



OIL CONSERVATION DIVISION  
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*Copy Sent to E. Borsch  
10/11/90*

October 5, 1990

518 17th St., Suite 1030  
Denver, Colorado 80202  
(303) 571-4220

State of New Mexico  
Energy, Minerals and Natural Resources Dept.  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87504

*OK'ed*

Attn: William J. Lemay

Re: Unorthodox Location  
Marron W.N. Federal Com No. 9  
NE Sec. 27, T27N, R8W  
San Juan County, NM

Gentlemen:

Maralex Resources, Inc. (Maralex) hereby submits the following application in triplicate for an unorthodox location for the subject well. Maralex is concurrently submitting an application for permit to drill (see Attachment No. 1) the subject well with the Bureau of Land Management.

The proposed well is located 1760' from the north line and 360' from the east line of Section 27. Attachment No. 2 is a completed C-102. An orthodox location for the well could not be found in the northeast quarter of Section 27 due to the topography and an existing pipeline. Directional drilling of the well is not feasible due to the shallow total depth and the distance from a legal location to the surface location required due to the above mentioned cause.

Topographic obstructions, as shown on Attachment No. 3 include steep slopes and cliff faces from Blanco Mesa into Largo Canyon. There do not appear to be any existing wells within the orthodox location window in this quarter section.

Attachment No. 4 shows existing wells in the area and all offset operators. To the best of our knowledge, the information on this map is current and correct. None of the offsetting wells are currently producing from the Basin Fruitland Coal pool.

By copy of this letter sent through certified mail, the offset operators are being notified of this application for unorthodox location. They are being requested to return to the NMOCD an executed waiver of objections to the unorthodox

location that is provided at the end of this letter. Maralex will submit to the NMOCD the return receipt cards signifying receipt by the offset operators of this notification as soon as they are returned to us.

By virtue of our purchase of ARCO's operating rights to the Fruitland Formation in all of Township 27 North, Range 8 West, San Juan County, New Mexico, Maralex is now the operator of the shallow rights designated under ARCO on Attachment No. 4.

Please call me at (303) 571-4220 at your earliest convenience if any additional information is required for processing of this application.

Sincerely,



A. M. O'Hare, P.E.  
President  
Maralex Resources, Inc.

cc: Great Lakes Chemical, Certified  
Western Oil & Minerals Ltd., Certified  
Meridian Oil Production, Co., Certified  
Ibex Partnership, Certified  
Bureau of Land Management,  
Farmington Resource Area

If you have no objection to the proposed unorthodox location, please sign the waiver below and forward to the NMOCD in the envelop provided.

WE HEREBY WAIVE OUR RIGHT TO OBJECT TO THE UNORTHODOX LOCATION PROPOSED IN THIS APPLICATION BY MARALEX RESOURCES, INC.

\_\_\_\_\_  
Company Name

BY: \_\_\_\_\_

Date: \_\_\_\_\_

Attachments

Attachment No. 1  
**UNITED STATES**  
**DEPARTMENT OF THE INTERIOR**  
**BUREAU OF LAND MANAGEMENT**

**SUBMIT IN TRIPPLICATE\***  
(Other instructions on reverse side)

Form approved.  
Budget Bureau No. 1004-0136  
Expires August 31, 1985

**APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK**

1a. TYPE OF WORK  
**DRILL**       **DEEPEN**       **PLUG BACK**

b. TYPE OF WELL  
 OIL WELL       GAS WELL       OTHER       SINGLE ZONE       MULTIPLE ZONE

2. NAME OF OPERATOR  
 Maralex Resources, Inc.

3. ADDRESS OF OPERATOR  
 518 17th Street, Suite 1030, Denver, CO 80202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*  
 At surface 1760 FNL and 360 FEL (Unit Letter H)  
 At proposed prod. zone Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 Approximately 17 miles southeast of Blanco, NM

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 360'

16. NO. OF ACRES IN LEASE 2560'

17. NO. OF ACRES ASSIGNED TO THIS WELL 320

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 280'

