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[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: S	tatement must be completed by an individ	lual with managerial and/or supervisory capa	city / //
James Bruce	(romont de	Attorney for Applic	ant 3/2/000
Print or Type Name	Signature	Title	Date
	(jamesbruc@aol.com	
		e-mail Address	

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
Location:	2530 feet FNL & 1980 feet FEL
Well Unit:	SW%NE% §16, Township 24 South, Range 37 East,
	NMPM, 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 SW½NE¼, SE½SW¼, and W½SE¼ 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,

llu James Bruce

Attorney for Arch Petroleum Inc.

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Geologic Summary Holt A # 6 Devonian New Drill

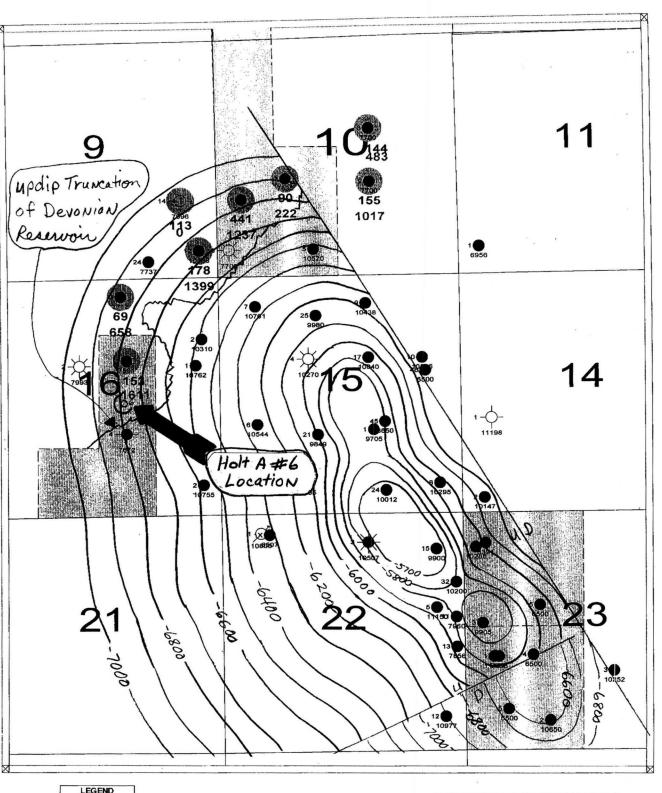
March 24, 2004

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 perfs 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





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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.

This transmission contains information which may be confidential or legally privileged. The information is intended only for the named recipient. If you are not the intended recipient, copying or distribution of the information is prohibited. If you have received this transmission in error, please call us at the above number and return the document by United States mail. Thank you

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