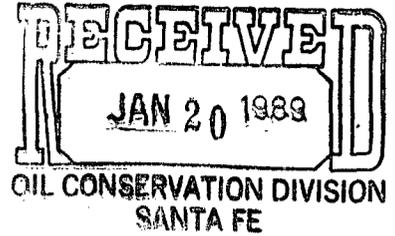


ROBERT L. BAYLESS

PETROLEUM PLAZA BUILDING
P. O. BOX 168
FARMINGTON, NEW MEXICO 87499
(505) 326-2659



January 11, 1989

Mr. William J. LeMay
NM Oil Conservation Division
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503

RE: Request for Administrative Approval
of an Unorthodox Location
Jicarilla 464 #9
400' FSL & 800' FWL
Section 30, T30N, R3W
Rio Arriba County, New Mexico

Dear Mr. LeMay:

We request administrative approval of an unorthodox location for our Jicarilla 464 #9 Pictured Cliffs formation gas well, located 400' FSL & 800' FWL, Section 30, T30N, R3W, Rio Arriba County, New Mexico. This well is located in an irregular section and, therefore, cannot be located in standard statewide gas spacing. Besides, the topography in the area is very rugged, as shown in the enclosed topographic map, which causes this well to be staked at the above location.

You will also find enclosed a lease map indicating that Robert L. Bayless is the operator of all surrounding 160 acre tracts to this well other than the spacing units to the west of this well's spacing unit. You will note that none of these offset leaseholders are adversely affected by the location of this well. As per NMOCD Regulations, by copy of this letter to offset leaseholders, we are asking that they waive any objection to this location.

Yours truly,

A handwritten signature in cursive script that reads "Kevin H. McCord".

Kevin H. McCord
Petroleum Engineer

KHM/lmo

Enclosures

cc: Richard W. Simms	w/encls.
Mary S. Schutz	w/encls.
Meridian Oil, Inc.	w/encls.
NMOCD, Aztec	w/encls.

The undersigned has no objection to the above location.

A handwritten signature in cursive script that reads "Mary S. Schutz".
Mary S. Schutz

Date: January 18, 1989

If you concur and have no objection, please sign and return one copy of this letter to the NMOCD in Santa Fe, one copy to our office, and retain one for your files.

ROBERT L. BAYLESS

PETROLEUM PLAZA BUILDING
P. O. BOX 168
FARMINGTON, NEW MEXICO 87499
(505) 326-2659

January 11, 1989

Mr. William J. LeMay
NM Oil Conservation Division
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503

RE: Request for Administrative Approval
of an Unorthodox Location
Jicarilla 464 #9
400' FSL & 800' FWL
Section 30, T30N, R3W
Rio Arriba County, New Mexico

Dear Mr. LeMay:

We request administrative approval of an unorthodox location for our Jicarilla 464 #9 Pictured Cliffs formation gas well, located 400' FSL & 800' FWL, Section 30, T30N, R3W, Rio Arriba County, New Mexico. This well is located in an irregular section and, therefore, cannot be located in standard statewide gas spacing. Besides, the topography in the area is very rugged, as shown in the enclosed topographic map, which causes this well to be staked at the above location.

You will also find enclosed a lease map indicating that Robert L. Bayless is the operator of all surrounding 160 acre tracts to this well other than the spacing units to the west of this well's spacing unit. You will note that none of these offset leaseholders are adversely affected by the location of this well. As per NMOCD Regulations, by copy of this letter to offset leaseholders, we are asking that they waive any objection to this location.

Yours truly,

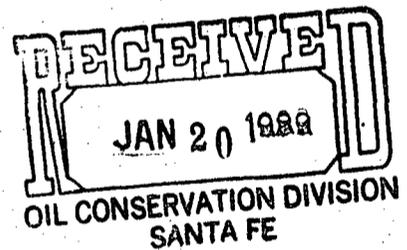
Kevin H. McCord

Kevin H. McCord
Petroleum Engineer

KHM/lmo

Enclosures

cc: Richard W. Simms w/encls.
Mary S. Schutz w/encls.
Meridian Oil, Inc. w/encls.
NMOCD, Aztec w/encls.



The undersigned has no objection to the above location.

