



SUSPENSE 11/24/2004	ENGINEER Stephens	LOGGED IN ms	TYPE NSL	APP NO. PMESO-430955133
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NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505

ABOVE THIS LINE FOR DIVISION USE ONLY

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 _____

Algerita's
Barbara Page 2

[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

Oil Conservation Division
 1220 S. St. Francis Drive
 Santa Fe, NM 87505

NOV 04 2004

RECEIVED

[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.

Print or Type Name

BRIAN WOOD
 (505) 466-8120
 FAX 466-9682

Signature

Title

CONSULTANT

Date

11-2-04

e-mail Address

brian@permitswest.com

REQUEST FOR ADMINISTRATIVE APPROVAL FOR NONSTANDARD LOCATION FOR
ALGERITA ENERGY LLC
BARBARA PAGE #2 WELL
2310' FNL & 1100' FWL SEC. 28, T. 10 N., R. 1 E., BERNALILLO COUNTY, NM

I. The well is on private surface and a private oil and gas lease. The proposed location is nonstandard for the Entrada. A standard location must be at least 660' from the quarter section line. This well is staked 330' further south than standard. (Closest standard location would be 1980' FNL and 1100' FWL.) The APD is attached as Exhibit A.

II. A C-102 showing the well location and proration unit (NW4 for the Entrada) is attached as Exhibit B. The lease (contains 6,256 acres) legal description is attached as Exhibit C. Well is 2,558' from closest lease boundary (NW corner of Sec 28).

III. According to NM Oil Conservation Division and ONGARD records reviewed on November 2, 2004; there are no producing wells in the township. Four wells have been drilled to date and all were plugged and abandoned, The only proposed wells are this well and Algerita's Barbara Page #1 which is staked 3,452' northwest at 660 FS & 660 FE 20-10n-1e. A standard location would actually be closer to the Barbara Page #1. There is only one lease within a minimum 2,558' radius. Algerita is the operator of the Entrada rights and all other rights deeper than 5,350' in the private (fee) lease. Registered letters were sent on November 2 to all of the offset interest owners. Copies of the letters are attached as Exhibit D.

IV. A copy of the USGS map is attached as Exhibit E. The proposed well site is marked. Proration unit for the Entrada is the 160.00 acre northwest quarter of Section 28, Township 10 North, Range 1 East, Bernalillo County, NM.

V. Algerita selected its location due to geology.

VI. Archaeology is not an issue.

VII. Surface conditions are not an issue.

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NOV 04 2004

Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

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

Form C-101
May 27, 2004

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

Submit to appropriate District Office

AMENDED REPORT

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

¹ Operator Name and Address Algerita Energy LLC, PO Box 10209, Amarillo, TX 79116-0209		² OGRID Number	
³ Property Code		⁴ API Number 30-001-20015	
⁵ Property Name Barbara Page		⁶ Well No. 28 2	
⁷ Proposed Pool 1		⁸ Proposed Pool 2	

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	28	10N	1E		2,310	NORTH	1,100	WEST	Bernalillo

⁸ 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

Additional Well Information

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 5876
¹⁶ Multiple N	¹⁷ Proposed Depth 8,000'	¹⁸ Formation ENTRADA	¹⁹ Contractor UNKNOWN	²⁰ Spud Date ON APPROVAL
Depth to Groundwater 850'		Distance from nearest fresh water well >4,100'		Distance from nearest surface water >1 mile
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 mils thick Clay <input type="checkbox"/> Pit Volume: 11,300 bbls Drilling Method: Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				
Closed-Loop System <input type="checkbox"/>				

²¹ 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#	800'	1,680 ft ³	Surface
12-1/4"	9-5/8"	36#	4,000'	1,096 ft ³	500'
7-7/8"	4-1/2"	11.6#	8,000'	956 ft ³	3,800'

²² 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.

