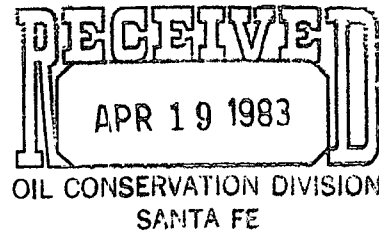


ARCO Oil and Gas Company
Rocky Mountain District
717-17th Street
Mailing address: P.O. Box 5540
Denver, Colorado 80217
Telephone 303 575 7000



April 15, 1983

Mr. Joe D. Ramey, Director
Oil Conservation Division
State of New Mexico
Box 2088
Santa Fe, New Mexico 87501

RE: Application for Administrative Approval for a
Non-Standard Gas Proration Unit
Chacon Federal Well #8 (Dakota)
1825' FNL & 1850' FEL (Unit G)
N/2 of Section 19-T24N-R3W
Rio Arriba County, New Mexico

Dear Mr. Ramey:

Please refer to our letter of March 30, 1983, regarding an Application for Administrative Approval for a Non-Standard Gas Proration Unit for the subject well.

In response to your Mr. Dick Stamets' telephone request of April 12, 1983, attached are three "corrected location plats" showing offset operators for this well.

If additional information is required, please let me know.

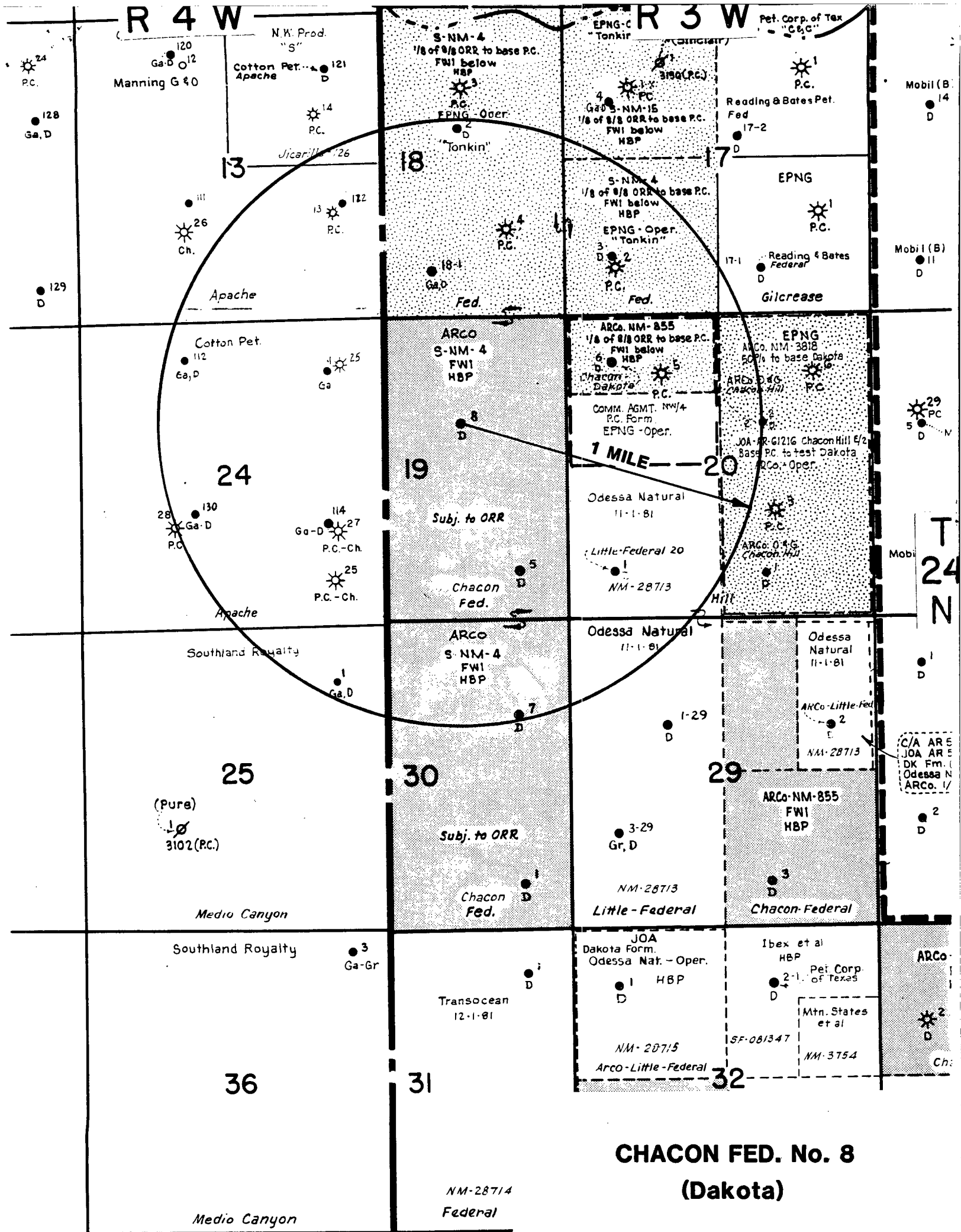
Very truly yours,

W. A. Walther, Jr.
W. A. Walther, Jr.
Operations Manager

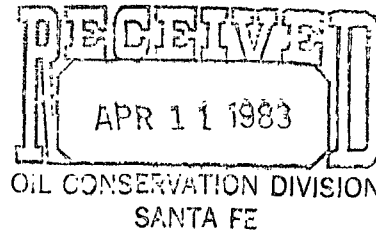
WAW/BRS/rn

cc: Mr. Frank T. Chavez
New Mexico Oil Conservation District
Aztec, New Mexico

Bureau of Land Management
Farmington, New Mexico



ARCO Oil and Gas Company
Rocky Mountain District
717-17th Street
Mailing address: P.O. Box 5540
Denver, Colorado 80217
Telephone 303 575 7000



March 30, 1983

Mr. Joe D. Ramey, Director
Oil Conservation Division
State of New Mexico
Box 2088
Santa Fe, New Mexico 87501

RE: Application for Administrative Approval
For a Non-Standard Gas Proration Unit
~~Chacon Federal Well #8 (Dakota)~~
~~1825' FNL & 1850' FEL (Unit G)~~
~~N/2 of Section 19 T24N R3W~~
Rio Arriba County, New Mexico

