

BENSON-MONTIN-GREER DRILLING CORP.

221 PETROLEUM CENTER BUILDING, FARMINGTON, NM. 87401 505-325-8874

June 13, 1989

RECEIVED

JUN 15 1989

OIL CONSERVATION DIV.
SANTA FE

New Mexico Oil Conservation Division
Department of Energy and Minerals
P.O. Box 2088
Santa Fe, NM 87504

Re: REQUEST FOR ADMINISTRATIVE APPROVAL
OF UNORTHODOX LOCATION:
WEST PUERTO CHIQUITO MANCOS POOL
CANADA OJITOS UNIT #43 (H-8)
SE/4 NE/4 SECTION 8, T-26N, R-1W
1632' FNL, 1139' FEL

*No Other Wells in
Unit*

Gentlemen:

Benson-Montin-Greer Drilling Corp., operator of the Canada Ojitos Unit, hereby requests under Rule 4 of the Pool Rules (Order R-6469-A, and as further amended) administrative approval of the captioned unorthodox location.

All offsetting sections are within the participating area of the Canada Ojitos Unit and so there are no offset operators to notify.

The proration unit for the subject well lies within the Santa Fe National Forest. The reason for the unorthodox location is topography: topography influences the preservation of the natural and cultural resources by the roads and excavation necessary for the location.

These considerations are recognized by review of the topography as shown by the two enclosed copies of topographic maps. One map, from the Canada Ojitos Unit 7-1/2 minute quadrangle (scale 2.64" per mile, C.I. 20') shows the south half of Section 8, T-26N, R-1W in which the topography is clearly unsuitable for a location at the orthodox "windows" in either the SE/4 or SW/4.

The north half of Section 8 is shown on the Los Indios 7-1/2 minute quadrangle (scale 2.64" per mile, C.I. 20'). The NW window is in a topographically undesirable location from the standpoint of excavation and the window in the NE/4 of Section 8 is

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BENSON-MONTIN-GREER DRILLING CORP.

New Mexico Oil Conservation Division

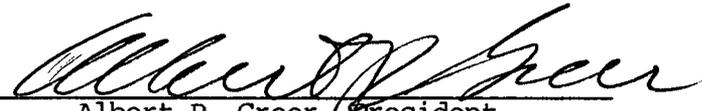
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June 13, 1989

too far out in an open meadow and would result in undesirable visual impact. The Forest Service landscape architect has, however, approved the unorthodox location which we are requesting here. This location is identified with a circle in the NE/4 of Section 8.

Yours truly,

BENSON-MONTIN-GREER DRILLING CORP.

BY:


Albert R. Greer, President

ARG/tlp

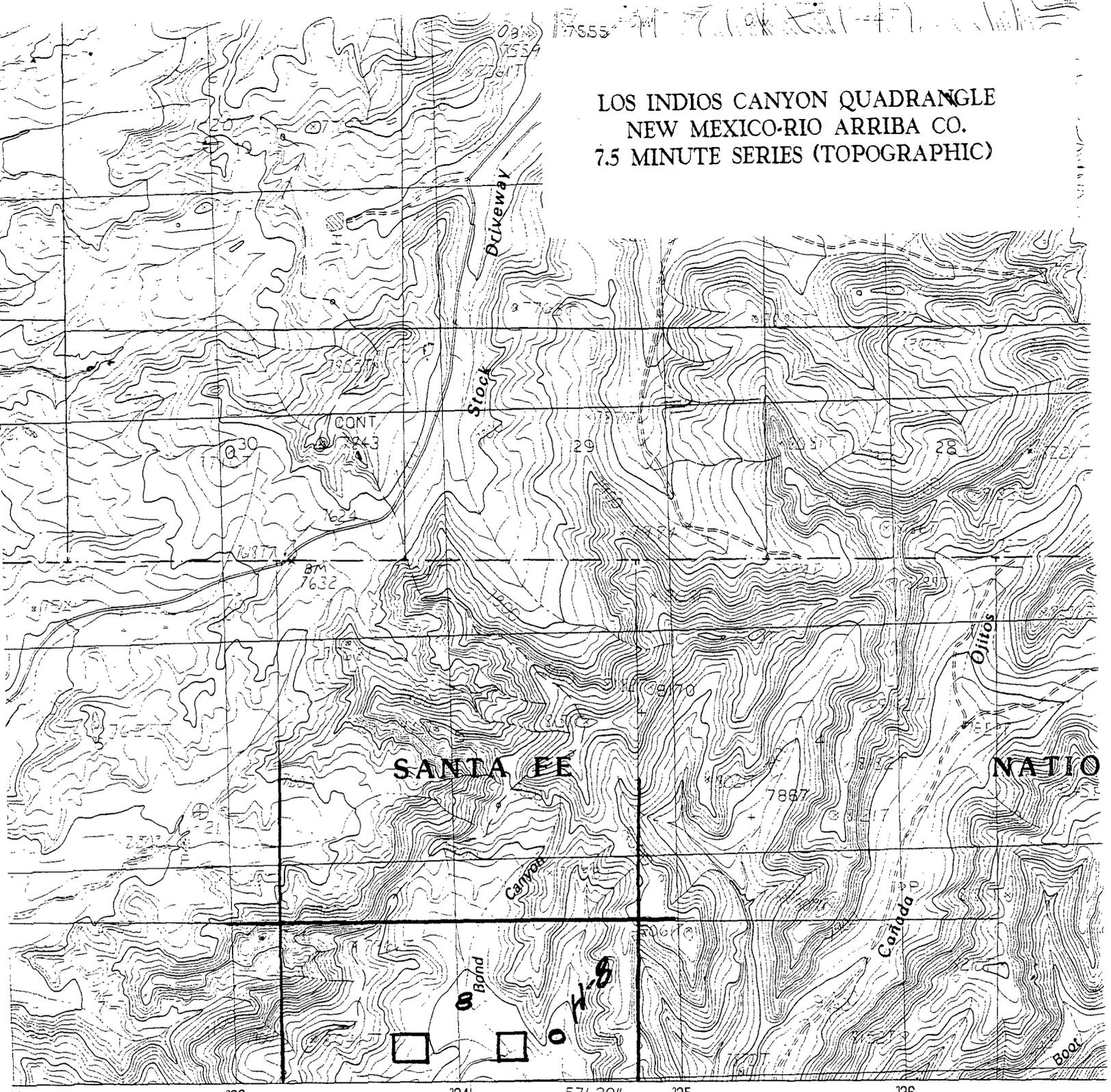
Enclosures

cc: Frank T. Chavez, NMOCD, Aztec



CAÑADA OJITOS QUADRANGLE
NEW MEXICO-RIO ARRIBA CO.
75 MINUTE SERIES (TOPOGRAPHIC)

LOS INDIOS CANYON QUADRANGLE
 NEW MEXICO-RIO ARRIBA CO.
 7.5 MINUTE SERIES (TOPOGRAPHIC)

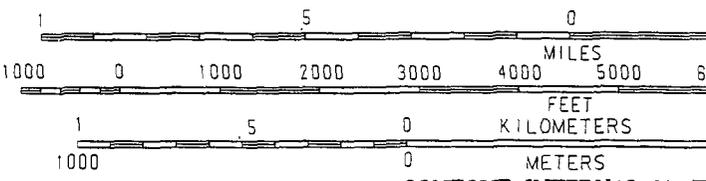


TOPOGRAPHICAL SURVEY
 USGS, NOS/NOAA
 1976
 1983
 TRANSVERSE MERCATOR
 PROJECTION ZONE 13
 GCS NAD 83, CENTRAL ZONE
 1°09' WEST
 12' EAST
 VERTICAL DATUM OF 1929
 WITH AMERICAN DATUM
 and Datum of 1983,
 dashed corner ticks

the boundaries of any
 map
 established
 and positioned by

PROVISIONAL MAP
 Produced from original
 manuscript drawings. Informa-
 tion shown as of date of
 field check. 3

SCALE 1:24 000



CONTOUR INTERVAL 20 FEET
 DASHED LINES REPRESENT 10-FOOT

THIS MAP COMPLIES WITH NATIONAL MAP ACCURACY STANDARDS
 FOR SALE BY U.S. GEOLOGICAL SURVEY, DENVER OFFICE
 OR RESTON, VIRGINIA 22092

non-standard unit within 30 days after the Director received the application.