Use 3,000 # BOP

EXHIBIT A

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input checked="" type="checkbox"/> a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/>		OIL CONSERVATION DIVISION	
Printed name: Brian Wood <i>Brian Wood</i>		Approved by:	
Title: Consultant		Title:	
E-mail Address: brian@permitswest.com		Approval Date: Expiration Date:	
Date: 9-15-04	Phone: 505.466.8120	Conditions of Approval Attached <input type="checkbox"/>	

DISTRICT I
1626 W. French Dr., Hobbs, N.M. 88240

DISTRICT II
1301 W. Grand Ave., Artesia, N.M. 88210

DISTRICT III
1000 Rio Brazos Rd., Artec, N.M. 87410

DISTRICT IV
1220 South St. Francis Dr., Santa Fe, NM 87506

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 June 10, 2003

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number		*Pool Code		*Pool Name WILDCAT ENTRADA	
*Property Code	*Property Name BARBARA PAGE			*Well Number 28 - 1	
*OGRID No.	*Operator Name ALGERITA ENERGY, LLC			*Elevation 5876	

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
E	28	10-N	1-E	.	2310	NORTH	1100	WEST	BERNALILLO

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
**Dedicated Acres 160		**Joint or Infill		**Consolidation Code		**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

FD 1" PIPE SET IN CONCRETE	S 89-58-35 E	5276.64' (M)	FD 1" PIPE SET IN CONCRETE
2310'			
5279.81' (M)			
1100'	LAT. 35°03'59.46" N (NAD 83) LONG. 106°50'50.96" W (NAD 83)		
N 00-10-42 W	28		
FD 1" PIPE SET IN CONCRETE			

17 OPERATOR CERTIFICATION

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

EXHIBIT B

Brian Wood

Signature **BRIAN WOOD**

Printed Name **CONSULTANT**

Title **SEPT. 18, 2004**

Date

18 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 **2004**
Signature **JOHNA YUKONCH**
Registered Professional Surveyor
14831

Certificate Number

EXHIBIT C

10/18/04 09:29 FAX 808 378 9110

RIATA ENERGY

003/004

<u>Township 10 North, Range 1 East, N.M.P.M.</u>	<u>Acreage Totals</u>
Section 8: All	640.00
Section 9: All	640.00
Section 10: W/2	320.00
Section 15: W/2	320.00
Section 16: All	640.00
Section 17: All	640.00
Section 21: All	640.00
Section 22: W/2	320.00
Section 27: W/2	320.00
Section 28: All	640.00
Section 29: All	640.00
Section 30: That certain tract of land located in the East part of Section 30 comprising 215.00 acres, more or less, as delineated in that certain Plat of Survey of Westland Development Co. - Northwest Tract.	215.00
Section 31: That certain tract of land located in the Northeast part of Section 31 comprising 87.00 acres, more or less, as delineated in that certain Plat of Survey of Westland Development Co. - Northwest Tract.	87.00
Section 32: That certain tract of land located in the North part of Section 32 comprising 194.00 acres, more or less, as delineated in that certain Plat of Survey of Westland Development Co. - Northwest Tract.	<u>194.00</u>
	6,256.00 TOTAL

IN WITNESS WHEREOF this instrument is executed this 15th day of JUNE, 2001.

PERMITS WEST .INC.
 PROVIDING PERMITS for LAND USERS
 37 Verano Loop, Santa Fe, New Mexico 87508 (505) 466-8120

November 2, 2004

Barbara Page
 Westland Development Co., Inc.
 401 Coors Blvd., NW
 Albuquerque, NM 87121-1415

EXHIBIT D

Dear Ms. Page:

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

Algerita Energy LLC is applying to drill its Barbara Page #2 well. The minimum state distance for a wildcat Entrada gas well is 660' from a quarter section line. The proposed well is 330' further south than is standard. Thus, it is a nonstandard location. The NSL is due to geology. It is 2,558' from the closest lease boundary.

Well Name: Barbara Page #2 Total Depth: 8,000'
Proposed NSL Producing Zone: wildcat Entrada sandstone
NSL Acreage Dedication: 160.00 acres (NW4 Sec. 28) to wildcat Entrada
Location: 2310' FNL & 1100' FWL Sec. 28, T. 10 N., R. 1 E.,
 Bernalillo County, NM on a 6,256 acre fee lease
Approximate Location: ~8 air miles west of Albuquerque
Applicant Name: Algerita Energy LLC (806) 376-7904, Extension 118
Applicant's Address: P. O. Box 10209, Amarillo, TX 79116-0209

Submittal Information: Application for a nonstandard location will be filed with the NM Oil Conservation Division. If they determine the application complies with the applicable regulations, then it will be approved. The New Mexico address is 1220 South St. Francis Dr. Santa Fe, NM. My phone number is (505) 476-3440.

questions.

