

NS 104 F. Le Rupe dinte

OIL WELL ELEVATIONS AND LOCATIONS CHERRY CREEK PLAZA, SUITE 1201 600 SOUTH CHERRY STREET DENVER, COLORADO 80222 PHONE NO. 303/321-2217

Joe D. Ramey, Director New Mexico Oil & Gas Conservation Commission P.O. Box 2088 Santa Fe, New Mexico 87501

RE: Application for Spacing Exception John H. Hill & Gordon L. Llewellyn Foster #4A SW NW Sec. 4 T26N R8W 2130' FNL & 660' FWL San Juan County, New Mexico



Dear Sir:

Application is herewith made for an exception to the New Mexico spacing rule that applies to oil and gas wells. Although the above-referenced well location has not been officially inspected, the U.S.G.S. and the B.L.M. both looked at it on November 13, 1979 (the day they inspected some other Hill & Llewellyn wells) and they are of the opinion that, because of topography, this is the best possible location, and that a New Mexico spacing exception would be in order. The pre-drill inspection has been set for December 12, 1979.

Enclosed are duplicate copies of the location and elevation plat (showing offset ownership) and the applicable topographic map (showing location and access road).

Appropriate waivers will be sent under separate cover by Gabriel Bjerke (landman, Supron Energy Corporation in Dallas), who confirmed this matter with me in telephone conversations November 29, 1979 and December 3, 1979, and John Ahlm, who confirmed this matter with me in telephone conversations November 30, 1979 and December 3, 1979

In a telephone conversation today, I discussed the spacing exception with Larry Van Ryan of Southland Royalty Company. We agreed on the procedure of sending notification per certified mail (return receipt will be sent to the New Mexico Oil & Gas Conservation Commission, Santa Fe).

Should you require any additional information in order to approve this Application for Spacing Exception, please advise.

Please note that the above-referenced well location involves federal minerals, thus Farmington U.S. Geological Survey requires a copy of your approval of the spacing exception.

Very truly yours,

POWERS ELEVATION

Jacqueline E. LaSasso

JEL:vg Enclosures

cc: (2) New Mexico Oil & Gas Conservation Commission, Aztec District Office Gabriel Bjerke, Supron Energy Corporation, Dallas, Texas John Ahlm, El Paso Exploration Company, Farmington, New Mexico Larry Van Ryan, Southland Royalty Company, Farmington, New Mexico Gordon L. Llewellyn, Dallas, Texas Leon Wiederkehr, Esperanza Energy Corporation, Austin, Texas

OIL CONSERVATION DIVISION

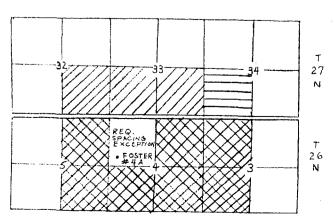
P. O. BOX 2088

Form C-102 Revised 10-1-78

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

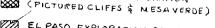
SANTA FE, NEW MEXICO 87501

All distances must be from the outer boundaries of the Section 1.0050 Foster #4A John H. Hill & Gordon L Llewellyn Honge at Letter E 26N 🛂 San Juan tual Pastage Location of Well: 2130' teet from the feet from the Pool Froducing Formation ound Level filey. 321.2 63891 Ballard P.C./Blanco Mesa Werde 1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below. 2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty). 3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling.etc? If answer is "yes," type of consolidation _ Yes No If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use 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, has been approved by the Division. CERTIFICATION I hereby certify that the information contoined herein is true and complete to the my knowledge And belief. Oceaser Geørge Lapaseotes V. Pres. Powers Elevation Agent Consultant for O FOSTER #4 Company John H. Hill & Gordon L. Llewellyn FOSTER #14 A 660 November 21, 1979 DUAL COMPLETION I hereby certify that the well location 1 NW 14 PICTURED CLIFFS W. Sec. Ed MESA VERDE and/or Land Surv 6857 Certificate No. TITTETT PER 330 660 1980 2810 2640

