

DATE IN 4/14/03	SUBMIT DATE 5/4/03	ENGINEER MS	LOGGED IN MV	TYPE NSL	APP NO. PRV03/0654642
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ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
**- Engineering Bureau -**  
 1220 South St. Francis Drive, Santa Fe, NM 87505



**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Application Acronyms:**

**[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]**  
**[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]**  
**[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]**  
**[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]**  
**[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]**  
**[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]**

**[1] TYPE OF APPLICATION - Check Those Which Apply for [A]**

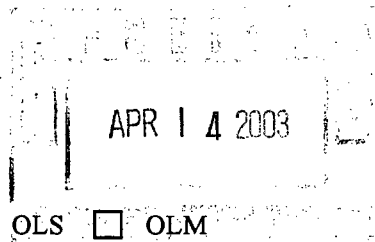
**[A] Location - Spacing Unit - Simultaneous Dedication**  
☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

**[B] Commingling - Storage - Measurement**  
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

**[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery**  
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

**[D] Other: Specify \_\_\_\_\_**



**[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply**

- [A]** ☐ Working, Royalty or Overriding Royalty Interest Owners
- [B]** ☒ Offset Operators, Leaseholders or Surface Owner
- [C]** ☐ Application is One Which Requires Published Legal Notice
- [D]** ☐ Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E]** ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F]** ☐ Waivers are Attached

**[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

**[4] CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note:** Statement must be completed by an individual with managerial and/or supervisory capacity.

<u>PAUL C. THOMPSON</u>	<u>Paul C. Thompson</u>	<u>AGENT</u>	<u>4/10/03</u>
Print or Type Name	Signature	Title	Date
<u>WALSH@CYBERPORT.COM</u>			
e-mail Address			

**WALSH**

ENGINEERING &amp; PRODUCTION CORP.

Petroleum Engineering Consulting  
Lease Management  
Contract Pumping7415 East Main  
Farmington, New Mexico 87402  
(505) 327-4892 • Fax: (505) 327-9834

April 10, 2003

Ms. Lori Wrotenbery  
New Mexico Oil Conservation Division  
1220 S. St Francis Dr.  
Santa Fe, NM 87504

Re: Non-Standard Location Application  
Cordillera Energy, Inc.  
Huron #4R  
1390' FSL & 2190' FEL, Section 2, T26N R4W  
Rio Arriba County, New Mexico  
Blanco Mesa Verde and Basin Dakota

Dear Ms. Wrotenbery,

This is a request for administrative approval for a non-standard location in the Blanco Mesa Verde and Basin Dakota pool. The non-standard location is the result of topographical constraints. There is a large drainage, which is not obvious on the topo map, just to the east of the proposed location. Please refer to the cut and fill diagram prepared by Jason Edwards of NCE Surveyors. A location that was located 1980' from the east line (660' from the center of the section) would be located in this drainage. If the well was moved to the east side of the drainage then the Huron #4R would only be approximately 500'- 600' from the existing Huron #4 (Dakota) and the #3A (Mesa Verde) wells. Cordillera Energy, Inc. owns the mineral rights in the SW/4 of Section 2, which is the area that is being encroached upon by the Huron #4R.

The Huron #4R will be drilled and completed as a downhole commingled Dakota and Mesa Verde well. The Huron #4R was located to maximize the ultimate recovery from the Mesa Verde and Dakota pools according to the spacing rules which were adopted in Order R-10987A for the Mesa Verde and Order R-10987-B for the Dakota. Considerable testimony was presented at both of those hearings to justify the necessity of drilling additional wells and the location of the 80 acre infill wells.



I have attached for your review, a C-102 for both the Mesa Verde and Dakota formations, outlining the dedicated acreage. I have also prepared a scale drawing, identifying the existing and proposed Mesa Verde and Dakota wells in the area and the offset operators.

The offset operators of the Mesa Verde and Dakota pools are being notified of this application by certified return receipt mail. Copies of these letters are enclosed.

Thank you for your consideration and approval of this application. If you have any questions please do not hesitate to call upon me.

