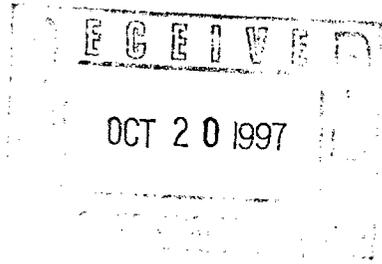




ARCO Permian
 600 North Marienfeld
 Midland TX 79701-4373
 PO Box 1610
 Midland TX 79702-1610
 Telephone 915 688 5200

NSL 11/10/97



October 16, 1997

NMOCD
 2040 S. Pacheco
 Santa Fe, New Mexico 87505

11890

Attn: Michael Stogner

Dear Mr. Stogner:

ARCO Permian requests administrative approval for a non-standard surface location and directional drilling for the cited 10,900' Morrow borehole, to drill a previously-approved bottomhole location for the Evelyn "35" State Com #1. Our desired BHL with 100' radius tolerance was previously approved by Order R-10781 dated March 18, 1997 for said Evelyn "35" State Com #1.

ARCO Permian desires to drill a new borehole, since we have abandoned efforts to sidetrack Evelyn "35" State Com #1 (API 30-015-29133). The sidetrack attempt was drilled to 10667' MD (approx 10441'TVD) in June. Heaving shale forced us to abandon drilling before we cut the Morrow objective. A CIBP was set at 9600' with 35' cement on June 30, 1997. A sundry notice was filed containing the above information on July 8, 1997 indicating that it was temporarily abandoned.

ARCO Permian now seeks administrative approval to drill a new directional borehole, Evelyn "35" State Com #2 from an unorthodox surface location 1459'FNL and 349'FEL of Section 35, with the approved BHL (within 100' of a point 1253 FNL and 508'FEL, as cited in R-10781) as a Penetration Point in the Morrow Sand objective at 10500' TVD. The Project area will be the North Half of Section 35, as previously approved. Since notification to offset owners was done for Order R-10781, and the BHL permit will not expire until 5/9/98, additional notification to offset operators is not required.

I have enclosed a copy of the original APD and plat for your perusal. The originals have been sent to Artesia for their consideration after all requirements for your office have been met.

Elizabeth Casbeer and I spoke with you at the NMOCD Seminar held in Midland this week and you indicated that we would have to file all documents, but that you could possibly use the previous Order and apply it to this well, also. Should you have any questions, please call me at 915-688-5532 or Bill Heard at 915-688-5957. Thank you for your assistance with this matter.

Sincerely,

Laurie Cherry
 Laurie Cherry
 Regulatory/Compliance Assistant

:lc

Attachments

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 811 S. 1st Street, Artesia, NM 88210-2834
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

Form C-101
 Revised October 18, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 6 Copies
 Fee Lease - 5 Copies

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator name and Address		² OGRID Number
ARCO PERMIAN P.O. BOX 1610 MIDLAND, TX 79702		000990
⁴ Property Code		³ API Number
20644	⁵ Property Name	30-0
	EVELYN 35 STATE COM	⁶ Well No.
		2

⁷ Surface Location									
UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
H	35	17S	28E		1439	NORTH	349	EAST	EDDY

⁸ Proposed Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
A	35	17S	28E		1254	NORTH	508	EAST	EDDY
⁹ Proposed Pool 1					¹⁰ Proposed Pool 2				
EMPIRE, SOUTH (MORROW)					76400				

¹¹ Work Type Code	¹² Well Type Code	¹³ Cable/Rotary	¹⁴ Lease Type Code	¹⁵ Ground Level Elevation
N	G	R	S	3672
¹⁶ Multiple	¹⁷ Proposed Depth	¹⁸ Formation	¹⁹ Contractor	²⁰ Spud Date
NO	10,500	MORROW	NA	11/20/97

²¹ Proposed Casing and Cement Program					
Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2	13 3/8	48	500	520	SURF
12 1/4	9 5/8	36	2600	900	SURF
8 3/4	5 1/2	17	10,900	1200	5000'

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

NOTE: THE BHL FOR THIS WELLBORE WAS PREVIOUSLY APPROVED, BY ORDER R-10781 FOR THE EVELYN "35" STATE COM #1 WHICH WAS ABANDONED BEFORE CUTTING THE MORROW OBJECTIVE. SAID BHL PERMIT WILL NOT EXPIRE UNTIL 5/9/98.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.	OIL CONSERVATION DIVISION	
Signature: <i>Elizabeth A. Casbeer</i>		
Printed name: ELIZABETH A CASBEER	Approved by:	
Title: AGENT	Title:	
	Approval Date:	Expiration Date:

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT III
1000 Rio Brazos Rd., Artec, NM 87410

AMENDED REPORT

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 76400	Pool Name EMPIRE, SOUTH (MORROW)
Property Code 20644	Property Name EVELYN 35 STATE COM.	Well Number 2
OGRID No. 000990	Operator Name ARCO PERMIAN	Elevation 3672

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	35	17 S	28 E		1439	NORTH	349	EAST	EDDY

