

May 4, 1983

Mr. Joe Ramey
New Mexico Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

Re: Federal 1 #2
Unit B, Sec 32, T24N, R3W
Rio Arriba County, New Mexico
Chacon Dakota Associated Pool

1384
NSP-1210
Order R-5353-B
Rule 2(a)
7-14-83
160 acres
NE/4
32-24N-3W

Dear Mr. Ramey:

Damson Oil Corporation respectfully requests administrative approval for a non-standard proration unit for the subject gas well located in the Chacon Dakota Associated Pool.

Reference is made to the special rules and regulations for the Chacon Dakota Associated Pool which states a standard oil proration unit shall be 160 acres and a standard gas proration unit shall be 320 acres.

The subject well was originally drilled and completed as an oil well. Due to a high gas-oil ratio, the well was reclassified as a gas well. Since a change in acreage dedication would require a communitization agreement between the leases, it is more equitable for all parties involved to continue to produce this well on a non-standard proration unit consisting of 160 acres.

A copy of this application is being submitted to all offset operators by certified mail with a request that they furnish your Santa Fe office with a waiver of objection. Plats showing the well location and offset ownership are attached.

Yours very truly,

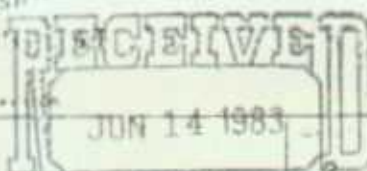
A.R. Lenning Jr.
S.R. Lenning, Jr.
Regulatory Affairs Engineer

CC: Frank Chavez, New Mexico Oil Conservation Division

SL/ks

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION

All entries are subject to the rules and regulations of the Commission



Damson Oil Corporation		FEDERAL 1		OIL CONSERVATION DIVISION SANTA FE	
9	32	24N	3W	RIO ARRIBA	
990	North	1850	East		
7115	Dakota	Chacon-Dakota Associated	160		

- Outline the acreage dedicated to the subject well by colored pencil or lachure 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): Working Interest--Damson Oil Corporation, Mountain States Natural Gas Corp. Royalty--U. S. Government on both wells/leases.
- 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 Force Pooling

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowance 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.

