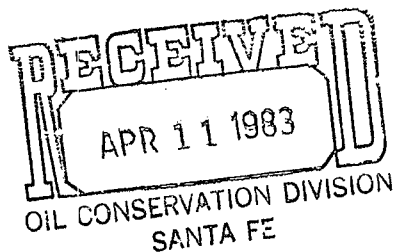


ARCO Oil and Gas Company  
Rocky Mountain District  
717-17th Street  
Mailing address: P.O. Box 5540  
Denver, Colorado 80217  
Telephone 303 575 7000



March 30, 1983

Mr. Joe D. Ramey, Director  
Oil Conservation Division  
State of New Mexico  
Box 2088  
Santa Fe, New Mexico 87501

RE: Application for Administrative Approval  
For a Non-Standard Gas Proration Unit  
Chacon Hill Well #1 (Dakota)  
790' FSL & 1850' FEL (Unit 0)  
SE/4 of Section 20-T24N-R3W  
Rio Arriba County, New Mexico

NSP 136#  
Rule 4(b) R5353  
Chacon-Dakota Associated Pool  
5-11-83  
5-25-83  
Revised date based on  
late notice to off set  
per phone call  
from Roy Still  
w/ ARCO

Dear Mr. Ramey:

In response to Mr. Frank Chavez's letter of March 2, 1983, the subject application is hereby made to the Oil Conservation Division of the State of New Mexico requesting Administrative Approval for a non-standard Gas Proration Unit on the subject well.

This well was drilled and completed as an oil well on a 160 acreage dedication. The well has since been reclassified as a gas well due to a high gas/oil ratio.

Enclosed is a copy of the form of certified letter sent to the offset operator requesting their approval of the non-standard well location. A fully executed copy from each offset operator will be forwarded to your office when received. Also enclosed is a copy of the New Mexico Form C-102, as well as a location plat and listing showing the offset operators.

Your early approval of this application will be appreciated.

Very truly yours,

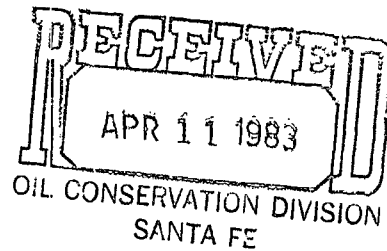
  
W. A. Walther, Jr.  
Operations Manager

WAW/BRS:dc

Enclosure

cc: Mr. Frank T. Chavez, New Mexico Oil Cons. Div., Aztec, New Mexico  
Bureau of Land Management, Farmington, New Mexico

ARCO Oil and Gas Company  
Rocky Mountain District  
717-17th Street  
Mailing address: P.O. Box 5540  
Denver, Colorado 80217  
Telephone 303 575 7000



March 29, 1983

TO: Offset Operators (See Attached Listing)

Certified Mail  
Return Receipt Requested

RE: Chacon Hill Well No. 1 (Dakota)  
790' FSL & 1850' FEL  
Section 20-T24N-R3W  
Rio Arriba County, New Mexico

Dear Offset Operator:

ARCO Oil and Gas Company, Division of Atlantic Richfield Company, requests your consent and approval of a non-standard acreage dedication of 160 acres for the subject well.

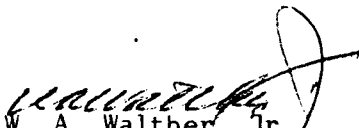
Pursuant to Rule 104-D of the Oil Conservation Commission of the State of New Mexico, it is necessary to notify all offset operators when an application has been filed for a non-standard acreage dedication.

The subject well was drilled and completed as an oil well on a 160 acreage dedication. The well has since been reclassified as a gas well due to a high gas/oil ratio. The standard gas well acreage dedication is 320 acres.

I would appreciate it if you would sign and date the Consent and Approval Form contained in this letter, and return one executed and dated copy of the letter to me in the enclosed self-addressed stamped envelope and keep the other copy for your records. Due to time limitations, we would also appreciate your calling Mr. Joe D. Ramey, Director, New Mexico Oil Conservation Division, Area Code 505, 827-2434, advising him of your concurrence of this non-standard acreage dedication.

If you have any objections or questions concerning this request, please call me at your earliest convenience.

Very truly yours,

  
W. A. Walther, Jr.  
District Operations Manager

WAW/dc

Enclosure

CONSENT AND APPROVAL

Chacon Hill #1

\_\_\_\_\_ by its authorized signatory below, hereby consents to and approves of the non-standard acreage dedication of 160 acres for the foregoing gas well at the location indicated.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 1983

By: \_\_\_\_\_

Title: \_\_\_\_\_

OFFSET OPERATORS

CHACON HILL #1  
20-24N-3W  
Rio Arriba County, New Mexico

---

Mobil Oil Company

Odessa Natural Gas Corporation

El Paso Natural Gas Company

*Mountain States*

RECEIVED

Well No.