Bottom Hole Location If Different From Surface

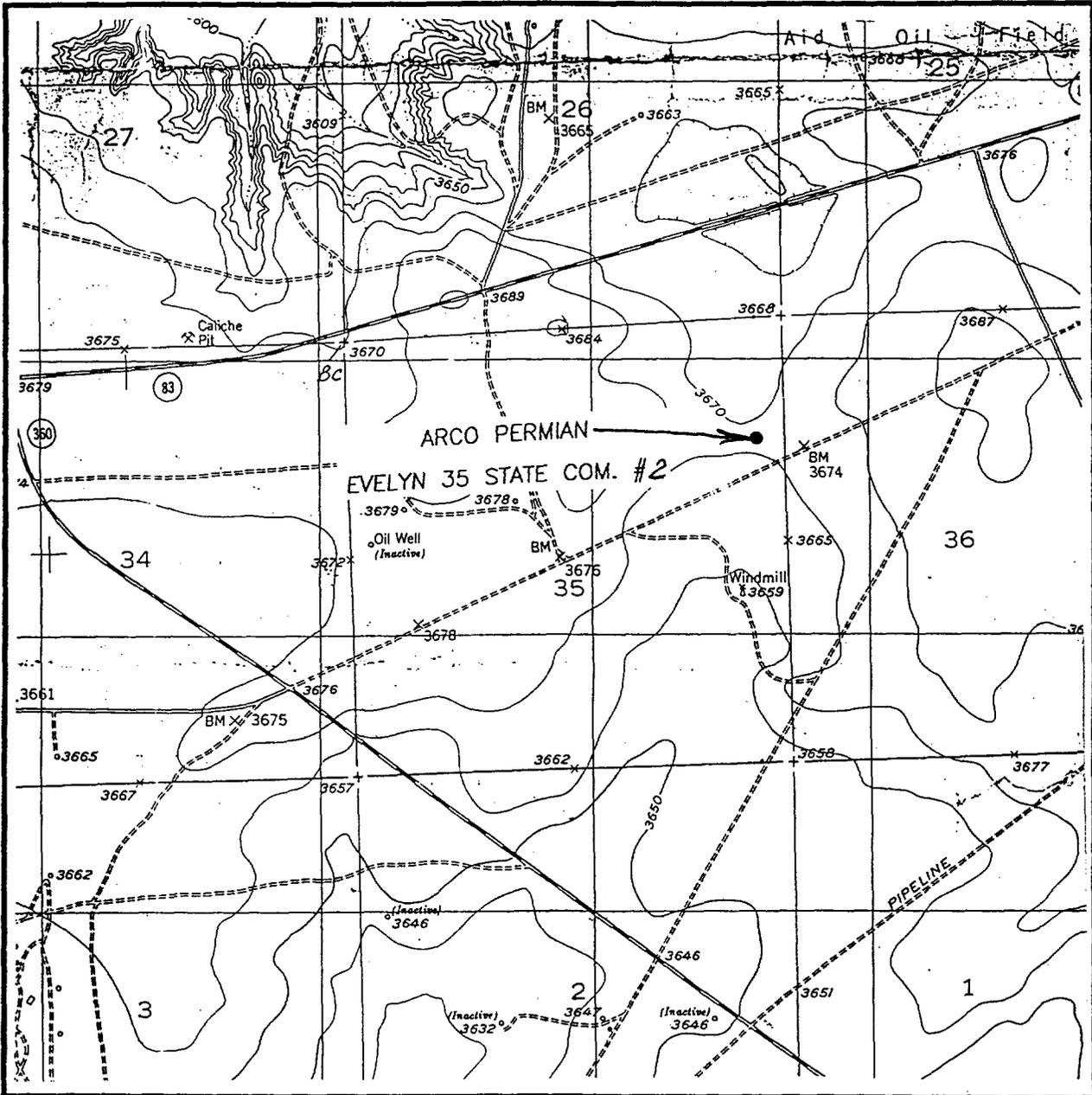
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	35	17 S	28 E		1254	NORTH	508	EAST	EDDY

Dedicated Acres 320	Joint or Infill	Consolidation Code	Order No.
------------------------	-----------------	--------------------	-----------

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><u>Elizabeth Casbeer</u> Signature</p> <p><u>ELIZABETH CASBEER</u> Printed Name</p> <p><u>REV/COMP ANALYST</u> Title</p> <p><u>10-17-97</u> Date</p>
	<p>SURVEYOR CERTIFICATION</p> <p>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 belief.</p> <p>OCTOBER 8, 1997</p> <p>Date Surveyed JLP</p> <p>Signature & Seal of Professional Surveyor <u>Richard J. Eidson</u> 10-09-97 No. 97-14624</p> <p>Certification No. 3239 EIDSON, 3239 PROFESSIONAL SURVEYOR EIDSON, 12641</p>

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL - 10'

SEC. 35 TWP. 17-S RGE. 28-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 1439' FNL & 349' FEL

ELEVATION 3672'

OPERATOR ARCO PERMIAN

LEASE EVELYN 35 STATE COM.

U.S.G.S. TOPOGRAPHIC MAP

RED LAKE, N.M.

**JOHN WEST ENGINEERING
HOBBS, NEW MEXICO**

(505) 393-3117

DRILLING OPERATIONS
CLASS - 1: NORMAL PRESSURE < 10 PPG
OPTION - 1: ARCO STANDARD BOPE STACK

