

Joint Ventures and Land

15375 Memorial Drive Houston Texas 77079 281 584-6000

June 19, 2000

Lori Wrontenbery, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
2040 South Pacheco Street
Santa Fe, New Mexico 87505

30-039-26475

Re: Application of Vastar Resources, Inc. for Administrative Approval of an Unorthodox Well Location for its Carracas 19 B Well No. 4, to be located 1,170 feet from the North line and 830 feet from the West line of Section 19, Township 32 North, Range 4 West, N.M.P.M., Rio Arriba County, New Mexico

Dear Ms. Wrotenbery:

Vastar Resources, Inc. hereby seeks administrative approval pursuant to the provisions of Rule 8 of the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool adopted on October 17, 1988, of an unorthodox well location for its 19 B Well No. 4, to be drilled in the Fruitland Coal formation at an unorthodox well location 1,170 feet from the North line and 830 feet from the West line of Section 19, Township 32 North, Range 4 West, N.M.P.M., Rio Arriba County, New Mexico. A standard 320-acre spacing and proration unit comprised of the W/2 of Section 19 will be dedicated to the well.

The well will be drilled to a depth of approximately 4,200 feet to test the Fruitland Coal formation, Basin-Fruitland Coal Gas Pool.

This location in the Fruitland Coal formation is unorthodox because Rule 7 of the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool (Order No. R8768, as amended) provides for wells to be located in the NE/4 or SW/4 of a single governmental section and located no closer than 660 feet to any outer boundary of the proration unit nor closer than 10 feet to any interior quarter-quarter section line or subdivision inner boundary.

This unorthodox location is required by topographic conditions and Carson National Forest requirements. Alamo Canyon occupies the majority of the SE of Section 19. The proposed well is located at the end of an existing road and would be drilled on an existing pad that was previously built, but not drilled upon. The Forest Service has requested that new wells be placed along existing roads so as not to further impact the environment with new access roads.

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Carracas 19 B #4 Unorthodox Location
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Attached hereto as Exhibit A is a topographical map showing no standard location is available for the well on this spacing unit. Attached as Exhibit B and C are the C-102 Plat and the APD. These exhibits show that the unorthodox location is supported by the surface topography of the area.

Attached hereto as Exhibit D is a plat as required by Rule 104.F(3) showing the subject spacing unit, the proposed unorthodox well location, the offsetting wells and the diagonal and adjoining spacing units. Exhibit F lists parties affected by this application. A copy of this application, including a copy of the plat described above has been sent to these affected parties by certified mail-return receipt requested in accordance with Rule 1206(A)(5) advising them that if they have an objection to this application it must be filed in writing within twenty days from the date this notice was sent.

Copies of this request have also been provided to the Aztec Office and the Bureau of Land Management, Farmington District Office.

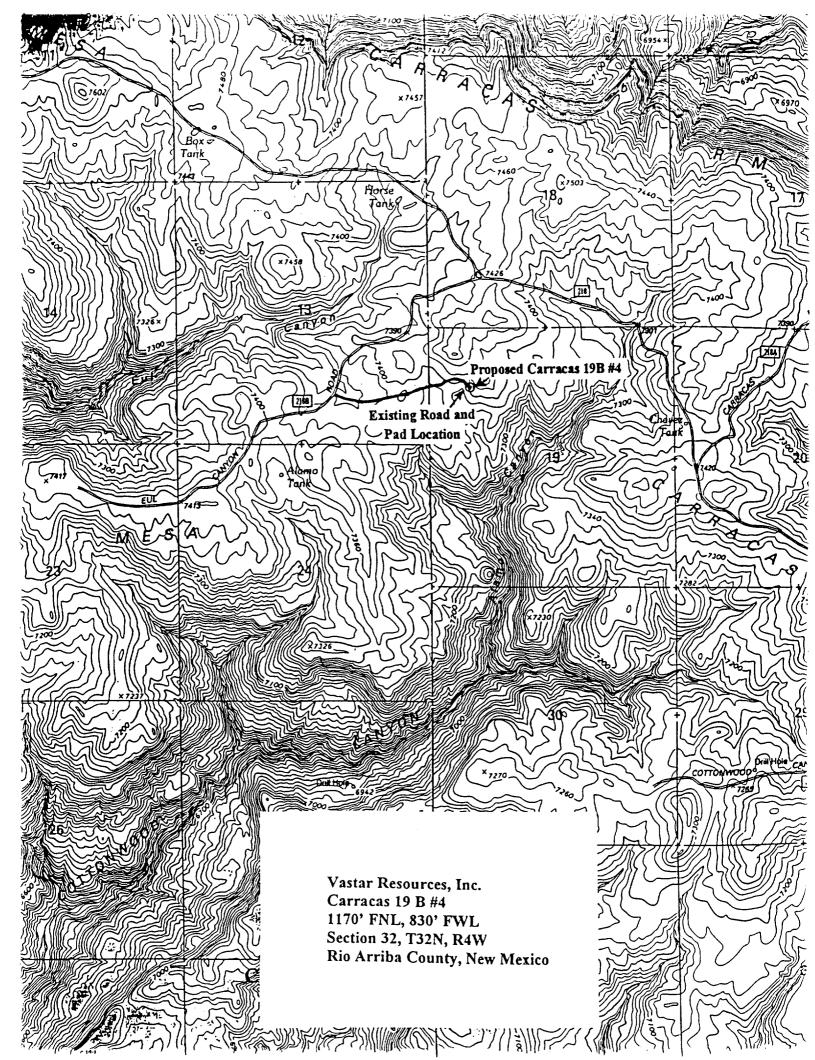
Very truly yours,

Michael Rodgers, CPL

Direct Line: (281) 584-3230

Fax: (281) 584-6370 E-mail: mrodger@vastar.com

Enclosures



P. O. HOX 2016 SANTA FE, NEW MEXICO 87501

Form C-102.

All distances must be from the outer boundaries of the Section.

Vastar Resources, Inc.				Carracas 19	4		
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Actual Fastage Loca 1170	Hisa of Wells	North line on	·4	830	lon the	West	
7401' Producing Formation Fruitland Coal			Pec	Basin Fruitland Coal (W/2) 320 Agree			
1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.							
2. If more than one Icase is dedicated to the well, outline each and identify the ewaership thereof (both as is working interest and royalty).							
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Yes No If answer is "yes," type of coasolidation							
If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Hee reverse side of this form if necessary.)							
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, bas been approved by the Division.							
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		SECTION 19				June	9, 2000
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