S. R. Lenning Jr.

S. R. Lenning, Jr.

Regulatory Engineer

Damson Oil Corporation

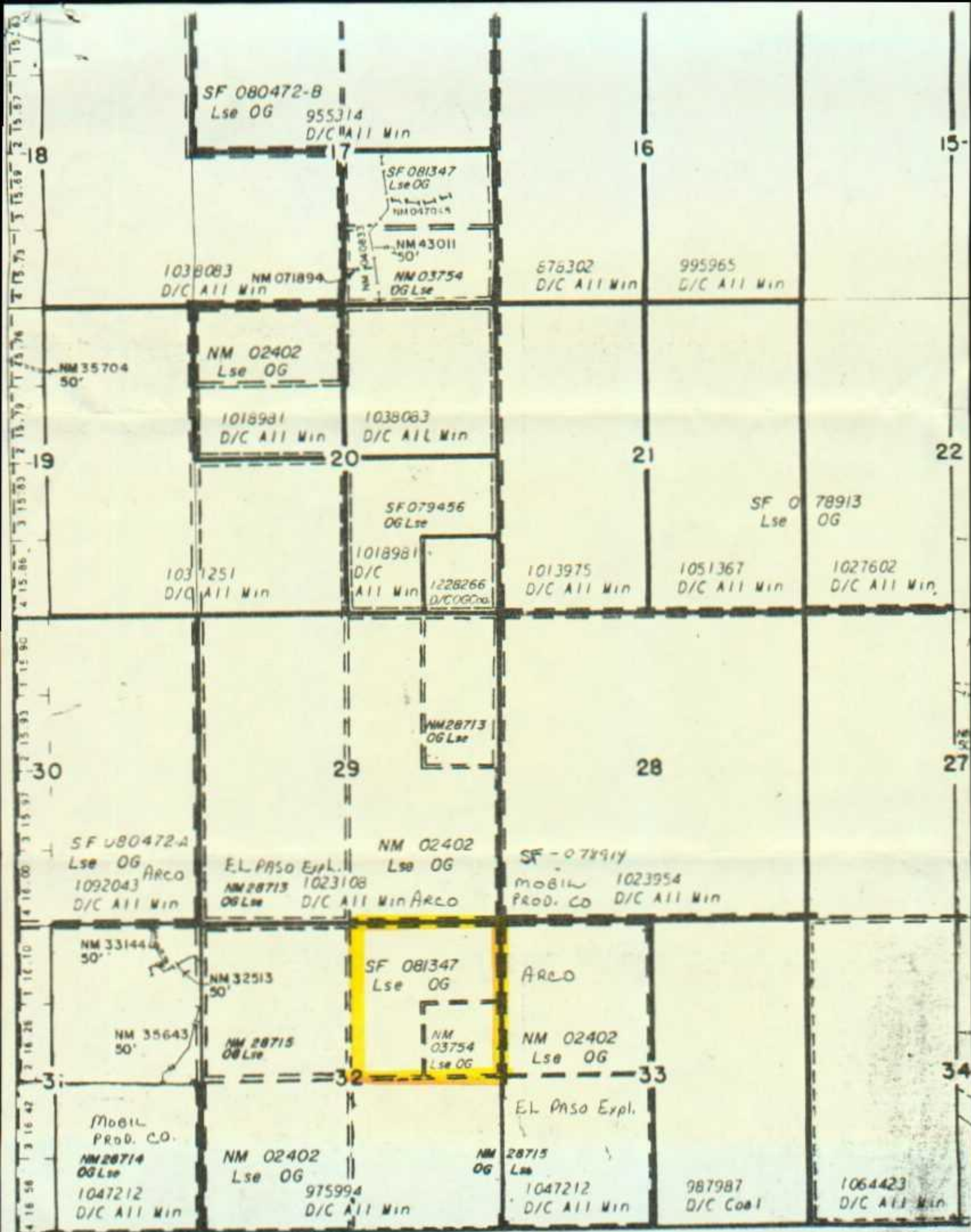
5/4/83

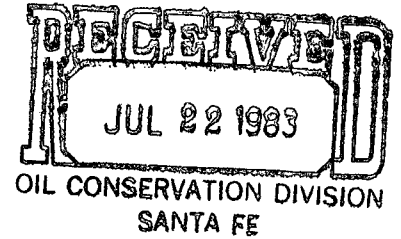
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Certified

August 25, 1978

Fred N. Kerr Jr.
Fred N. Kerr Jr.





June 10, 1983

NSP
1384

El Paso Exploration Co.
Box 1492
El Paso, Texas 79978

W. J. ...

Re: Federal-1, No. 2
Unit B, Section 32, T-24-N, R-3-W
Rio Arriba County, New Mexico
Chacon Dakota Associated Pool

Gentlemen:

Damson Oil Corporation has requested administrative approval for a non-standard proration unit in the Chacon Dakota Associated Pool for the subject well.

This well was originally drilled and completed as an oil well with a 160 acre dedication. However, due to a high gas-oil ratio, the well was reclassified as a gas well, which required a 320 acre dedication. Since a change in dedication would require a communitization agreement, it is more equitable for all parties involved to continue to produce this well on a non-standard proration unit consisting of 160 acres.

In compliance with New Mexico Oil Conservation Division rules, we are notifying you, as operator of an offsetting proration unit, of our application for administrative approval for a non-standard proration unit on this well. Enclosed are three copies of this letter. If there is no objection to this application, please sign and return one copy to the New Mexico Oil Conservation Division, P.O. Box 2088, Santa Fe, New Mexico 87501; one copy to Damson Oil Corporation; and keep one copy for your files.

Plats showing the well location and offset ownership are attached.

Yours very truly,

A. R. Lenning Jr.

S.R. Lenning Jr.
Regulatory Affairs Engineer

vh

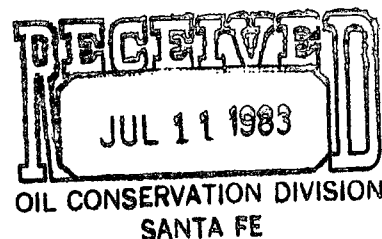
WAIVER

El Paso Exploration Co. hereby waives objection to Damson Oil Corporation's application for the non-standard proration unit for their abovementioned well.

