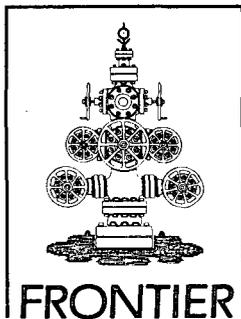


By SPQ

OIL CONSERVATION DIVISION

SEP 10 1984

RECEIVED



750 Bering Drive • Suite 502
Houston, Texas 77057

September 7, 1984

Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

Attn: Mr. Joe Ramey

Gentlemen: **TEST THE FRUITLAND
AND PICTURE CLIFFS FORMATIONS.**

Frontier Energy Corporation hereby requests a non-standard location for the Arboles 20 A-Y, (SW Quarter, Sec 20, Township 32N, Range 4W, 750' FWL & 1525' FSL, Lease #NM-28277, Rio Arriba, County, New Mexico.)

The original well, Arboles 20A, located in the SW Quarter Sec 20, Township 32N Range 4W, 800' FWL & 1525' FSL, Lease #NM-28277, Rio Arriba County, New Mexico was spudded August 11, 1984 with the following results:

Well was spudded August 11th, 1984 - On August 13th, 1984, at a depth of 2222' with a 8-3/4" bit, drill pipe stuck. Backed off. Leaving 10 ea. 6-1/4" drill collars, 6 ea. - joints of 4" drill pipe and 8-3/4" drill bit. Washed over fish 120' - Ran Jars - screwed into fish - could not jar fish loose. Could not get inside fish to back off. Placed plug from 1795' to 1533' - dressed off top of plug to 1563'. Drilled off plug with 2° bent sub - Nacimiento zone, started heaving shale - rig equipment not capable of cleaning hole. Pulled out of hole and contractor moved rig.

Note: Cement plug down August 20th, 1984 - 160 cu. ft. of class B 2% cal. caloride.

Contractor - shut down and began moving out August 24th, 1984, operator will plug well on or about September 3rd, 1984, full report to follow.

**NSL-#1932
RULE 104FI
Release Sept. 27, 1984
Federal Lease**

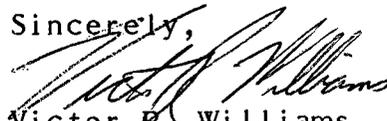
Page 2
Arboles 29 A-Y

United States Forest Ranger, Henry Brill & Phil Settles formerly requested that the new well Arboles 20 A-Y be spudded to the West of the original well Arboles 20A.

Mature stands of Ponderosa Pines to the South, a forest road system to the East and topographic considerations to the North dictated the order by the Forest Service to move to the West. Therefore, the Arboles 20 A-Y was moved 50' West of the Arboles 20A. The Arboles 20 A-Y was spudded at 9:30 P.M., August 28, 1984 by Young Drilling Company.

Attached is a map showing Frontier Energy Corporation's lease ownership in the general area. Gulf Oil Corporation owns Section 19 immediately West of Section 20. Also attached is a letter to Gulf Oil Corporation requesting waiver of objection.

Sincerely,



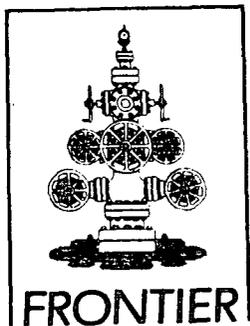
Victor R. Williams
President &
Chief Executive Officer

RLM/bd
Enclosures

cc: Oil Conservation Division
1000 Rio Brazos
Aztec, New Mexico 87401

Attn: Mr. Erny Busch

FEC/223/84



FRONTIER
750 Bering Drive • Suite 502
Houston, Texas 77057

September 7, 1984

Gulf Oil Corp
P.O. Box 1150
Midland, Texas 79701

Attention: Dave Messer
Manager of Land

Gentlemen:

A waiver of objection is requested for the drilling of a Non-Standard location by Frontier Energy Corporation for well 20 A-Y located in the SW Quarter, Section 20, Township 32N, Range 4W, 750' FWL and 1525' FSL, Lease #NM-28277, Rio Arriba County, New Mexico, which is adjacent to a lease held by Gulf Oil Corporation Section 19, Township 32N, Range 4W, Rio Arriba County, New Mexico.

Frontier Energy Corporation drilled Arboles 20 A in the same Quarter 800' FWL and 1525' FSL to 2222', but the well had to be abandoned due to mechanical difficulties.

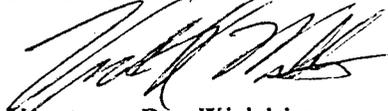
As explained in the attached letter to the Oil Conservation Division, Santa Fe, New Mexico the location had to be moved 50' to the west to be redrilled, locating the replacement well, Arboles 20 A-Y, 750' from the section line of Section 19 requiring a waiver of objection from Gulf Oil Corporation. If you are in agreement with this waiver please sign & return one copy of this letter to us for our files.

PAGE 2
Arboles 20 A-Y

Your cooperation and assistance in this matter will be greatly appreciated.

