

3-24-04 DATE IN	4-13-04 SUSPENSE	ENGINEER MS	LOGGED IN MS	TYPE NSL	PMFSD-- APP NO. 408629982
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ABOVE THIS LINE FOR DIVISION USE ONLY

## NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



### ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

#### Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]  
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

#### [1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication  
☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

- [D] Other: Specify \_\_\_\_\_

#### [2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☒ Does Not Apply

- [A] ☐ Working, Royalty or Overriding Royalty Interest Owners  
 [B] ☐ Offset Operators, Leaseholders or Surface Owner  
 [C] ☐ Application is One Which Requires Published Legal Notice  
 [D] ☐ Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office  
 [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,  
 [F] ☐ Waivers are Attached

#### [3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

James Bruce

Print or Type Name

*James Bruce*  
Signature

Attorney for Applicant

Title

jamesbruc@aol.com

e-mail Address

3/24/04  
Date

RECEIVED

MAR 24 2004

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

**JAMES BRUCE**  
ATTORNEY AT LAW

POST OFFICE BOX 1056  
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213  
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (PHONE)  
(505) 660-6612 (CELL)  
(505) 982-2151 (FAX)

jamesbruc@aol.com

March 24, 2004

Hand Delivered

Michael E. Stogner  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

Dear Mr. Stogner:

Pursuant to Rule 104.F.(2), Arch Petroleum Inc. applies for approval of an unorthodox oil well location for the following well:

<u>Well:</u>	J.R. Holt NCT-A Well No. 6
<u>Location:</u>	2530 feet FNL & 1980 feet FEL
<u>Well Unit:</u>	SW $\frac{1}{4}$ NE $\frac{1}{4}$ S16, Township 24 South, Range 37 East, NMMPM, Lea County, New Mexico

The well will be drilled to test the Devonian formation (Fowler-Devonian Pool), which is spaced on 40 acres under regulations of the Division, with wells to be no closer than 330 feet to a quarter-quarter section line. A Form C-102 is being prepared for the well.

The well's location is based on geologic and drainage factors. A geologic summary, with supporting exhibits, is attached as Exhibit A. the location is necessary to recover remaining reserves.

Attached as Exhibit B is a land plat. The J.R. Holt fee lease covers the SW $\frac{1}{4}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$ SW $\frac{1}{4}$ , and W $\frac{1}{2}$ SE $\frac{1}{4}$  of Section 16. The well's location is internal to the lease, so there is no adversely affected interest owner. As a result, notice was not given to any offset interest owner.

Please call me if you need anything further regarding this matter.

Very truly yours,

A handwritten signature in cursive script, appearing to read "James Bruce". The signature is written in dark ink and is positioned above the printed name.

James Bruce

Attorney for Arch Petroleum Inc.

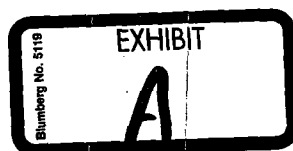
## **Geologic Summary Holt A # 6 Devonian New Drill**

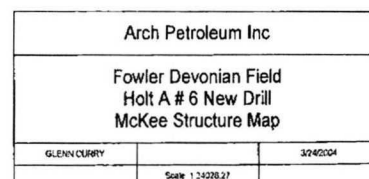
March 24, 2004

The Fowler Devonian Field is located in sections 9, 10, and 16 of T24S R37E, Lea County, New Mexico. The field has produced 1,353,859 BO and 6,645,981 MCFG from 7 producers. The trap is formed by an angular unconformity or truncation of the Devonian reservoir along the northwest flank of the Fowler Anticline. The commercial production is restricted to a narrow band trending southwest and bending south southwest under the Arch Petroleum Inc. Holt A lease.

The Holt A #3 produced 153,123 BO and 1,611,260 MCFG from the Devonian reservoir. The Holt A #3 produced from perforations from 7521'-7572' with 35 feet of net porous limestone and chert. The Holt A #4 penetrated the Devonian but encountered only 4 feet of net pay. The well was completion tested through perms from 7471'-7570' yielding a gas rate of 200 mcfd. The limited net pay is due to the well's close proximity to the up dip truncation. Arch Petroleum Inc. proposes to drill a well midway between the Holt A #3 and the A #4 wells to capture possible remaining reserves in the Fowler Devonian reservoir.

