

DATE IN 4/4/03	SUSPENSE 4/24/03	ENGINEER MS	LOGGED IN KV	TYPE NSL	PKRY0309734607
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~~Approved by~~

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]

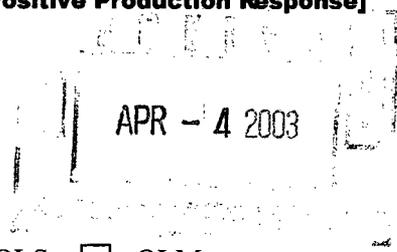
- [A] Location - Spacing Unit - Simultaneous Dedication  
 NSL  NSP  SD

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.

William R. Huck  
 Print or Type Name

*William R. Huck*  
 Signature

VP - Engr. & Operations  
 Title

3/20/03  
 Date

*billh@pecorproduction.com*  
 e-mail Address



400 W. Illinois, Suite 1070, Midland, Texas 79701 | 915-620-8480 ofc | 915-682-2197 fax

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April 03, 2003

Oil Conservation Division  
Kathy Valdez  
1220 South St. Francis Drive  
Santa Fe, NM 87505

RE: Pecos Production Company – Non-Standard Location Application's  
Fort 21 No. 1 and Overland No. 1

Dear Kathy:

Enclosed please find the Administrative Application for Non-Standard location for the wells listed above. Please forward the Fort 21 No. 1 application to Mr. Michael Stogner for his review. If you need additional information or have any questions contact me at (915) 620-8480.

Thank you,  
Dora Bustamante *DB*  
Engineer Assistant

**Pecos Production Company  
400 W. Illinois Suite 1070  
Midland, TX 79701**

March 24, 2003

New Mexico Oil Conservation Division  
1220 South St Francis Drive  
Santa Fe, New Mexico 87505

Attn: Mr. Michael E. Stogner

RE: Administrative Application of Pecos Production Company  
For Approval of a Non-Standard Well Location.  
Section 21, T-14S, R-34E, Lea Co., New Mexico

Mr. Stogner,

Pecos Production Company, in accordance with Rule 19 NMAC 15.C.104.F, applies to the New Mexico Oil Conservation Division for approval of a non-standard gas well location for any production from the Atoka, Morrow, and Mississippian Formations for its proposed FORT 21 NO. 1 well, to be drilled at a location 2310' FNL and 1978' FEL of Section 21, Township 14 South, Range 34 East, Lea County, New Mexico, to be dedicated to proposed 320 acre proration unit consisting of the E/2 of Section 21. In support of the application, Pecos Production Company respectfully submits the following:

1. That Pecos Production Company is the operator of the subject well, and the operator of the entire leasehold interest in the proposed Proration Unit. (C-102 attached as Exhibit 1).
2. The proposed well is a wildcat test, and its location was chosen from analysis of 3-D seismic data as the optimum location for a successful test of the target formations. The proposed location is the maximum distance from the inside quarter-section line that will still encounter the Atoka, Morrow and Mississippian Formations at what appears to be the optimum geologic location, (Geological analysis attached as Exhibit 2).
3. Working Interest and Mineral Ownership has been pooled as to the Atoka Formation and all depths below and therefore is common for the entire 320 acres. Pooling Agreement attached as exhibit 3.

4. Although the Pennsylvanian Formation is not considered prospective at this location, it has produced in the surrounding area in the High Plains; Permo Upper Penn Field, the Cerca; Upper Penn Field, and the Saunders; Permo Penn East Field. The proposed location would be unorthodox for a Pennsylvanian Completion, and approval is requested for this horizon also. The offsetting affected proration unit is designated on Exhibit 4. Working Interest Ownership is common with the lands under the subject location. The affected royalty ownership owns 93.75% of the minerals in the 160 acres under the subject location. These Owners have been notified of the proposed drillsite and waivers will be forwarded as soon as they are received.

Pecos Production Company therefore requests that this application be approved administratively, or in the timeliest manner possible.

Respectfully submitted,

Pecos Production Company



William R. Huck, P.E.  
Vice President, Engr & Operations.

