

'92 NOV 23 AM 10 31

November 19, 1992

William J. Lemay, Director  
New Mexico Oil Conservation Division  
Post Office Box 2088  
Santa Fe, NM 87504

Re: Application for Non-Standard Well Location  
Fed Com #7-1  
345' FSL and 1025' FWL, Sec 7, T28N-R8W  
Basin Fruitland Coal Pool  
San Juan County, New Mexico

Incline Reserves, Inc. requests approval for a non-standard location for its Fed Com 7 No. 1 well at the location referenced above. In addition, this well will be dedicated to a non-standard unit consisting of all of Section 7, T28N-R9W. This is necessitated by the variation in legal subdivision of the U.S. Public Land Survey. The unit consists of an entire governmental section not less than 70% or more than 130% of a standard gas proration unit. A copy of form C-102 is attached showing this unit to consist of 299.22 acres. Under Rule 5 of Order R-8768-A this non-standard unit may be approved by the Supervisor of the Aztec District Office of the Division.

The circumstance which requires an unorthodox location is the presence of the Largo Canyon wash which transects this section from the northwest to the southeast, as shown on the attached topographic map. The well should be located in the SW/4 of this section to conform with the standard NE/SW pattern in the Fruitland Coal Pool. Local topography and the unconsolidated sands of the Largo Canyon wash dictate that the location chosen is the optimal solution to retaining the integrity of the pattern. Please note that a precedent has been set by the Amoco Warren LS 8, located approximately 400' to the northwest. The location was inspected by Mr. Ernie Bush of the Aztec District III office on November 16, 1992, at which time a verbal approval of the necessity for a non-standard location was given.

The offset mineral interests to the south are owned by Meridian Oil. Mr. John Zent of Meridian was verbally notified of this situation on November 11, 1992, and will receive a copy of this application by certified mail. If no objection is received within 20 days, Incline Reserves respectfully requests administrative approval for this non-standard location.

Sincerely,



J.P. Garrett  
Vice President

Attachments

cc: John Zent  
Meridian Oil  
3535 E. 30th St.  
P.O. Box 4289  
Farmington, NM 87401

Aztec District III  
Ernie Bush  
1000 Rio Brazos Rd.  
Aztec, NM 87410

QUADRANGLE LOCATION



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

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised 1-1-89

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

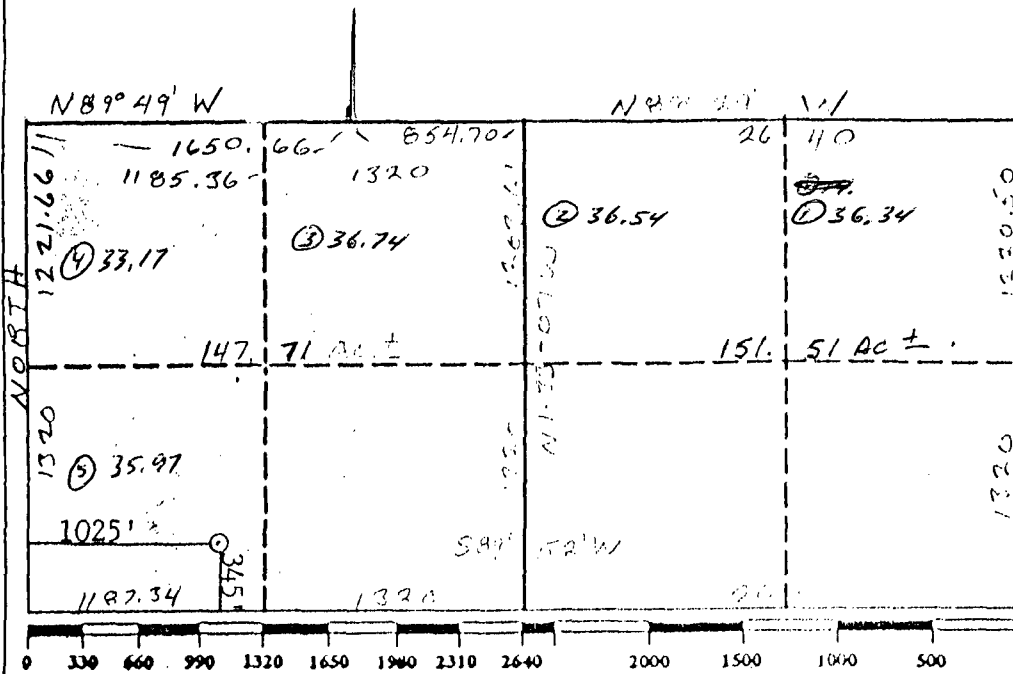
WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator <b>INCLINE RESERVES, INC.</b>			Lease <b>FED COM.</b>		Well No. <b>7-1</b>
Unit Letter <b>M</b>	Section <b>7</b>	Township <b>28N</b>	Range <b>8W</b>	County <b>NMPM SAN JUAN CO.</b>	
Actual Footage Location of Well: <b>345</b> feet from the <b>South</b> line and <b>1025</b> feet from the <b>West</b> line					
Ground level Elev. <b>5748</b>	Producing Formation			Pool	Dedicated Acreage: <b>299.22</b> Acres

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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.?  
☐ 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 interest, has been approved by the Division.

298.76 acres



OPERATOR CERTIFICATION

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

Signature

Printed Name

J.P. Garrett

Position

Vice President

Company

Incline Reserves, Inc.