Sincerely,

A handwritten signature in cursive script, reading "Paul C. Thompson".

Paul C. Thompson, P.E.  
Agent for  
Cordillera Energy, Inc.

District I  
PO Box 1980, Hobbs, NM 88241-1980

District II  
PO Drawer DD, Artesia, NM 88211-0719

District III  
1000 Rio Brazos Rd., Aztec, NM 87410

District IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

Form C-102  
Revised February 21, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number		*Pool Code 72319 \ 71599		*Pool Name BLANCO MESAVERDE \ BASIN DAKOTA	
*Property Code		*Property Name HURON			*Well Number 4R
*GRID No.		*Operator Name CORDILLERA ENERGY, INC.			*Elevation 7147'

<sup>10</sup> Surface Location

UL or lot no. J	Section 2	Township 26N	Range 4W	Lot Idn	Feet from the 1390	North/South line SOUTH	Feet from the 2190	East/West line EAST	County RIO ARriba
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<sup>11</sup> Bottom Hole Location If Different From Surface

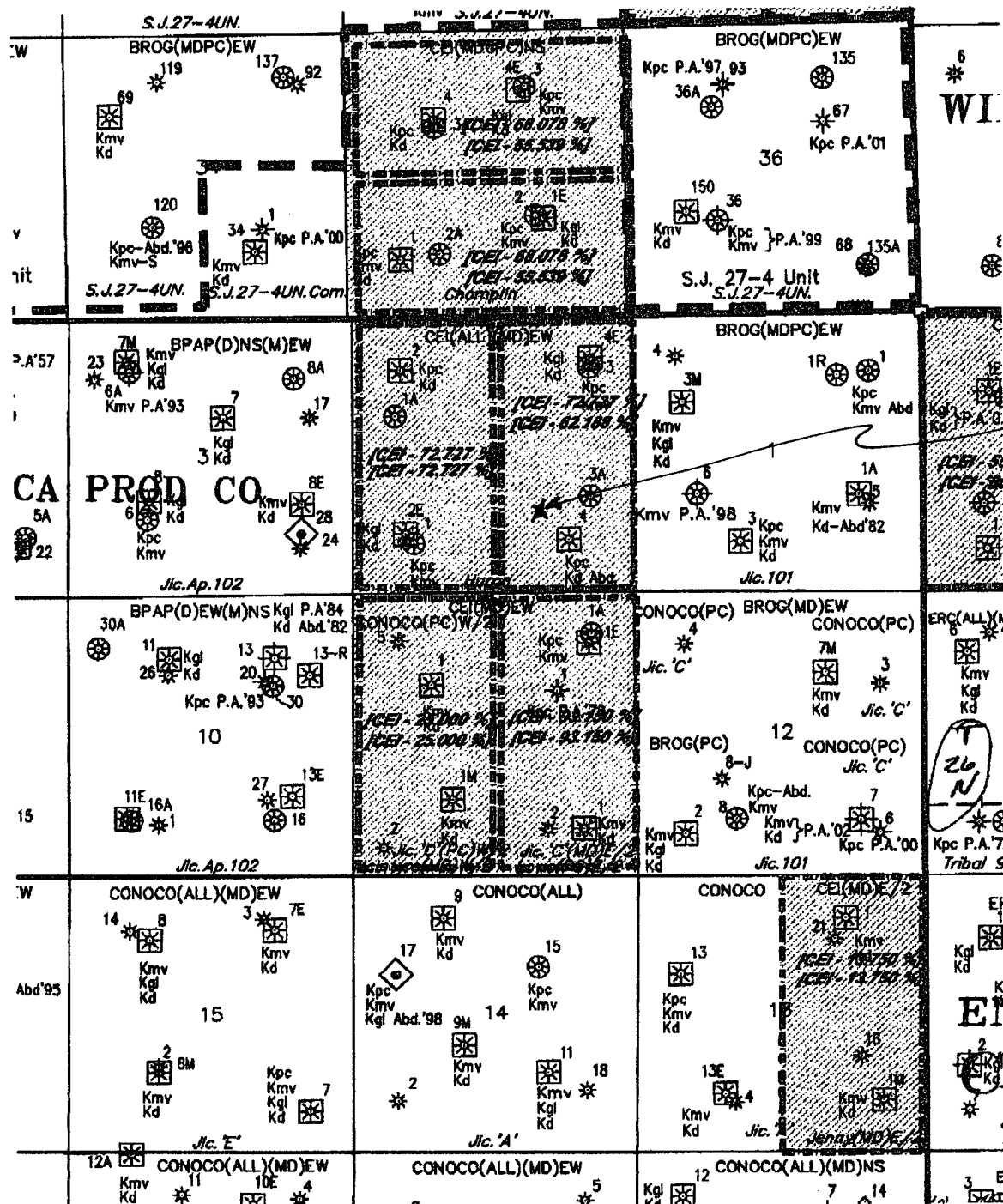
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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<sup>12</sup> Dedicated Acres 320.58 Acres - (E/2)	<sup>13</sup> Joint or Infill Y	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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