Very truly yours,

FRONTIER ENERGY CORPORATION



Victor R. Williams
President &
Chief Executive Officer

RLM/bd
Enclosures

Objection Waived By Gulf Oil Corporation

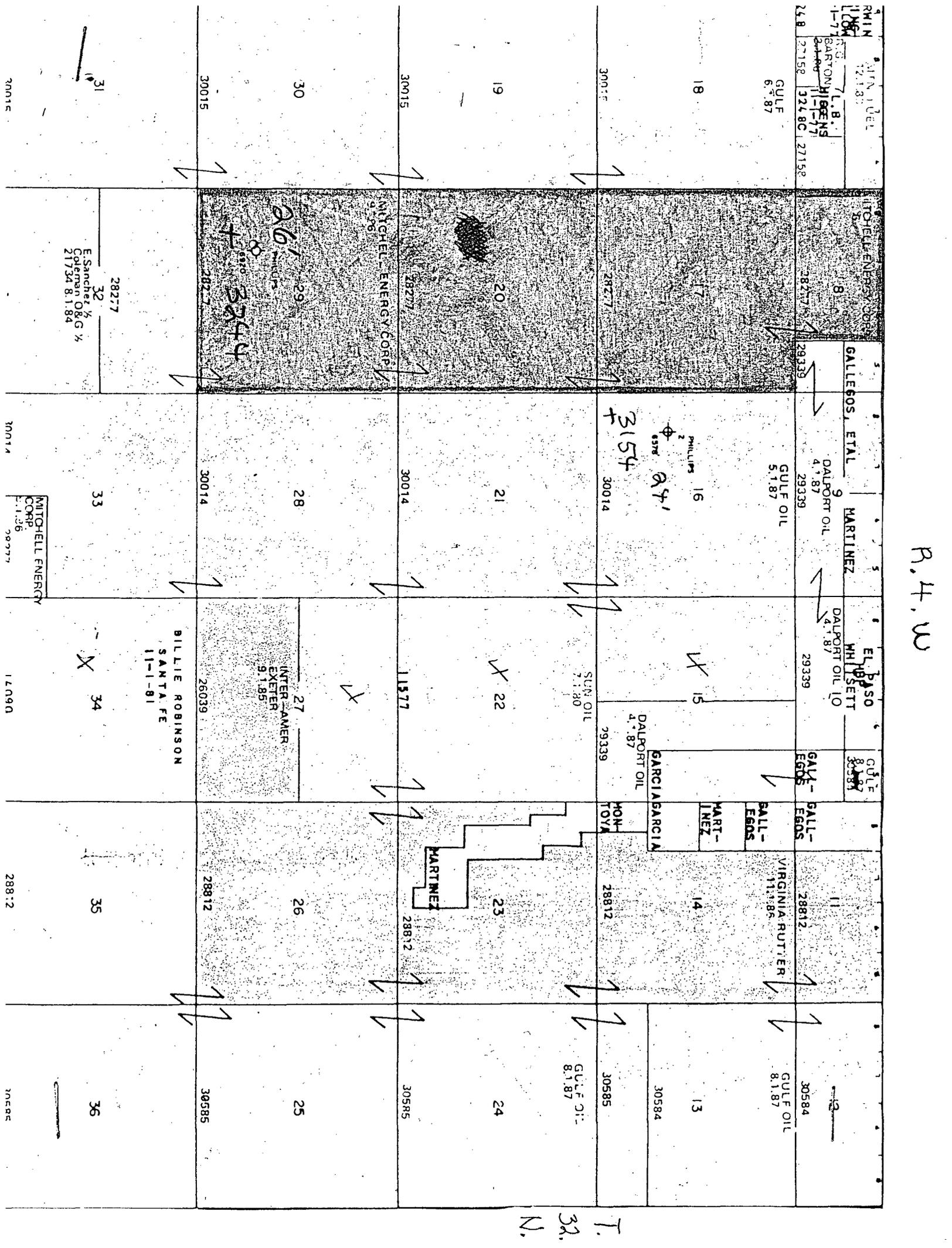
Signed: _____
Gulf Oil Corporation

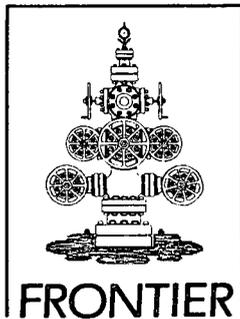
Date: _____

FEC/221/84

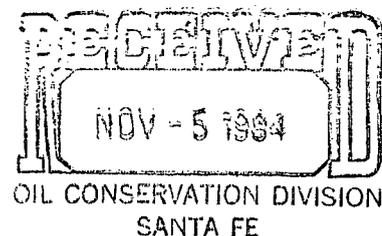
R. L. W

T. N. 32.





750 Bering Drive • Suite 502
Houston, Texas 77057



November 1, 1984

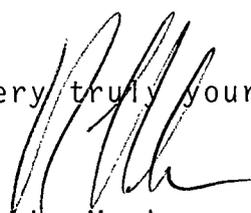
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Joe Ramey

Gentlemen:

With reference to our letter dated September 7, 1984 requesting a non-standard location for well Arboles 20A1Y and our phone conversation of November 1, 1984, enclosed herewith are three copies of Form C-102 for subject well.

