

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on re-
verse side)

Budget Bureau No. 1004-0135
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	3. LEASE DESIGNATION AND SERIAL NO. NM-04075
2. NAME OF OPERATOR ARCO Oil and Gas Company, Division of Atlantic Richfield Co.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME ---
3. ADDRESS OF OPERATOR P. O. Box 1610, Midland, TX 79702	7. UNIT AGREEMENT NAME ---
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 1650' FNL & 1780' FEL	8. FARM OR LEASE NAME C. R. Leeson Ranch
14. PERMIT NO. 30-039-23838	9. WELL NO. ARCO Hill #1
15. ELEVATIONS (Show whether OF, TO, OR FROM SURFACE) 7333' Ground Level	10. FIELD AND POOL, OR WILDCAT W. Lindrith Ga-Da
	11. SEC., T., R., M., OR S.E. AND SURVEY OR AREA 22 - T25N-R3W
	12. COUNTY OR PARISH Rio Arriba
	13. STATE NM

RECEIVED
APR 07 1986
BUREAU OF LAND MANAGEMENT
FEDERAL OIL AND GAS CONSERVATION DISTRICT

Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF	PULL OR ALTER CASING
FRACURE TREAT	MULTIPLE COMPLETE
SHOOT OR ACIDIZE	ABANDON*
REPAIR WELL	CHANGE PLANS
(Other) Flare Produced Gas	XX

SUBSEQUENT REPORT OF:

WATER SHUT-OFF	REPAIRING WELL
FRACURE TREATMENT	ALTERING CASING
SHOOTING OR ACIDIZING	ABANDONMENT*
(Other)	

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

ARCO Oil and Gas Company respectfully requests permission to flare associated gas produced from the subject well until such time as a gas sales contract can be negotiated. Shutting in this well will result in the potential loss of about 90,000 BOE in oil reserves. The flaring of associated gas if continued for the life of the well would result in the loss of only 37,500 BO equivalent. Total initial gas reserves are less than 225 MMCF.

Until a gas contract can be negotiated, the maximum conservation of energy would be to produce the oil (40BOPD) while flaring the gas (100 MCFD). All diligent efforts are being made to arrange an economic gas sales contract. Timing of such a contract being effective is uncertain due to the poor gas market in the area. We request a flaring permit for up to 200 MCFD for an indefinite period of time but with cumulative volume to be flared not to exceed 225 MMSCF of gas. This permission will allow the most efficient use of the energy reserves developed in the ARCO Hill #1 well.

This Approval _____ Expires 6/15/86

Per NTL-4A(IV B (2))

18. I hereby certify that the foregoing is true and correct

SIGNED Stephen Rose

TITLE Prod. Sup.

(This space for Federal or State office use)

APPROVED BY _____
CONDITIONS OF APPROVAL, IF ANY:

TITLE _____
APR 16 1986

OIL CON. DIST. 2

*See Instructions on Reverse Side

NMOCC

