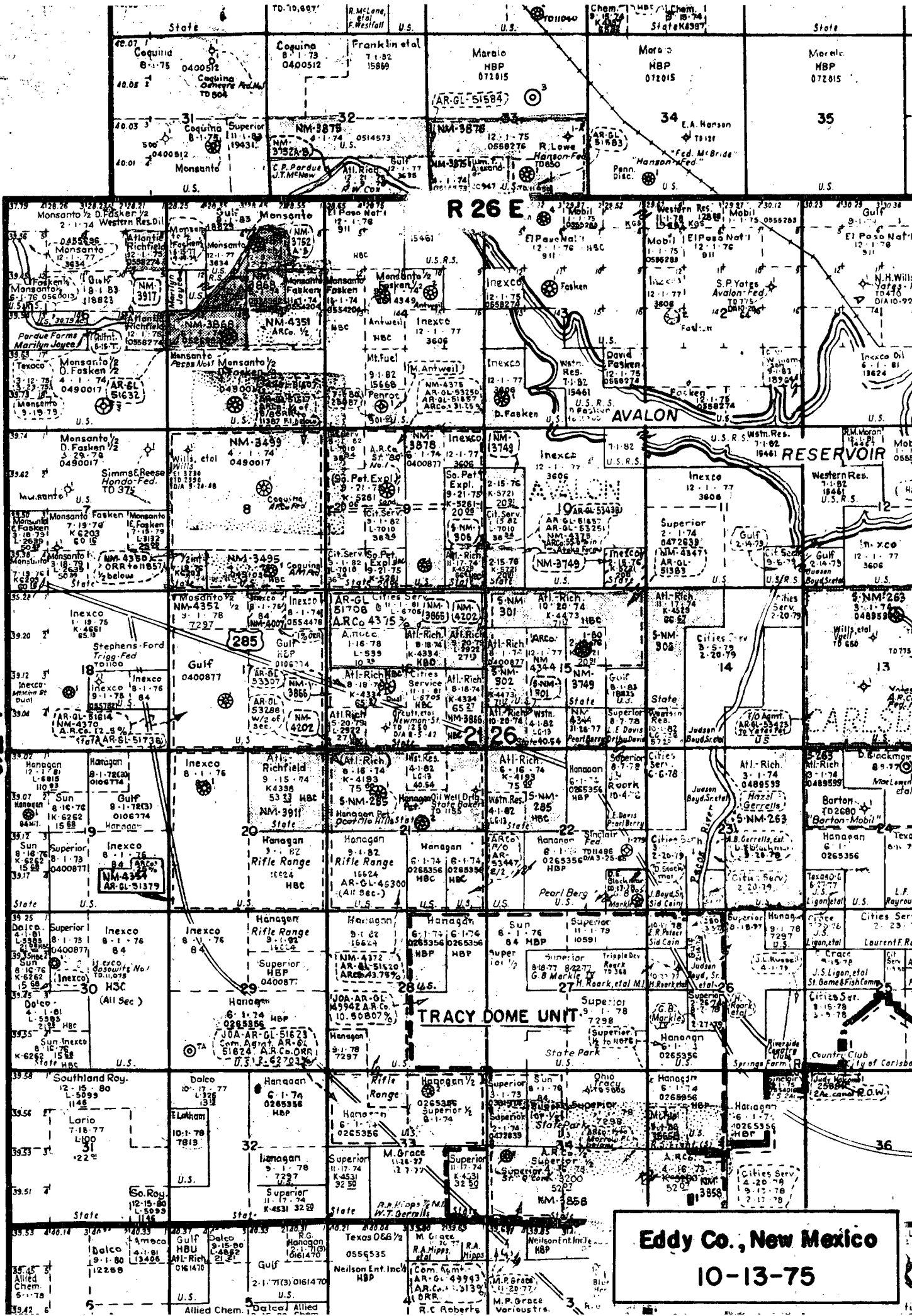
ATLANTIC RICHFIELD CO.

STATE BR NO.2

EDDY CO., NEW MEXICO

SCALE: 1"=1000'