Richard W. Simms

Richard W. Simms

Date: 1-17-89

If you concur and have no objection, please sign and return one copy of this letter to the NMOCD in Santa Fe, one copy to our office, and retain one for your files.

*1/10/90 Supplied E. Bush
w/another copy*

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form 24-11
Supersedes 1-128
Effective 1-1-85

All distances must be from the outer boundaries of the Section

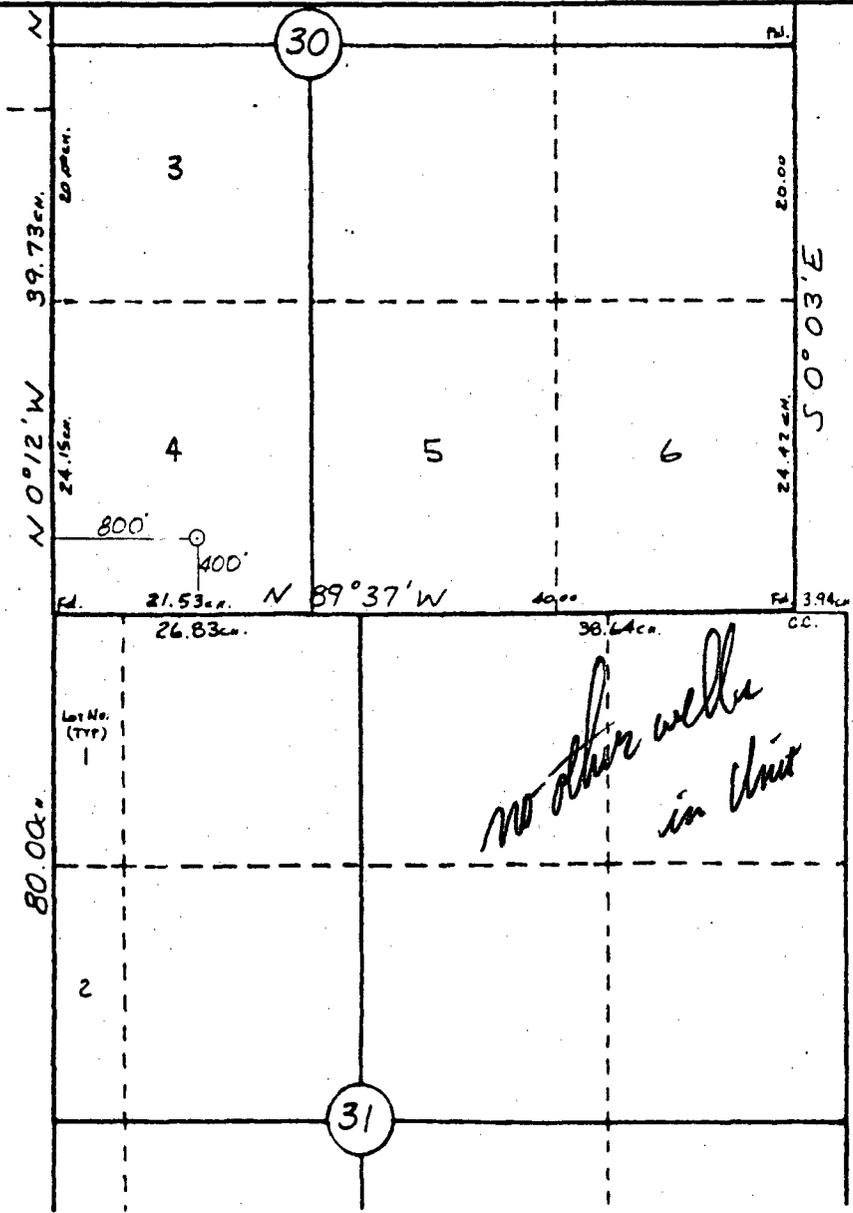
Operator ROBERT L. BAYLESS		Lease VICARILLA 464			Well No. 9
Unit Letter N	Section 30	Township 30 N	Range 3 W	County RIO ARRIBA	
Actual Footage Location of Well: 400 feet from the South line and 800 feet from the West line					
Ground Level Elev. 7199	Producing Formation Pictured Cliffs		Pool East Blanco Pictured Cliffs	Dedicated Acreage: 151.01 Acres	

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.?