*NSP 1367
Rule 4(b) 135353
Chacon-Dakota Associated Pool
5-11-83*

Dear Mr. Ramey:

In response to Mr. Frank Chavez's letter of March 2, 1983, the subject application is hereby made to the Oil Conservation Division of the State of New Mexico requesting Administrative Approval for a non-standard Gas Proration Unit on the subject well.

This well was drilled and completed as an oil well on a 191.55 acreage dedication. The well has since been reclassified as a gas well due to a high gas/oil ratio.

Enclosed is a copy of the certified letter sent to the offset operator requesting their approval of the non-standard well location. A fully executed copy will be forwarded to your office when received. Also enclosed is a copy of the New Mexico Form C-102, as well as a location plat and listing showing the offset operators.

Your early approval of this application will be appreciated.

Very truly yours,


W. A. Walther, Jr.
Operations Manager

WAW/BRS:dc

Enclosure

cc: Mr. Frank T. Chavez, New Mexico Oil Cons. Div., Aztec, New Mexico
Bureau of Land Management, Farmington, New Mexico

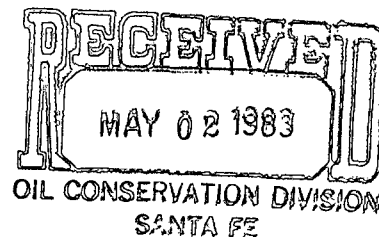
ARCO Oil and Gas Company
Rocky Mountain District
717-17th Street
Mailing address: P.O. Box 5540
Denver, Colorado 80217
Telephone 303 575 7000



HSP-
1367

March 29, 1983

TO: Offset Operators (See Attached Listing)



Certified Mail
Return Receipt Requested

RE: Chacon Federal Well No. 8 (Dakota)
1825' FNL & 1850' FEL
Section 19-T24N-R3W
Rio Arriba County, New Mexico

Dear Offset Operator:

ARCO Oil and Gas Company, Division of Atlantic Richfield Company, requests your consent and approval of a non-standard acreage dedication of 191.55 acres for the subject well.

