



RECEIVED
OIL CONSERVATION DIVISION

'90 OCT 25 AM 8 54

October 22, 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

Attn: William J. Lemay

Re: Unorthodox Locations
Hammond W.N. Fed No. 9
Hammond W.N. Fed No. 10
Hammond W.N. Fed No. 11
Oxnard W.N. Fed No. 9
~~Oxnard W.N. Fed No. 10~~
Marron W.N. Fed No. 8
Marron W.N. Fed Com No. 9
Township 27 North, Range 8 West
San Juan County, NM

Gentlemen:

Maralex Resources, Inc. (Maralex) as stated in our applications for unorthodox locations dated October 5, 1990, hereby submits the return receipt cards signifying receipt by the offset operators of notification of our applications.

As with the applications, the notifications for the different wells were submitted in one package to each of the operators. Therefore, there is only one card per operator. Copies of the applications were hand delivered to the Bureau of Land Management on October 10, 1990.

Please let us know at your earliest convenience the status of our applications so that we may proceed with the drilling and completion of our wells prior to expiration of the Section 29 tax credit.

Sincerely,

A handwritten signature in cursive script, appearing to read 'A. M. O'Hare', is written over a horizontal line.

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

● **SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.

Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available: Consult postmaster for fees and check box(es) for additional service(s) requested.

1 ☒ Show to whom delivered, date, and addressee's address 2 ☐ Restricted Delivery (Extra charge)

3 Article Addressed to:

ibex Partnership
P.O. Box 911
BRECKENRIDGE, TX 76024

4 Article Number
P 712 015 285

Type of Service:
☐ Registered
☒ Certified
☐ Express Mail
☐ Insured
☐ COD
☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5 Signature — Addressee
X

6 Signature — Agent
X *John Adamant*

7 Date of Delivery
OCT 15 1990

PS Form 3811, Apr. 1989

DOMESTIC RETURN RECEIPT

● **SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.

Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available: Consult postmaster for fees and check box(es) for additional service(s) requested.

1 ☒ Show to whom delivered, date, and addressee's address 2 ☐ Restricted Delivery (Extra charge)

3 Article Addressed to:

MERIDIAN OIL PRODUCTION CO.
P.O. Box 4289
Farmington, NM 87499

4 Article Number
P 712 015 284

Type of Service:
☐ Registered
☒ Certified
☐ Express Mail
☐ Insured
☐ COD
☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5 Signature — Addressee
X

6 Signature — Agent
X

7 Date of Delivery
10-11-90

PS Form 3811, Apr. 1989

DOMESTIC RETURN RECEIPT

● **SENDER:** Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.

Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available: Consult postmaster for fees and check box(es) for additional service(s) requested.

1 ☒ Show to whom delivered, date, and addressee's address 2 ☐ Restricted Delivery (Extra charge)

3 Article Addressed to:

WESTERN OIL & MINERALS LTD.
P.O. Drawer 1228
Farmington, NM 87499
ATTN: Mr. Jack Beaty

4 Article Number
P 712 015 282

Type of Service:
☐ Registered
☒ Certified
☐ Express Mail
☐ Insured
☐ COD
☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5 Signature — Addressee
X

6 Signature — Agent
X *My Daniel*

7 Date of Delivery
10-11-90

PS Form 3811, Apr. 1989

DOMESTIC RETURN RECEIPT

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1 ☒ Show to whom delivered, date, and addressee's address 2 ☐ Restricted Delivery (Extra charge)

3 Article Addressed to:

GREAT LAKES CHEMICAL
BOX 2200
WEST LAFAYETTE, IN 47906

4 Article Number
P 712 015 283

Type of Service:
☐ Registered
☒ Certified
☐ Express Mail
☐ Insured
☐ COD
☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5 Signature — Addressee
X

6 Signature — Agent
X *Tailor*

7 Date of Delivery
10-12-90

PS Form 3811, Apr. 1989

DOMESTIC RETURN RECEIPT



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

October 26, 1990

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Maralex Resources, Inc.
518 17th Street
Suite 1030
Denver, CO 80202

Attention: A.M. O'Hare

RE: *Application for an unorthodox coal gas well location; Oxnard W.N. Federal Well No. 10, 1233' FNL - 1757' FWL (Unit C) Section 15, Township 27 North, Range 8 West, NMPM, Basin-Fruitland Coal Gas Pool, San Juan County, New Mexico.*


Dear Mr. O'Hare:

Your application dated October 5, 1990 does not provide sufficient data to show why a single suitable location in the standard drilling window for a coal gas well in the NE/4 of said Section 15 does not exist.

Please provide a more detailed plat showing the topographic and archeological restrictions preventing the drilling of a well in this area. Also, submit copies of each archeological evaluation and any and all correspondence between you and the U.S. Bureau of Land Management concerning the NE/4.

I appreciate your cooperation in this matter, and should you have any questions please contact me. Also, please refer to Memorandum No. 3-89 for future reference. Thank you.

Sincerely,



Michael E. Stogner
Chief Hearing Officer/Engineer

MES/ag

cc: Oil Conservation Division - Aztec
US Bureau of Land Management - Farmington

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

No. 3-89

MEMORANDUM

TO: ALL OIL AND GAS OPERATORS
FROM: WILLIAM J. LEMAY, DIRECTOR *WJL*
SUBJECT: UNORTHODOX WELL LOCATIONS
DATE: MARCH 24, 1989

Previously, it has been the practice of the Division to approve applications for unorthodox well locations without penalty if they were not opposed by any off-setting operator. However, due to the increased applications for unorthodox locations based predominantly on "closeology", this Division policy may no longer be appropriate. In the future, applications for unorthodox locations, whether for administrative approval or through the hearing process, will have to be supported by substantial evidence.

The Division will be reviewing future applications in an effort to develop guidelines for approving or denying such applications. Generally, if the application is based upon surface conditions, i.e., topography, archaeological considerations, etc., it will have to be clearly shown what obstructions prevent the drilling of the well at a legal location and the unorthodox location will have to be as close as practicable to the orthodox location. If unorthodox location is being requested for geological reasons, the applicant should be prepared to present evidence showing the geological factors that dictate the necessity for drilling an unorthodox location.

As always, the Division welcomes industry input into the process.

dr/



DIVISION OF CONSERVATION ARCHAEOLOGY

OIL CONSERVATION DIVISION

San Juan County
Museum Association

DCA Project No. 688-90-27
NOV 30 1990

November 28, 1990

Mr. Mike Stockner
State of New Mexico
Energy, Minerals, and Natural Resources
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87504

Dear Mr. Stockner:

The proposed ~~Oxnard W.N. Federal No. 10~~ well pad was originally plotted for staking in the northeast quarter of Section 15. Due to geographical constraints, existing well pads, and previously recorded archaeological sites in the vicinity, the well pad was not staked, a formal survey was not done, and an alternate location was sought. The well pad was then moved to the northwest quarter of the section (Walker-Buchanan 1990a and 1990b). This second location proved to be unorthodox and thus, an archaeological survey was completed at the original location in the northeast quarter of Section 15 and written as an addendum to the original report.

During the survey, one site (LA 80460/DCA-90-625) was found. The well pad could not be moved to allow sufficient area between the site and well pad construction activities. Therefore, due to the location of the site within the original well pad location and the presence of three previously recorded sites in the vicinity, it is recommended that the well pad project be abandoned or remain at its present (unorthodox) location.

Sincerely,

Patricia Walker-Buchanan

Patricia Walker-Buchanan
Supervisory Archaeologist

PWB:jf

cc: Marty Ward, ARCO Oil and Gas Company, Midland, Texas
Mickey O'Hare, ~~MARALEX Resources~~, Blanco, New Mexico

REFERENCES CITED

Walker-Buchanan, Patricia

- 1990 An Archaeological Survey of the Proposed Oxnard W.N. Federal No. 10 Well Pad and Access Road Located in Largo Canyon, San Juan County, New Mexico. Division of Conservation Archaeology Technical Report No. 2265. Farmington, New Mexico.
- 1990 An Addendum to An Archaeological Survey of the Proposed Oxnard W.N. Federal No. 10 Well Pad Located in Largo Canyon, San Juan County, New Mexico. Division of Conservation Archaeology Technical Report No. 2265. Farmington, New Mexico.