

MERIDIAN OIL

August 6, 1985

Mr. Richard Stamets
New Mexico Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

Case 8709

Dear Mr. Stamets:

This is a revised request for administrative approval for an unorthodox gas well location in the Blanco Mesa Verde Pool. This location was moved at the request of the New Mexico Oil Conservation Division after our letter of July 17, 1985 to you.

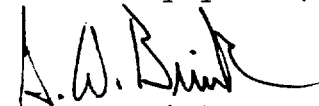
It is now intended to locate the El Paso Natural Gas Company's Luthy A #3 at 220' from the North line and 665' from the West line of Section 1, T-26-N, R-8-W, San Juan County, New Mexico.

Extremely rough terrain in the form of massive cliffs makes it impossible to build an orthodox gas well location in the northwest corner of Section 1.

A copy of this application is being submitted to all offset operators by certified mail with a request that they furnish your Santa Fe office with a Waiver of Objection, and return one copy to this office.

Plats showing the proposed well location and the terrain in Section 1, along with an ownership plat, are attached.

Sincerely yours,



G. W. Brink
Project Drilling Engineer

encl.

WAIVER

_____ hereby waives objection to El Paso Natural Gas Company's application for an unorthodox location for their Luthy A #3 as proposed above.

By: _____

Date: _____

cc: Arco Oil & Gas

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

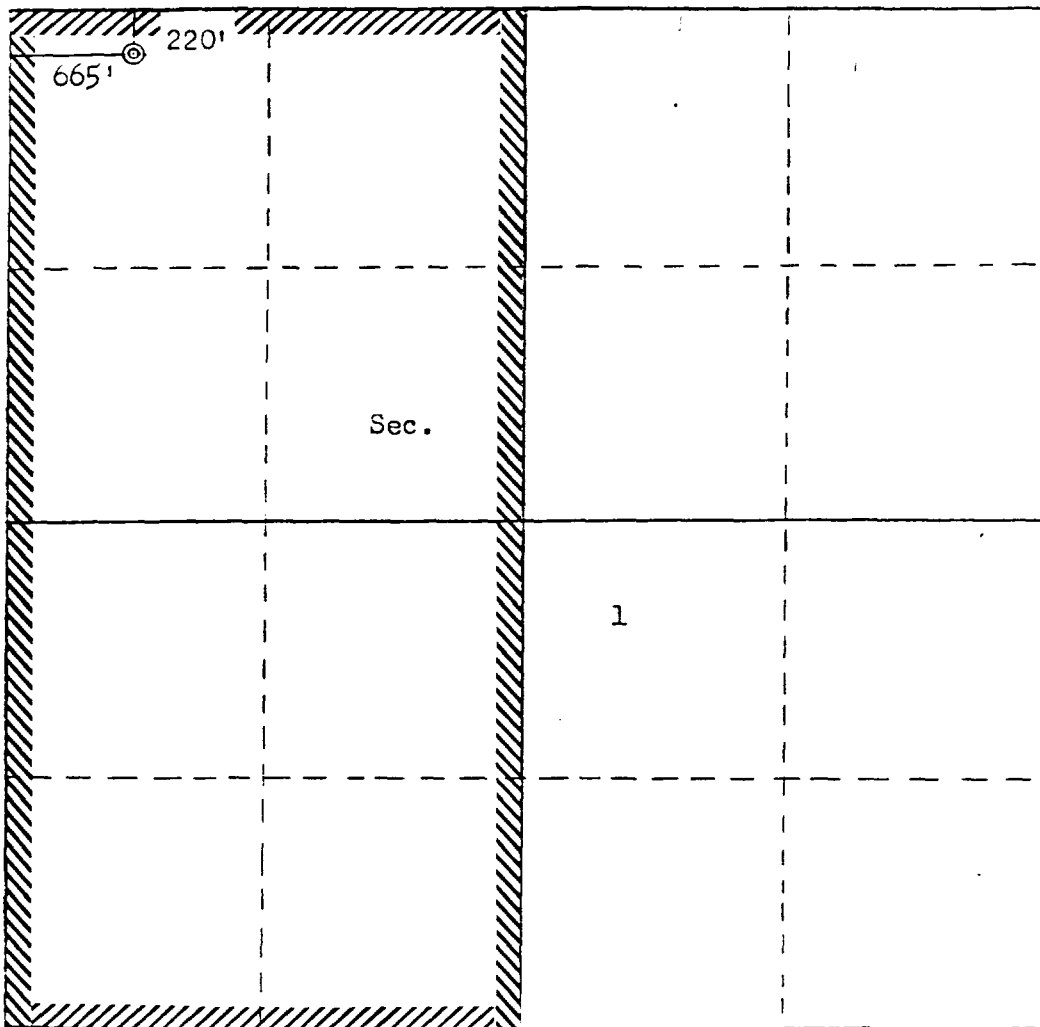
Operator EL PASO NATURAL GAS COMPANY		Lease LUTHY "A" (SF 078622)		Well No. 3
Unit Letter D	Section 1	Township 26N	Range 8W	County San Juan
Actual Footage Location of Well: 220 feet from the North line and 665 feet from the West line				
Ground Level Elev. 6199	Producing Formation Mesa Verde	Pool Blanco	Dedicated Acreage: 321.50 Acres	

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).
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.?