Yes No If answer is "yes," type of consolidation _____

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 Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Price M. Bayless

Name
Price M. Bayless

Position
Engineer

Company
Robert L. Bayless

Date
11/7/88

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 knowledge and belief.

10-25-88

Date Surveyed
William S. Marmore II

Registered Professional Engineer and Land Surveyor

#8466

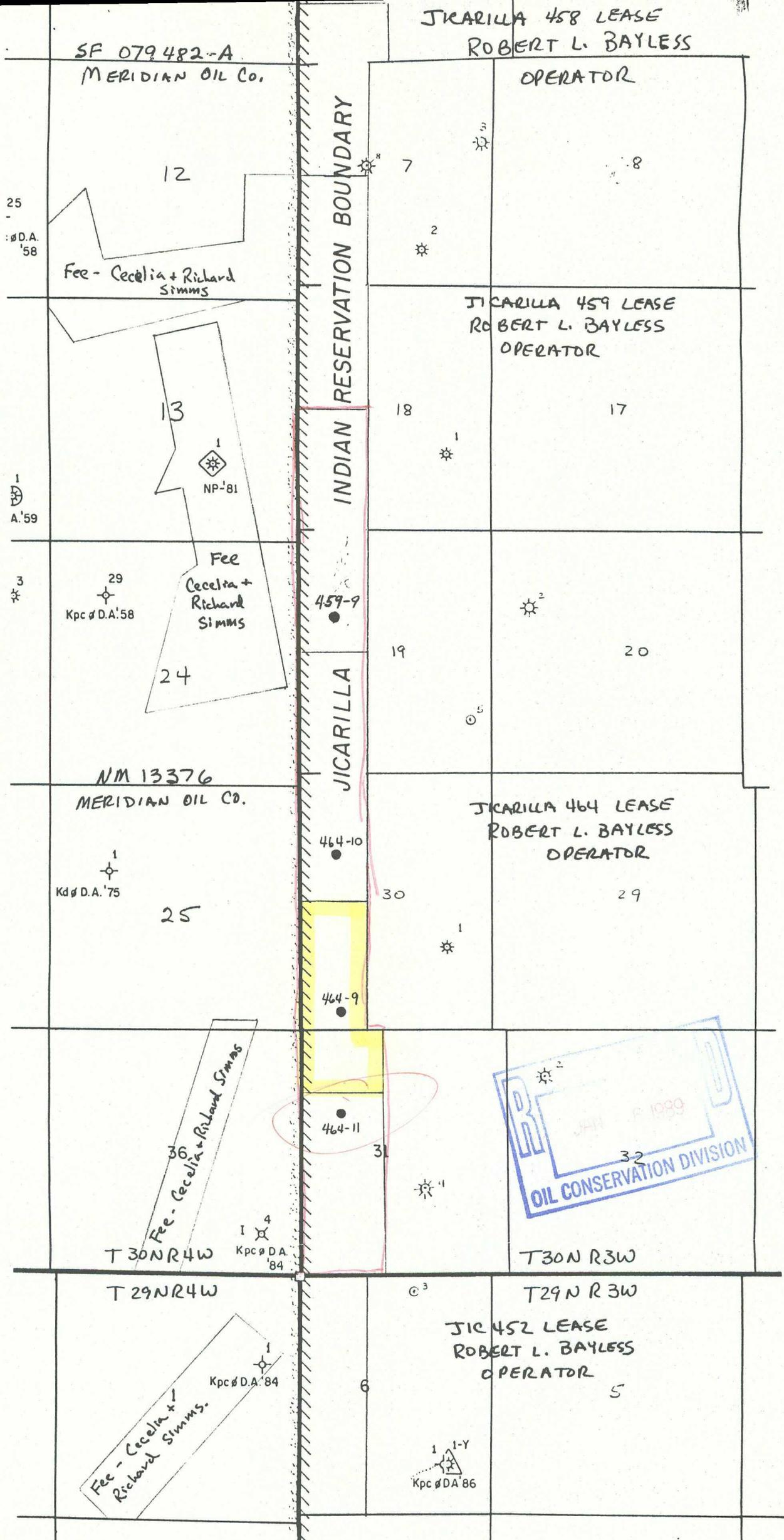
Certification No.