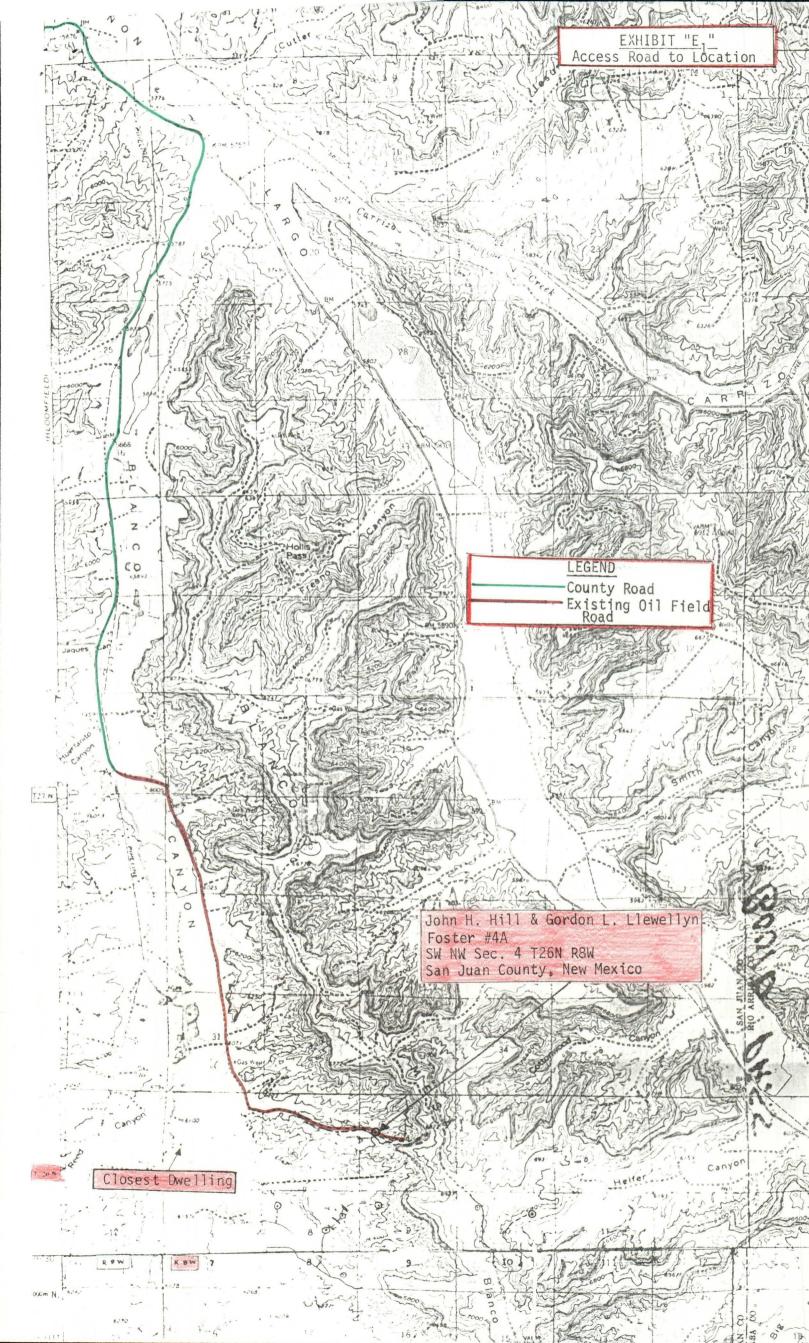


MINERAL OWNERSHIP (DESIGNATED OPERATOR)

SUPRON ENERGY CORPORATION (PICTURED CLIFFS & MESA VERDE)



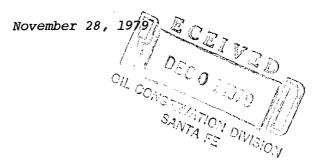




SUPRON ENERGY CORPORATION

BLDG. V, FIFTH FLOOR 10300 NORTH CENTRAL EXPRESSWAY DALLAS, TEXAS 75231

TELEPHONE (214) 691-9141 TWX: (910) 861-9117 SUPCO-DAL



New Mexico Oil Conservation Commission P. O. Box 2088
Santa Fe, New Mexico

Attention: Mr. Joe D. Ramey

State Petroleum Engineer Secretary-Director

Dear Sir:

John H. Hill has filed an application for a non-standard location to be 2130' FNL and 660' FWL (NW/4) of Section 4, Township 26 North, Range 8 West in San Juan County, New Mexico. Supron Energy Corporation has no objection to this non-standard location.

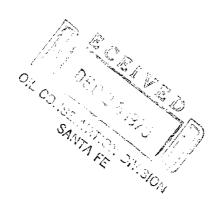
If you require additional information in this matter, please contact us at the above address.

Yours very truly,

Jerry L. Lee, Engineer Drilling and Production

Juny of Lee

JLL/mc



Southland Royalty Company

December 18, 1979

New Mexico Oil & Gas Conservation Commission P. O. Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Joe D. Ramey

Re: Unorthodox Location

John H. Hill & Gordon L. Llewellyn

Foster #4A

SWNW Section 4, T26N, R8W San Juan County, New Mexico

Dear Mr. Ramey:

Southland Royalty Company, as offset operator of the subject well, does not object to the unorthodox location at 2130' FNL and 660' FWL.

Yours truly,

L. O. Van Ryan

District Production Manager

LOVR/dg

E Paso EXPLORATION COMPANY



P. O. BOX 289 FARMINGTON, NEW MEXICO 87401 PHONE 505-325-2841

December 18, 1979

NEW MEXICO OIL AND GAS CONSERVATION COMMISSION Attention: Mr. J. D. Ramey

Post Office Box 2088

Santa Fe, New Mexico 87501

Re: Powers Elevation Request on Application for Spacing Exception John H. Hill & Gordon L. Llewellyn Foster #4 A, SW NW Sec. 4, T26N, R8W 2130' FNL, & 660' FWL

San Juan County, New Mexico

Dear Mr. Ramey:

This is to advise that El Paso Exploration Company, as owner of offset acreage to the above captioned request, has no objection to the non-standard location as proposed.

Yours very truly,

John A. Ahlm

Regional Land Manager

Exploration-Land

JAA:1d

cc: New Mexico Oil & Gas Conservation Commission-Aztec, NM Powers Elevation