Enclosures

DISTRICT I  
P.O. Box 1880, Hobbs, NM 88241-1880

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88211-0719

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

DISTRICT IV  
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

State of New Mexico

APR 01 2003

Energy, Minerals and Natural Resources Department

Form C-102  
Revised February 10, 1994  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION  
P.O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number	Pool Code	Pool Name Wildcat
Property Code	Property Name FORT 21	Well Number 1
OGRID No. 215758	Operator Name PECOS Production COMPANY	Elevation 4124'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	21	14-S	34-E		2310'	NORTH	1978'	EAST	LEA

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

Dedicated Acres 320	Joint or Infill	Consolidation Code	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

Pecos Prod

2310'

1978'

320 AC

**GEODETTIC COORDINATES**  
NAD 27 NME  
Y = 761558.2  
X = 751151.8  
LAT. = 33°05'27.17"N  
LONG. = 103°30'47.91"W

**OPERATOR CERTIFICATION**

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

*William R. Huck*  
Signature

William R. Huck  
Printed Name

VP - Engr. & Operations  
Title

4-3-03  
Date

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**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.*

MARCH 27, 2003  
Date Surveyed

*Barry Eidson*  
Signature & Seal of Professional Surveyor

03.11.0365  
Professional Surveyor No.

Certificate No. EDISON 3239  
GARY EDISON 12641

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

State of New Mexico  
Energy Minerals and Natural Resources

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-101  
Revised March 17, 1999

Submit to appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

AMENDED REPORT

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

<sup>1</sup> Operator Name and Address Pecos Production Company 400 W. Illinois, Suite 1070 Midland, TX 79701		<sup>2</sup> OGRID Number 215758
		<sup>3</sup> API Number 30 -
<sup>3</sup> Property Code	<sup>5</sup> Property Name Fort 21	<sup>6</sup> Well No. 1

<sup>7</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
J	21	14S	34E		2310'	North	1978'	East	Lea

<sup>8</sup> Proposed 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>9</sup> Proposed Pool 1 Wildcat					<sup>10</sup> Proposed Pool 2				

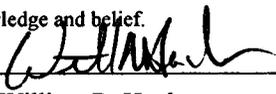
<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code G	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code P	<sup>15</sup> Ground Level Elevation 4124'
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 14,000'	<sup>18</sup> Formation Mississippian	<sup>19</sup> Contractor Unknown	<sup>20</sup> Spud Date As Soon As Approved

<sup>21</sup> Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17-1/2"	13-3/8"	48#	400'	350 sxs	Circ
12-1/4"	9-5/8"	36# & 40#	4,500'	650sxs	2,500'
8-3/4"	5-1/2"	17# & 20#	14,000'	1250 sxs	6,500'

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

**See Attached Program.**

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.		<b>OIL CONSERVATION DIVISION</b>	
Signature: 		Approved by:	
Printed name: William R. Huck		Title:	
Title: VP - Engr. & Operations		Approval Date:	Expiration Date:
Date: 4-03-03	Phone: (915) 620-8480	Conditions of Approval: Attached <input type="checkbox"/>	

Pecos Production Company  
400 W. Illinois, Suite 1070  
Midland, Texas 79701  
(915) 620-8480

March 24, 2003

New Mexico Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505  
Attn: Mr. Michael E. Stogner

Re: Request for Unorthodox Location  
Fort "21" #1  
2310' FNL & 1978' FEL  
Section 21, T-24-S, R-34-E  
Lea County, New Mexico

Dear Mr. Stogner:

This letter is in response to your concern about the location of our upcoming Fort "21" #1. Our original permit application described a location 2636' FSL & 1978' FEL in section 21. Bill Huck our operations engineer shared with me your concerns about future down spacing within this unit. My concern is that we not compromise the initial location simply because we might ultimately drill a second well in the unit.