NEW MEXICO OIL CONSERVATION COMMISSION

ROBERT L. RAYLESS
JICARILLA 464 #9
400' FSL & 800' FWL
Sec. 30, T30N, R3W
Rio Arriba Co., N.M.
NEW ROAD:
EXISTING ROAD:

DECEMBER
1969
NATIONAL
BUREAU OF
LAND
MANAGEMENT
RANGELAND
DIVISION
NATIONAL
CONSERVATION DIVISION





SF 079482-A
MERIDIAN OIL CO.

JICARILLA 458 LEASE
ROBERT L. BAYLESS
OPERATOR

25
D.A. '58

Fee - Cecelia + Richard
Simms

1
A '59

3
Kpc # D.A. 58

29
Kpc # D.A. 58

Fee
Cecelia +
Richard
Simms

NM 13376
MERIDIAN OIL CO.

1
Kd # D.A. 75

25

Fee - Cecelia + Richard Simms
36
T 30N R 4W
Kpc # D.A. 84

T 29N R 4W

Fee - Cecelia +
Richard Simms
Kpc # D.A. 84

INDIAN RESERVATION BOUNDARY

JICARILLA

JICARILLA 459 LEASE
ROBERT L. BAYLESS
OPERATOR

JICARILLA 464 LEASE
ROBERT L. BAYLESS
OPERATOR

JIC 452 LEASE
ROBERT L. BAYLESS
OPERATOR

OIL CONSERVATION DIVISION
JAN 16 1989

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 9495
Order No. R-8774

APPLICATION OF ROBERT L. BAYLESS
FOR NINE NON-STANDARD GAS PRORATION
UNITS, RIO ARRIBA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on October 12, 1988, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 28th day of October, 1988, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, Robert L. Bayless, seeks an order establishing nine non-standard gas spacing and proration units for any and all formations and/or pools developed on 160-acre spacing, which includes but is not necessarily limited to the East Blanco-Pictured Cliffs Gas Pool, Cabresto-Gallup Gas Pool, and Campo-Gallup Gas Pool, in Sections 6, 7, 18, 19, 30, and 31 of Township 30 North, Range 3 West, and Sections 6 and 7 of Township 29 North, Range 3 West, all in Rio Arriba County, New Mexico, and described as follows:

-2-

Case No. 9495

Order No. R-8774

TOWNSHIP 30 NORTH, RANGE 3 WEST, NMPM

<u>UNIT</u>	<u>ACRES</u>	<u>DESCRIPTION</u>
1	168.42	Section 6: Lots 3, 4, and 9
2	133.39	Section 6: Lot 10
		Section 7: Lots 3 and 4
3	174.62	Section 7: Lots 5 and 6
		Section 18: Lots 1 and 2
4	173.21	Section 18: Lots 3 and 4
		Section 19: Lots 1 and 2
5	173.06	Section 19: Lots 3 and 4
		Section 30: Lots 1 and 2
6	151.01	Section 30: Lots 3 and 4
		Section 31: Lot 1 and NE/4 NW/4
7	167.39	Section 31: Lots 2, 3, and 4, SE/4 NW/4, and E/2 SW/4

TOWNSHIP 29 NORTH, RANGE 3 WEST, NMPM

<u>UNIT</u>	<u>ACRES</u>	<u>DESCRIPTION</u>
8	163.76	Section 6: Lots 3, 4, 5, and 6
9	173.69	Section 7: Lots 1, 2, 3, and 4

(3) Evidence presented indicates that variations in legal subdivisions of the U.S. Public Lands Survey within the above-described area precludes the establishment of standard 160-acre spacing and proration units.

(4) The principal gas producing formations within the above-described area are the Pictured Cliffs and Gallup formations, both of which are currently subject to 160-acre gas spacing.

(5) The applicant is the operator of all the acreage described above and no offset operator objected to the establishment of the proposed non-standard gas spacing units.

(6) Approval of the subject application will ensure the orderly development of the acreage described above within the subject pools and should prevent waste and protect correlative rights.

