Form 3160-3

UNITED STATES DEPARTMENT OF THE INTERIOR

SUBMIT IN TRIPLICATE* (Other instructions on reverse side)

FORM APPROVED OMB NO. 1004-0136

(July	1992)
,	1

Expires: February 28, 1995 5. LEASE DESIGNATION AND SERIAL NO.

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urus Exploratio	n, U.S.A., Inc.	16292	<u> </u>	DPAR	9	. API WELL NO.	2 2011
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t proposed prod. Zone				OUR COM	DUVZE	Sec. 19, T30N	, R4W
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	E of Gobernador, No	ew Mexico				Rio Arriba	<u> </u>
DISTANCE FROM PROPOSE LOCATION TO NEAREST				OF ACRES IN LEASE	17. NO. OF AC		
PROPERTY OR LEASE LINE (Also to nearest drlg, unit	line, if any) 940			.9.52	1 V	(// 219.52	
DISTANCE FROM PROPOSE TO NEAREST WELL, DRILL	ED LOCATION*			POSED DEPTH		OR CABLE TOOLS	
OR APPLIED FOR, ON THIS	LEASE, FT. 3000'		884	10	Rotar	22. APPROX. DATE WO	RK WILL START*
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an:	d appeal pursuant to	ROPOSED CASIN	G AND C	EMENTING PROGRAM	GENERAL	REQUIREMENTS	
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fracture the	on with the NMOCD i Mesaverde and Dako	ta formation	is. Th	nis gas is dedicat	ed.	070 FARWINGTON, NM	RECEIVED BLM 98 JUN - 1 PM 1:47
ABOVE SPACE DESCRIPED DESCRIPED SIGNED	BE PROPOSED AROGRAM: filtent data on subsurface location	ns and measured an	d true veri	data on present productive zo ical depths. Give blowout pre- roduction Superint	venter program,	d new productive zone. I if any. DATE 5/14/	<u> </u>
(This space for Federal	or State office use)			APPROVAL DATE	dal		
	ot warrant or certify that the applicant h	solds legal or equitable t	itle to those	rights in the subject lease which wo	ald entitle the applic	cant to conduct operations the	reon.
CONDITIONS OF APPRO	NSP-1	791 (4)	(C)			1111 25	3 199 8
	/Duane W. Spence					• • • • • • • • • • • • • • • • • • • •	. 1330
APPROVED BY			TLE -	On Reverse Side		DATE —	

District I

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised October 18, 1994

Instructions on back

PO Box 1980, Hobbs, NM 88241-1980 District II 811 South First, Artesia, NM 88210 District III 1000 Rlo Brazos Rd., Aztec, NM 87410 District IV

2040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION DEVISION DIVISION DIVISIONI DIVINI DIVISIONI DIVISIONI DIVISIONI DIVISIONI DIVISIONI DIVISIONI DIVISIONI DIVISIONI D 2040 South Pacheco Santa Fe, NM 87505

BLM

State Lease - 4 Copies Fee Lease - 3 Copies

98 JUN - 1 PM 1: 47

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION OF LAND ³ Pool Name 1 Pool Code /71599 Blanco Mesaverde/Basin Dakota • Well Number ⁵ Property Name * Property Code CARSON UNIT Elevation, 7372 TAURUS EXPLORATION OGRID No. U.S.A., INC. 162928

10 Surface Location

UI, or lot no.	Section 1 Q	Township 30N	Range 4W	Lot Idn	Feet from the 1561	North/South line NORTH	Feet from the 946	East/West line WEST	County RIO ARRIBA	
r	17	2011	7,11					<u> </u>		

11 Bottom Hole Location If Different From Surface

Bottom Hote Eccation H												
UL or lot no.	Section	Township	Runge	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County			
12 Dedicated Acr		or Infill '	Consolidation	n Code 13	Order No.			See .	•			
219.52/219	1152	1										

