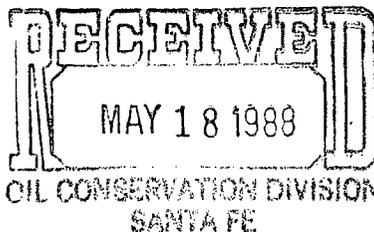


Release Date: June 6, 1988

By DOR



Union Texas Petroleum



375 U.S. Highway 64  
Farmington, New Mexico 87401  
Telephone (505) 325-3587

May 11, 1988

Mr. William J. LeMay  
N. M. Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501-2088

Re: Payne 3M  
1610' FNL & 580' FEL  
Section 20-T32N-R10W  
San Juan County, NM

NSL-2532  
RULE-104 F(I)  
Dual Completion  
Blanco Mesaverde - Basin Dakota  
320 Acres clud.  
1/2 Sec 20

Dear Mr. LeMay:

Union Texas Petroleum requests administrative approval of an unorthodox location for a Blanco Mesaverde/Basin Dakota dual completion. The basis for our request is for topographic reasons, and this well will be a replacement well for the Payne 3 Mesaverde.

The offset operators, which have been notified of our intentions, are Meridian Oil, Inc., Northwest Pipeline Corp., Tenneco Oil Company, Southland Royalty Company (Meridian), and Mesa LTD Partnership. A copy of their letters is attached for your review.

If I may be of any further assistance, please advise.

Very truly yours,

Robert C. Frank  
Permit Coordinator

RCF:lmg  
attachments

cc: E. Busch/NMOCD



Union Texas Petroleum

375 U.S. Highway 64  
Farmington, New Mexico 87401  
Telephone (505) 325-3587

May 11, 1988

Operations Manager  
Meridian Oil, Inc.  
P. O. Box 4289  
Farmington, NM 87499

Re: Payne 3M  
1610' FNL & 580' FEL  
Section 20-T32N-R10W  
San Juan County, NM

Dear Sir:

Union Texas Petroleum desires to drill a Blanco Mesaverde/Basin Dakota dual completion at an unorthodox location of 1610' FNL & 580' FEL. A standard location is not possible due to topography.

As an offset operator we are required to notify you of our intentions. If you do not approve of our proposal, you have twenty days from this date to notify the Director of the Oil Conservation Division in Santa Fe, New Mexico. If you are in accord with our proposal, please acknowledge by signing and returning one copy of this letter to Union Texas Petroleum at your earliest convenience.

Very truly yours,

Robert C. Frank  
Permit Coordinator

Acknowledgement:

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Title



Union Texas Petroleum

375 U.S. Highway 64  
Farmington, New Mexico 87401  
Telephone (505) 325-3587

May 11, 1988

Operations Manager  
Northwest Pipeline Corp.  
3539 East 30th Street  
Farmington, NM 87401

Re: Payne 3M  
1610' FNL & 580' FEL  
Section 20-T32N-R10W  
San Juan County, NM

Dear Sir:

Union Texas Petroleum desires to drill a Blanco Mesaverde/Basin Dakota dual completion at an unorthodox location of 1610' FNL & 580' FEL. A standard location is not possible due to topography.

As an offset operator we are required to notify you of our intentions. If you do not approve of our proposal, you have twenty days from this date to notify the Director of the Oil Conservation Division in Santa Fe, New Mexico. If you are in accord with our proposal, please acknowledge by signing and returning one copy of this letter to Union Texas Petroleum at your earliest convenience.

Very truly yours,

  
Robert C. Frank  
Permit Coordinator

Acknowledgement:

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\_\_\_\_\_  
Title



**Union Texas Petroleum**

375 U.S. Highway 64  
Farmington, New Mexico 87401  
Telephone (505) 325-3587

May 11, 1988

Operations Manager  
Mesa LTD Partnership  
P. O. Box 579  
Flora Vista, Nm 87415

Re: Payne 3M  
1610' FNL & 580' FEL  
Section 20-T32N-R10W  
San Juan County, NM

Dear Sir:

Union Texas Petroleum desires to drill a Blanco Mesaverde/Basin Dakota dual completion at an unorthodox location of 1610' FNL & 580' FEL. A standard location is not possible due to topography.