-3-

Case No. 9495
Order No. R-8774

IT IS THEREFORE ORDERED THAT:

(1) The application of Robert L. Bayless for the establishment of the following described non-standard gas spacing and proration units in the East Blanco-Pictured Cliffs Gas Pool, Cabresto-Gallup Gas Pool, Campo-Gallup Gas Pool, or in any and all formations and/or pools developed on 160-acre spacing in the subject area, Rio Arriba County, New Mexico, is hereby approved:

TOWNSHIP 30 NORTH, RANGE 3 WEST, NMPM

<u>UNIT</u>	<u>ACRES</u>	<u>DESCRIPTION</u>
1	168.42	Section 6: Lots 3, 4, and 9
2	133.39	Section 6: Lot 10
		Section 7: Lots 3 and 4
3	174.62	Section 7: Lots 5 and 6
		Section 18: Lots 1 and 2
4	173.21	Section 18: Lots 3 and 4
		Section 19: Lots 1 and 2
5	173.06	Section 19: Lots 3 and 4
		Section 30: Lots 1 and 2
6	151.01	Section 30: Lots 3 and 4
		Section 31: Lot 1 and NE/4 NW/4
7	167.39	Section 31: Lots 2, 3, and 4, SE/4 NW/4, and E/2 SW/4

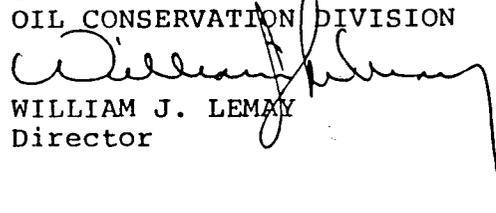
TOWNSHIP 29 NORTH, RANGE 3 WEST, NMPM

<u>UNIT</u>	<u>ACRES</u>	<u>DESCRIPTION</u>
8	163.76	Section 6: Lots 3, 4, 5, and 6
9	173.69	Section 7: Lots 1, 2, 3, and 4

(2) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY
Director

S E A L
fd/

County RIO ARRIBA

Pool EAST BLANCO-PICTURED CLIFFS

TOWNSHIP 30 N South, RANGE 3 W East, NEW MEXICO PRINCIPAL MERIDIAN

	6	5	4	3	2	1
7	8	9	10	11	12	
13	17	16	15	14	13	
19	20	21	22	23	24	
29	28	27	26	25	24	
31	32	33	34	35	36	

EXT: ALL SECS 7-32 (R-8713, 8/12/88)

ROBERT L. BAYLESS

PETROLEUM PLAZA BUILDING
P. O. BOX 168
FARMINGTON, NEW MEXICO 87499
(505) 326-2659



January 12, 1989

Mr. William J. LeMay
NM Oil Conservation Division
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503

RE: Requests for Administrative Approval
of Unorthodox Locations for 4 Wells

Dear Mr. LeMay:

Please refer to our letters to you dated January 4, 1988
(sh/be 1989) regarding the following well locations:

Jicarilla 459 #9 - Section 19, T30N, R3W ✓
Jicarilla 464 #9 - Section 30, T30N, R3W ✓
Jicarilla 464 #10 - Section 30, T30N, R3W
Jicarilla 464 #11 - Section 31, T30N, R3W

We have been advised by telephone that the offset lease-
holders, Cecelia Wirt Simms and Richard R. Simms referred to
in our previous correspondence, have gifted their holdings
to their children, Richard W. Simms and Mary S. Schutz, as
of January of this year. We have, therefore, sent copies of
our original letters requesting approval of unorthodox
location on each well listed above to Richard W. Simms and
Mary S. Schutz.

Hopefully, this will eliminate some confusion should you
receive the signed waivers from these two parties. If you
need any further information in this regard, please contact
me at your earliest convenience.

Yours truly,

A handwritten signature in cursive script that reads "Kevin H. McCord".