Date

November 19, 1992

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

November 19, 1992

Signature of Surveyor

Professional Surveyor

Certificate No.

9672

**FAX Transmission Header**

***Incline Reserves, Inc.  
1603 SW 37th Street  
Topeka, KS 66611***

***(913) 267-5033  
(913) 267-2652 FAX***

Please deliver the following pages to:

**Name: Michael Stogner**

**Company: New Mexico Oil Conservation Division**

**Receiver's FAX Number: (505) 827-5741**

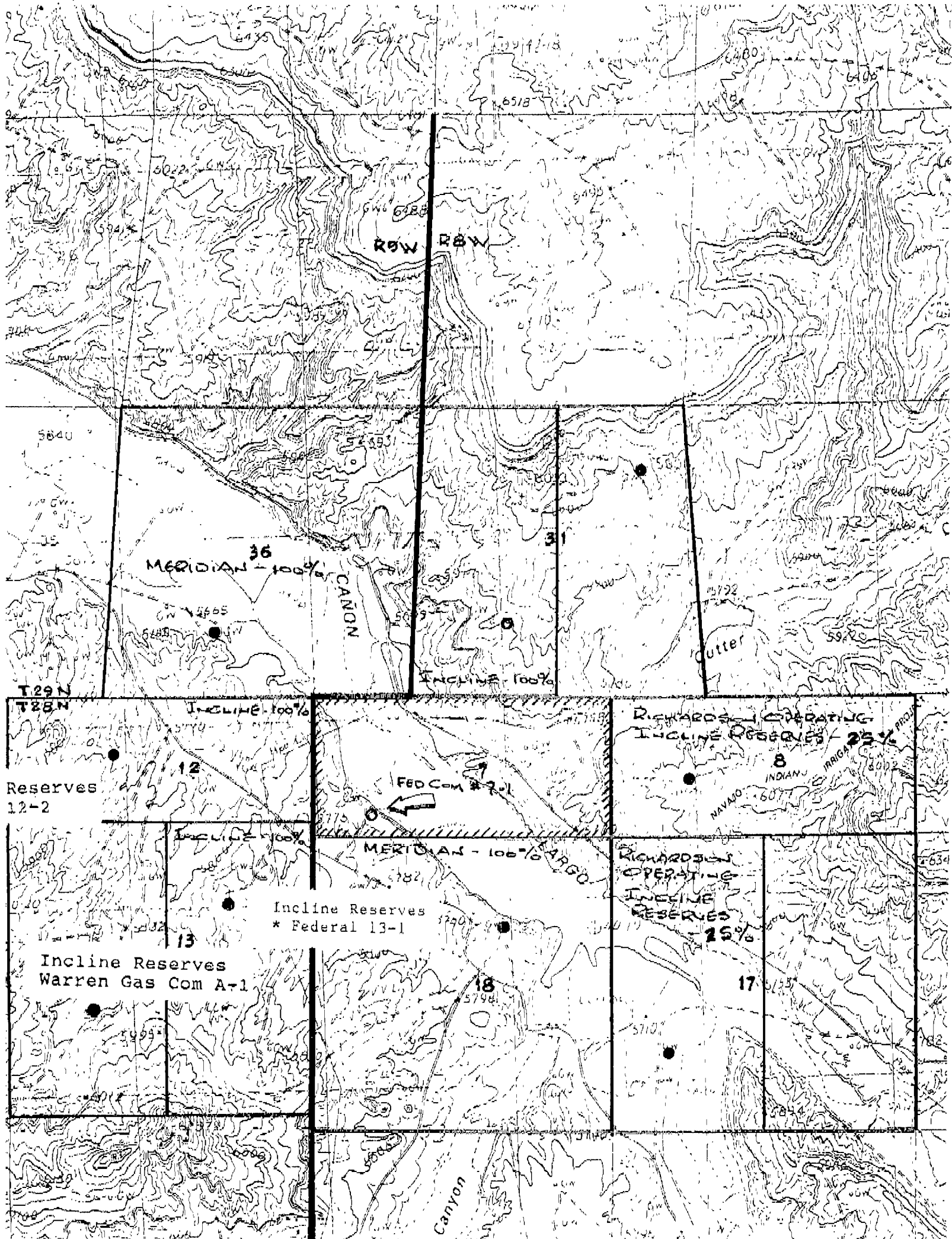
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**From: Pat Garrett  
Incline Reserves, Inc.**

**Date: December 8, 1992**

**Total Number of Pages (Including This Page): 2**

**Please call if you have any problems.**





STATE OF NEW MEXICO  
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION  
AZTEC DISTRICT OFFICE

RECEIVED  
'92 DEC 8 AM 9 28  
1000 RIO BRAZOS ROAD  
AZTEC, NEW MEXICO 87410  
(505) 334-6178

Date: 11-25-92

*Attn: Mike Stagner*

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

RE: Proposed MC \_\_\_\_\_  
Proposed NSL X \_\_\_\_\_  
Proposed WFX \_\_\_\_\_  
Proposed NSP \_\_\_\_\_

Proposed DHIC \_\_\_\_\_  
Proposed SWD \_\_\_\_\_  
Proposed PMX \_\_\_\_\_  
Proposed DD \_\_\_\_\_

Gentlemen:

I have examined the application received on 11-23-92

for the INCLINE RESERVES, INC. FED COM #1  
OPERATOR LEASE & WELL NO.

M-7-28N-80S and my recommendations are as follows:  
UL-S-T-R

*Approved*  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Yours truly,

*Eric Bush*