This location is the first test for Pecos of a number of "ditch" prospects identified on a 3D seismic survey. This "ditch" play concept is based on the infilling of narrow structural grabens with thicker clastics during Pennsylvanian time. Pecos has further refined the selection of drilling locations based on amplitude anomalies indicating sand deposits in both the Morrow and Atoka Formations. To increase our chance of success we have high graded our locations by selecting those in which we can test amplitude anomalies in both the Morrow and Atoka.

I have included two maps with this letter. The first shows the Atoka sandstone amplitude superimposed on a time structure map on the Austin Limestone. The second map shows Morrow sandstone amplitude superimposed on the same Austin Limestone time structure map. From this map we can get a feel for the outline of the ditch or graben. What is more problematic is locating the sand bodies within the "ditch". As mentioned above our strategy is based on targeting amplitude anomalies as sand indicators. A recent article on the New Mexico Bureau of Geology & Mineral Resources website entitled "Application of 3-D reflection seismic data to predicting Atoka Formation natural gas reservoirs, Vacuum Field, Lea County, New Mexico" supports this exploration strategy. However, there are other successful industry operators who place no credence at all in this strategy. Even though intuitively we believe that the sand bodies are larger than the extent of their

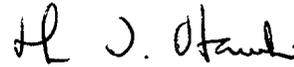
amplitude anomalies, due to the limits of seismic resolution, we still believe it is prudent to target these anomalies. So as you can see our strategy is to stay within the lowest part of the "ditch" or graben and intersect the heart of the Atoka and Morrow amplitude anomalies.

Based on the above line of reasoning we are reluctant to move our location such that it would not penetrate both the Morrow and Atoka anomalies. As you can see from the enclosed north - south seismic line pushing our location a full 660' north from our initial permitted location would be flirting with the edge of both of these anomalies and put us outside of the lowest part of the graben.

Your argument that we might be forced to complete the well in a Cisco zone should we fail to encounter productive sands in the Morrow and Atoka and encounter a pay zone in the Cisco is valid. To accommodate this possible outcome we have moved the location such that it is 330' north of the south line of a possible northeast quarter 160 acre proration unit.

Please call if you have any further questions concerning this matter. I would be more than happy to meet with you in Santa Fe if you would like to discuss this matter in more detail.

Sincerely,



Mark T. Hawkins

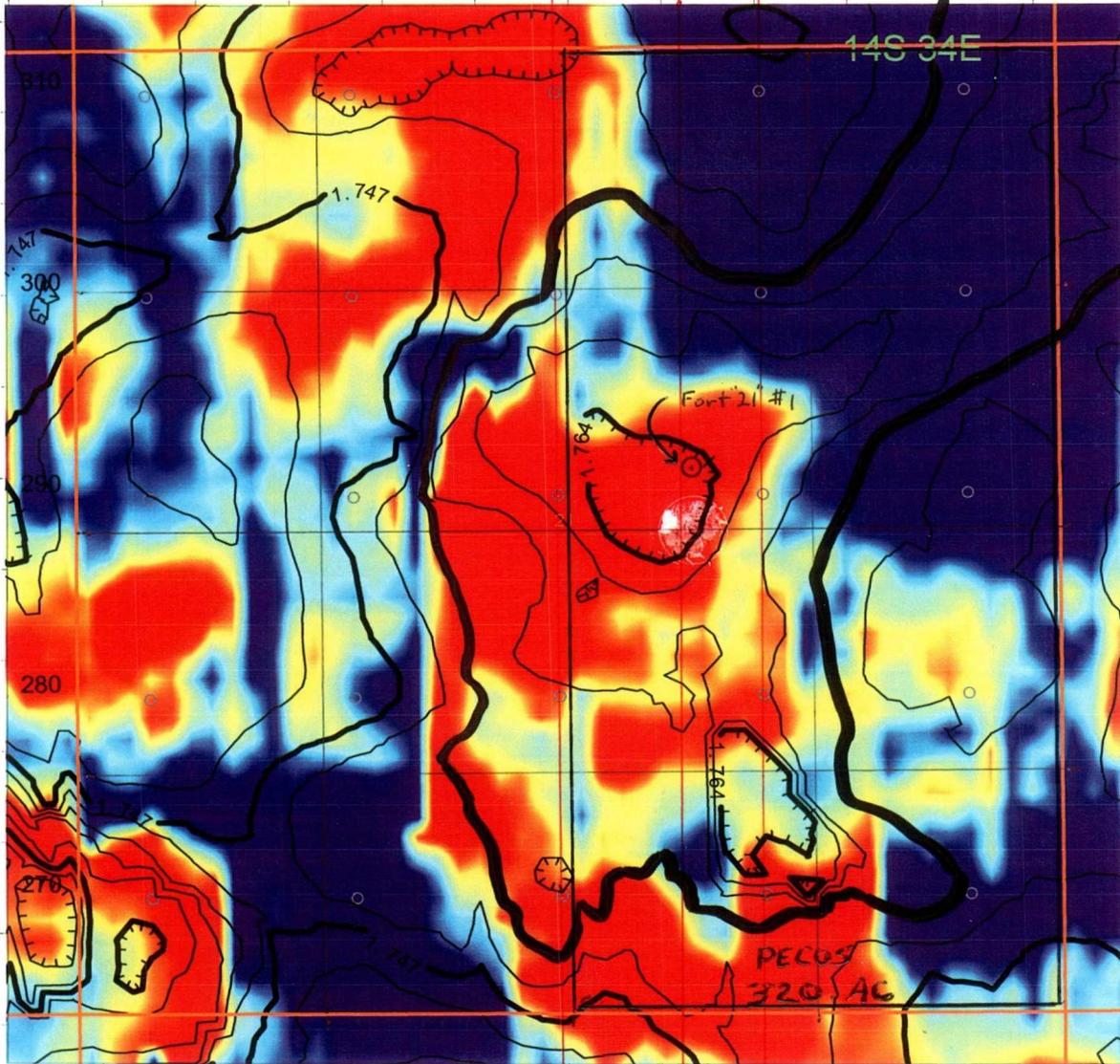
Vice President Exploration

X/Y:  
Feet  
764000

750000



764000



759000

759000

750000



Pecos Production Co.

Project: 14S-34E 3-D survey

Lea County, NM

Scale = 1:12000



Atoka Sandstone Amplitude Map  
W/Austin LS Contours  
1" = 1000' CI=25'

