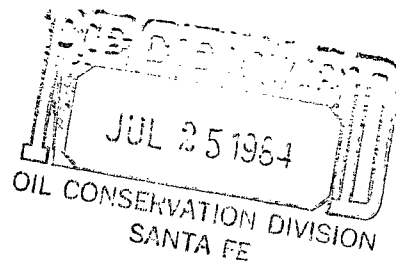


ARCO Oil and Gas Company
Permian District
Post Office Box 1610
Midland, Texas 79702
Telephone 915 684 0130
Curt Krehbiel
District Land Manager



July 23, 1984

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501
Attention: Gilbert Quintana

NSL-1855

RULE 104FI

Release Aug. 14, 1984

Re: Request for unorthodox location, Rule 104-F
exception, 1855 FNL & 660 FWL of Section 2,
T-19-S, R-30-E, NMPM, Eddy County, New Mexico
NM-4681

Gentlemen:

ARCO Oil & Gas STATE 2 Well No. 1
Undesignated Morrow Pool

w/2 of Sec. 2 dedicated
STATE Lease

Atlantic Richfield Company hereby requests your approval for an unorthodox location as noted above for a Pennsylvanian test well to be drilled at least to the base of the Morrow formation. The spacing unit for the well, upon approval, will be the W/2 of the above described Section 2.

The reason for this request is that the topography of the tract is such that a level drilling pad at a standard location in the NW/4 or SW/4 of Section 2 is impossible. I have enclosed a USGS topographical map of the area which illustrates this. The W/2 of the NW/4 is a steep ridge and the SW/4 is ridge and gully.

I have this day notified offset owners by certified mail of our intention to seek this Rule 104-F exception.

Enclosed for your information is a USGS topographic map of the area, an ownership map and a copy of Form C-102 which has already been filed with the Commission.

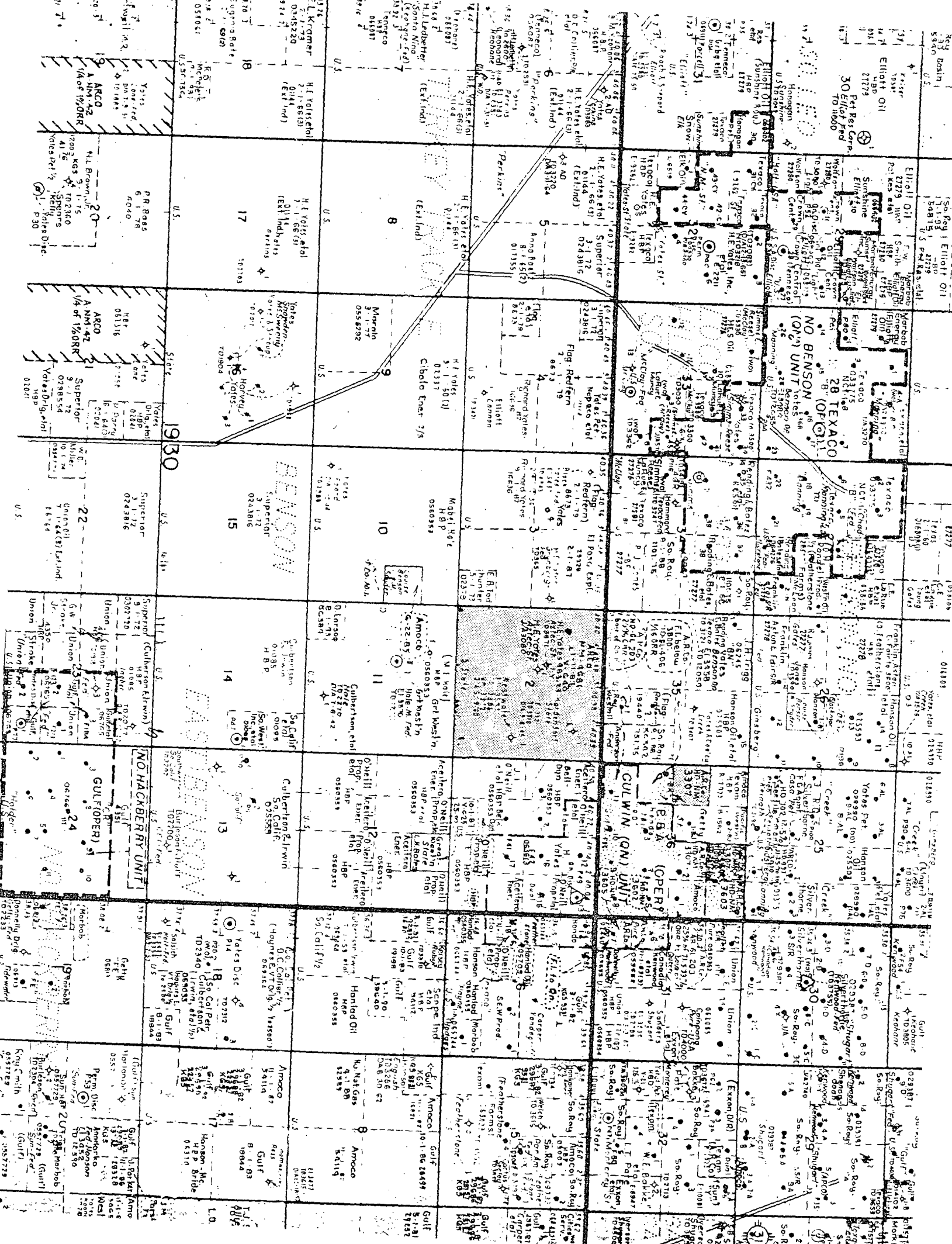
Please call me at 915-684-0132 if you need more information or have any questions.

