

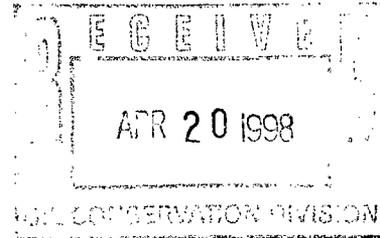
**TAURUS**

NSB 5/11/98  
**TAURUS EXPLORATION, INC.**  
2198 Bloomfield Highway  
Farmington, New Mexico 87401  
Telephone (505) 325-6800

April 14, 1998

*Reviewed on 4-22-98*

Mr. Michael E. Stogner  
New Mexico Oil Conservation Division  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505



RE: Administrative Approval of Unorthodox Location  
Non-standard Proration Unit  
San Juan 32-5 Unit 9M Well  
2330' FSL, 1048' ~~EST~~ FEL  
Sec. 30-T32N-R5W  
Rio Arriba County, New Mexico  
Mesa Verde/Dakota Commingle

Dear Mr. Stogner:

Taurus Exploration U.S.A., Inc. requests administrative approval for an unorthodox location of it's San Juan 32-5 Unit 9M well under the provisions of NMOCD Order R-8170.

Non-standard proration units were created under Order R-1722 for the Basin Dakota and Order R-1714 for the Blanco Mesa Verde, both covering all of Sections 30 and 31, Township 32 North, Range 5 West, and containing 345.59 acres. Further, an unorthodox location was granted under Order R-1722 for the San Juan 32-5 Unit 9 well, which was subsequently plugged and abandoned in 1978.

As the section is less than 1,400 feet wide, we are unable to spot the proposed well at a legal location. Due to the limited width of the section and trying to keep as much separation from our proposed San Juan 32-5 Unit 13M well (to be located at 1711' FSL, 1295' FEL) as possible, while giving further consideration to topographic features, necessitates this request. By moving the proposed location to the south we would move closer to our San Juan Unit 13M well in addition to forcing us to cut an embankment of approximately 15 feet by 100 feet.

For the foregoing reason, Taurus Exploration U.S.A., Inc. respectfully requests an administrative approval of an unorthodox location and reinstatement of Non-standard Proration Unit Orders 1714 and 1722.

A copy of this application is being submitted to all offset operators by certified mail with a request that they furnish your office in Santa Fe with a Waiver of Objection.

Attached is a well location plat showing acreage, a topographic plat of the area, and a map showing all offsetting operators.

Sincerely,

A handwritten signature in cursive script that reads "Richard P. Corcoran".

Richard P. Corcoran  
District Landman

RPC/df  
Enclosures

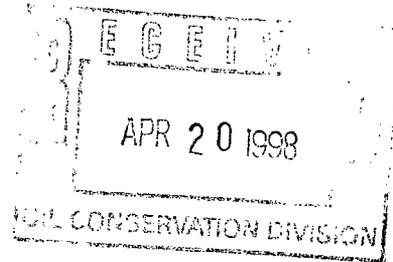
cc: OCD-Aztec office, BLM-Farmington office, Offset Operators

TAURUS

TAURUS EXPLORATION, INC.  
2198 Bloomfield Highway  
Farmington, New Mexico 87401  
Telephone (505) 325-6800

April 14, 1998

Vern Hansen  
Williams Production Company  
One Williams Center  
P.O. Box 3102  
Tulsa, Oklahoma 7401



RE: Administrative Approval of Unorthodox Location  
Non-standard Proration Unit  
San Juan 32-5 Unit 9M Well  
2330' FSL, 1048' ~~FSL~~ FEL  
Sec. 30-T32N-R5W  
Rio Arriba County, New Mexico  
Mesa Verde/Dakota Commingle

Dear Mr. Hansen:

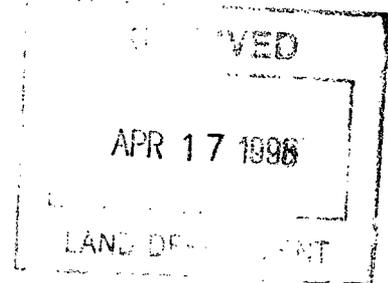
Taurus Exploration U.S.A., Inc. has filed with the New Mexico Oil Conservation Division (NMOCD), an Application for the Administrative Approval for an Unorthodox Location, and non-standard proration unit, for its San Juan 32-5 Unit 9M well. A copy of the application has been attached for your review.