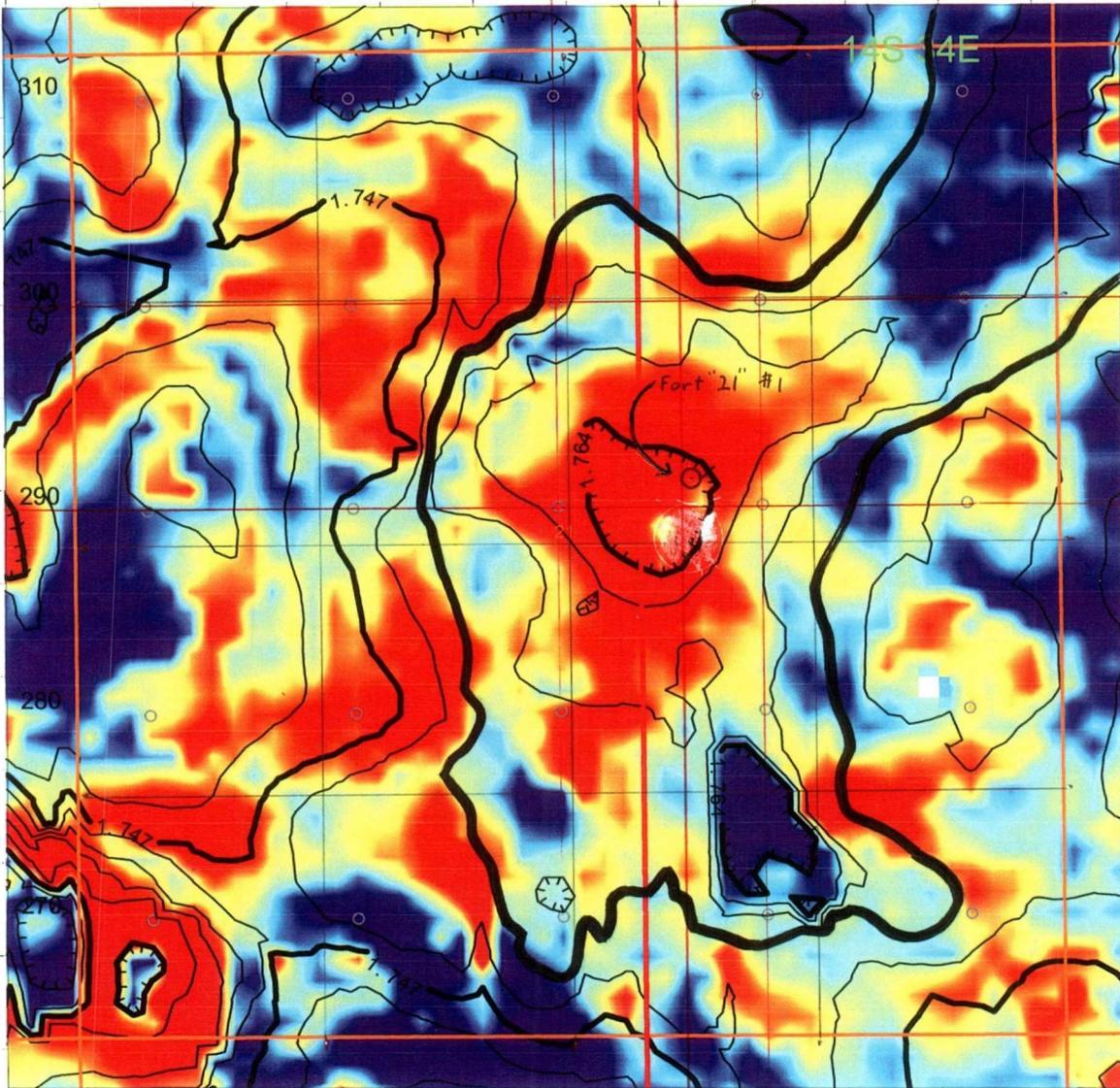
PECOS Production  
ATTACHMENT TO EXHIBIT 2



X/Y:  
Feet  
764000

750000

764000



759000

759000

750000



Pecos Production Co.

Project: 14S-34E 3-D survey

Lea County, NM

Scale = 1:12000



Morrow SS Amplitude Map  
W/Austin LS Contours  
1"=1000' CI=25'

Pecos Production  
ATTACHMENT TO EXHIBIT 2

**DESIGNATION OF POOLED UNIT**

Reference is made to the oil, gas and mineral leases described in Exhibit "A" attached hereto and made a part hereof for all purposes which, when taken together, cover and affect the East-half (E/2) of Section 21, T-14-S, R-34-E, NMPM, Lea County, New Mexico.

NOW, THEREFORE, in accordance with the terms and provisions of the leases described in said Exhibit "A", the operator, PECOS PRODUCTION COMPANY, the present owner of and lessee under said leases, does hereby pool, unitize and combine said leases into a single 320 acre pooled unit, consisting of all the East-half (E/2) of Section 21, T-14-S, R-34-E, NMPM, Lea County, New Mexico, INsofar AND ONLY INsofar, as it covers depths below the top of the Atoka formation for the production therefrom of oil, gas and condensate.

This Designation of Pooled Unit may be amended or terminated at any time, in whole or in part, by Operator of the Unit, or its successor, by filing a notice to that effect in the records of the county where the Unit is located.

This agreement may be signed in counterpart, and shall be binding upon the parties and upon their heirs, successors, representatives and assigns.

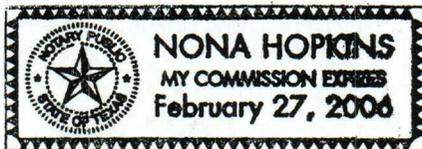
EXECUTED this 28<sup>th</sup> day of March, 2003.

**PECOS PRODUCTION COMPANY**

By: Steve Gray  
Steve D. Gray, President

STATE OF TEXAS           §  
  §  
COUNTY OF MIDLAND   §

This instrument was acknowledged before me on March 28, 2003 by Steve D. Gray, President of Pecos Production Company, a Texas corporation, on behalf of said corporation.



Nona Hopkins  
Notary Public

**EXHIBIT "A" TO DESIGNATION OF POOLED UNIT**

**E/2 less N/2NWNE**

Lessor: Betty Rae Graham  
Lessee: Pecos Production Company  
Date: June 26, 2002  
Recorded: 1205/777  
Insofar as Lease Covers: All of the East-Half (E/2) of Section 21, T-14-S, R-34-E, N.M.P.M. Survey, Lea Co., NM, except the N/2NW/4NE/4 of Section 21, T-14-S, R-34-E, N.M.P.M. Survey, Lea Co., NM, containing 300 acres, more or less.

Lessor: Claudia Sue Walker  
Lessee: Pecos Production Company  
Date: June 26, 2002  
Recorded: 1205/779  
Insofar as Lease Covers: All of the East-Half (E/2) of Section 21, T-14-S, R-34-E, N.M.P.M. Survey, Lea Co., NM, except the N/2NW/4NE/4 of Section 21, T-14-S, R-34-E, N.M.P.M. Survey, Lea Co., NM, containing 300 acres, more or less.

Lessor: Wilma C. Fort, Trustee of the Roy P. & Wilma C. Fort Revocable Living Trust dated 5-4-93.  
Lessee: Pecos Production Company  
Date: June 26, 2002  
Recorded: 1205/775  
Insofar as Lease Covers: All of the East-Half (E/2) of Section 21, T-14-S, R-34-E, N.M.P.M. Survey, Lea Co., NM, except the N/2NW/4NE/4 of Section 21, T-14-S, R-34-E, N.M.P.M. Survey, Lea Co., NM, containing 300 acres, more or less.

Lessor: Fort Family Trust  
Lessee: Pecos Production Company  
Date: June 26, 2002  
Recorded: 1205/781  
Insofar as Lease Covers: All of the East-Half (E/2) of Section 21, T-14-S, R-34-E, N.M.P.M. Survey, Lea Co., NM, except the N/2NW/4NE/4 of Section 21, T-14-S, R-34-E, N.M.P.M. Survey, Lea Co., NM, containing 300 acres, more or less.

Lessor: Providence Minerals, LLC  
Lessee: Pecos Production Company  
Date: March 7, 2003

Recorded:

Inssofar as Lease Covers: All of the East-Half (E/2) of Section 21, T-14-S, R-34-E, N.M.P.M. Survey, Lea Co., NM , except the N/2NW/4NE/4 of Section 21, T-14-S, R-34-E, N.M.P.M. Survey, Lea Co., NM, containing 300 acres, more or less.

Lessor: Wayne Newkumet  
Lessee: Pecos Production Company  
Date: June 26, 2002

Recorded: 1205/61

Inssofar as Lease Covers: All of the East-Half (E/2) of Section 21, T-14-S, R-34-E, N.M.P.M. Survey, Lea Co., NM , except the N/2NW/4NE/4 of Section 21, T-14-S, R-34-E, N.M.P.M. Survey, Lea Co., NM, containing 300 acres, more or less.

Lessor: Hayes Land & Production Company  
Lessee: Pecos Production Company  
Date: October 29, 2002

Recorded: 1205/63

Inssofar as Lease Covers: All of the East-Half (E/2) of Section 21, T-14-S, R-34-E, N.M.P.M. Survey, Lea Co., NM , except the N/2NW/4NE/4 of Section 21, T-14-S, R-34-E, N.M.P.M. Survey, Lea Co., NM, containing 300 acres, more or less.

