

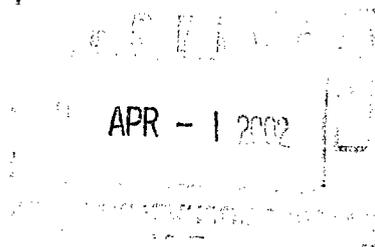


EL PASO ENERGY RATON, L.L.C.
P.O. BOX 190 - RATON, N.M. 87740

March 27, 2002

Mike Stogner
New Mexico Oil Conservation Division
1220 South St. Francis
Santa Fe, New Mexico 87505

RE: Admin. Order NSL # 4251



Dear Mike:

According to Administrative Order NSL # 4251 we are required to stake wells:

... "no closer than the required minimum orthodox distance (660 feet) to: (i) the outer boundary from the Vermejo Park Ranch lease; or (ii) the New Mexico/Colorado state-line, nor closer than 10 feet to any quarter-quarter section line or subdivision inner boundary."...

Our Field Construction Foreman, along with the Vermejo Park Ranch Representative, after much consideration, has preliminarily staked the **VPRF-17** well location approximately 480 ft. south of the New Mexico/Colorado state-line (see attached surveyors plat). Surface owner and mineral owner also have the adjoining acreage across state-line.

According to Rule 104.F, we are requesting approval for a Non-Standard Location for topographical reasons. The terrain is mountainous and severe. Topography to the south is steep mountain side and almost inaccessible. Further south, there is a canyon floor, which would require excessive construction costs and extreme water line pressures due to elevation difference (see attached topographical vicinity map).

District 4 Superintendent, Roy Johnson, expected the proposed location on Mar. 26, 2002.

Respectfully,

A handwritten signature in black ink, appearing to read "DR Lankford".

Don Lankford
Drilling Engineer

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 15, 2000
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code 96970		³ Pool Name STUBBLEFIELD CANYON RATON - VERMEJO GAS	
⁴ Property Code 24648		⁵ Property Name VERMEJO PARK RANCH			⁶ Well Number VPR'F'-17
⁷ OGRID No. 180514		⁸ Operator Name EL PASO ENERGY RATON ,L.L.C.			⁹ Elevation 7528.4'

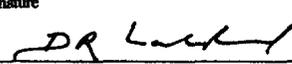
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	20	32 N	21 E	I	1907.4	SOUTH	776.6	EAST	COLFAX

¹¹ 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
¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code		¹⁵ Order No.					

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

16					¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>	
					Signature 	
					Printed Name DONALD R. LANKFORD	
					Title SENIOR PETROLIUM ENGINEER	
					Date	
		COLO			¹⁸ SURVEYOR CERTIFICATION <i>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.</i>	
		NM			March 15, 2002	
	↑ STATE LINE			482 776'	Date of Survey	
				19074	Signature and Seal of Professional Surveyor: 	
					Certificate Number NM LS NO. 5103	

TASANIMAS CO

COLIFAX CO

F-16

20

F-17

F

x770

7200

El Paso Energy Raton
VPRF-17
Well Location Map
1:8,000 3/2/02

Co

Stogner, Michael

From: Johnson, Roy
Sent: Thursday, April 18, 2002 3:35 PM
To: Stogner, Michael
Subject: NSL, El Paso Energy Raton

Mike, I walked out the location for VPR 'F' 17 on March 26, 2002 and found that this is the very best place for this location. Being close to the Colorado border should not be of concern as Vermejo Park Ranch is the offsetting acreage and there are a couple of Colorado wells that crowd the border as well.

I recommend this application for approval.

Roy Johnson
District Supervisor