By: *Damson Oil Corp.*
Date: July 19, 1983



June 10, 1983



Mobil Producing Texas and New Mexico
Box 778
Farmington, New Mexico 87401

Re: Federal-1, No. 2
Unit B, Section 32, T-24-N, R-3-W
Rio Arriba County, New Mexico
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Regulatory Affairs Engineer

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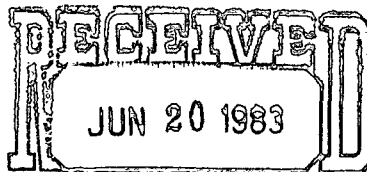
WAIVER

Mobil Producing Texas and New Mexico hereby waives objection to Damson Oil Corporation's application for the non-standard proration unit for the above mentioned well.

By: S. J. Mason

Date: July 6, 1983

damson
OIL CORPORATION



RECEIVED
JUN 14 1983
AOGC-OIG

OIL CONSERVATION DIVISION
June 10, 1983
SANTA FE

ARCO Exploration Co.
P.O. Box 5540
Denver, Colorado 80217

Re: Federal-1, No. 2
Unit B, Section 32, T-24-N, R-3-W
Rio Arriba County, New Mexico
Chacon Dakota Associated Pool

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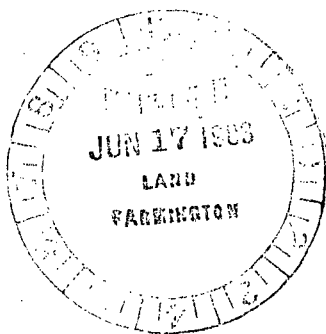
WAIVER

ARCO Oil and Gas Company hereby waives objection to Damson Oil Corporation's application for the non-standard proration unit for their abovementioned well.

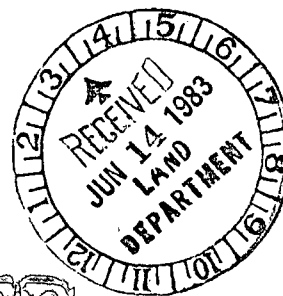
By:

Date: June 14, 1983

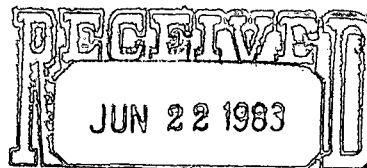
damson
OIL CORPORATION



June 10, 1983



El Paso Exploration Co.
Box 1492
El Paso, Texas 79978



OIL CONSERVATION DIVISION

Re: ^{SANTA FE} Federal-1, No. 2
Unit B, Section 32, T-24-N, R-3-W
Rio Arriba County, New Mexico
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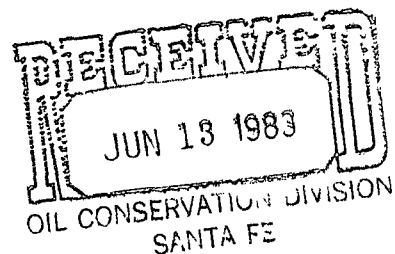
WAIVER

El Paso Exploration hereby waives objection to Damson Oil Corporation's application for the non-standard proration unit for their abovementioned well.

By: Donald R. Read
Date: 6-21-83



May 4, 1983



Mr. Joe Ramey
New Mexico Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

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Rio Arriba County, New Mexico
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A.R. Lenning Jr.
S.R. Lenning, Jr.
Regulatory Affairs Engineer