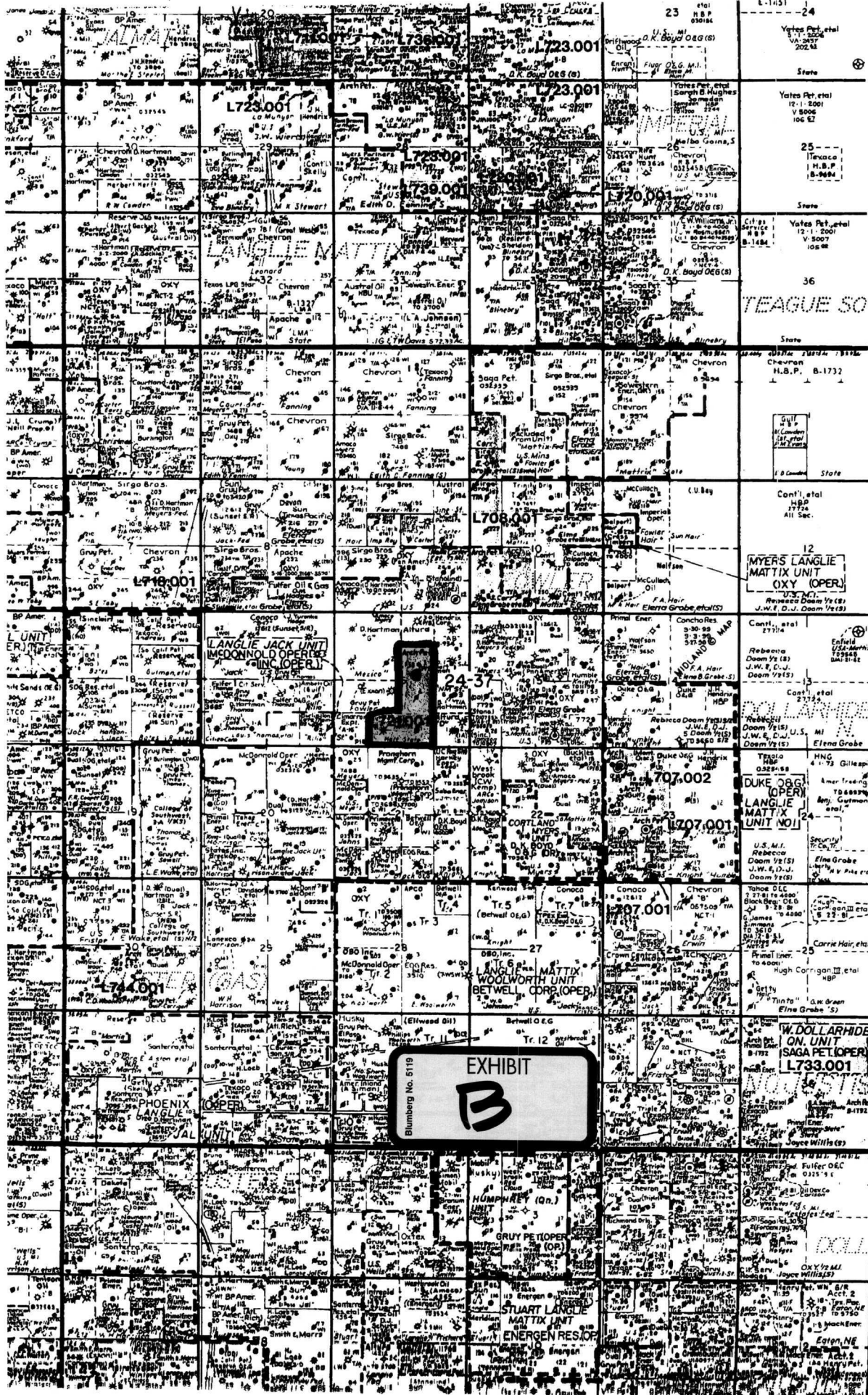
Glenn Curry  
Senior Geologist





## Fowler Devonian Field Production.xls

Primary API	Operator Name	Lease Name	Well Num	Location	Status Code	Active Num Wells	Oil Cum	Gas Cum	Wtr Cum	Upper Perf	Lower Perf	TD	First Prod Date	Last Prod Date
30025353590000	MOMENTUM ENERGY LIMITED LIABILITY CORP	ALFALFA 2 STATE	1	2L 24S 37E NW NW SW	ACT	1	10,277	15,943	58,488	7580	7598	7700	20010301	20031031
30025246560000	CONOCOPHILLIPS COMPANY	MATTIX	3	10G 24S 37E	ACT	1	144,511	483,483	163,768	7408	7470	7700	19740301	20031130
30025244070000	CONOCOPHILLIPS COMPANY	MATTIX	2	10J 24S 37E	ACT	1	155,496	1,018,233	36,749	7594	7612	7635	19730701	20031130
30025229630000	GULF OIL CORPORATION	S J CARR	7	10K 24S 37E	INA		90,027	222,452	40,852	7654	7705	7712	19880401	19780430
30025203000000	BP AMERICA PRODUCTION COMPANY	STATE D	3	16B 24S 37E	INA		68,935	658,090	15,532	7521	7572	7585	19631201	
30025111280000	GULF OIL CORPORATION	JR HOLT NCT A	3	16G 24S 37E	INA		153,123	1,611,280	34	7579	7607	7816	19570301	19770831
30025110850000	GULF OIL CORPORATION	S J CARR	6	10L 24S 37E S2 NW SW	INA		440,517	1,237,092	100,702					19741130
30025110740001	PAN AMERICAN CORPORATION	MYERS B FEDERAL	14	9I 24S 37E	INA		113,154							
30025110720000	BP AMERICA PRODUCTION COMPANY	MYERS B FEDERAL	12	9P 24S 37E	INA		177,819	1,399,448	22,740					19710430
						TOTAL	1,353,869	6,645,961	438,663					



JAMES BRUCE  
Attorney at Law  
Post Office Box 1056  
Santa Fe, New Mexico 87504  
Telephone: (505) 982-2043  
Fax: (505) 982-2151

FAX COVER SHEET

DELIVER TO: Michael E. Stogner

COMPANY: Oil Conservation Division

CITY: Santa Fe, New Mexico

FAX NUMBER: (505) 476-3462

NUMBER OF PAGES: 2 (Including Cover Sheet)

DATE SENT: 3/25/04

MEMO: Mike: Regarding the application for an unorthodox oil well location I filed yesterday for Arch Petroleum Inc. (in §16-24S-37E): Enclosed is a Form C-104.