Eddy Co., New Mexico
10-13-75

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

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

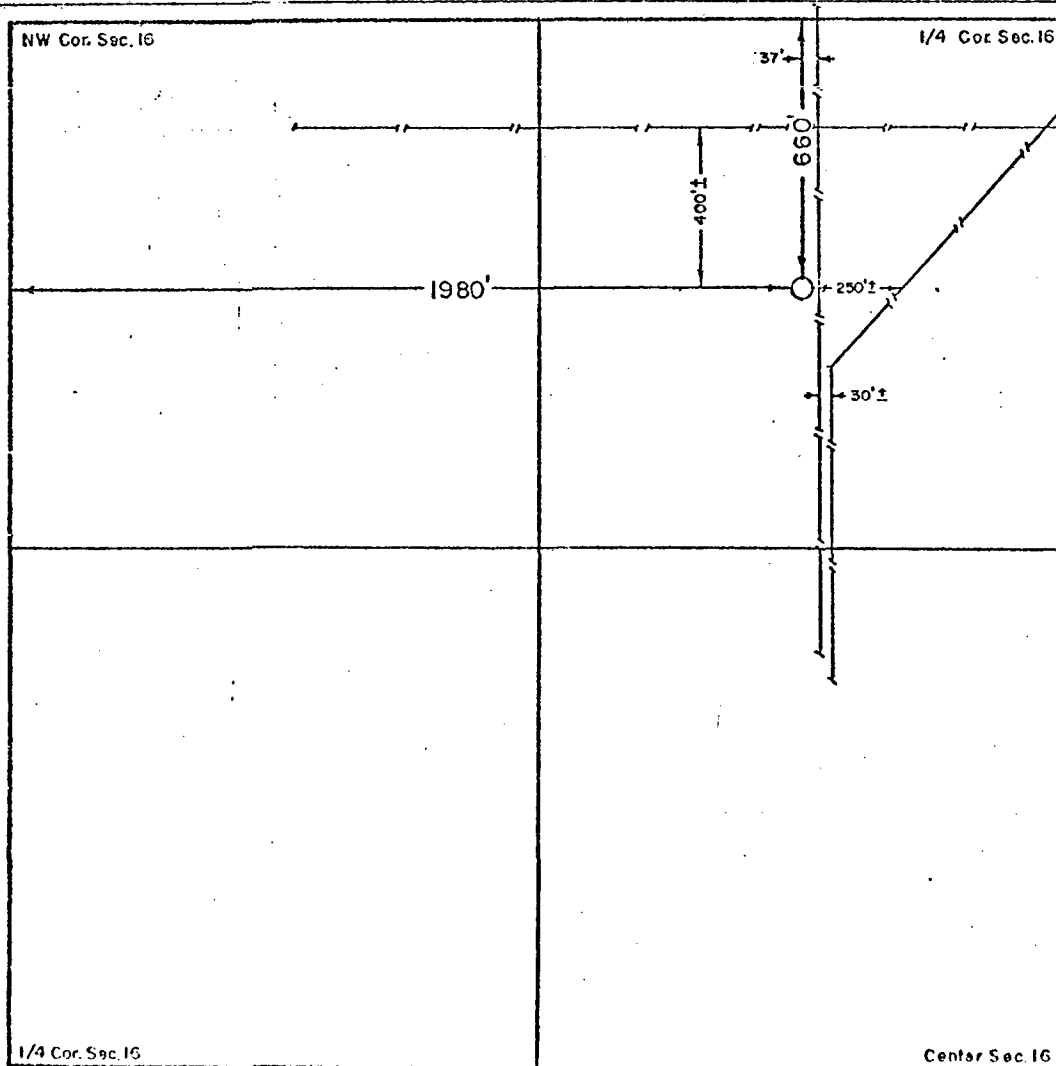
Operator Atlantic Richfield Company		Lease State BR		Well No. 2
Unit Letter C	Section 16	Township 21 South	Range 26 East	County Eddy
Actual Footage Location of Well: 660 feet from the North line and 1980 feet from the West line				
Ground Level Elev. 3290.2	Producing Formation	Pool	Dedicated Acreage: 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.



CERTIFICATION

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

Name _____

Position _____

Company _____

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.

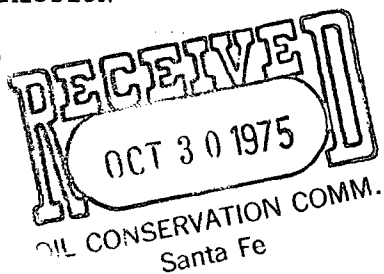
Date Surveyed **September 29, 1975**

Registered Professional Engineer and Land Surveyor **1076**

John W. West
JOHN W. WEST

OIL CONSERVATION COMMISSION
ARTESIA DISTRICT

OIL CONSERVATION COMMISSION
BOX 2088
SANTA FE, NEW MEXICO



DATE 10-29-75

RE: Proposed MC _____
Proposed DHC _____
Proposed NSL ✓ _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application dated 10-16-75
for the ATLANTIC RICHFIELD STATE BR #2-C-16-21-26
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

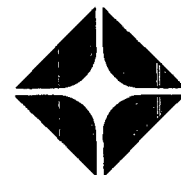
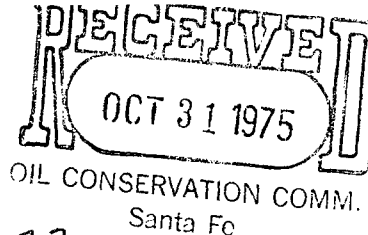
DUE TO EXISTING HIGH PRESSURE GAS LINE & TERRAIN FEATURES, I
AGREE WITH THE PROPOSED NSL.