CC: Frank Chavez, New Mexico Oil Conservation Division

SL/ks

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION - AT

Form No. 1
Revised 1-1-79
1. Introduction

ALL DEDICATIONS MUST BE MADE TO THE INTERESTS OF THE STATE

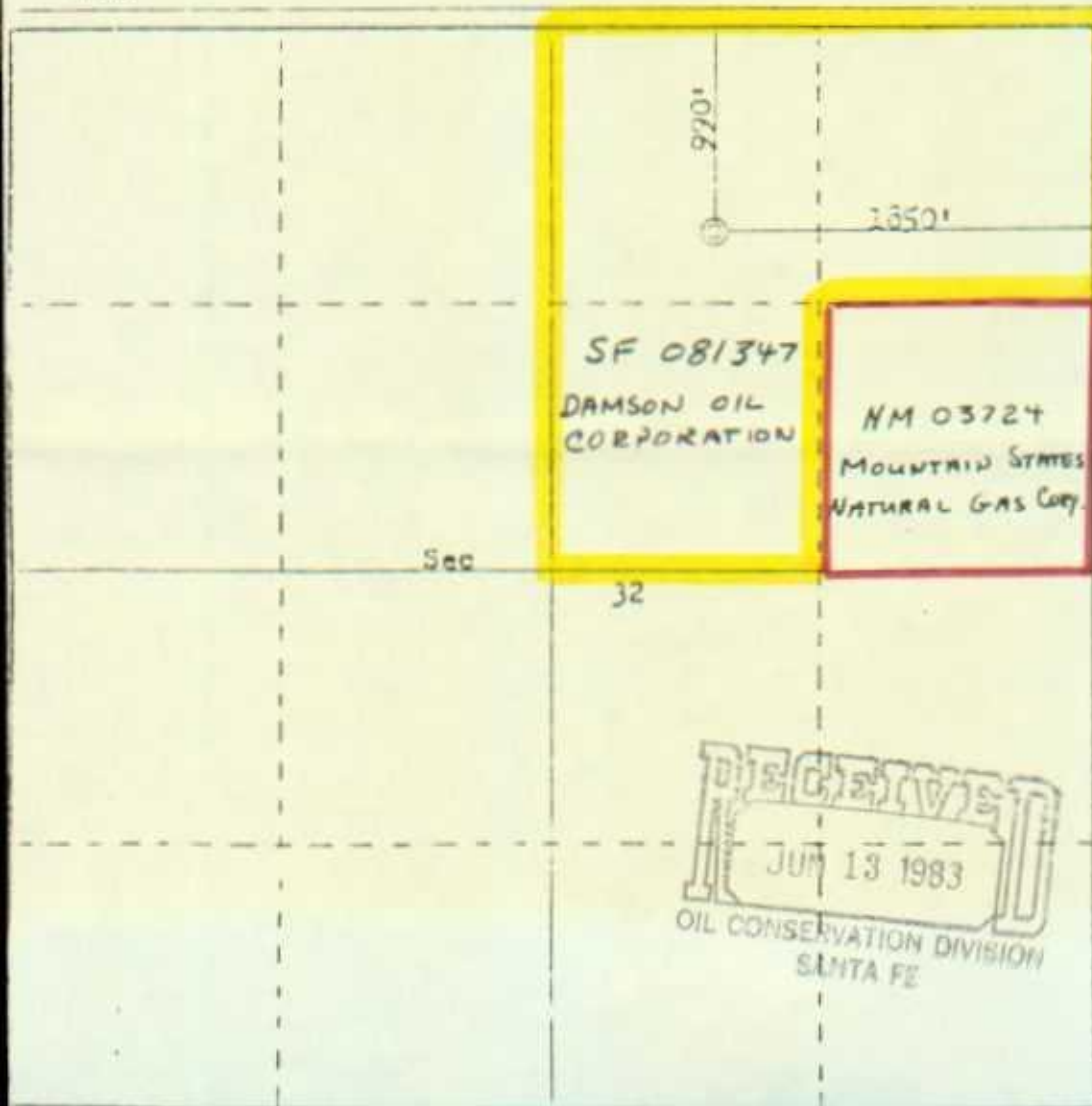
Damson Oil Corporation			FEDERAL 1		2
B	32	24N	3W	RIO ARRIBA	
990	North	1850	East		
7115	Dakota	Chacon-Dakota Associated	160		

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S. R. Lenning, Jr.

S. R. Lenning, Jr.

Regulatory Engineer

Damson Oil Corporation

5/4/83

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.

August 25, 1979

Fred R. Kerr Jr.
Fred R. Kerr Jr.

