

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

Re: THE APPLICATION OF ARCO ) Conservation Order No. 264  
ALASKA, INC. for an order )  
granting an exception to ) West Beach State #4 Well  
spacing requirements of ) Exploratory, Section 25,  
Title 20 AAC 25.055 to ) T12N, R14E, Umiat Meridian  
provide for the drilling )  
of the West Beach State )  
#4 exploratory well. )

December 14, 1990

IT APPEARING THAT:

1. ARCO Alaska, Inc. (AAI) submitted an application on November 21, 1990 requesting an exception to 20 AAC 25.055(a)(1) to permit the drilling of West Beach State #4 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 November 28, 1990 pursuant to 20 AAC 25.540.
3. No protests to the application were received.

FINDINGS:

1. AAI proposes to drill West Beach State #4 from a surface location 70' from the south line (FSL) and 2060' from the west line (FWL) of Section 25, T12N, R14E, Umiat Meridian, to a bottomhole location 300'FNL, 1109'FWL of Section 29, T12N, R15E, Umiat Meridian.
2. Offset operator/owner Exxon Company has been duly notified.
3. An exception is necessary to achieve compliance with 20 AAC 25.055(a)(1).
4. 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 West Beach State #4 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 West Beach State #4 well is approved as proposed.

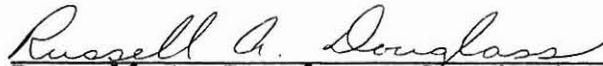
DONE at Anchorage, Alaska and dated December 14, 1990.



David W. Johnston, Chairman  
Alaska Oil and Gas Conservation Commission



Lonnie C. Smith, Commissioner  
Alaska Oil and Gas Conservation Commission



Russell A. Douglass, Commissioner  
Alaska Oil and Gas Conservation Commission