

STATE OF ALASKA  
ALASKA OIL AND GAS CONSERVATION COMMISSION  
3001 Porcupine Drive  
Anchorage, Alaska 99501-3192

Re: THE APPLICATION OF ARCO ) Conservation Order No. 249  
ALASKA, INC for an order )  
granting an exception to ) Pt. McIntyre State No. 7  
spacing requirements of ) Exploratory, Section 16,  
Title 20 AAC 25.055 to ) T12N, R14E, Umiat Meridian  
provide for the drilling )  
of the Pt. McIntyre State )  
No. 7 exploratory well )  
  
January 23, 1990

IT APPEARING THAT:

1. ARCO Alaska, Inc. (ARCO) submitted an application on October 23, 1989 requesting an exception to 20 AAC 25.055(a)(1) to permit the drilling of Pt. McIntyre State No. 7 exploratory well closer than 500' from a drilling unit boundary.
2. Notice of hearing on this request was published in the Anchorage Daily News on December 9, 1989 pursuant to 20 AAC 25.540.
3. No protests to the application were received.

FINDINGS:

1. ARCO proposes to drill Pt. McIntyre State No. 7 from a surface location 1512' from the south line and 491' from the east line of Section 16, T12N, R14E, Umiat Meridian, to a bottomhole location 339' from the south line and 1444' from the west line of Section 3, T12N, R14E, Umiat Meridian.
2. Offset operator/owners Exxon Corporation and BP Exploration (Alaska) Inc have been duly notified.
3. Exxon Corporation as leaseholder of the bottomhole location has designated ARCO as operator for the drilling of Pt. McIntyre State No. 7.
4. An exception is necessary to achieve compliance with 20 AAC 25.055(a)(1).
5. 20 AAC 25.517 provides for integrating the interests of all persons owning an interest in a pool or portion of a pool before commencing regular production of oil or gas.

CONCLUSION:

Granting a spacing exception to allow drilling of the ARCO Pt. McIntyre State No. 7 well as proposed will not result in waste nor jeopardize correlative rights.

NOW, THEREFORE, IT IS ORDERED:

ARCO Alaska, Inc.'s application for an exception to 20 AAC 25.055 for the purpose of drilling the Pt. McIntyre State No. 7 well is approved as proposed.

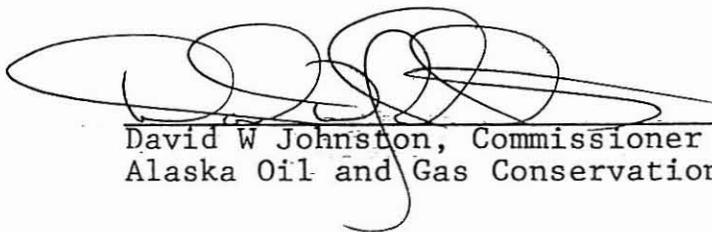
DONE at Anchorage, Alaska and dated January 23, 1990.



C V Chatterton, Chairman  
Alaska Oil and Gas Conservation Commission



Lonnie C Smith, Commissioner  
Alaska Oil and Gas Conservation Commission



David W Johnston, Commissioner  
Alaska Oil and Gas Conservation Commission