

**NEW MEXICO ENERGY, MINERALS  
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION  
2040 South Pacheco Street  
Santa Fe, New Mexico 87506  
(505) 827-7131

June 30, 1998

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

*Administrative 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,

A handwritten signature in cursive script, reading "Lori Wrotenbery".

Lori Wrotenbery  
Director

LW/MES/kv

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

# On Site Technologies, LTD.

Date: 23-Mar-99

CLIENT: Conoco, Inc.  
Work Order: 9903007  
Project: Delhi Taylor #5

## QC SUMMARY REPORT Sample Matrix Spike

Sample ID: 9902077-01AMS	Batch ID: 8015GRO_S-	Test Code: SW8015	Units: mg/Kg	Analysis Date 3/12/99	Prep Date:
Client ID:	9903007	Run ID: GC-1_990311A		SeqNo: 12010	
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC LowLimit HighLimit RPD Ref Val %RPD RPDLimit Qual
T/R Hydrocarbons: C6-C10	70.62	4.5	45.02	24	103.5% 46 118
Sample ID: 9902077-01AMS	Batch ID: 8015GRO_S-	Test Code: SW8015	Units: mg/Kg	Analysis Date 3/12/99	Prep Date:
Client ID:	9903007	Run ID: GC-1_990311A		SeqNo: 12011	
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC LowLimit HighLimit RPD Ref Val %RPD RPDLimit Qual
T/R Hydrocarbons: C6-C10	67.32	4.5	45.02	24	96.2% 46 118 70.62 4.8% 12
Sample ID: 9903007-02AMS	Batch ID: 8015GRO_S-	Test Code: SW8015	Units: mg/Kg	Analysis Date 3/11/99	Prep Date:
Client ID: TDP	9903007	Run ID: GC-1_990311A		SeqNo: 12012	
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC LowLimit HighLimit RPD Ref Val %RPD RPDLimit Qual
T/R Hydrocarbons: C6-C10	1.607	0.18	1.801	0.0282	87.7% 46 118
Sample ID: 9903007-02AMS	Batch ID: 8015GRO_S-	Test Code: SW8015	Units: mg/Kg	Analysis Date 3/11/99	Prep Date:
Client ID: TDP	9903007	Run ID: GC-1_990311A		SeqNo: 12013	
Analyte	Result	PQL	SPK value	SPK Ref Val	%REC LowLimit HighLimit RPD Ref Val %RPD RPDLimit Qual
T/R Hydrocarbons: C6-C10	1.594	0.18	1.801	0.0282	87.0% 46 118 1.607 0.8% 12

Qualifiers: ND - Not Detected at the Reporting Limit S - Spike Recovery outside accepted recovery limits B - Analyte detected in the associated Method Blank  
J - Analyte detected below quantitation limits R - RPD outside accepted recovery limits