If you have no objection to this unorthodox location and non-standard proration unit, please sign the three copies of the attached waiver, return one executed copy to the NMOCD in Santa Fe, New Mexico, one copy to our office, and retain one copy for your files. Self addressed envelopes are enclosed.

Your assistance and cooperation in this matter are appreciated.

Sincerely,

Richard P. Corcoran  
District Landman



RPC/df

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WAIVER

Williams Production Co. hereby waives objection to the above referenced Application for Unorthodox Location for Taurus Exploration U.S.A., Inc.'s San Juan 32-5 Unit 9M well.

Date: 4/17/98 By: M. Vern Hansen

cc: OCD-Aztec office, BLM-Farmington office, Offset Operators

# Taurus Exploration U. S. A., Inc.

San Juan 32-5 Unit 9M  
 OFFSET OPERATOR \ OWNER PLAT

Commingle Dakota \ Mesa Verde Formations

Township 32 North - Range 5 West

*Federal*

1	1	5
	① 44.22 <del>43.11</del> ② 43.59 <b>30</b> ③ 43.30 <del>43.30</del> ④ 43.30	1
	① 43.11 <del>43.11</del> ② 42.73 <b>31</b> ③ 42.61 ④ 42.73	3&4
2	2	2

345.59

- 1. Taurus Exploration U S A , Inc.
- 2. Williams Production Company
- 3. P & M Petroleum Management Co.
- 4. Burlington Resources
- 5. Open *Federal*

District I  
 170 Box 1980, Hobbs, NM 88241-1980  
 District II  
 811 South First, Artesia, NM 88210  
 District III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV  
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
 2040 South Pacheco  
 Santa Fe, NM 87505

Form C-102  
 Revised October 18, 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

* APT Number		* Pool Code 72329/71599		* Pool Name Blanco Mesa Verde/Basin Dakota	
* Property Code	* Property Name SAN JUAN 32-5 UNIT			* Well Number 9M	
* OGRID No.	* Operator Name TAURUS EXPLORATION U.S.A., Inc.			* Elevation 6484	

