



**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

April 12, 2000

Arch Petroleum, Inc.
c/o James Bruce
P. O. Box 1056
Santa Fe, New Mexico 87504

Telefax No. (505) 982-2151

AMENDED Administrative Order NSL-4419

Dear Mr. Bruce:

Reference is made to your two applications dated April 11, 2000 to amend New Mexico Oil Conservation Division ("Division") Administrative Order NSL-4419, dated March 6, 2000, which order authorized Arch Petroleum, Inc. ("Arch") to drill its Learcy McBuffington Well No. 13 (API No. 30-025-34966) at an unorthodox oil well location 630 feet from the South line and 2530 feet from the East line (Unit O) of Section 13, Township 25 South, Range 37 East, NMPM, Justis-Montoya Pool, Lea County, New Mexico.

It is our understanding while drilling the Learcy McBuffington Well No. 13 Arch experienced problems that resulted in the abandonment of this wellbore. The drilling rig was skidded to the east 20 feet and a replacement wellbore, designated the Learcy McBuffington Well No. 13-Y, was commenced.

This amended application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

By the authority granted me under the provisions of Division Rule 104.F (2), Arch is hereby authorized to continue drilling its Learcy McBuffington Well No. 13-Y (API No. 30-025-35004) at an unorthodox oil well location 630 feet from the South line and 2490 feet from the East line (Unit O) of Section 13. Further, this well is to be dedicated to the standard 40-acre oil spacing and proration unit comprising the SW/4 SE/4 of Section 13.

The original Administrative Order NSL-4419, dated March 6, 2000, is hereby placed in abeyance until further notice.

Sincerely,

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs
File: NSL-4419