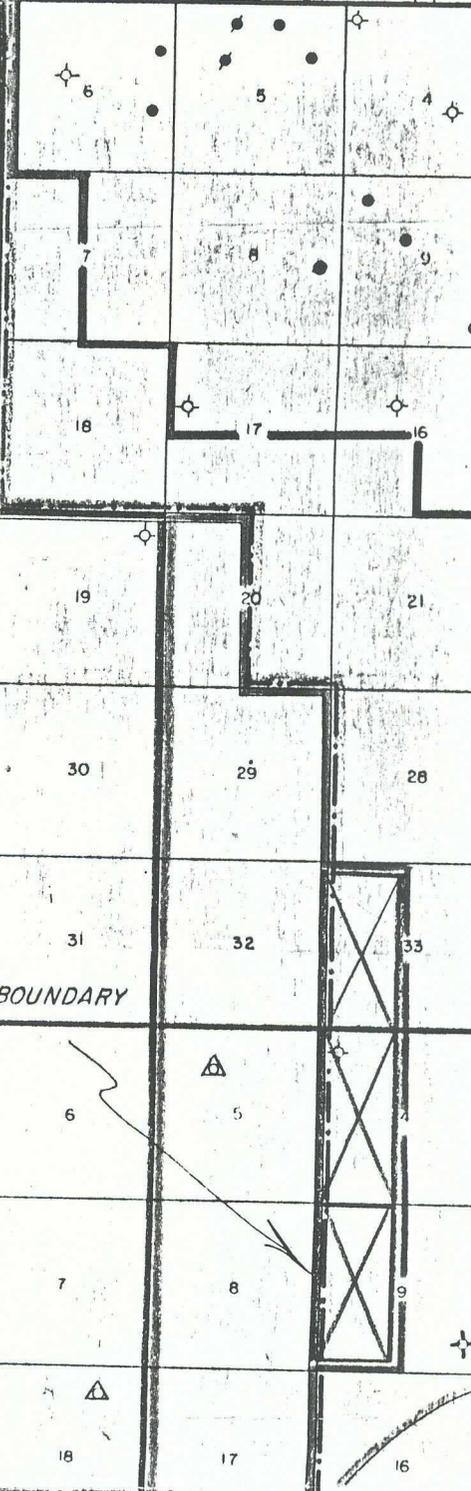
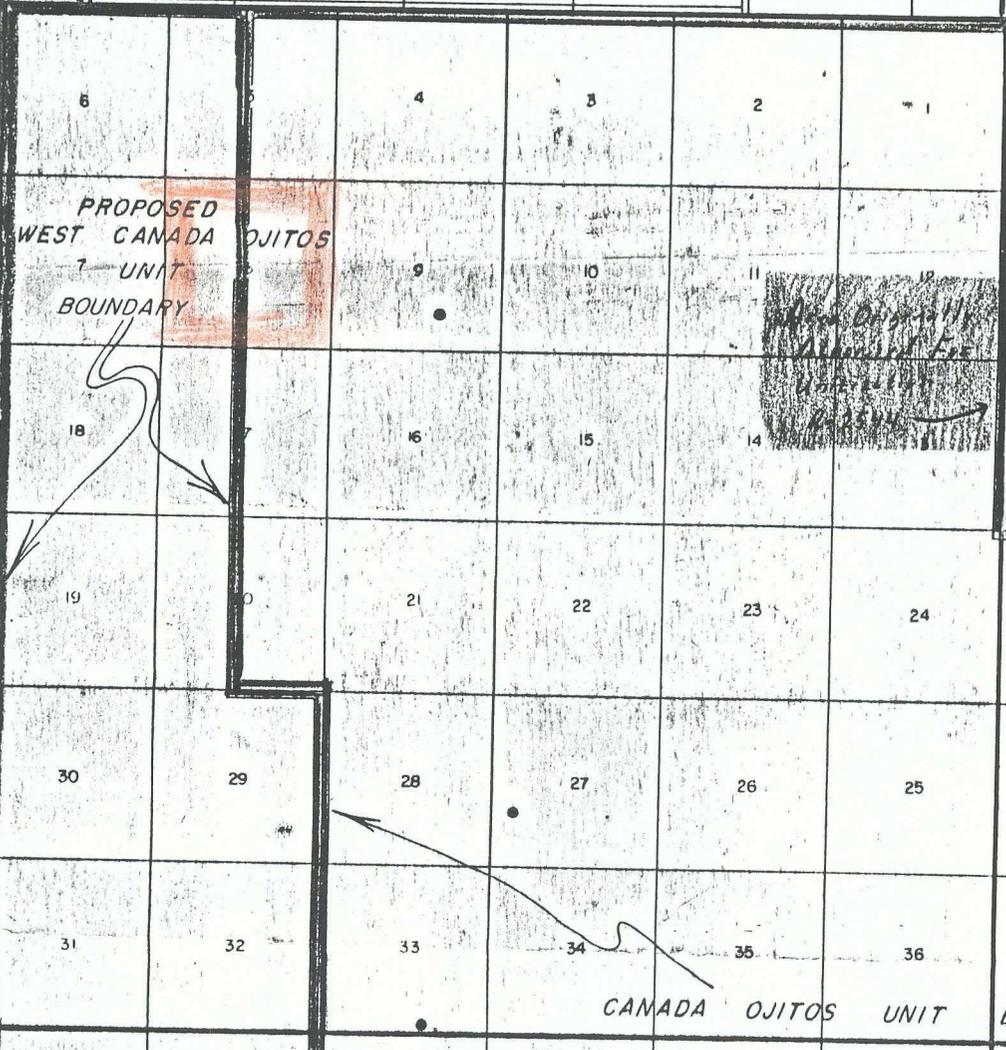
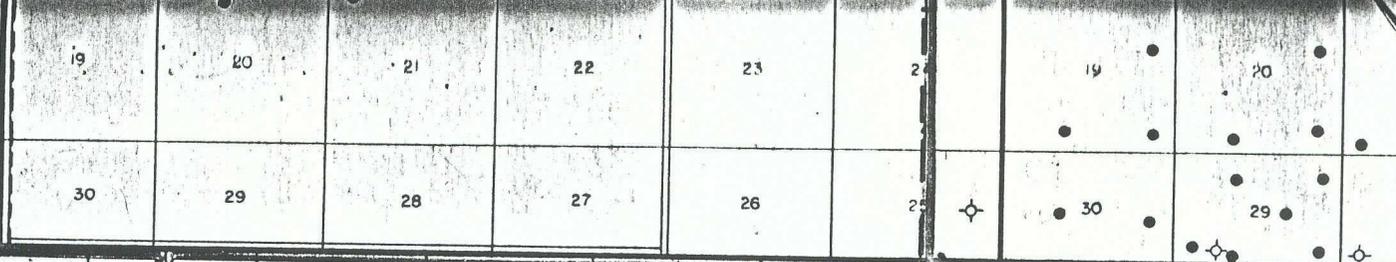
RULE 4. (a) Each well completed or recompleted in the West Puerto Chiquito-Mancos Oil Pool shall be located no nearer than 1650 feet to the outer boundary of the proration unit nor closer than 330 feet to a quarter section line, provided however, that, with the exception of those areas as described in Rule 5 below, nothing contained herein shall be construed as permitting the drilling of more than one well on a spacing or proration unit.

(b) The operator of each well projected to and completed in the West Puerto Chiquito-Mancos Oil Pool shall conduct deviation tests on such well to determine the deviation from the vertical at least once each 500 feet or at the first bit change succeeding 500 feet. A tabulation of all deviation tests run, sworn to and notarized, shall be filed with Form C-104, Request for Allowable and Authorization to Transport Oil and Gas.

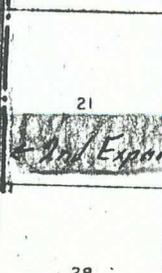
(c) If the total deviation, assumed in a constant direction, indicates a horizontal displacement of the lowermost perforation, or the bottom of the hole in the case of an open-hole completion, of more than 330 feet from the surface location, no allowable shall be approved for the well unless a directional survey approved by the Division Director establishes a horizontal displacement of 330 feet or less, or unless the well has been approved for production, subject to a possible production penalty; after notice and hearing.

RULE 5. The Division Director may grant an exception to the surface location requirements of Rule 4 (a) without notice and hearing when an application has been filed for an unorthodox location necessitated by topographical conditions or the recompletion of a well previously drilled to another horizon. All operators offsetting the proposed unorthodox location shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Division Director may approve the application upon receipt of written waivers of objection from all operators or if no objection is received from any offsetting operator within 20 days after receipt of the application and written waivers have been received from all offset operators whose lands are being "crowded" either directly or diagonally by the proposed unorthodox location.

RULE 6. (a) A second well may be drilled on any proration unit which lies within the following described



Boundary of East Puerto Chiquito Mar





STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
 OIL CONSERVATION DIVISION
 AZTEC DISTRICT OFFICE

GARREY CARRUTHERS
 GOVERNOR

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

Date: 7-7-89

NSL-2673

Oil Conservation Division
 P.O. Box 2088
 Santa Fe, NM 87504-2088

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JUL 12 1989

OIL CONSERVATION DIV.
 SANTA FE

Re: Proposed MC _____
 Proposed DHC _____
 Proposed NSL _____
 Proposed SWD _____
 Proposed WFX _____
 Proposed PMX _____

Gentlemen:

I have examined the application dated 6-15-89
 for the Reuser-Martin Green COLL#43 (H-8)
 Operator Lease & Well No.

H-8-26N-1W and my recommendations are as follows:
 Unit, S-T-R

Approved

Yours truly,

Eric Busch