

ARCH PETROLEUM INC.

**PLAINS KNIGHT LEASE, WELL #2
LEA COUNTY, NEW MEXICO**

Approval is requested for an exception to Rule 303-C to permit down-hole commingling of the Fowler (Upper Yeso), Fowler (Tubb, South), and Fowler (Abo) in the subject well.

The well is currently producing from the Fowler (Abo) with Upper Yeso and Tubb perms isolated behind a Loc-Set packer.

Based on all available information, production fluids from these three reservoirs show no evidence of incompatibility; therefore, down-hole commingling is not expected to result in reservoir damage. Ownership in the three pools is common and correlative rights will not be violated.

Should secondary recovery operations become practical in the future, the three zones could be separated at such time without damaging either reservoir.

Offset operators have been notified of the intent to down-hole commingle the subject well by letter dated October 20, 1999.

A handwritten signature in cursive script, reading "Robin S. McCarley". The signature is written in dark ink and is positioned above the printed name and title.

Robin S. McCarley
Production Technician

7

Printed: 8/18/99

Hole Size

Surface Casing

Intermediate Casing

Production Casing String 1

Cement

Perforations

Top	Bottom	Status	Opened	Closed	# / Ft	Ttl #	Open Hole?
5,164.00	5,166.00	TA	4/1/66	1/1/91			
U/YESO SWF W/ 3M #							
5,206.00	5,208.00	TA	4/1/66	1/1/91			
U/YESO SWF W/ 3M #							
5,264.00	5,266.00	TA	4/1/66	1/1/91			
U/YESO SWF W/ 3M #							
5,290.00	5,362.00	PA	1/1/54	4/1/60			
U/ YESO sq w/ 625 sx							
5,362.00	5,380.00	PA	1/1/54	4/1/60			
U/ YESO sq w/ 625 sx							
5,370.00	5,374.00	TA	4/1/60	1/1/91			
U/YESO 4/66 SWF 5370-5590 W/ 36M # 1 N 4 STGS							
5,410.00	5,510.00	PA	1/1/54	4/1/60			
U/YESO sq w/ 625 sx							
5,441.00	5,457.00	TA	4/1/60	1/1/91			
U/ YESOswf w/ 2M# SELECTIVELY							
5,461.00	5,473.00	TA	4/1/60	1/1/91			
U/ YESOswf w/ 2M# SELECTIVELY							
5,540.00	5,590.00	PA	1/1/54	4/1/60			
U/YESO acd 5290-5590 w/ 8000, sq w/ 625 sx							
5,556.00	5,562.00	TA	4/1/60	1/1/91			
U/YESO swf w/ 2M# SELECTIVELY							

Wellbore Schematic

PLAINS KNIGHT # 002

Wellbore ID #: A700027

Printed: 8/18/99

5,578.00	5,590.00	TA	4/1/60	1/1/91			
U/YESO swf w/ 2M# SELECTIVELY							
5,847.00	6,047.00	TA	1/1/91	7/1/99			
TUBB ACD 5848-6145 W/ 5M, ACD W/ 15M 28%							
6,074.00	6,145.00	TA	1/1/91	7/1/99			
TUBB ACD W/ 3000 - DID NOT REPERF							
6,075.00	6,145.00	TA	1/1/54	1/1/54			
TUBB acd w/ 1500, acd w/ 3000							
6,180.00	6,250.00	PA	1/1/54	1/1/54			
TUBB acd w/ 1500, sq w/ 75 sx							
6,307.00	6,996.00	A	7/17/99		2	74	
ABO - 9 SELECTIONS, ACD W/ 1000 W/ BALLS							
7,700.00	7,725.00	PA	1/1/54	1/1/54			
acd w/ 3000							
7,740.00	7,765.00	PA	1/1/54	1/1/54			
acd w/ 3000							
8,190.00	8,300.00	PA	1/1/54	1/1/54			
acd w/ 3000							

Wellbore Plugs and Junk

Top	Bottom	Type	Diameter	Solid	Date
6,498.00	6,501.00	CIBP	7.000	Yes	7/17/99
8,120.00	8,140.00	Cmt	7.000	Yes	1/1/54
8,120.00	8,140.00	Cmt	7.000	Yes	1/1/54
8,140.00	8,141.00	CIBP	7.000	Yes	1/1/54
8,140.00	8,141.00	CIBP	7.000	Yes	1/1/54
8,320.00	8,360.00	Cmt	7.000	Yes	1/1/54
Shoe jt					
8,360.00	8,500.00	Cmt	8.750	Yes	1/1/54
9,450.00	9,550.00	Cmt	8.750	Yes	1/1/54
10,475.00	10,600.00	Cmt	8.750	Yes	1/1/54

Rod String 1

Date Ran: 7/22/99

Description	#	Diameter	Rod Box	Grade	Length	Top At	Btm At
Pol Rd	1	1.2500			26.00	0.00	26.00
Rod Sect 1	2	0.8750		D	12.00	26.00	38.00
Rod Sect 2	59	0.8750		D	1,475.00	38.00	1,513.00
Rod Sect 3	178	0.7500		D	4,450.00	1,513.00	5,963.00
Rod Sect 4	10	0.8750		D	250.00	5,963.00	6,213.00
Pump	1	1.5000			24.00	6,213.00	6,237.00
Gas Anchor	1	1.0000			20.00	6,237.00	6,257.00

Tubing String 1

Date Ran: 7/22/99

Description	#	Diameter	Weight	Grade	Length	Top At	Btm At
Tbg Sect 1	200	2.3750	4.70	J55	6,211.00	10.00	6,221.00
Stg Nipple	1	2.3750	4.70	J55	1.00	6,221.00	6,222.00
Prf Nipple	1	2.3750	4.70	J55	4.00	6,222.00	6,226.00
Mud Anchor	1	2.8750	6.40	N80	31.50	6,226.00	6,257.50