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 4448.40 LOT 56 946 Signature Garv OT 2 Printed Name 5/14/98 90 94 Date **E**.or 3 Date of Survey

17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Brink

Production Superintendent

18SURVEYOR CERTIFICATION

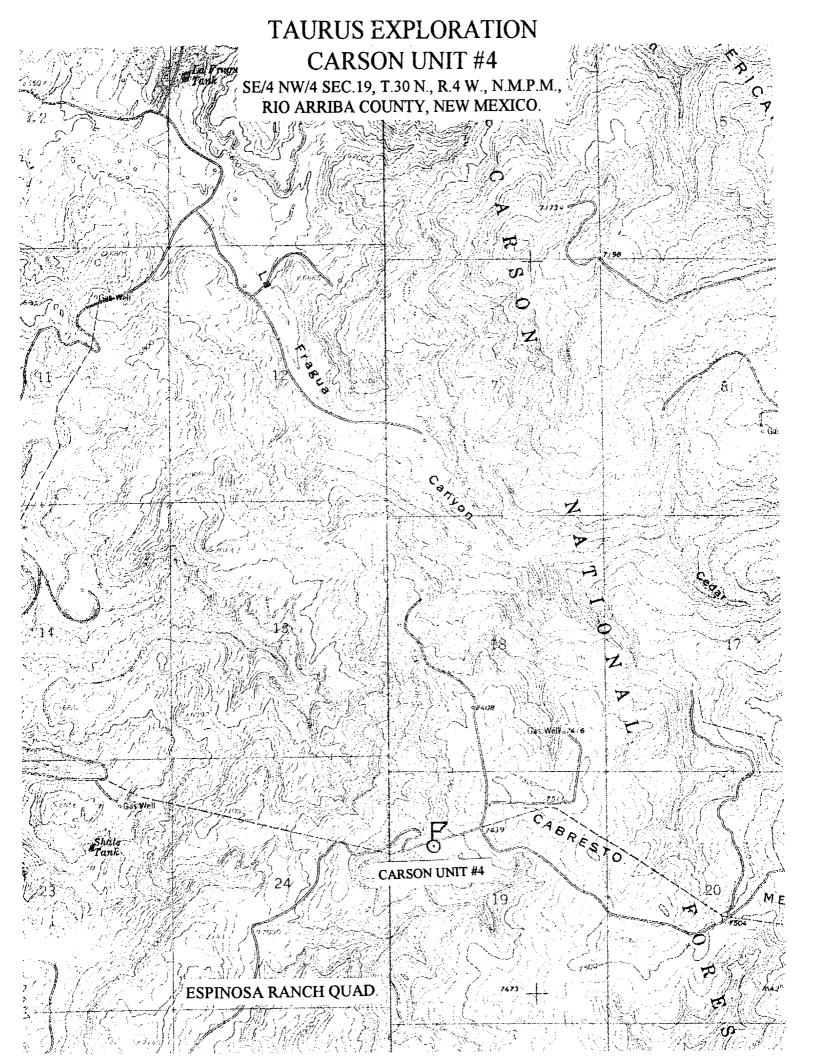
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

4-27-98

Signature and Scal of Professional Surveyer:



WEST 4453.68





NEW MEXICO ENERGY, MINERALS & NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION 2040 South Pacheco Street Santa Fe, New Mexico 87505 (505) 827-7131

June 30, 1998

Taurus Exploration U.S.A., Inc. 2198 Bloomfield Highway Farmington, New Mexico 87401 Attention: Richard P. Corcoran

DECEIVED No. 6 1985

on gon.

Adramistrative Order NSP-1791(L)

Dear Mr. Corcoran:

Reference is made to your applications dated June 4, 1998 for the formation of a non-standard 219.52-acre gas spacing and proration unit consisting of the following acreage in both the Blanco-Mesaverde and Basin-Dakota Pools:



RIO ARRIBA COUNTY, NEW MEXICO TOWNSHIP 30 NORTH, RANGE 4 WEST, NMPM Irregular Section 19: Lots 1 through 4 and the E/2 W2.

