

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION
OF ARCH PETROLEUM INC.
FOR AN UNORTHODOX WELL LOCATION,
LEA COUNTY, NEW MEXICO.

CASE NO. 11396

APPLICATION

COMES NOW ARCH PETROLEUM INC. ("Arch"), by its undersigned attorneys, hereby makes application to the Oil Conservation Division for an order approving an unorthodox well location, and in support thereof states:

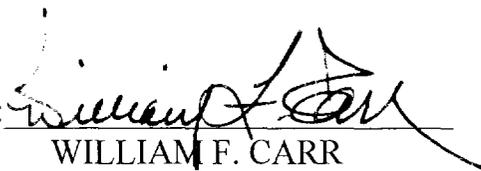
1. Arch is the operator of the NE/4 NW/4 of Section 27, Township 23 South, Range 37 East, N.M.P.M., Lea County, New Mexico on which it proposes to drill its C. E. Lamunyon Well No. 57 in the Ellenberger formation, 20 feet from the North line and 1340 feet from the West line in Unit C of said Section 27.
2. Arch seeks an exception to the Division's well location requirements to permit the drilling of said well in the Ellenberger formation, Teague-Ellenberger Pool, at the above-described location.
3. A standard 40-acre spacing and proration unit comprised of the NE/4 NW/4 of said Section 27 should be dedicated to the well.
4. Approval of this application will afford Arch the opportunity to produce its just

and equitable share of the hydrocarbons in the Ellenberger formation and will otherwise be in the best interest of conservation, the protection of correlative rights and the prevention of waste.

WHEREFORE, Arch Petroleum Inc., requests that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on October 5, 1995, and after notice and hearing as required by law, the Division enter its Order granting this application and providing such other relief as is proper.

Respectfully submitted,

CAMPBELL, CARR & BERGE, P.A.

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