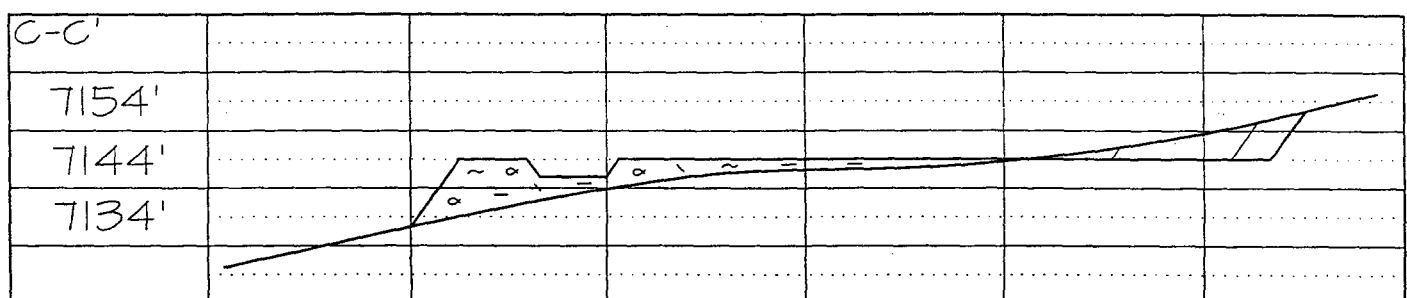
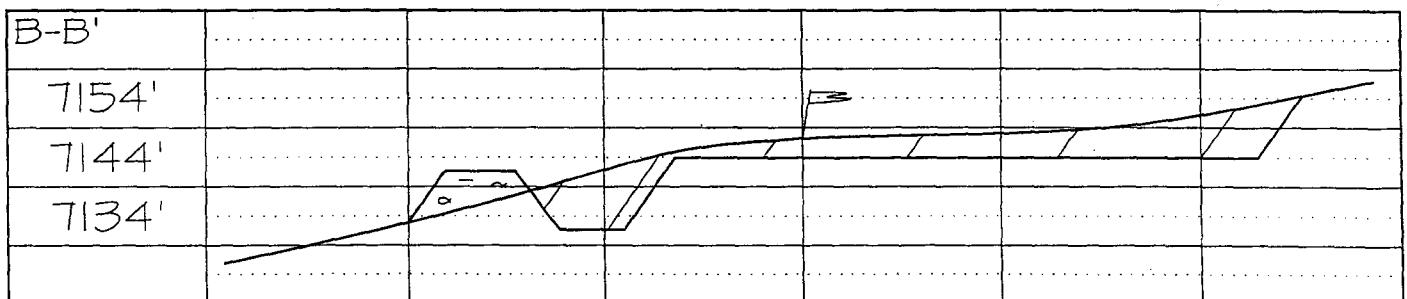
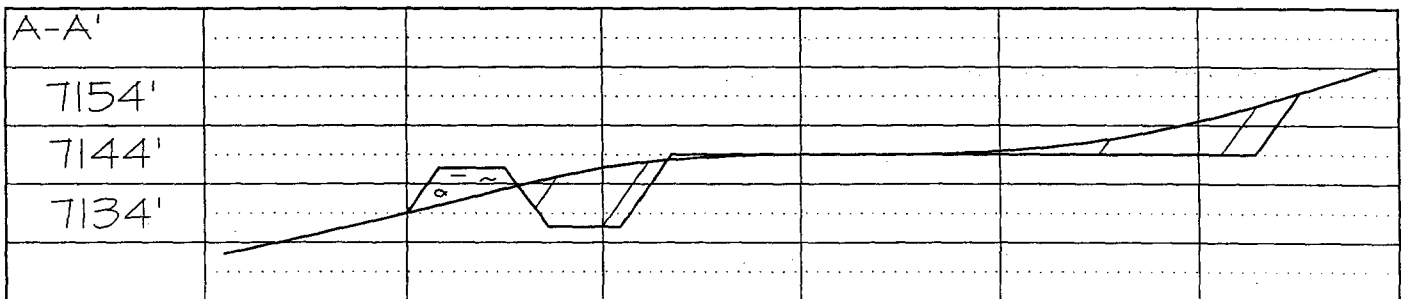
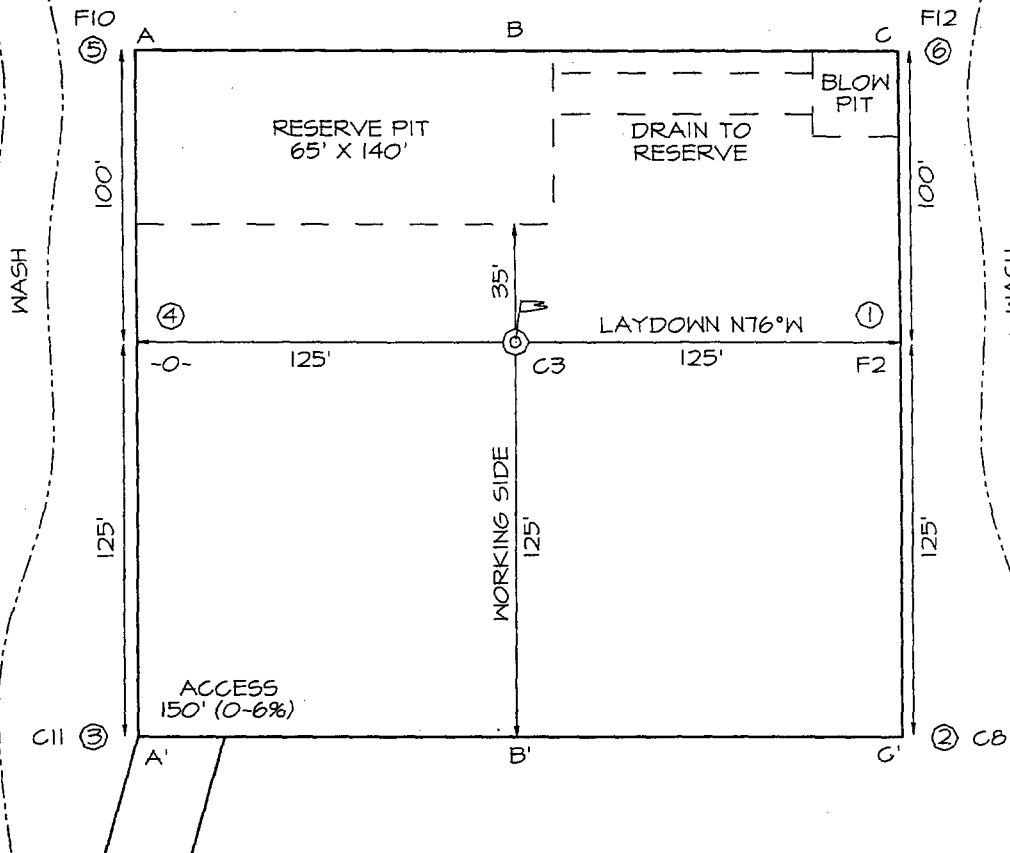
<sup>16</sup> 1334.52' 40.43 LOT 4	40.37 LOT 3	5280.00' 40.32 LOT 2	40.26 LOT 1	1327.92' 1320.00' 2640.00'	<sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief <u>Paul C. Thompson</u> Signature <u>PAUL C. THOMPSON</u> Printed Name <u>AGENT</u> Title <u>4/8/03</u> Date
Jicarilla Contract #101 2 2190' 1390' 5297.16'					