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. Note: well restaked at request of NM Oil Conservation Div. 8-5-85



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Joseph L. Cook

Name
Drilling Clerk

Position
El Paso Natural Gas

Company
Date August 5, 1985

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
August 1, 1985
Registered Professional Engineer and Land Surveyor

Fred B. Kerr Jr.
Fred B. Kerr Jr.

Certificate No. 3950







Luthy A #3
 NW 1-26-8 (MV)



Vicinity Map for
 EL PASO NATURAL GAS COMPANY #3 LUTHY "A"
 22Q 'FNL 665'FWL Sec. 1-T26N-R8W
 SAN JUAN COUNTY, NEW MEXICO

Map #1

LEGEND OF RIGHT-OF-WAYS

- EXISTING ROADS 
- EXISTING PIPELINES 
- EXISTING ROAD & PIPELINE 
- PROPOSED ROADS 
- PROPOSED PIPELINES 
- PROPOSED ROAD & PIPELINE 

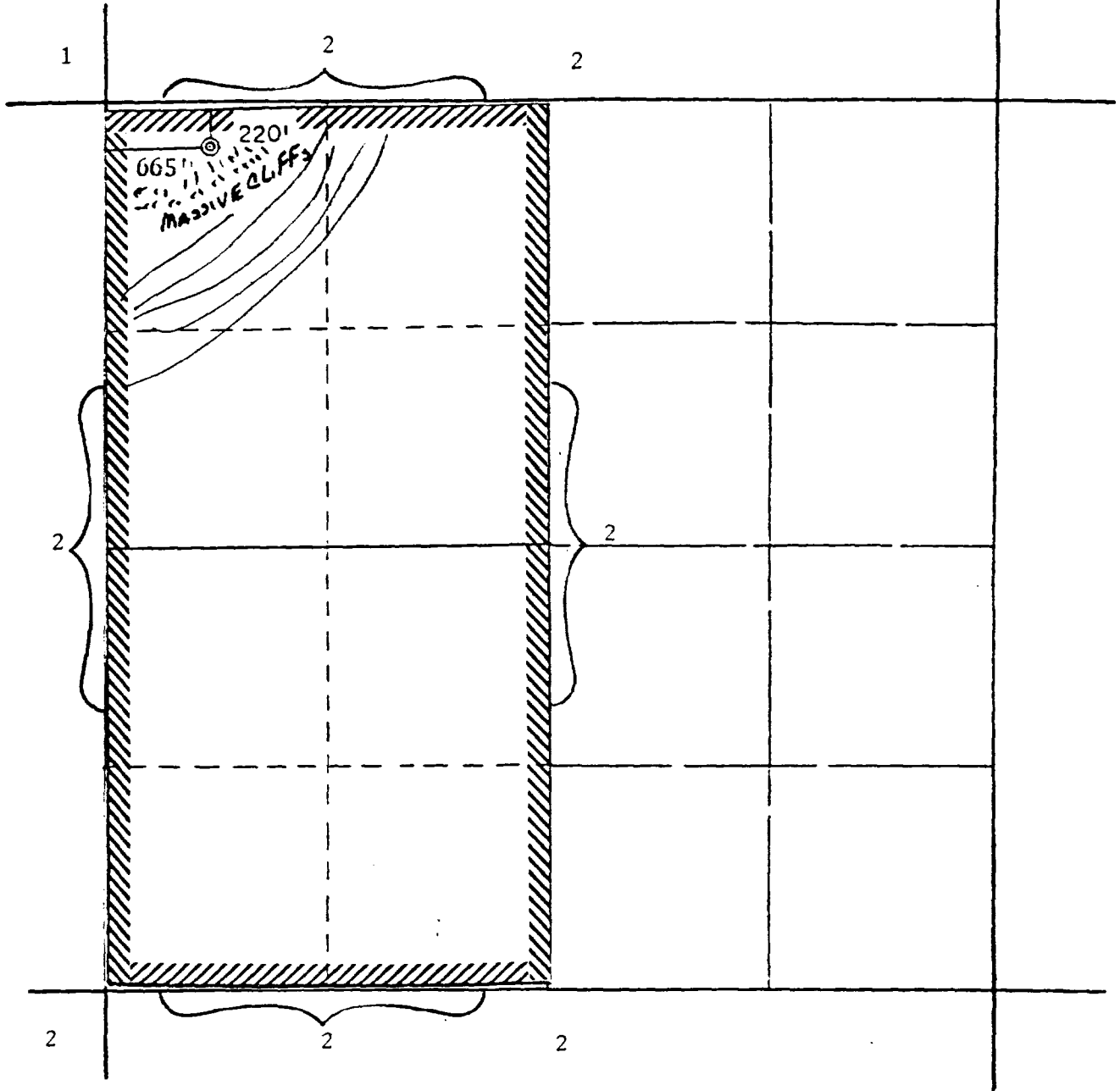
EL PASO NATURAL GAS COMPANY

Well Name Luthy A #3, Blanco Mesaverde

Footage----- 220' FNL, 665' FWL

APPLICATION FOR NON-STANDARD LOCATION

County San Juan State New Mexico Section 1 Township 26N Range 8W



REMARKS:

- (1) Arco Oil & Gas Company
- (2) El Paso Natural Gas Company

(Handwritten initials)