APR 11 1983

THE ATLANTIC RICHFIELD COMPANY

Lease  
CHACON HILL

Well Letter

O

Section

20

Township

24 NORTH

Range

3 WEST

County

BIOCARBON DIVISION

Well Footage Location of Well:

790

feet from the

SOUTH

line and

1850

feet from the

EAST

line

SANTA FE

Sound Level Elev.

941

Producing Formation

Dakota

Pool

Chacon Dakota

Dedicated Acreage:

160

Acres

~~West Lindrith Gallup Dakota~~

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). N/A
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? N/A

☐ 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

W. A. Walther, Jr.

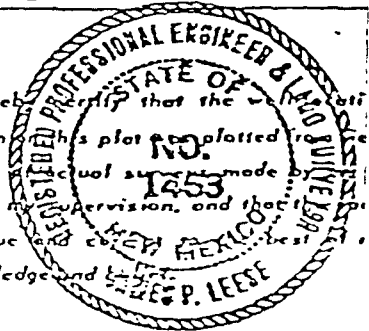
Position

Operations Manager

Company ARCO Oil and Gas Company, Division of

Date Atlantic Richfield Co. February 16, 1979

I hereby certify that the well shown on this plat as plotted from notes and actual survey made by me under my supervision, and that it is true and correct to the best of my knowledge and belief.



Date Surveyed

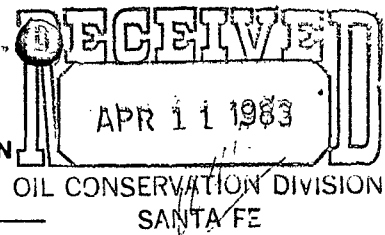
5 February 1979

Registered Professional Engineer and/or Land Surveyor

James P. Leese

Certificate No. 1563

NEW MEXICO  
OIL CONSERVATION COMMISSION



Aztec  
DISTRICT OFFICE

May thru August, 1979  
NO. 3046 N

SUPPLEMENT TO THE OIL PRORATION SCHEDULE

DATE June 7, 1979

PURPOSE AUTHORIZATION OF ALLOWABLE FOR A NEW WELL (N-S)

Effective June 1, 1979, an allowable of 220 BOPD is hereby assigned to the ARCO Oil & Gas Company, Chacon Hill #1, 0-20-24-3, Chacon-Dakota Associated Pool. Total monthly allowables are assigned as follows:

June	6600 bbls.
July	6820 "
August	6820 "

IP 220 BOPD, 160 Acres

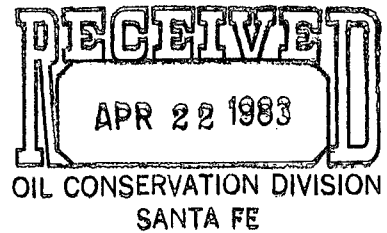
OIL CONSERVATION COMMISSION

Deputy Insp. XXXXXXXXXXXXXXXXX

The Permian Corp.

F-None

FTC/bk



CONSENT AND APPROVAL

Chacon Hill #1

EL PASO EXPLORATION COMPANY by its authorized signatory below, hereby consents to and approves of the non-standard acreage dedication of 160 acres for the foregoing gas well at the location indicated.

Dated this 18th day of April, 1983

By:

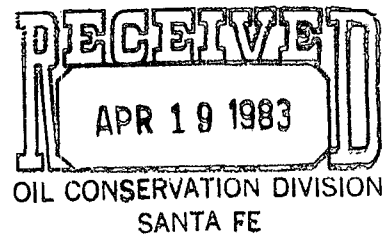
A handwritten signature in cursive script, appearing to read "David M. Poage", written over a horizontal line.

David M. Poage

Title:

Landman

ARCO Oil and Gas Company  
Rocky Mountain District  
717-17th Street  
Mailing address: P.O. Box 5540  
Denver, Colorado 80217  
Telephone 303 575 7000



April 15, 1983

Mr. Joe D. Ramey, Director  
Oil Conservation Division  
State of New Mexico  
Box 2088  
Santa Fe, New Mexico 87501

RE: Application for Administrative Approval for a  
Non-Standard Gas Proration Unit  
Chacon Hill Well #1 (Dakota)  
790' FSL & 1850' FEL (Unit O)  
SE/4 of Section 20-T24N-R3W  
Rio Arriba County, New Mexico

Dear Mr. Ramey:

Please refer to our letter of March 30, 1983, regarding an Application for Administrative Approval for a Non-Standard Gas Proration Unit for the subject well.

In response to your Mr. Dick Stamets' telephone request of April 12, 1983, attached are three "corrected location plats" showing offset operators for this well.

If additional information is required, please let me know.

Very truly yours,

A handwritten signature in cursive script, reading "W. A. Walther, Jr." followed by a stylized flourish.

W. A. Walther, Jr.  
Operations Manager

WAW/BRS/rn

cc: Mr. Frank T. Chavez  
New Mexico Oil Conservation District  
Aztec, New Mexico

Bureau of Land Management  
Farmington, New Mexico