<sup>10</sup> Surface Location

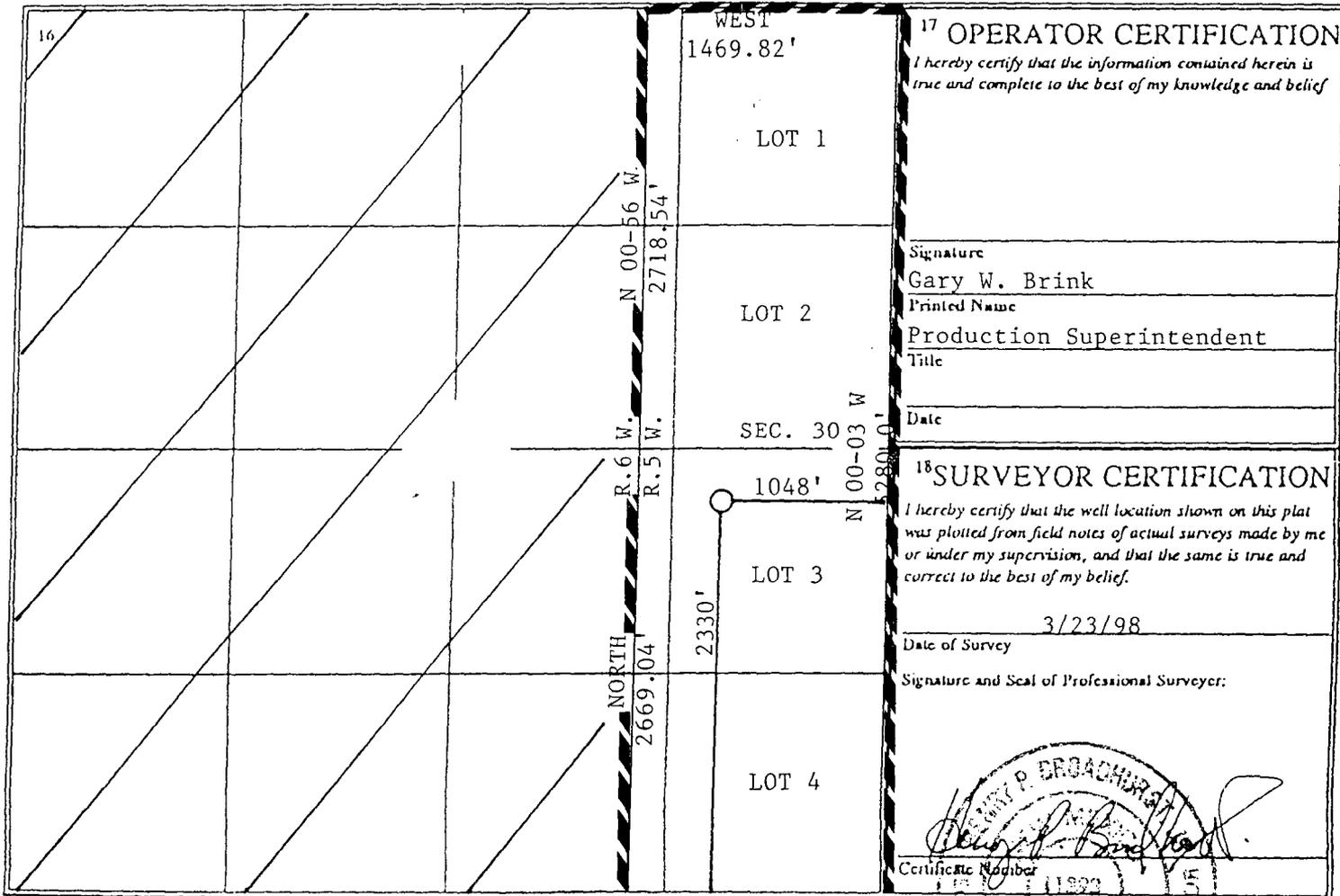
UL, or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	30	32n	5w		2330	SOUTH	1048	EAST	RIO ARRIBA

<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

<sup>12</sup> Dedicated Acres 345.59	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No. Dedicated acres include Lots 1, 2, 3, 4 of Sec. 30 and Lots 1, 2, 3, 4 of Sec. 31
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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