R-4-W



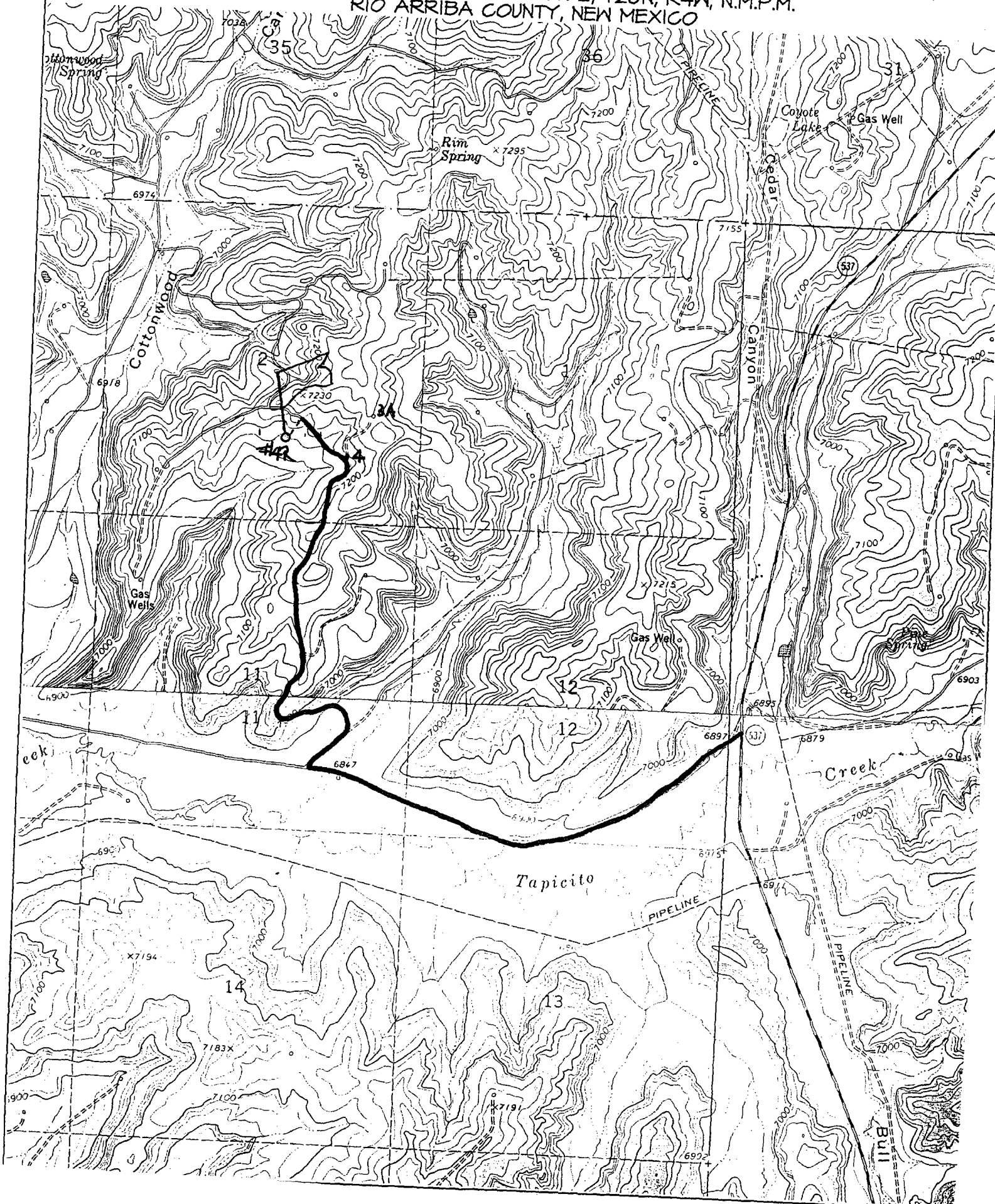
**ORDILLERA ENERGY, INC. HUB #4R**  
**1390' FSE & 2190' FEL, SECTION 2, T26N, R4W, NMMP**  
**RIO ARriba COUNTY, NEW MEXICO GROUND ELEVATION: 7147'**