Kevin H. McCord
Petroleum Engineer

KHM/lmo

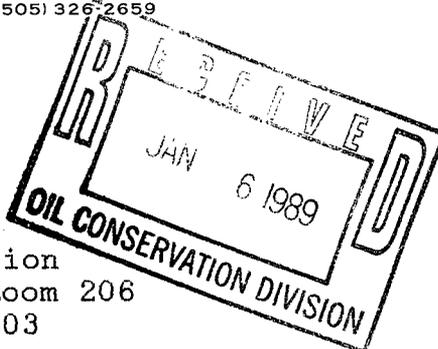
cc: NMOCD, Aztec

ROBERT L. BAYLESS

PETROLEUM PLAZA BUILDING
P. O. BOX 168
FARMINGTON, NEW MEXICO 87499
(505) 326-2659

January 4, 1988

Mr. William J. LeMay
NM Oil Conservation Division
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503



RE: Request for Administrative Approval
of an Unorthodox Location
Jicarilla 464 #9
400' FSL & 800' FWL
Section 30, T30N, R3W
Rio Arriba County, New Mexico

Dear Mr. LeMay:

We request administrative approval of an unorthodox location for our Jicarilla 464 #9 Pictured Cliffs formation gas well, located 400' FSL & 800' FWL, Section 30, T30N, R3W, Rio Arriba County, New Mexico. This well is located in an irregular section and, therefore, cannot be located in standard statewide gas spacing. Besides, the topography in the area is very rugged, as shown in the enclosed topographic map, which causes this well to be staked at the above location.

You will also find enclosed a lease map indicating that Robert L. Bayless is the operator of all surrounding 160 acre tracts to this well other than the spacing units to the west of this well's spacing unit. You will note that none of these offset leaseholders are adversely affected by the location of this well. As per NMOCD Regulations, by copy of this letter to offset leaseholders, we are asking that they waive any objection to this location.

Yours truly,
Kevin H. McCord
Kevin H. McCord
Petroleum Engineer

1/4/88 talked w/ E. Bunch about this filing. Appears OK will submit Bunch sheet.

KHM/lmo

Enclosures

cc: Cecelia Wirt Simms and
Richard R. Simms w/encls.
Meridian Oil, Inc. w/encls.
NMOCD, Aztec w/encls.

ROBERT L. BAYLESS

PETROLEUM PLAZA BUILDING

P. O. BOX 168

FARMINGTON, NEW MEXICO 87499

(505) 326-2659

January 4, 1988

Mr. William J. LeMay
NM Oil Conservation Division
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503

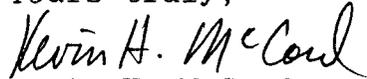
RE: Request for Administrative Approval
of an Unorthodox Location
Jicarilla 464 #9
400' FSL & 800' FWL
Section 30, T30N, R3W
Rio Arriba County, New Mexico

Dear Mr. LeMay:

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Yours truly,



Kevin H. McCord
Petroleum Engineer

KHM/lmo

Enclosures

cc: Cecelia Wirt Simms and
Richard R. Simms w/encls.
Meridian Oil, Inc. w/encls.
NMOCD, Aztec w/encls.

The undersigned has no
objection to the above
location.

MERIDIAN OIL, INC.
Southland Royalty Company

By: 
S.W. Nance
Engineering Manager

Date: January 25, 1989

If you concur and have no
objection, please sign and
return one copy of this letter
to the NMOCD in Santa Fe, one
copy to our office, and retain
one for your files.

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form 24-11
Supersedes 1-128
Effective 1-1-65