Lessor: Hayes Land Corporation  
Lessee: Pecos Production Company  
Date: September 26, 2002

Recorded: 1205/69

Inssofar as Lease Covers: All of the East-Half (E/2) of Section 21, T-14-S, R-34-E, N.M.P.M. Survey, Lea Co., NM , except the N/2NW/4NE/4 of Section 21, T-14-S, R-34-E, N.M.P.M. Survey, Lea Co., NM, containing 300 acres, more or less.

N/2NWNE

Lessor: M. McDonnold, et ux  
Lessee: Pecos Production Company  
Date: September 26, 2002

Recorded: 1205/75

Inssofar as Lease Covers: N/2NW/4NE/4 of Section 21, T-14-S, R-34-E, N.M.P.M. Survey, Lea Co., NM, containing 20 acres, more or less.

Yates Pet. etal 5-1-2001 V 4851 7136  
 Yates Pet. etal 5-1-2002 V-5083 5625  
 "TMBR 10 St" State  
 HC Hood So. Mtns. St. TD 220 D/A 9-17 69 State

2 (States, Inc.) F577 6-5317  
 Breck Oper. State  
 Yates Pet. etal 7-1-2002 VA-1615 17228  
 Huber Pure-St. F232 BHL  
 TMBR/Sharp etal V-5084 16875  
 TMBR/Sharp Drig. TMBR St. 14 34  
 Clements Ener. New Mex. St. TD 10693  
 Yates Pet. etal T-1-2002 VA-1614 8293  
 State  
 Cayman Corp. High Plains TD 10698

17 States Inc. 11-1-2003 V 5407 20000  
 Breck Oper. etal LG 9819  
 "New Mex - St" J. Huber Mobil-St. TD 10534 D/A 5 31 66  
 TMBR/Sharp etal 12-1-2002 V-5217 10000  
 State T. Fort Fam. Trust, (S)  
 Delaware-Apache High Plains Unit 2 TD 10660 D/A 4 13 65  
 State T. Fort Fam. Trust, (S)  
 Cayman Corp. High Plains TD 10548

Skelly Yates Pet. etal 11-1-2005 V-6026 5000  
 Yates Pet. etal 3-1-2006 V-6360 26250  
 TMBR/Sharp, 1/4 Santa Fe Nat. etal 8-1-2003 V 5348 10000  
 Skelly State TD 10515 D/A 6-14 70  
 State T. Fort Fam. Trust, (S)  
 Permian Basin Acq. Fund 12-1-2003 92198 2300  
 Yates Pet. etal 6-1-2003 30912 400  
 FORT 21 #1 FORT 21 LSE 3204C  
 U.S.M.I. 21  
 Yates Pet. etal 2-1-2004 V 5471 1563  
 Marks E. Garner MCF New Mex St.  
 Yates Pet. etal 9-1-2006 V-6341 18189  
 (Not Amos No. Amer.) F1262  
 High Plains Perm. Penn. Disc. TXO Carr-St. TD 10,650

20 TMBR/Sharp, 1/4 Santa Fe Nat. etal 8-1-2003 V 5348 10000  
 Skelly State TD 10515 D/A 6-14 70  
 State T. Fort Fam. Trust, (S)  
 TMBR/Sharp, 1/4 Santa Fe Nat. etal 5-22-2000  
 Sam Boren Sandy TD 106730 D/A 4 10 68  
 AFFECTED OFFSET PRODUCTION UNIT  
 Fort Family Tr. M.I. T. Fort, (S)  
 Yates Pet. etal 12-1-2005 V-6043 7779  
 (Tenreco) Kukui, Inc. 1/2 VA-598  
 Rand Paulson Estacado-St. TD 12,700 D/A 11-24-98 (Texas Crude E. Sinclair) State) TD 11,515 D/A 4 18 63  
 Read & Stever Vallie-St TD 10,620  
 F138  
 Tenneco, 1/2 Kukui, Inc. VA-1172 F600  
 San Juan State TD 10560 Aspen St. Aspen St. At Disc. Kukui, Inc. Estacado-St.  
 F30 State