19. PROPOSED DEPTH 2350'

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6086 GR, 6099 KB

22. APPROX. DATE WORK WILL START\* November 1, 1990

5. LEASE DESIGNATION AND SERIAL NO.  
 SF 078478

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
 None

7. UNIT AGREEMENT NAME  
 -----

8. FARM OR LEASE NAME  
 Marron W.N. Federal Com

9. WELL NO.  
 9

10. FIELD AND POOL, OR WILDCAT  
 Basin Fruitland Coal

11. SEC., T., E., M., OR BLE. AND SURVEY OR AREA  
 Sec. 27, T27N, R8W

12. COUNTY OR PARISH San Juan

13. STATE New Mexico

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	23# J-55	300'	248 cuft/210 sx Class B w/2% CaCl <sub>2</sub>
7-7/8"	5-1/2"	23# J-55	2350'	370 cuft/300 sx 50:50 POZ w/2" gel
				118 cuft/100 sx Class B neat tail

Maralex Resources, Inc. proposes to drill a 12-1/4" hole to 300' using a native fresh water mud. The 8-5/8" surface string will be cemented back to surface. Casing will then be drilled out with a 7-7/8" bit using a low solids, non-dispersed fresh water mud. Upon reaching TD, a full suite of open hole logs will be run and 5-1/2" production casing will be set and cemented back to surface. In accordance with "On Shore Oil and Gas Order #1" attached is the Drilling Plan and Surface Use Plan that we will follow in drilling the subject well.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED A. M. O'Hare TITLE President DATE 10/5/90

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

**\*See Instructions On Reverse Side**

Submit to Appropriate  
District Office  
State Lease - 4 copies  
Fee Lease - 3 copies

**OIL CONSERVATION DIVISION**

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

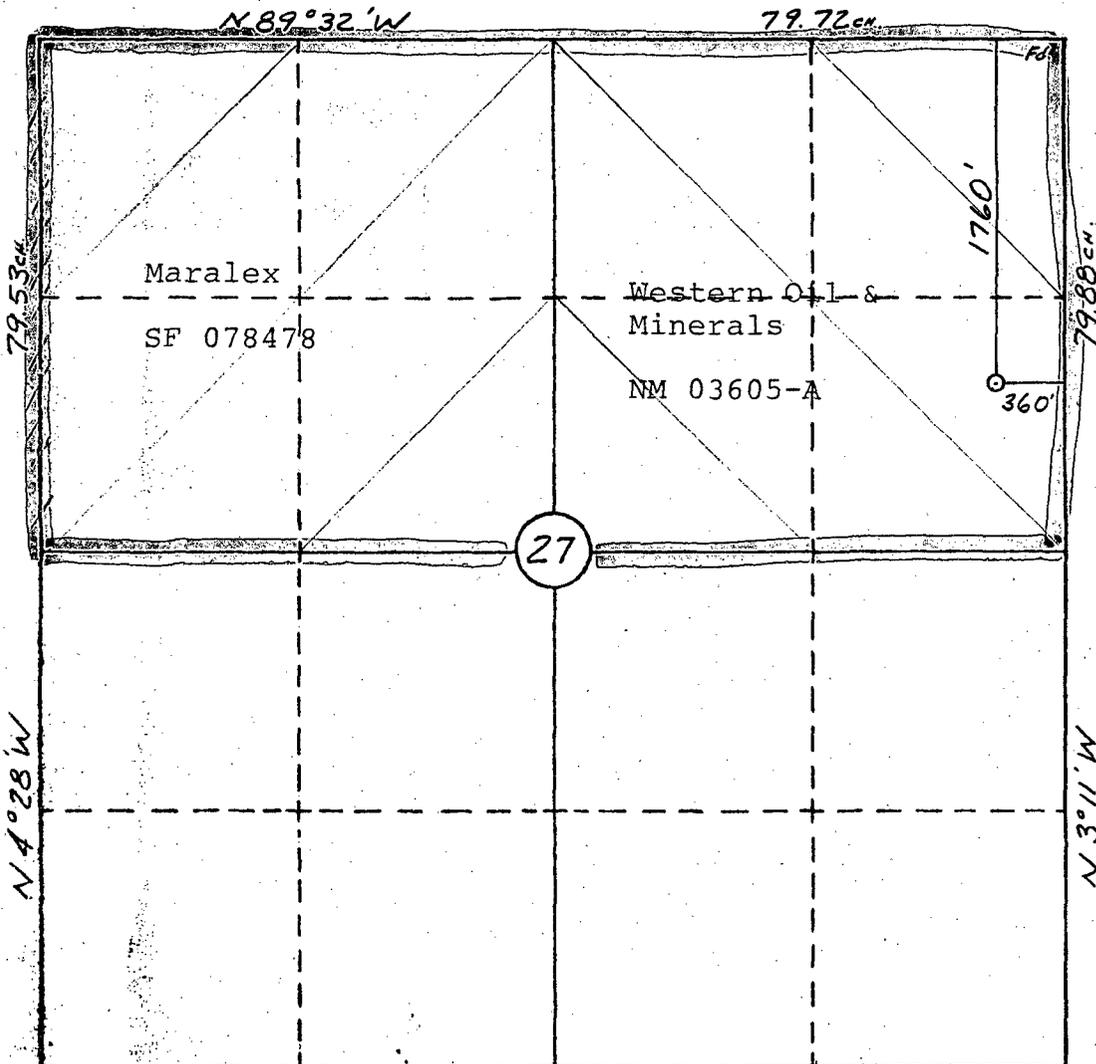
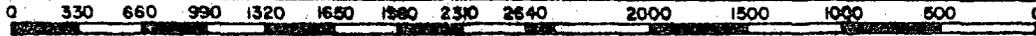
DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