As an offset operator we are required to notify you of our intentions. If you do not approve of our proposal, you have twenty days from this date to notify the Director of the Oil Conservation Division in Santa Fe, New Mexico. If you are in accord with our proposal, please acknowledge by signing and returning one copy of this letter to Union Texas Petroleum at your earliest convenience.

Very truly yours,

Robert C. Frank  
Permit Coordinator

Acknowledgement:

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Title



Union Texas Petroleum

375 U.S. Highway 64  
Farmington, New Mexico 87401  
Telephone (505) 325-3587

May 11, 1988

Operations Manager  
Tenneco Oil Company  
P. O. Box 3249  
Englewood, CO 80155

Re: Payne 3M  
1610' FNL & 580' FEL  
Section 20-T32N-R10W  
San Juan County, NM

Dear Sir:

Union Texas Petroleum desires to drill a Blanco Mesaverde/Basin Dakota dual completion at an unorthodox location of 1610' FNL & 580' FEL. A standard location is not possible due to topography.

As an offset operator we are required to notify you of our intentions. If you do not approve of our proposal, you have twenty days from this date to notify the Director of the Oil Conservation Division in Santa Fe, New Mexico. If you are in accord with our proposal, please acknowledge by signing and returning one copy of this letter to Union Texas Petroleum at your earliest convenience.

Very truly yours,

Robert C. Frank  
Permit Coordinator

Acknowledgement:

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---

Title



**Union Texas Petroleum**

375 U.S. Highway 64  
Farmington, New Mexico 87401  
Telephone (505) 325-3587

May 11, 1988

Operations Manager  
Southland Royalty Company  
c/o Meridian Oil, Inc.  
P. O. Box 4289  
Farmington, NM 87499

Re: Payne 3M  
1610' FNL & 580' FEL  
Section 20-T32N-R10W  
San Juan County, NM

Dear Sir:

Union Texas Petroleum desires to drill a Blanco Mesaverde/Basin Dakota dual completion at an unorthodox location of 1610' FNL & 580' FEL. A standard location is not possible due to topography.

As an offset operator we are required to notify you of our intentions. If you do not approve of our proposal, you have twenty days from this date to notify the Director of the Oil Conservation Division in Santa Fe, New Mexico. If you are in accord with our proposal, please acknowledge by signing and returning one copy of this letter to Union Texas Petroleum at your earliest convenience.

Very truly yours,

Robert C. Frank  
Permit Coordinator

Acknowledgement:

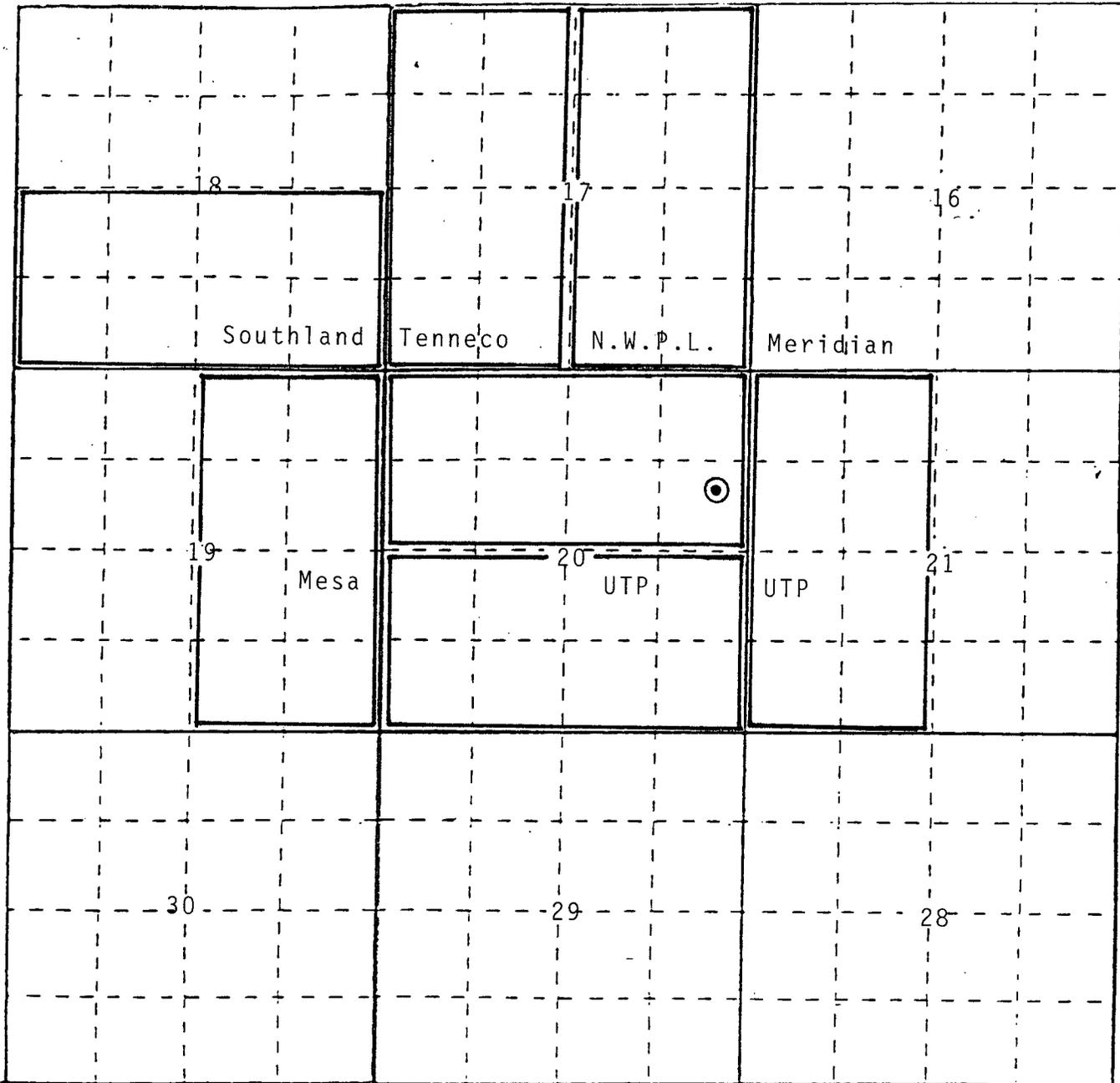
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Title







R10W

Payne 3-M  
1610'FNL&580'FEL  
Section 20 T32N R10W



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

RECEIVED  
OIL CONSERVATION DIVISION  
AZTEC DISTRICT OFFICE  
MAY 25 1988

1000 RIO BRAZOS ROAD  
AZTEC, NEW MEXICO 87410  
(505) 334-6178

OIL CONSERVATION DIVISION  
BOX 2088  
SANTA FE, NEW MEXICO 87501

DATE 5-17-88

- RE: Proposed MC \_\_\_\_\_
- Proposed DIIC \_\_\_\_\_
- Proposed NSL  \_\_\_\_\_
- Proposed SWD \_\_\_\_\_
- Proposed WFX \_\_\_\_\_
- Proposed PMX \_\_\_\_\_

Gentlemen:

I have examined the application dated 5-17-88  
 for the Alvira Texas Petroleum Corp. Payne # 311 14-20-32N-10W  
 Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approved  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Yours truly,

[Signature]  
 \_\_\_\_\_