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

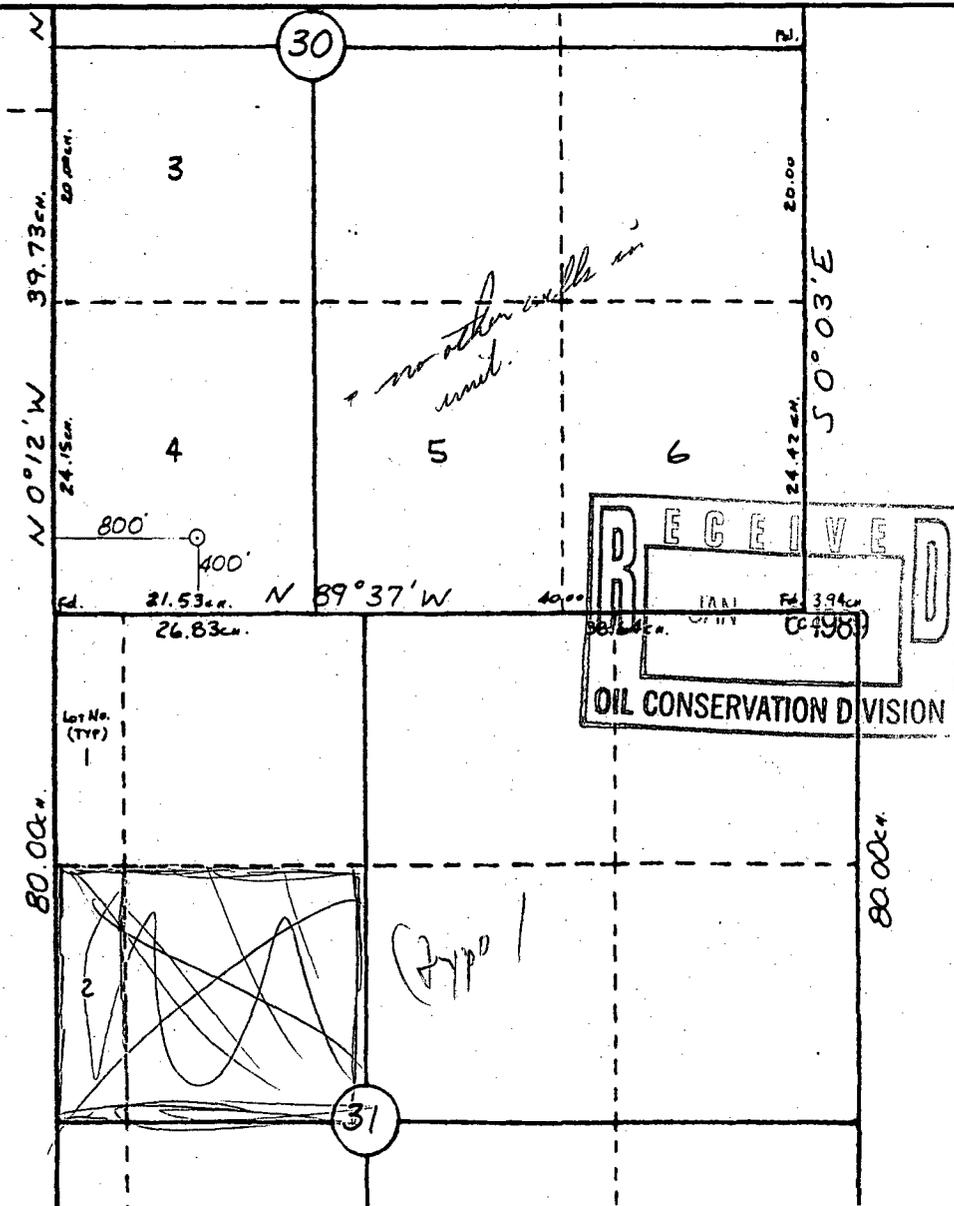
Operator ROBERT L. BAYLESS		Lease PICARILLA 464			Well No. 9
Unit Letter N	Section 30	Township 30 N	Range 3 W	County RIO ARRIBA	
Actual Footage Location of Well 400 feet from the South line and 800 feet from the West line					
Ground Level Elev. 7198	Producing Formation Pictured Cliffs	Pool East Blanco Pictured Cliffs	Dedicated Acreage: 151.01 Acres		

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?

Yes No If answer is "yes," type of consolidation _____

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 Commission.



CERTIFICATION	
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
Name	<i>Price M. Bayless</i>
Position	Engineer
Company	Robert L. Bayless
Date	11/7/88
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 knowledge and belief.	
Date Surveyed	10-25-88
Registered Professional Engineer and Land Surveyor	<i>William A. Mahoke II</i> #8466
Certificate No.	1006



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

10001 THE BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6170

OIL CONSERVATION DIVISION
BOX 2088
SANTA FE, NEW MEXICO 87501

DATE 1-6-89

RE: Proposed HC _____
Proposed DIIC _____
Proposed HSL X _____
Proposed SWD _____
Proposed WFX _____
Proposed PHX _____

Gentlemen:

I have examined the application dated 1-5-89

for the Robert L Bayless Jicarilla 464 #9 N-30-30N-3W
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Approve

Yours truly,

E. Busch

RECEIVED
JAN 10 1989
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE