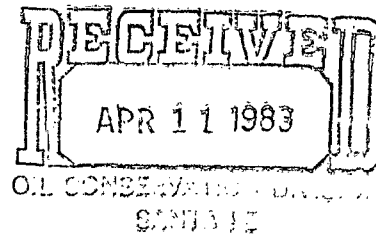


ARCO Oil and Gas Company  
Rocky Mountain District  
717-17th Street  
Mailing address: P.O. Box 5540  
Denver, Colorado 80217  
Telephone 303 575 7000



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 Federal Well #7 (Dakota)  
1650' FNL & 850' FEL (Unit H)  
NW/2 of Section 30-T24N-R3W  
Rio Arriba County, New Mexico

*NSP 1368  
Rule 4(b) B5353  
Chacon-Dakota Associated Pool  
5-11-83*

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 191.83 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 certified letter sent to the offset operator requesting their approval of the non-standard well location. A fully executed copy 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,

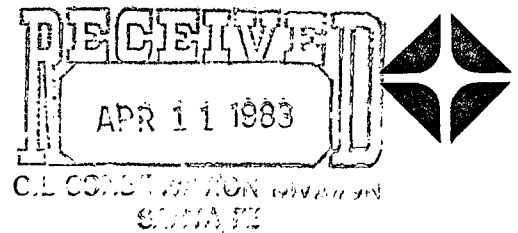
  
W. A. Walther, Jr.  
Operations Manager

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 Federal Well No. 7 (Dakota)  
1650' FNL & 850' FEL  
Section 30-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 191.83 acres for the subject well.

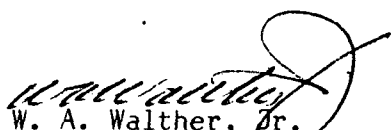
Pursuant to Rule 104-D of the Oil Conservation Commission of the State of New Mexico, it is necessary to notify all offset operators when an application has been filed for a non-standard acreage dedication.

The subject well was drilled and completed as an oil well on a 191.83 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 Federal #7

\_\_\_\_\_ by its authorized  
signatory below, hereby consents to and approves of the non-standard  
acreage dedication of 191.83 acres for the foregoing gas well at the  
location indicated.

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

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

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

OFFSET OPERATORS

CHACON FEDERAL #2, #3, #5, #6, #7, #8

19-24N-3W

29-24N-3W

30-24N-3W

33-24N-3W

Rio Arriba County, New Mexico

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Mobil Oil Company

Odessa Natural Gas Corporation

Southland Royalty

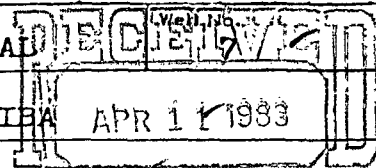
Cotton Petroleum

El Paso Natural Gas Corporation

Mountain States Resources, Inc.

THE ATLANTIC RICHFIELD COMPANY

CHACON FEDERAL



Well Letter <b>H</b>	Section <b>30</b>	Township <b>24 NORTH</b>	Range <b>3 WEST</b>	County <b>RIO ARriba</b>	DATE <b>APR 1 1983</b>
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Actual Footage Location of Well: **1650** feet from the **NORTH** line and **850** feet from the **EAST** line