Gas production from both pools is to be dedicated to Taurus Exploration U.S.A., Inc.'s proposed: (i) Carson Unit Well No. 4 to be drilled at a standard gas well location 1561 feet from the North line and 946 feet from the West line (Unit F) of Section 19; and, (ii) Carson Unit Well No. 4-M to be drilled at an unorthodox infill gas well location 794 feet from the South line and 1551 feet from the West line (Unit N) of Section 19.

The application has been duly filed under the provisions of Rules 104.F, 104.D(2), and 605.B of the Rules and Regulations of the New Mexico Oil Conservation Division ("Division").

By the authority granted me under the provisions of Division Rules 104.F(2) and 104.D(2)(b), the above-described unorthodox Basin-Dakota/Blanco-Mesaverde "infill" gas well location for the Carson Unit Well No. 4-M and 219.52-acre non-standard gas spacing and proration unit in both the Blanco-Mesaverde and Basin-Dakota Pools are hereby approved.

Further, both of the aforementioned Carson Unit Well Nos. 4 and 4-M and both spacing units will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest, New Mexico.

Sincerely.

Lori Wrot

Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec / U. S. Bureau of Land Management - Farmington

June 4, 1998

TAURUS EXPLORATION USA, INC. 2198 Bloomfield Highway Farmington, New Mexico 87401 Telephone (505) 325-6800

Mr. Michael E. Stogner New Mexico Oil Conservation Division 2040 South Pacheco Street Santa Fe, New Mexico 87505

RE:

Administrative Approval of Non-Standard Proration Unit

Carson 4M Well 1551' FNL, 794' FWL Sec.19-T30N-R4W

Rio Arriba County, New Mexico

Mesa Verde/Dakota Dual

DEGETTED

N JUN 8 1993

OUL COM. DUV.

DUST. 3

Dear Mr. Stogner:

Taurus Exploration U.S.A., Inc. requests administrative approval of a non-standard spacing unit for its Carson #4M well to be located 1551' FNL and 794' FWL of Sec. 19-T30N-R4W, Rio Arriba County, New Mexico.

The W/2 of said section 19 is an irregular section containing 219.52 acres, caused by a variation in the legal subdivision of the U.S. Public Land Survey. This results in the spacing unit being 68.6% of a standard gas proration unit for the Blanco Mesa Verde and Basin Dakota pools. For the foregoing reason, Taurus Exploration U.S.A., Inc. respectfully requests administrative approval of a Non-Standard Proration Unit for the subject well.

A copy of this application is being submitted to all offset operators by certified mail with a request that they furnish your office in Santa Fe with a Waiver of Objection.

Attached is a well location plat showing acreage, a topographic plat of the area, and a map showing all offsetting operators.

Sincerely,

Richard P. Corcoran District Landman

RPC/df Enclosures

cc: OCD-Aztec office, BLM-Farmington office, Offset Operators

June 4, 1998

TAURUS EXPLORATION USA, INC. 2198 Bloomfield Highway Farmington, New Mexico 87401 Telephone (505) 325-6800

Scott Prather Phillips Petroleum Company 5525 Highway 64 Farmington, New Mexico 87401

RE: Administrative Approval of Non-standard Proration Unit

Carson 4M Well 1551' FWL, 794' FSL Sec. 19-T30N-R4W

Rio Arriba County, New Mexico

Mesa Verde/Dakota Dual

Dear Mr. Prather:

Sincerely,

Taurus Exploration U.S.A., Inc. has filed with the New Mexico Oil Conservation Division (NMOCD), an application for the administrative approval of a Non-standard Proration Unit, for its Carson #4M Well. A copy of the application has been attached for your review.