CONFIDENTIALITY NOTICE

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03/25/2004 08:01 FAX 432 686 8151

Pogo Prod Co - Land Dept - Jim Bruce

0002

FROM : John West Surveying Company

FAX NO. : 505-393-3450

Mar. 24 2004 05:00PM P2

**DISTRICT I**

P.O. Box 1090, Hobbs, NM 88240-1090

**DISTRICT II**

P.O. Drawer 80, Artesia, NM 88211-0080

**DISTRICT III**

1000 N. Main St., Lordsburg, NM 87410

**DISTRICT IV**

P.O. Box 2000, Santa Fe, NM 87500-2000

**State of New Mexico**

Energy, Minerals and Natural Resources Department

**OIL CONSERVATION DIVISION**

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Form C-102

Revised February 19, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

**WELL LOCATION AND ACREAGE DEDICATION PLAT**☐ AMENDED REPORT

API Number	Pool Code	Pool Name
Property Code	Property Name <b>JR HOLT NCT "A"</b>	Well Number <b>6</b>
GRID No.	Operator Name <b>POGO PRODUCING COMPANY</b>	Elevation <b>3251'</b>

**Surface Location**

UL or lot No.	Section	Township	Range	Lot 14n	Feet from the	North/South line	Feet from the	East/West line	County
G	16	24-S	37-E		2530	NORTH	1980	EAST	LEA

**Bottom Hole Location if Different From Surface**

UL or lot No.	Section	Township	Range	Lot 14n	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	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**

	<b>OPERATOR CERTIFICATION</b> I hereby certify the information contained herein is true and complete to the best of my knowledge and belief. Signature _____ Printed Name _____ Title _____ Date _____
	<b>SURVEYOR CERTIFICATION</b> 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. March 24, 2004 Date Surveyed: <b>G. EIDSON</b> A.W.B. Signature: <i>G. EIDSON</i> Professional Seal: Certified: <b>04.11.0337</b> Certificate No.: <b>12841</b>

**GEODEIC COORDINATES**

NAD 27 NME

Y = 444845.1 N

X = 861243.9 E

LAT. 32°13'03.36"N

LONG. 103°09'55.00"W