28 Yates Pet. etal 10-1-2001 V 4945 4387  
 Lone Star NM(85) St. TD 10544  
 J.E. J Serv. (EIK) LG. 1013  
 State  
 Yates Pet. etal 12-1-2005 V-6059 6875  
 (Tenreco) Kukui, Inc. 1/2 VA-598  
 Rand Paulson Estacado-St. TD 12,700 D/A 11-24-98 (Texas Crude E. Sinclair) State) TD 11,515 D/A 4 18 63  
 Read & Stever Vallie-St TD 10,620  
 F138  
 Tenneco, 1/2 Kukui, Inc. VA-1172 F600  
 San Juan State TD 10560 Aspen St. Aspen St. At Disc. Kukui, Inc. Estacado-St.  
 F30 State

29 BTM Marie 7113 JVD TD 10500  
 Etcheverry Rch. Ptnshp, etal. (S) & MINS  
 Yates Pet. etal 10-1-2001 V 4945 4387  
 Lone Star NM(85) St. TD 10544  
 J.E. J Serv. (EIK) LG. 1013  
 State  
 Yates Pet. etal 12-1-2005 V-6059 6875  
 (Tenreco) Kukui, Inc. 1/2 VA-598  
 Rand Paulson Estacado-St. TD 12,700 D/A 11-24-98 (Texas Crude E. Sinclair) State) TD 11,515 D/A 4 18 63  
 Read & Stever Vallie-St TD 10,620  
 F138  
 Tenneco, 1/2 Kukui, Inc. VA-1172 F600  
 San Juan State TD 10560 Aspen St. Aspen St. At Disc. Kukui, Inc. Estacado-St.  
 F30 State

32 Columbia Gas, Dev. 9-1-85 VA-331 20657  
 McDonald St. TD 10715 D/A 19 58  
 O. Aviana En.  
 New Mexico St  
 Yates Pet. etal 1-1-2002 V-6054 5000  
 D.A. T. NM(86)  
 PECOS PRODUCTION Company  
 FORT 21 #1  
 Exhibit 4  
 Scale 1" = 2000'  
 Yates Pet. etal 5-1-96 VA 395 3792  
 State  
 Yates Pet. etal 12-1-2005 V-6043 7779  
 (Tenreco) Kukui, Inc. 1/2 VA-598  
 Rand Paulson Estacado-St. TD 12,700 D/A 11-24-98 (Texas Crude E. Sinclair) State) TD 11,515 D/A 4 18 63  
 Read & Stever Vallie-St TD 10,620  
 F138  
 Tenneco, 1/2 Kukui, Inc. VA-1172 F600  
 San Juan State TD 10560 Aspen St. Aspen St. At Disc. Kukui, Inc. Estacado-St.  
 F30 State

**AFFIDAVIT OF FACT**

**State:** Texas  
**County:** Midland  
**Date:** April 1, 2003  
**Affiant:** Kirk Farquhar  
Pecos Production Company  
400 W. Illinois, Suite 1070  
Midland, Texas 79701

Affiant on oath swears that the following statements are true:

My name is Kirk Farquhar. I am over 21 years of age. I am Land Manager for Pecos Production Company located in Midland, Texas.

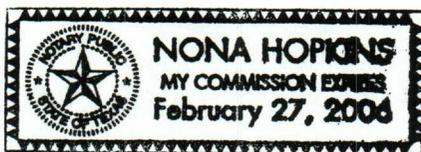
On April 1, 2003, Ratification and Consent to Pooling and/or Unitization Letters were mailed to all the royalty/mineral interest owners as same pertains to the drilling of the proposed Fort 21 No. 1 well, located 2,310' FNL & 1,978' FEL, Section 21, T-14-S, R-34-E, Lea County, New Mexico.

Affiant

  
Kirk Farquhar

THE STATE OF TEXAS \*  
\*  
COUNTY OF MIDLAND \*

SUBSCRIBED, AND SWORN TO AND ACKNOWLEDGED before me by the said Kirk Farquhar, under my hand and seal of office this 1<sup>st</sup> day of April, 2003.



  
Notary Public  
State of Texas

Attachment To Exhibit 4