Very truly yours,


R. L. Marker
Operations Coordinator

RLM/mch
Enclosures
FEC/297/84

cc: Oil Conservation Division
1000 Rio Brazos
Aztec, New Mexico, 87401
Attn: Mr. Erny Busch

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

P. O. BOX 2048

SANTA FE, NEW MEXICO 87501

Form C-107
Revised 10-1-75

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

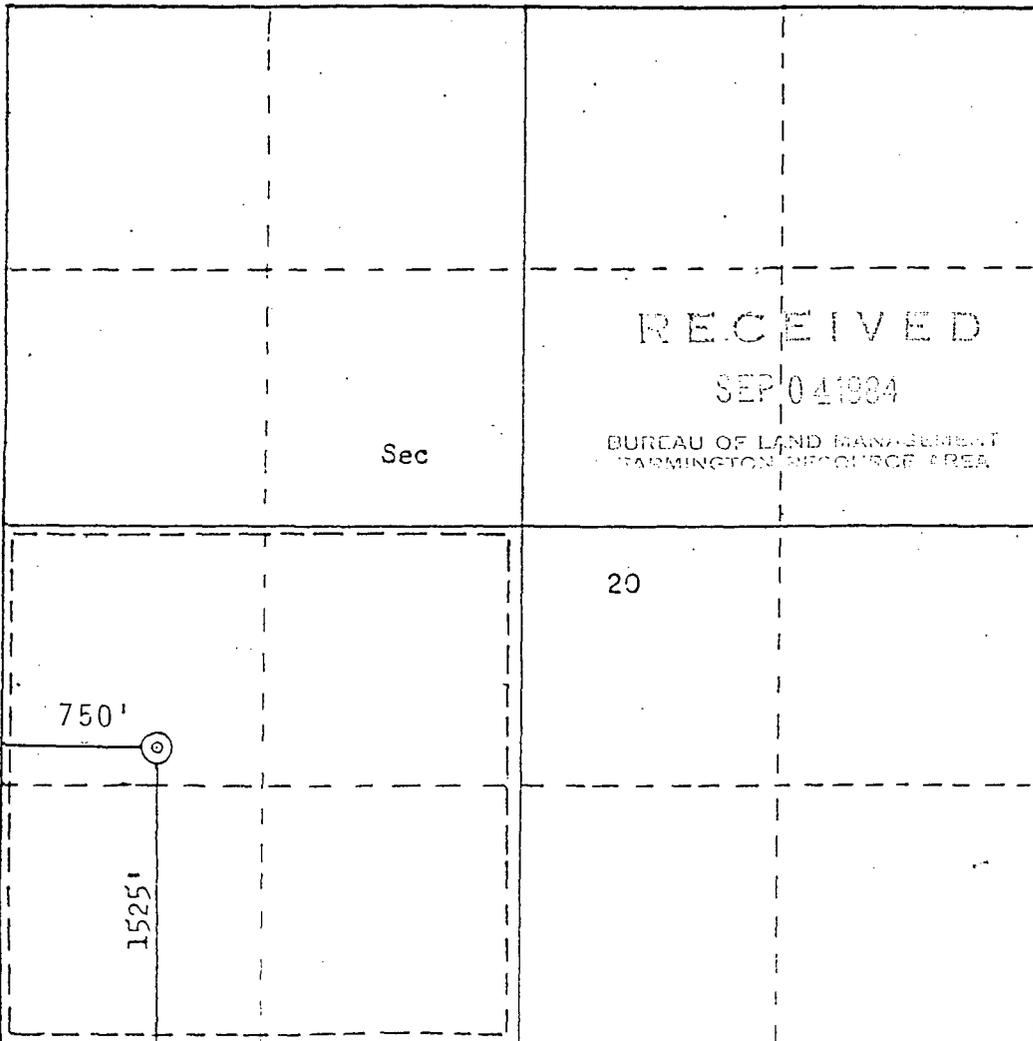
Operator Frontier Energy Corporation		Lease Arboles			Well No. 20-A-Y
Unit Letter L	Section 20	Township 32N	Range 14W	County Rio Arriba	
Actual Footage Location of Well: 1525 feet from the South line and 750 feet from the West line					
Ground Level Elev: 7402	Producing Formation Fruitland		Pool Wildcat	Dedicated Acreage: 160 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.



CERTIFICATION

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

Name David W. Hatchett
Position VP - Operations
Company Frontier Energy Corporation
Date August 20, 1984

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
Registered Professional Engineer and Land Surveyor <i>Fred B. Kert Sr.</i> Fred B. Kert Sr.
Certificate No. 4800 3950

Scale: 1"=1000'