Yours very truly,

Lionel Bergstrom

Atlantic Richfield Company

North American Producing Division
Permian District
Post Office Box 1610
Midland, Texas 79701
Telephone 915 682 8631



October 29, 1975

NSL-730

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

*State BR Well No. 2
Sec 16, T-21-S, R-26-E*

Re: Application of Atlantic Richfield Company
for an Unorthodox Well Location N/2 of
Section 16, Township 21 South, Range 26 East,
Eddy County, New Mexico
Avalon Morrow Field

*660' NL and
1880' W L
1830*

Gentlemen:

Atlantic Richfield Company has made application to the New Mexico Oil Conservation Commission for this unorthodox well location and has furnished the off-set operators, Gulf Oil Corporation and Coquina Oil Corporation, a copy of the application asking them to waive any objection to the location. Enclosed is Gulf Oil Corporation's letter of October 27, 1975, stating that they "have no objection to the granting of this application" and Coquina Oil Corporation's waiver to objection of the proposed location, dated October 22, 1975.

We hope this will permit the administrative approval of this application.

Very truly yours,

J. L. Tweed

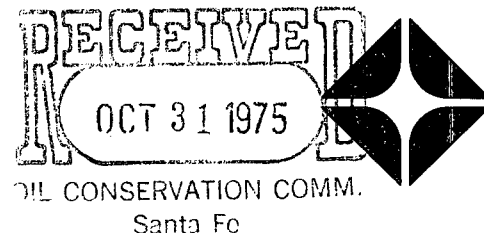
DGC/agp

cc: New Mexico Oil Conservation Commission
Attn: Mr. William Gressett
Artesia, New Mexico 88210

AtlanticRichfieldCompany

Legal Division
Post Office Box 2819
Dallas, Texas 75221
Telephone 214 651 4873

Duncan W. Holt, Jr.
Attorney



October 16, 1975

Coquina Oil Corporation
200 Building of the Southwest
Midland, Texas 79701

Dear Sir:

Attached is a copy of an application filed by Atlantic Richfield Company with the New Mexico Oil Conservation Commission requesting administrative approval of an unorthodox well location 660 feet South of the North line and 1,830 feet East of the West line of the Northwest Quarter (NW/4) of Section 16, Township 21 South, Range 26 East, Eddy County, New Mexico.

If you have no objection to the proposed location, please so note in the space provided below and return one copy of this letter, so noted, to Atlantic Richfield Company, Attention: Mr. Don Chancey, Post Office Box 1610, Midland, Texas 79701.

Your prompt attention to this matter will be greatly appreciated.

Yours very truly,

A handwritten signature in black ink that reads "Duncan W. Holt, Jr." The signature is written in a cursive style with a large, stylized "D" at the beginning.

Duncan W. Holt, Jr.

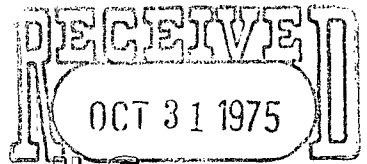
DWH:bc

Attachment

Objection to the proposed
location is hereby waived.

COQUINA OIL CORPORATION

By J.B. Taylor
10-22-75



Gulf Energy and Minerals Company, U.S.

PRODUCTION DEPARTMENT

MIDLAND DISTRICT

October 27, 1975

B. L. Choate
DISTRICT PRODUCTION MANAGER
R. F. Ward, Jr.
DISTRICT OPERATIONS MANAGER
C. E. Fields
DISTRICT SERVICES MANAGER
A. J. Evans, Jr.
DISTRICT ENVIRONMENTAL & SAFETY MANAGER
J. C. Howard
DISTRICT EMPLOYEE RELATIONS MANAGER

Oil Conservation Comm.
Santa Fe
P. O. Drawer 1150
Midland, Texas 79701

Oil Conservation Commission
State of New Mexico
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Joe D. Ramey

Re: Request for Unorthodox Location
for Atlantic Richfield Company's
State BR Com. Well No. 2, To test
the Morrow Zone of Pennsylvanian
Age, Eddy County, New Mexico.

Gentlemen:


This is to advise that Gulf Oil Corporation has been given due notice that Atlantic Richfield Company is requesting permission for an unorthodox gas well location for their proposed State BR Com. Well No. 2 to test the Morrow Zone of Pennsylvanian Age, Eddy County, New Mexico.

We have no objection to the granting of this application for the above well which is to be located:

660' South of the North line
and 1,830' East of the West
line of the Northwest Quarter
(NW/4) of Section 16, Township
21 South, Range 26 East Eddy
County, New Mexico.

Yours very truly,

GULF OIL CORPORATION

BY: 
W. C. Palmer
District Engineer

CVB:bh



A DIVISION OF GULF OIL CORPORATION