Sincerely,

Michael Snyder
Land Department

MS:lr

Enclosures



**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.

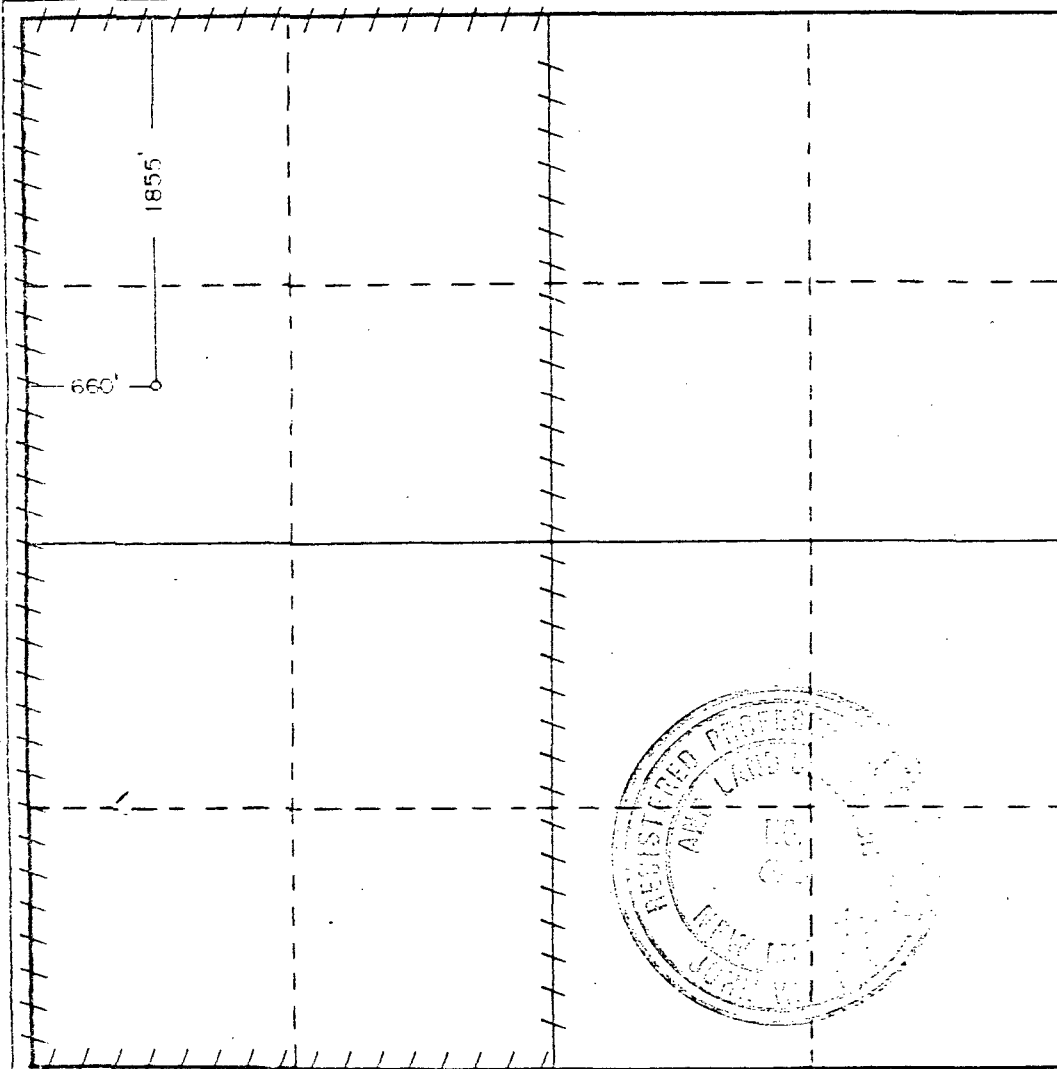
| | | | | | |
|---|--|-----------------------------|-----------------------------|-----------------------|--|
| Operator Div of Atlantic Richfield Company Arco Oil & Gas Co. | | | Lease State 2 | | Well No. 1 |
| Unit Letter E | Section 2 | Township 19 South | Range 30 East | County Eddy | |
| Actual Footage Location of Well: 1855 feet from the North line and 660 feet from the West line | | | | | |
| Ground Level Elev. 3464.2 | Producing Formation Morrow Gas | | Pool Undesignated | | Dedicated Acreage: 320 Acres |

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 *Elizabeth S. Bush*
 Position *Drlg. Engr.*
 Company *ARCO Oil and Gas Co.*
 Div of *Atlantic Richfield Co.*
 Date *7/20/84*

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.

July 12, 1984

Date Surveyed _____
 Registered Professional Engineer and/or Land Surveyor
John W. West
 Certificate No. *JOHN W. WEST*, 676

314.9 SE
RED LAKE SE
1:24,000

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

MALJAMAR 12 MI.
4 MI. TO N. MEX. 83