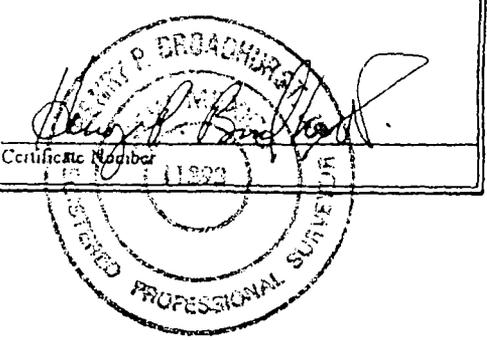


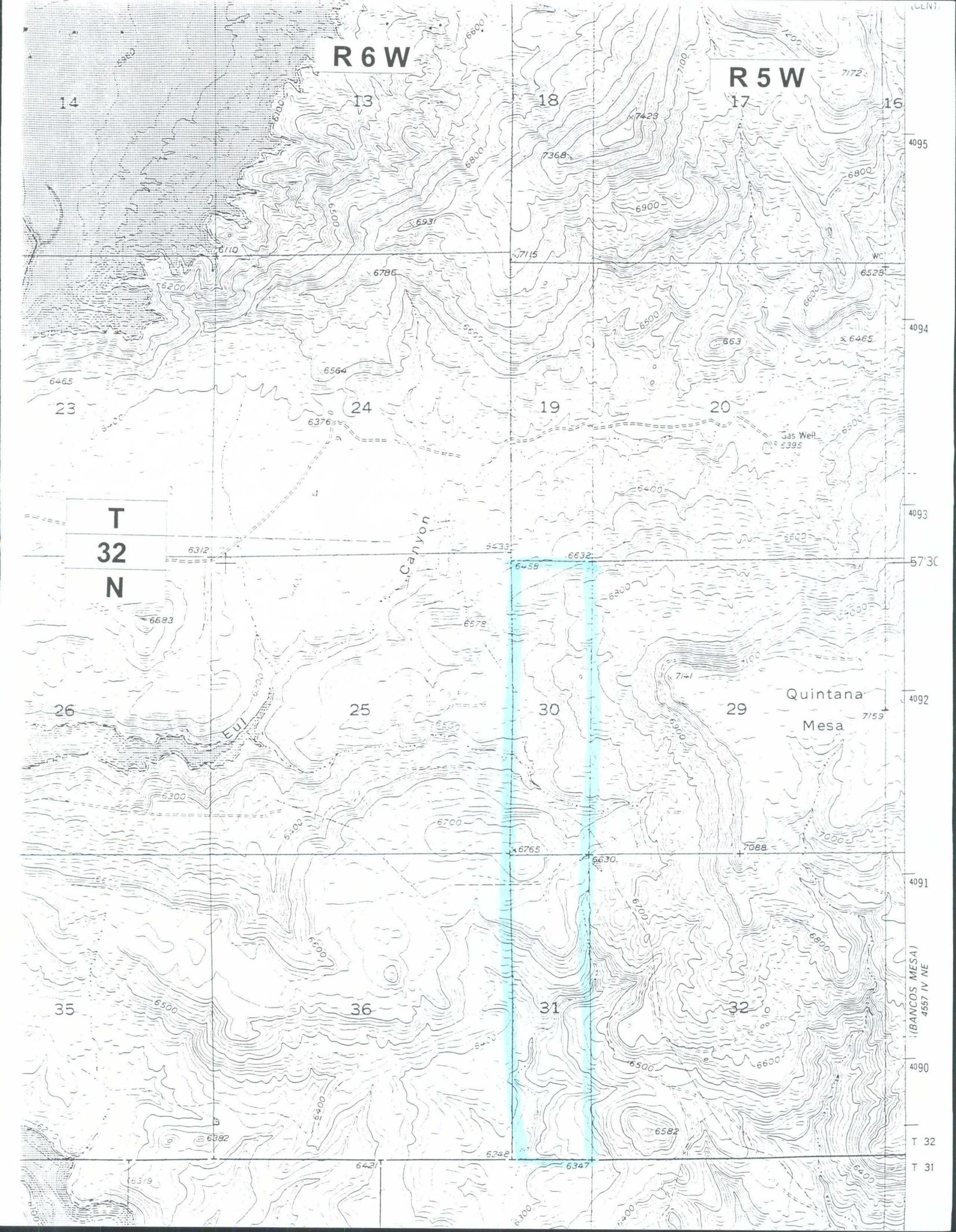
<sup>17</sup> OPERATOR CERTIFICATION  
 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Signature  
 Gary W. Brink  
 Printed Name  
 Production Superintendent  
 Title  
 Date

<sup>18</sup> SURVEYOR CERTIFICATION  
 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.

Date of Survey  
 3/23/98  
 Signature and Seal of Professional Surveyor:





R 6 W

R 5 W

T  
32  
N

Canyon

Quintana  
Mesa

(BANCOS MESA)  
4557 IV NE

13

18

17

16

14

23

24

19

20

26

25

30

29

35

36

31

32

4095

4094

4093

5730

4092

4091

4090

T 32

T 31

7425

7365

6900

6800

6500

6931

6500

6500

663

6465

6564

6376

Gas Well  
6395

6400

6600

6200

6785

7115

6525

6683

6578

6632

6400

6300

7141

6300

6400

6700

6900

7000

6765

6630

7088

6400

6500

6400

6500

6600

6582

6348

6347

6319

6421

6400

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE No. 2013  
Order No. R-1722