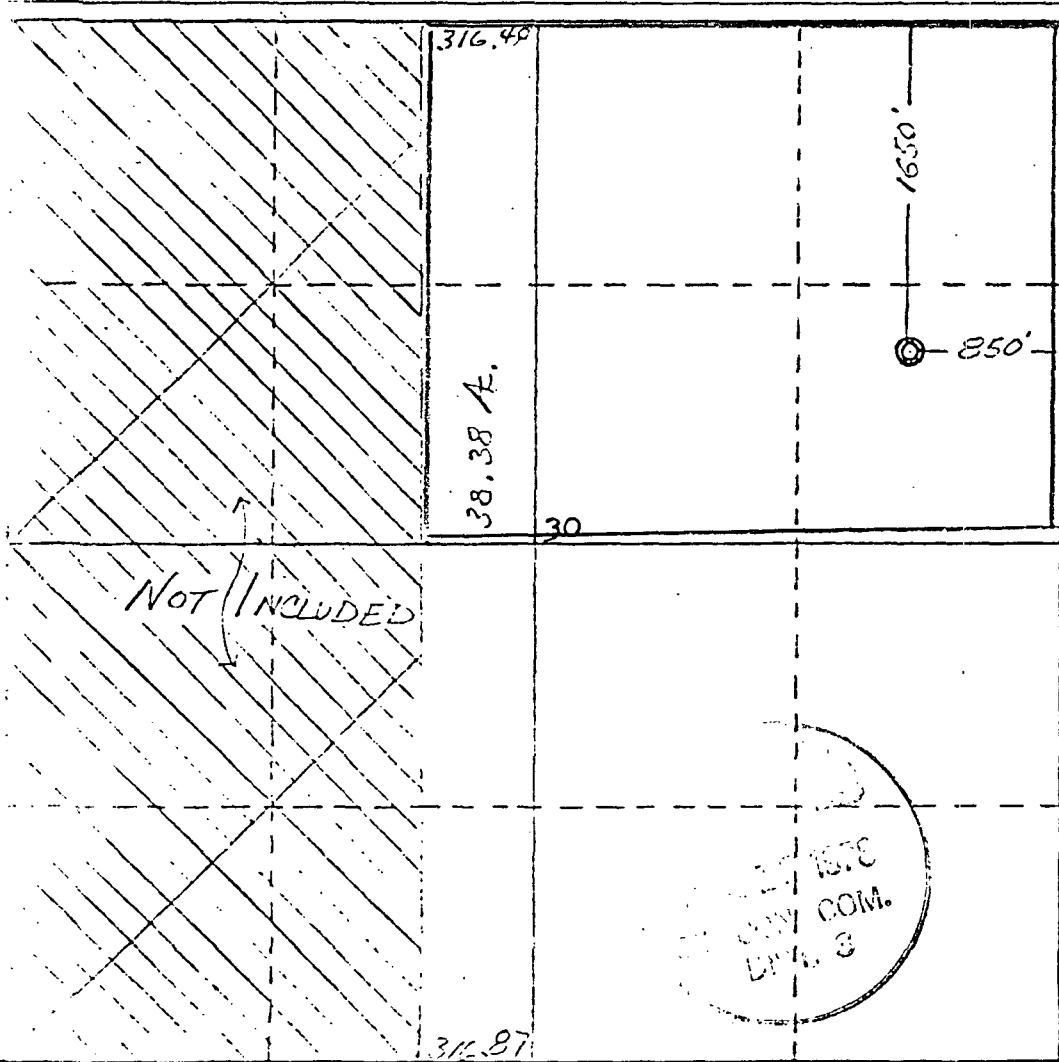
Ground Level Elev: <b>7098</b>	Producing Formation <b>Dakota</b>	Pool <b>Chacon Dakota</b>	Dedicated Acreage: <b>(N/2) 191.82160</b> Acres
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1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty). Atlantic Richfield Company is owner of Section 30
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.

*W. A. Walther, Jr.*  
Name  
**W. A. Walther, Jr.**

Position  
**Operations Manager**

Company  
**Atlantic Richfield Company**

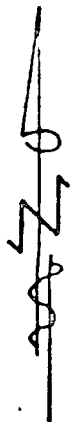
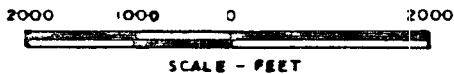
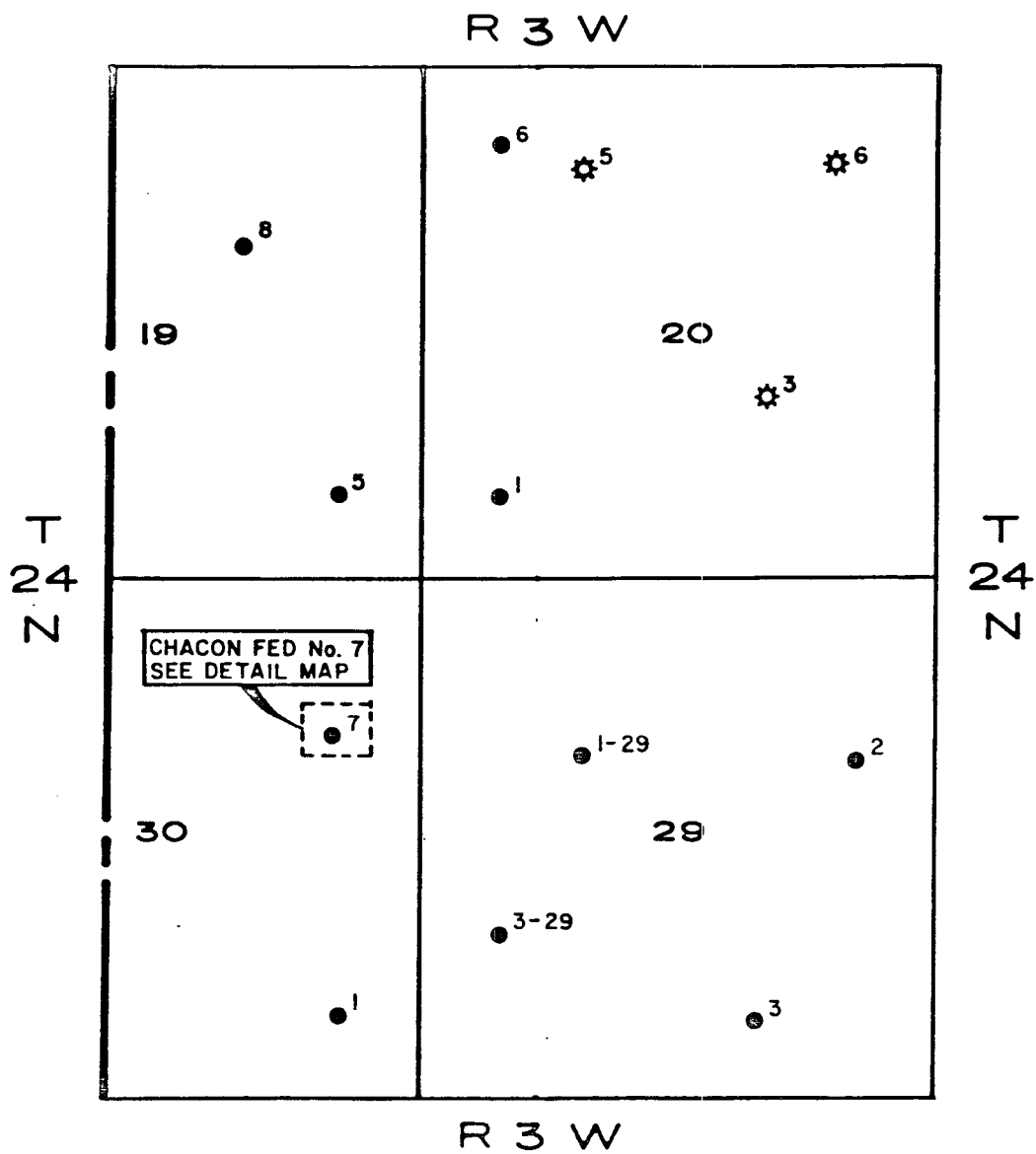
Date  
**July 14, 1978**

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.

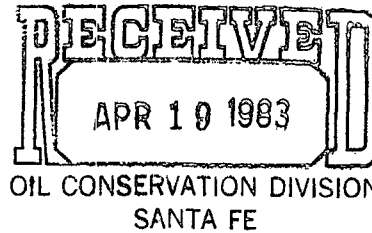
Date Surveyed  
**30 June 1978**

Registered Professional Engineer and/or Land Surveyor  
*James P. Lease*  
**James P. Lease**

Certificate No. **1463**



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 Federal Well #7 (Dakota)  
1650' FNL & 850' FEL (Unit H)  
NW/2 of Section 30-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,

*W. A. Walther, Jr.*  
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

R 4 W

Jicarilla-126

18

"Tonkin"

R 3 W

EPNG

III  
26  
Ch.13  
122  
P.C.

P.C.

S-NM-4  
1/8 of 8/8 ORR to base P.C.  
FWI below  
HBP  
EPNG - Oper.  
"Tonkin"  
P.C.

P.C.

P.C.

Mobil (B)  
D129  
D

Apache

Cotton Pet.  
112  
Ga, D25  
Ga

Fed.

Fed.

Gilcrease

ARCO  
S-NM-4  
FWI  
HBPARCO-NM-855  
1/8 of 8/8 ORR to base P.C.  
FWI below  
HBP  
Chacon Hill  
P.C.  
COMM. AGMT. NW 1/4  
P.C. Form  
EPNG - Oper.EPNG  
ARCO-NM-3818  
50% to base Dakota  
ARCO 0.4 G  
Chacon Hill  
P.C.  
JOA-AR-61216 Chacon Hill E/2  
Base P.C. to test Dakota  
ARCO - Oper.

24

19

20

28  
130  
Ga, D  
P.C.114  
27  
Ga-D  
P.C.-Ch.  
25  
P.C.-Ch.

Subj. to ORR

Chacon  
Fed.Odessa Natural  
11-1-81Little-Federal 20  
NM-28713

P.C.

ARCO 0.4 G  
Chacon HillMobil "B"  
3  
P.C.

Apache

Southland Royalty

1  
Ga, DARCO  
S-NM-4  
FWI  
HBPOdessa Natural  
11-1-81

1 MILE

Odessa Natural  
11-1-81ARCO-Little-Fed  
NM-28713

25

30

29

(Pure)  
1-3102(P.C.)

Subj. to ORR

Chacon  
Fed.3-29  
Gr, D

NM-28713

Little-Federal

ARCO-NM-855  
FWI  
HBP

Chacon-Federal

Medio Canyon

Southland Royalty

3  
Ga-GrTransocean  
12-1-81JOA  
Dakota Form.  
Odessa Nat. - Oper.  
HBPIbex et al  
HBP  
Pet Corp  
of TexasARCO-NM  
FWI  
HBPMtn. States  
et al  
NM-3754

36

31

32

ARCO-NM-855  
FWI  
HBPOdessa Nat.  
11-1-81

NM-28715

2-32

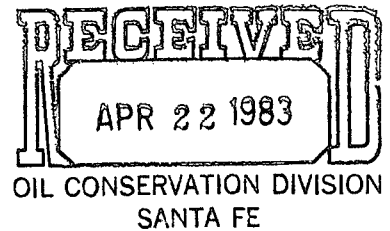
Little-Federal

Odessa Nat.  
11-1-81NM-287  
Federal

Medio Canyon

NM-28714  
FederalCHACON FED. No. 7  
(Dakota)





CONSENT AND APPROVAL

Chacon Federal #7

EL PASO EXPLORATION COMPANY \_\_\_\_\_ by its authorized signatory below, hereby consents to and approves of the non-standard acreage dedication of 191.83 acres for the foregoing gas well at the location indicated.

Dated this 18th day of April, 1983

By: David M. Poage  
David M. Poage

Title: Landman