All Distances must be from the outer boundaries of the section

Operator <b>MARALEX RESOURCES, INC.</b>		Lease <b>MARRON W.N. FEDERAL COM</b>		Well No. <b>9</b>
Unit Letter <b>H</b>	Section <b>27</b>	Township <b>27 N</b>	Range <b>8 W</b>	County <b>San Juan</b>
Actual Footage Location of Well: <b>1760</b> feet from the <b>North</b> line and <b>360</b> feet from the <b>East</b> line				
Ground level Elev. <b>6086</b>	Producing Formation <b>Fruitland</b>	Pool <b>Basin Fruitland Coal Gas</b>	Dedicated Acreage: <b>320</b> Acres	
<p>1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.</p> <p>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).</p> <p>3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?  <input checked="" type="checkbox"/> Yes    <input type="checkbox"/> No    If answer is "yes" type of consolidation <u>Communitization</u></p> <p>If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)</p> <p>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 interest, has been approved by the Division.</p>				



**OPERATOR CERTIFICATION**

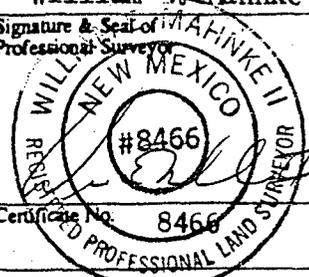
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *A. M. O'Hare*  
 Printed Name: **A. M. O'Hare**  
 Position: **President**  
 Company: **Maralex Resources, Inc.**  
 Date: **10/5/90**

**SURVEYOR CERTIFICATION**

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: **William R. Mahnke II**  
 Signature & Seal of Professional Surveyor: *William R. Mahnke II*  
 Certificate No.: **8466**



N 89° 17' W

Standard 640 acre Section

77.75<sup>ac</sup>



MENT NO. 3

CARRIZO

BLANCO  
CANYON

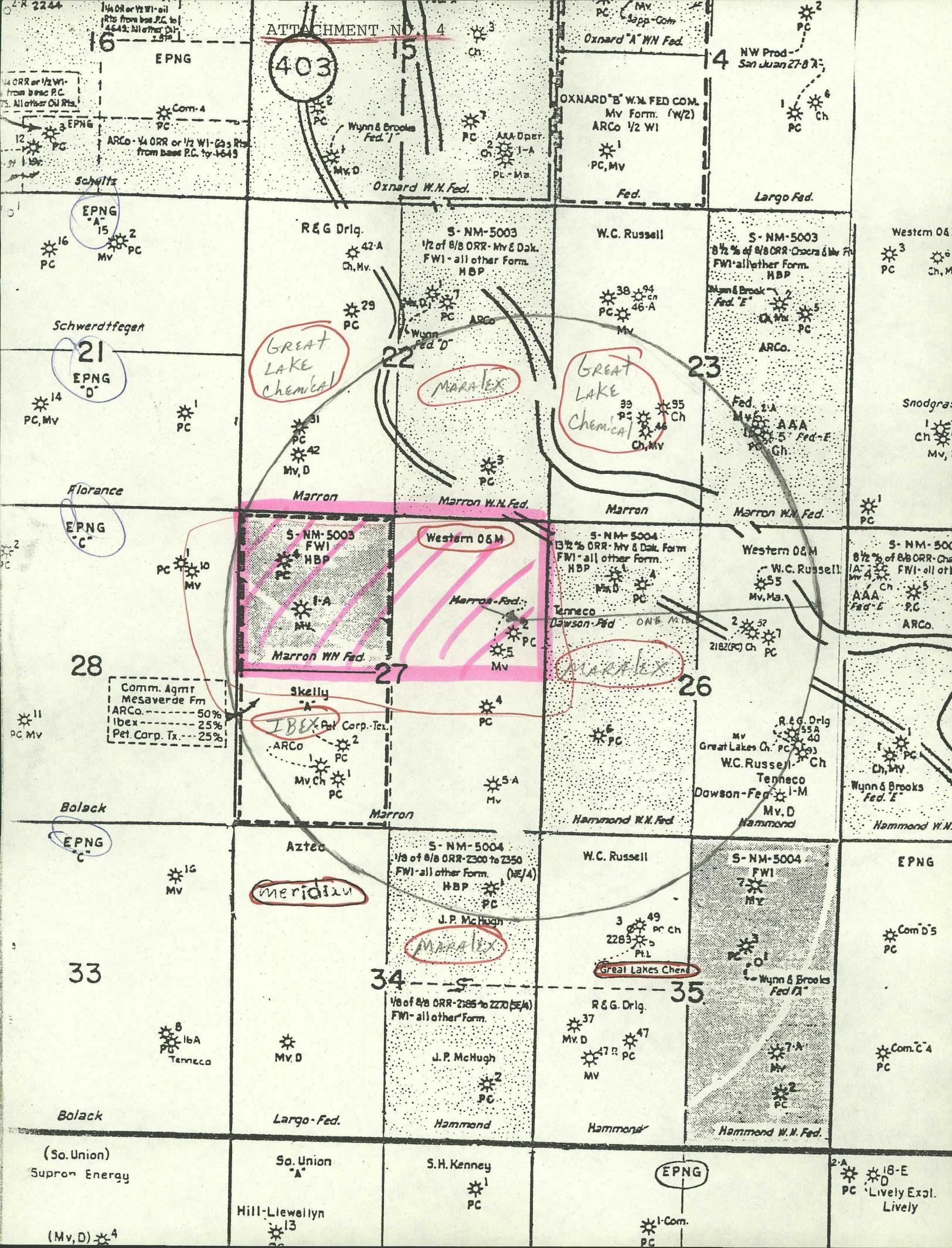
CANYON

SAN JUAN

Plat No. 1  
MARALEX RESOURCES, INC.  
MARRON W.N. FEDERAL COM #9  
1760'FNL & 360'FEL  
Sec. 27, T27N, R8W  
San Juan Co., N.M.

IMAGE 21  
SCALE 1:500

403



1/4 ORR or 1/2 WI - oil  
Rts from base P.C. to  
643. All other Oil Rts.

EPNG  
Com-4  
ARCO - 1/4 ORR or 1/2 WI - (23 Rts)  
from base P.C. to 643

Schultz

Wynn & Brooks  
Fed. 1

Oxnard W.M. Fed.

Oxnard "A" W.N. Fed.

OXNARD "B" W.M. FED. COM.  
Mv Form. (W/2)  
ARCO 1/2 WI

Fed.

NW Prod -  
San Juan 27-87

Largo Fed.

EPNG  
A  
MV  
PC

Schwerdtfeger

21  
EPNG  
D

PC, MV

R & G Drig.  
42-A  
Ch, Mv.

29  
PC

31  
PC

42  
Mv, D

GREAT LAKE  
Chemical

S. NM-5003  
1/2 of 8/8 ORR - Mv & Dak.  
FWI - all other Form.  
HBP

7  
PC

ARCO

Wynn & Brooks  
Fed. D

MARRALEX

W.C. Russell

38  
PC

94  
cn

46-A  
Mv

GREAT LAKE  
Chemical

S. NM-5003  
8 1/2 % of 8/8 ORR - Chocra & Mv Ft  
FWI - all other Form.  
HBP

Wynn & Brooks  
Fed. E

5  
PC

ARCO

Western O&M

14  
PC, MV

1  
PC

Florance

EPNG  
C

Marron

3  
PC

MARRON W.N. Fed.

39  
PC

95  
Ch

46  
Mv

GREAT LAKE  
Chemical

Fed. 1-A  
Mv, PC, AAA  
1-5 Fed-E  
PC, Ch

Marron

MARRON W.N. Fed.

1  
PC

Snodgrass

1  
Ch

1  
Mv

1  
PC

10  
MV

1-A  
Mv

MARRON W.N. Fed.

S. NM-5003  
FWI  
HBP

1-A  
Mv

Western O&M

13 1/2 % ORR - Mv & Dak. Form  
FWI - all other Form.  
HBP

1  
Mv, D

4  
PC

MARRON W.N. Fed.

S. NM-5004  
13 1/2 % ORR - Mv & Dak. Form  
FWI - all other Form.  
HBP

1  
Mv, D

4  
PC

MARRON W.N. Fed.

Western O&M

W.C. Russell

55  
Mv, Ma.

1  
PC

S. NM-5004  
8 1/2 % of 8/8 ORR - Chocra & Mv Ft  
FWI - all other Form.  
HBP

1  
Ch

5  
PC

AAA  
Fed-E

ARCO

11  
PC, MV

Comm. Agmt  
Mesaverde Fm  
ARCO - 50%  
Ibex - 25%  
Pet. Corp. Tx - 25%

Skelly  
A

IBEX  
Pet. Corp. Tex.

ARCO

1  
Mv, Ch

1  
PC

1  
PC

Bolack

EPNG  
C

Skelly  
A

IBEX  
Pet. Corp. Tex.

ARCO

1  
Mv, Ch

1  
PC

1  
PC

MARRON W.N. Fed.

2  
PC

5  
Mv

4  
PC

5A  
Mv

MARRON W.N. Fed.

6  
PC

MARRON W.N. Fed.

2  
PC

37  
PC

57  
Ch

2182(PC) Ch

7  
PC

R & G Drig.  
35A  
35B  
35C  
35D  
35E  
35F  
35G  
35H  
35I  
35J  
35K  
35L  
35M  
35N  
35O  
35P  
35Q  
35R  
35S  
35T  
35U  
35V  
35W  
35X  
35Y  
35Z

Great Lakes Ch.

W.C. Russell

Tenneco  
Dawson-Fed. 1-M

Mv, D

Hammond

Wynn & Brooks  
Fed. E

Hammond W.N. Fed.

16  
MV

Azteco

meridixu

S. NM-5004  
1/8 of 8/8 ORR-2300 to 2350  
FWI - all other Form. (NE/4)

HBP

1  
PC

J.P. McHugh

MARRALEX

3  
PC

49  
Ch

2283  
PC

P.L.

Great Lakes Chem

W.C. Russell

37  
Mv, D

47  
PC

47B  
Mv

Hammond

EPNG

Com D's  
PC

Wynn & Brooks  
Fed. A

8  
PC

16A  
Tenneco

Bolack

Mv, D

Largo-Fed.

1/8 of 8/8 ORR-2350 to 2370 (SE/4)  
FWI - all other Form.

J.P. McHugh

2  
PC

Hammond

R & G Drig.

37  
Mv, D

47  
PC

47B  
Mv

Hammond

7-A  
Mv

2  
PC

Hammond W.N. Fed.

(So. Union)  
Supron Energy

(Mv, D) 4

So. Union  
A

Hill-Llewellyn  
13

S.H. Kenney

1  
PC

EPNG

1-Com.  
PC

2-A  
PC

18-E  
D  
Lively Excl.  
Lively