APPLICATION OF LA PLATA GATHERING  
SYSTEM, INC. FOR AN ORDER AUTHORIZING  
A GAS-GAS DUAL COMPLETION IN THE  
BLANCO-MESAVERDE POOL AND IN THE  
DAKOTA PRODUCING INTERVAL, RIO  
ARRIBA COUNTY, NEW MEXICO, FOR A  
345.59-ACRE NON-STANDARD GAS UNIT  
IN THE DAKOTA PRODUCING INTERVAL,  
AND FOR AN UNORTHODOX GAS WELL  
LOCATION.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on July 11, 1960, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 21st day of July, 1960, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, La Plata Gathering System, Inc., is the owner and operator of partial Sections 30 and 31, Township 32 North, Range 5 West, NMPM, Rio Arriba County, New Mexico.
- (3) That said partial Sections 30 and 31 contain 174.41 acres and 171.18 acres respectively, together containing 345.59 acres.
- (4) That the applicant proposes that the above-described partial Sections 30 and 31 be established as a non-standard gas unit in the Dakota Producing Interval.
- (5) That the applicant further proposes to locate a gas

well on an unorthodox location 990 feet from the North line and 713 feet from the East line of said Section 31, to which well the proposed 345.59-acre non-standard gas unit would be dedicated.

(6) That the proposed unorthodox location is necessitated by a variation in the U. S. Public Land Survey.

(7) That the above-described 345.59-acre tract can reasonably be presumed to be productive of gas from the Dakota Producing Interval.

(8) That in Order No. R-1714, duly promulgated by the Commission on July 7, 1960, an unorthodox gas well location and a 345.59-acre non-standard gas proration unit in the Blanco-Mesaverde Pool was authorized, which location and unit coincide with the location and unit proposed in the subject application pertaining to the Dakota Producing Interval.

(9) That the applicant further proposes the dual completion of the well to be drilled on the above-described non-standard location in such a manner as to permit the production of gas from the Blanco-Mesaverde Pool and the production of gas from the Dakota Producing Interval through parallel strings of 1-1/2 inch tubing.

(10) That the mechanics of the proposed dual completion are feasible and in accord with sound conservation practices, provided that each string of tubing should not be set higher than 250 feet above its respective producing formation.

(11) That establishment of the above-described non-standard gas unit and approval of the proposed unorthodox gas well location will neither cause waste nor impair correlative rights.

IT IS THEREFORE ORDERED:

(1) That a 345.59-acre non-standard gas unit in the Dakota Producing Interval consisting of partial Sections 30 and 31, Township 32 North, Range 5 West, NMPM, Rio Arriba County, New Mexico, be and the same is hereby established. Said unit is to be dedicated to a gas well located on an unorthodox location in the Dakota Producing Interval at a point 990 feet from the North line and 713 feet from the East line of Section 31, Township 32 North, Range 5 West, NMPM, Rio Arriba County, New Mexico, which location is hereby approved.

(2) That the applicant, La Plata Gathering System, Inc., be and the same is hereby authorized to dually complete the above-described well in such a manner as to permit the production of gas from the Blanco-Mesaverde Pool and the production of gas from the Dakota Producing Interval through parallel strings of 1-1/2 inch tubing.

PROVIDED HOWEVER, That each string of tubing shall not be set higher than 250 feet above its respective producing formation.

PROVIDED FURTHER, That the applicant shall complete, operate, and produce said well in accordance with the provisions of Section V, Rule 112-A.

PROVIDED FURTHER, That the applicant shall take packer-leakage tests upon completion and annually thereafter during the Annual Deliverability Test Period for the Blanco-Mesaverde Pool.

IT IS FURTHER ORDERED:

That jurisdiction of this cause is hereby retained by the Commission for such further order or orders as may seem necessary or convenient for the prevention of waste and/or protection of correlative rights; upon failure of the applicant to comply with any requirement of this order, the Commission may terminate the authority herein granted and require the applicant or its successors and assigns to limit its activities to regular single-zone production in the interest of Conservation.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

JOHN BURROUGHS, Chairman

MURRAY E. MORGAN, Member

A. L. PORTER, Jr., Member & Secretary

S E A L