



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

March 13, 1997

Arch Petroleum Inc.
10 Desta Drive - Suite 420 East
Midland, Texas 79705
Attention: Bobbie Brooks

Administrative Order NSL-3773

Dear Ms. Brooks:

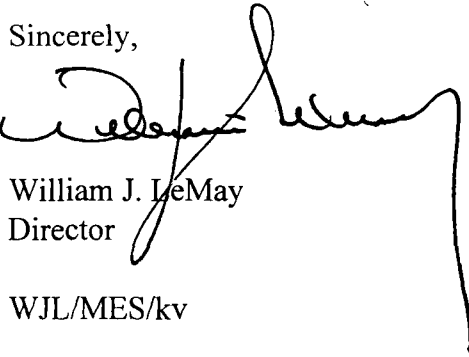
Reference is made to your application dated February 20, 1997 for the following two unorthodox Langlie Mattix "infill" oil well locations within Arch Petroleum's C. D. Woolworth lease comprising the SW/4 and W/2 SE/4 of Section 30, Township 24 South, Range 37 East, NMPM, Langlie Mattix Pool, Lea County, New Mexico:

| <i>Well No.</i> | <i>Footage Location</i> | <i>Unit</i> | <i>Dedicated 40-Acre Tract</i> |
|-----------------|----------------------------------|-------------|--------------------------------|
| <i>10</i> | <i>1400' FSL & 2630' FEL</i> | <i>J</i> | <i>NE/4 SE/4</i> |
| <i>11</i> | <i>1185' FSL & 1330' FWL</i> | <i>N</i> | <i>SE/4 SW/4</i> |

The application has been duly filed under the provisions of Rule 104.F of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division"), revised by Division Order No. R-10533, issued by the Oil Conservation Commission in Case 11,351 on January 18, 1996.

By the authority granted me under the provisions of Division General Rule 104.F(2), the above-described unorthodox infill oil well locations are hereby approved.

Sincerely,


William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Hobbs