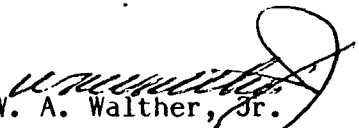
Pursuant to Rule 104-D of the Oil Conservation Commission of the State of New Mexico, it is necessary to notify all offset operators when an application has been filed for a non-standard acreage dedication.

The subject well was drilled and completed as an oil well on a 191.55 acreage dedication. The well has since been reclassified as a gas well due to a high gas/oil ratio. The standard gas well acreage dedication is 320 acres.

I would appreciate it if you would sign and date the Consent and Approval Form contained in this letter, and return one executed and dated copy of the letter to me in the enclosed self-addressed stamped envelope and keep the other copy for your records. Due to time limitations, we would also appreciate your calling Mr. Joe D. Ramey, Director, New Mexico Oil Conservation Division, Area Code 505, 827-2434, advising him of your concurrence of this non-standard acreage dedication.

If you have any objections or questions concerning this request, please call me at your earliest convenience.

Very truly yours,


W. A. Walther, Jr.
District Operations Manager

WAW/dc

Enclosure

203MCF/D - 8BOPD
258M3CF - 28M3O

CONSENT AND APPROVAL

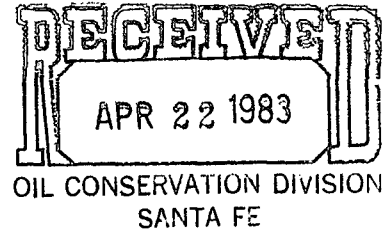
Chacon Federal #8

Southland Royalty Company by its authorized signatory below, hereby consents to and approves of the non-standard acreage dedication of 191.55 acres for the foregoing gas well at the location indicated.

Dated this 29th day of April, 1983

By: CC Parsons

Title: District Production Manager



CONSENT AND APPROVAL

Chacon Federal #8

EL PASO EXPLORATION COMPANY by its authorized signatory below, hereby consents to and approves of the non-standard acreage dedication of 191.55 acres for the foregoing gas well at the location indicated.

Dated this 18th day of April, 1983

By: *David M. Poage*
David M. Poage

Title: Landman

OFFSET OPERATORS

CHACON FEDERAL #2, #3, #5, #6, #7, #8

19-24N-3W

29-24N-3W

30-24N-3W

33-24N-3W

Rio Arriba County, New Mexico

Mobil Oil Company

Odessa Natural Gas Corporation

Southland Royalty

Cotton Petroleum

El Paso Natural Gas Corporation

Mountain States Resources, Inc.

WELL LOCATION AND ACREAGE DEDICATION PLAT

Supersedes C-128
Effective 1-1-55

Distances must be from the outer boundaries of the

Operator THE ATLANTIC RICHFIELD COMPANY		Lease CHACON FEDERAL		Well No. 8	
Unit Letter G	Section 19	Township 24 NORTH	Range 3 WEST	County RIO ARriba	

Actual Footage Location of Well:

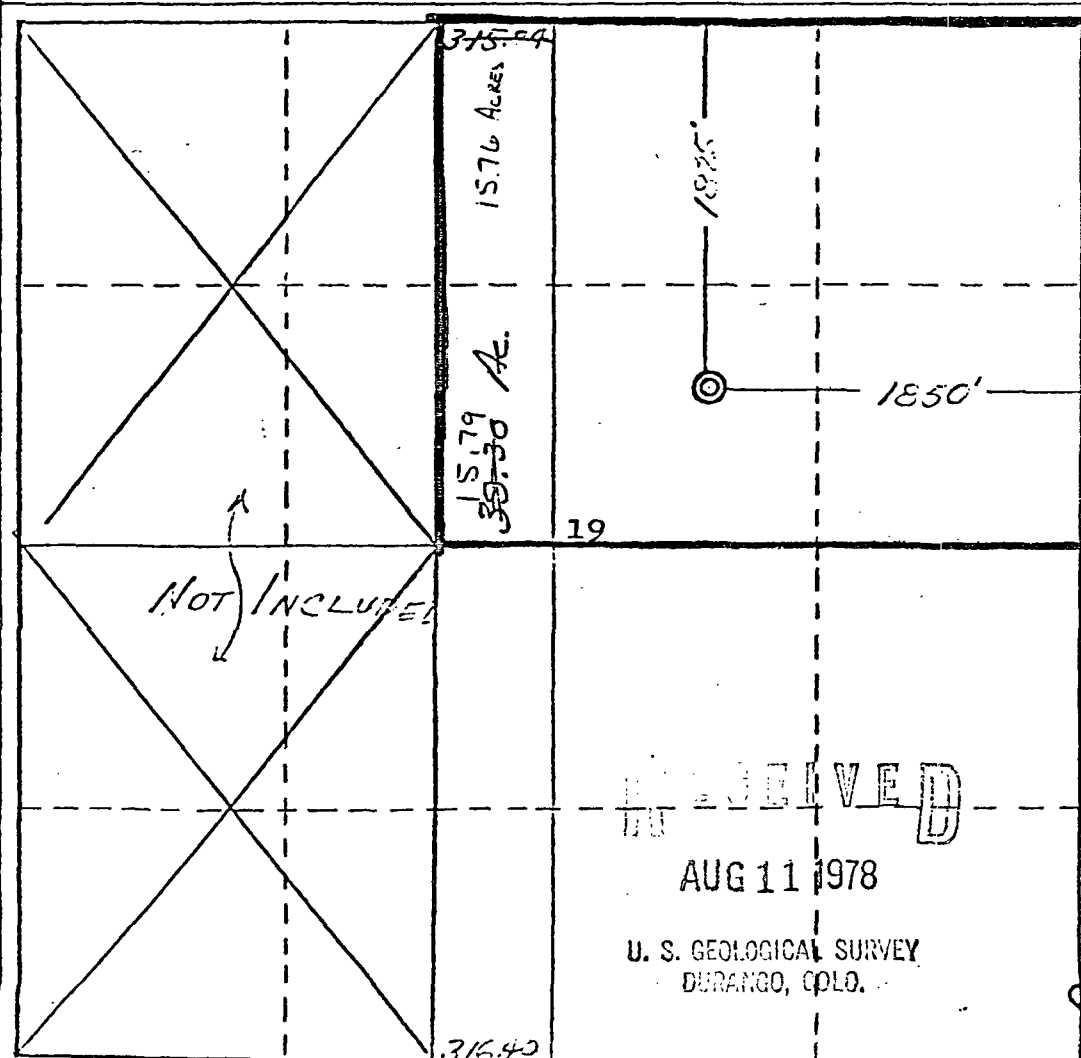
1825 feet from the NORTH line and		1850 feet from the EAST line	
Ground Level Elev. 6907	Producing Formation Dakota	Pool Chacon Dakota	Dedicated Acreage: N/2 191.55 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
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).
3. If more than one lease of different ownership is dedicated to the well, have the interests 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 interests, has been approved by the Commission.



CERTIFICATION

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

Name

W. A. Walther, Jr.

Position

Operations Manager

Company

Atlantic Richfield Company

Date

August 10, 1978

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

30 June 1978

Registered Professional Engineer and/or Land Surveyor

James P. Lease

Certificate No.

1463