If you have no objection to this Non-standard Proration Unit, please sign three copies of the attached waiver, return one executed copy to the NMOCD in Santa Fe, New Mexico, one copy to our office, and retain one copy for your files. Self addressed envelopes are enclosed. If you have any objections to this proposal, please notify the NMOCD at 2040 South Pacheco, Santa Fe, New Mexico 87505 within 20 days of the date of this letter.

Your assistance and cooperation in this matter are appreciated.

/	Richard P. Corcoran
-	District Landman
	RPC/df
	WAIVER
	Administrative Approval of a Non-standard Proration Unit.
	Date:By:

Operators

cc: OCD-Aztec office, BLM-Farmington

District I Pt) Box 1980, Hobbs, NM 88241-1980 State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised October 18, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies Fee Lease - 3 Copies

811 South First, Actosia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV

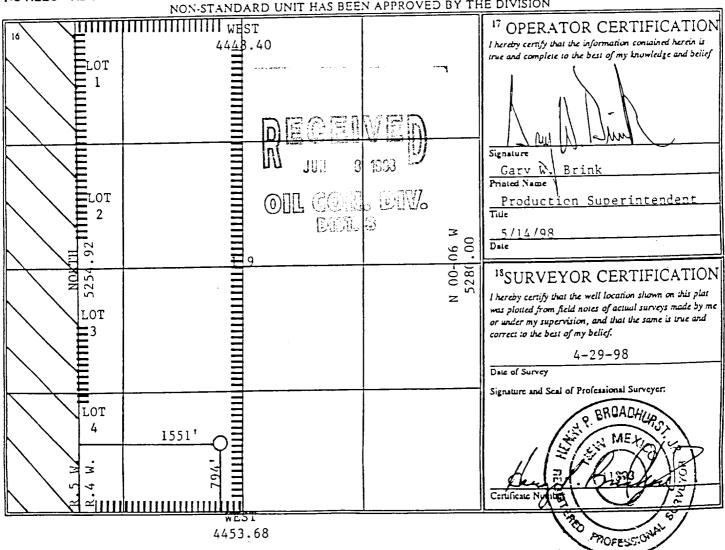
2040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT 3 Pool Name 1 Pool Code 1 All Number Blanco Mesaverde/Basin Dakota 72324/71599 * Well Number Property Name * Property Code **4M** CARSON * Elevation Operator Name OGRID No. 7394 TAURUS EXPLORATION U.S.A 162928 Surface Location East/West line County Feet from the Feet from the North/South line Lot Idn Township Range Section Ul. or lut no. 1551 WEST RIO ARRIBA 794 SOUTH 4W 30N 19 N 11 Bottom Hole Location If Different From Surface East/West line County Feet from the Lot-Idn Feet from the North/South line Township Section UL or lot no. " Consolidation Code 15 Order No. 13 Joint or Infill 11 Dedicated Acres 219.52/219.52

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

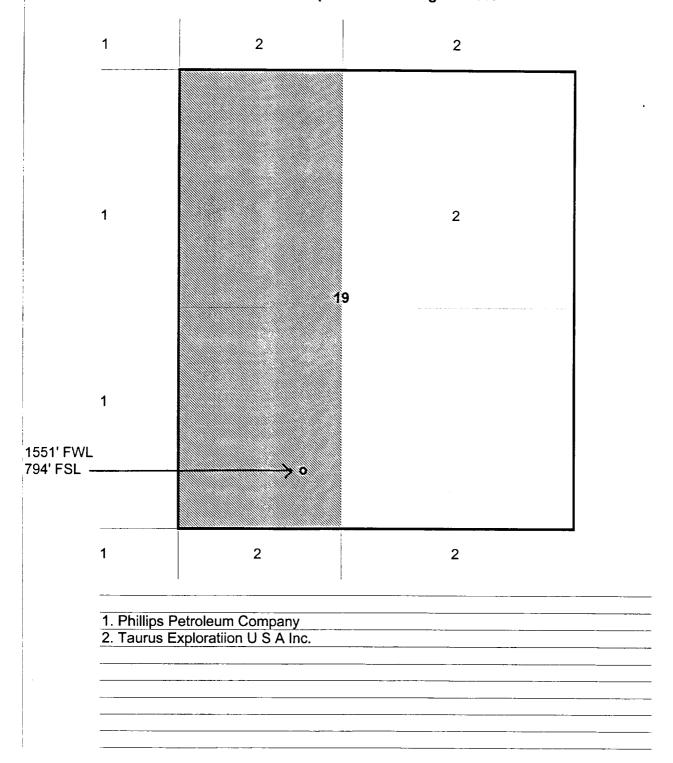


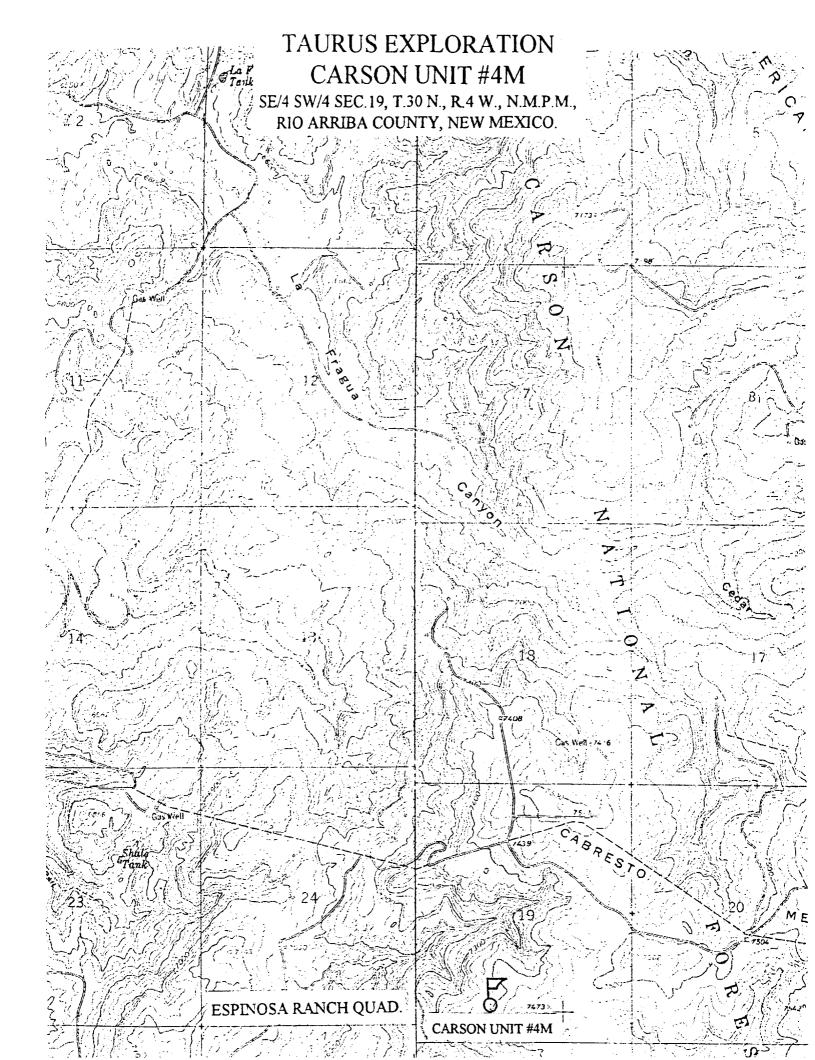
Taurus Exploration U. S. A., Inc.

Carson #4M OFFSET OPERATOR \ OWNER PLAT

Mesa Verde \Dakota Dual

Township 30 North - Range 4 West





June 4, 1998

TAURUS EXPLORATION USA, INC. 2198 Bloomfield Highway Farmington, New Mexico 87401 Telephone (505) 325-6800

Mr. Michael E. Stogner New Mexico Oil Conservation Division 2040 South Pacheco Street Santa Fe, New Mexico 87505

RE:

Administrative Approval of Non-Standard Proration Unit

Carson 4 Well

1561' FNL, 946' FWL Sec.19-T30N-R4W

Rio Arriba County, New Mexico

Mesa Verde/Dakota Dual

OR COM DIV.

Dear Mr. Stogner:

Taurus Exploration U.S.A., Inc. requests administrative approval of a non-standard spacing unit for its Carson #4 well to be located 1561' FNL and 946' FWL of Sec. 19-T30N-R4W, Rio Arriba County, New Mexico.

The W/2 of said section 19 is an irregular section containing 219.52 acres, caused by a variation in the legal subdivision of the U.S. Public Land Survey. This results in the spacing unit being 68.6% of a standard gas proration unit for the Blanco Mesa Verde and Basin Dakota pools. For the foregoing reason, Taurus Exploration U.S.A., Inc. respectfully requests administrative approval of a Non-Standard Proration Unit for the subject well.

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Richard P. Corcoran District Landman

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cc: OCD-Aztec office, BLM-Farmington office, Offset Operators

June 4, 1998

TAURUS EXPLORATION USA, INC. 2198 Bloomfield Highway Farmington, New Mexico 87401 Telephone (505) 325-6800

Scott Prather Phillips Petroleum Company 5525 Highway 64 Farmington, New Mexico 87401

RE:

Administrative Approval of Non-standard Proration Unit

Carson 4 Well

1561' FNL, 946' FWL Sec. 19-T30N-R4W

Rio Arriba County, New Mexico

Mesa Verde/Dakota Dual

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If you have no objection to this Non-standard Proration Unit, please sign three copies of the attached waiver, return one executed copy to the NMOCD in Santa Fe, New Mexico, one copy to our office, and retain one copy for your files. Self addressed envelopes are enclosed. If you have any objections to this proposal, please notify the NMOCD at 2040 South Pacheco, Santa Fe, New Mexico 87505 within 20 days of the date of this letter.

Your assistance and cooperation in this matter are appreciated.

unare October
Richard P. Corcoran
District Landman
RPC/df
WAIVER
WAIVER
hereby waives obtain to the above referenced Application for
Administrative Approval of a Non-standard Proration Unit.
D. (Dec.
Date:By:

cc: OCD-Aztec office, BLM-Farmington office, Offset Operators

District I PO Box 1980, Hobbs, NM 88241-1980 District II 811 South First, Artesia, NM 88210 District III 1000 Rio Brazas Rd., Aztec, NM 87410 District IV

State of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fc, NM 87505

Form C-102 Revised October 18, 1994 Instructions on back

Submit to Appropriate District Office State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

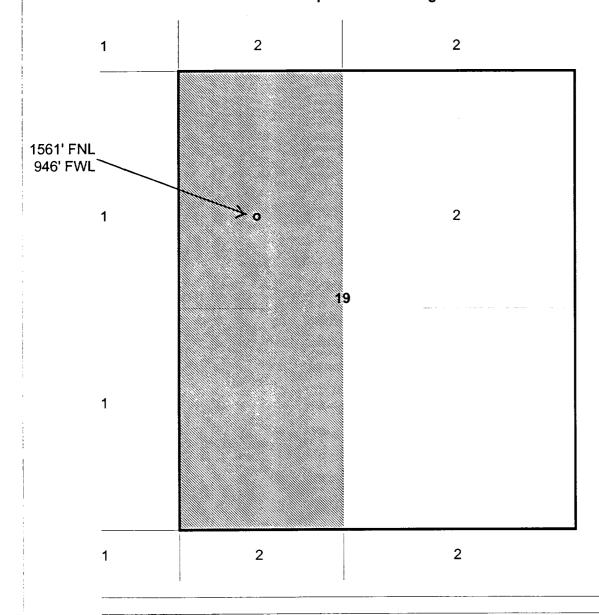
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TAURUS EXPLORATION U.S.A., INC. 10 Surface Location UI. er lui no. Section 10 Township Range 15 In 10 Feet from the North South Line 946 WEST RIO ARRIBA 11 Bottom Hole Location If Different From Surface UI. er lui no. Section Township Range Lui Idn Feet from the North South Line Feet from the East West line County 10 Deficated Acres 10 Junior in Infiliation Code 10 Order No. 219 - 52 / 219 52 NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION 10 DIA COLOR DIVISION 11 DIA ROS ROS DIVISION BY INVENIENCE CONTROL OF THE COUNTY OF THE COU	4 Property	Code					טד"ו ל	-					•		
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II Bottom Hole Location If Different From Surface UL or lot no. Section Township Range Lot Idn Feet from the Nurth/South line Feet from the East/West line County "Delicated Acres" "Joint or Infill" "Consolidation Code" "Order No. 219.52/219 52 NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION UBST 4448.40 USB 1038 OPEN 308 OPEN 308 IN Signature Gary N. Brink Prinated Name Production Superintendent Title Signature Gary N. Brink Prinated Name Production Superintendent Title Signature The Surface It SURVEYOR CERTIFICATION Interby certify that the well location shown on this plat was provided from field notes of oreula survey and by the or under my supervision, and but his men in visu and correct to the best of my belief. 4-27-98 Date of Survey Signature and Scal of Professional Surveyer: PROADHING MEX. Certificate Methods The Surface of Survey Signature and Scal of Professional Surveyer:					L	ot Idn	Feet from		North/South line				t line	County RIO ARRIBA	
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219.52/219 52 NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR . NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION 16 ELOT 4448.40 17 OPERATOR CERTIFICATION 11 Property that the information considered here is ure and complete to the best of my browniedge and being 1 production Superintendent True 5/14/98 Date 5/14/98 Date 1 SURVEYOR CERTIFICATION 11 Property by that the well location shown on this plat war plotted from feld notes of actual travers made by mor under my superstians, and that the same is true and correct to the best of my belief. 1 SURVEYOR CERTIFICATION 1 point feld notes of actual travers made by mor under my superstians, and that the same is true and correct to the best of my belief. 2 Cardifeste Spitcht 3 Cardifeste Spitcht 3 Cardifeste Spitcht 4 -27-98 Date of Survey Signature and Scal of Professional Surveyer:	UL or lot no.	Section	Townshi		\neg		1					Easl/Wcs	t line	County	
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED ON AND AND AND AND AND AND AND AND AND AN]	1	or Infill	14 Consolidat	ion Co	ode 13 (Order No.			•		Set.			
TO PERATOR CERTIFICATION I hereby certify that the well location it time and to you have made by many head from the war plant from feld notes of activities and best of my belief. The production superintendent Title 5/14/98 Date 18 SURVEYOR CERTIFICATION I hereby certify that the well location thom on this plant war plant from field notes of actual surveys made by more under my superintendent and the same it true and correct to the best of my belief. 4-27-98 Date of Survey Signature and Seal of Professional Surveyer: PROADHUM The production of the plant of the same it true and correct to the best of my belief. Certificate by mobile Certificate by mobi	219.52/21 NO ALLOW.	9152 ABLE WI	ILL BE	ASSIGNED	TO NDA	THIS	COMPLET	TION BEE!	UNTIL ALL IN	NTER BY TH	ESTS HAV	E BEEN N	CONS	OLIDATED OR A	
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Taurus Exploration U. S. A., Inc.

Carson #4 OFFSET OPERATOR \ OWNER PLAT

Mesa Verde \Dakota Dual

Township 30 North - Range 4 West



^{2.} Taurus Exploratiion U S A Inc.