**LATITUDE: 36°30'43"**  
**LONGITUDE: 107°13'08"**  
 DATUM: NAD1927



COROLLERA ENERGY, INC. HUERO 4R

1390' FSL & 2190' FEL, SECTION 2, T26N, R4W, N.M.P.M.  
RIO ARriba COUNTY, NEW MEXICO



**WALSH**

ENGINEERING &amp; PRODUCTION CORP.

Petroleum Engineering Consulting  
Lease Management  
Contract Pumping7415 East Main  
Farmington, New Mexico 87402  
(505) 327-4892 • Fax: (505) 327-9834CERTIFIED- RETURN RECEIPT

April 10, 2003

Land Manager  
ConocoPhillips  
5525 U. S. Hwy. 64  
Farmington, NM 87401Re: Non-Standard Location Application  
Cordillera Energy, Inc.  
Huron #4R  
1390' FSL, 2190' FEL, Section 2, T26N R4W  
Rio Arriba, New Mexico  
Blanco Mesa Verde and Basin Dakota

Dear Land Manager,

Enclosed you will find a copy of the above referred to application that has been submitted to the New Mexico Oil Conservation Division for administrative approval. As an offset operator you are being notified of this application pursuant to NMOCD rules.

If you desire to submit remarks concerning the application, please send them to Ms. Lori Wrotenbery, Director, New Mexico Oil Conservation Division, 1220 S. St Francis Dr., Santa Fe, New Mexico 87504, within 20 days from the receipt of this notice. If you have no objection to the proposal, no action is required on your part.

Thank you for your consideration in this matter and if you have any questions, please do not hesitate to call upon me.

Sincerely,

Paul C. Thompson, P.E.

**WALSH**

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Petroleum Engineering Consulting  
Lease Management  
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Farmington, New Mexico 87402  
(505) 327-4892 • Fax: (505) 327-9834CERTIFIED- RETURN RECEIPT

April 10, 2003

Land Manager  
Burlington Resources Oil and Gas  
3401 E. 30<sup>th</sup>  
Farmington, NM 87401Re: Non-Standard Location Application  
Cordillera Energy, Inc.  
Huron #4R  
1390' FSL, 2190' FEL, Section 2, T26N R4W  
Rio Arriba, New Mexico  
Blanco Mesa Verde and Basin Dakota

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Sincerely,

Paul C. Thompson, P.E.

## SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

LAMB MANAGER  
BURLINGTON RESOURCES OF CA  
3401 E. 38TH  
FARMINGTON, N.M.  
87401

## COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes  
If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail☐ Registered ☐ Return Receipt for Merchandise  
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

2. Article Number

(Transfer from service label)

7001 1940 0002 5028 7811

PS Form 3811, August 2001

Domestic Return Receipt

102595-02-M-1035

## SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

LAMB MANAGER  
CONOCO PHILLIPS  
5525 U.S. Hwy 64  
FARMINGTON, N.M.  
87401

## COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes  
If YES, enter delivery address below: ☐ No

3. Service Type

☐ Certified Mail ☐ Express Mail☐ Registered ☐ Return Receipt for Merchandise  
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

2. Article Number

(Transfer from service label)

7001 1940 0002 5028 7828

PS Form 3811, August 2001

Domestic Return Receipt

102595-02-M-1035