Sincerely,

Brian Wood
 Brian Wood

6541 2452 2000 DTTE E000

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 SANTA FE, NM 87508 USPS
 QUICK SERVICE CENTER

Sent To: Westland Development
 Street, Apt. No. or PO Box No. 401 Coors Rd NW
 City, State, ZIP+4 Albuquerque NM 87121

PERMITS WEST, INC.

PROVIDING PERMITS for LAND USERS

37 Verano Loop, Santa Fe, New Mexico 87508

(505) 466-8120

November 2, 2004

George Cox
XTO Energy Inc.
810 Houston St., Suite 2000
Ft. Worth, TX 76102

EXHIBIT D

Dear George,

As required by New Mexico Oil Conservation Division Rules, I am notifying you of the following nonstandard location (NSL) for a well. This letter is a notice only. No action is needed unless you have questions or objections.

Algerita Energy LLC is applying to drill its Barbara Page #2 well. The minimum state distance for a wildcat Entrada gas well is 660' from a quarter section line. The proposed well is 330' further south than is standard. Thus, it is a nonstandard location. The NSL is due to geology. It is 2,558' from the closest lease boundary.

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Total Depth: 8,000'

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Location: 2310' FNL & 1100' FWL Sec. 28, T. 10 N., R. 1 E.,

Bernalillo County, NM on a 6,256 acre fee lease

Approximate Location: ≈8 air miles west of Albuquerque

Applicant Name: Algerita Energy LLC (806) 376-7904, Extension 118

Applicant's Address: P. O. Box 10209, Amarillo, TX 79116-0209

Submittal Information: Application for a nonstandard location will be filed with the NM Oil Conservation Division. If they determine the application complies with the applicable regulations, then it will be approved. The New address is 1220 South St. Francis Dr. Santa Fe, NM 87508. My phone number is (505) 476-3440.

Questions.

Sincerely,

Brian Wood

9947 5442 2000 0775 5002

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SANTA FE NM 87508 USPS
NOV 02 2004
Postmark Here
QUICK SEND CPU

Sent To **XTO Energy**
Street, Apt. No., or PO Box No. **810 Houston St., # 2000**
City, State, ZIP+4 **Ft. Worth, TX 76102**

106°52'00" W

106°51'00" W

NAD27 106°50'00" W

ALGERITA ENERGY, LLC

BARBARA PAGE 28 No.1

**NW/4 SEC. 28, T-10-N, R-1-E, N.M.P.M.,
BERNALILLO COUNTY, NEW MEXICO**

**2310 FNL 1100 FWL
NEW 4600 FT. ACCESS**

Town of Harrislo Grant

T O W N

**BARBARA PAGE 28 No.1
LAT. 35.03.59.46 (NAD 83)
LONG. 106.50.50.96 W (NAD 83)**

Communication Towers

Communication Tower

Communication Tower

35°05'00" N

35°05'00" N

35°04'00" N

35°04'00" N

35°03'00" N

35°03'00" N

106°52'00" W

106°51'00" W

NAD27 106°50'00" W



Map created with TOPO!® ©2002 National Geographic (www.nationalgeographic.com/topo)

EXHIBIT

CMD :
OG6C101

ONGARD
C101-APPLICATION FOR PERMIT TO DRILL

11/04/04 15:11:25
OGCMES -TPG0

OGRID Idn : 229165 API Well No: 30 1 20015 APD Status(A/C/P): A
Opr Name, Addr: ALGERITA ENERGY, LLC Aprvl/Cncl Date : 09-23-2004
PO BOX 10209
AMARILLO, TX 79116

Prop Idn: 34292 BARBARA PAGE Well No: 2

	U/L	Sec	Township	Range	Lot	Idn	North/South	East/West
Surface Locn :	E	28	10N	01E			FTG 2310 F N	FTG 1100 F W
OCD U/L :	E		API County :	1				

Work typ(N/E/D/P/A) : N Well typ(O/G/M/I/S/W/C): G Cable/Rotary (C/R) : R
Lease typ(F/S/P/N/U/I): P Ground Level Elevation : 5876

State Lease No: Multiple Comp (S/M/C) : S
Prpsd Depth : 8000 Prpsd Prmtn : ENTRADA

I6504:UNLT IS IN TRACT G50. ENTER DATA TO MODIFY.

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 PF08 PF09 PRINT PF10 C102 PF11 HISTORY PF12