

1050 17th Street Suite 710

Denver, Co. 80265

(303) 893-0933

September 28, 1999

OCT - 1 1999

New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

Re: Application for Administrative Approval
Unorthodox Well Location
McElvain Oil & Gas Properties Inc.
Cougar Com 33 No. 1
Basin Dakota
SE / 4, Section 33, T26N, R2W
Rio Arriba Co., New Mexico

Gentlemen:

McElvain Oil & Gas Properties Inc. requests administrative approval of this non standard footage location pursuant to Rule 104.F(2). This request is for a topographic / archeologic exception. The location was set in the bottom of a draw to avoid excessive cuts into the southern ridge line which could accelerate destruction through erosion of the archeological site LA127878. The proposed location will encroach on the 790 foot set back from the proration unit boundary by 120 feet. As required by Rule 104.F(3), attached is:

1. A C - 102 showing the well location and the proposed spacing unit;
2. There are no existing Dakota spacing units adjoining this proposed unit;
3. A cut & fill section for the proposed location showing the existing topography and archeology; and
4. A list of the lessee of record for the sections North (N/2 - Sec.33), East (Sec.34), and West (Sec.32) of the proposed spacing unit and their addresses.

In accordance with Rule 104.F(4) and Rule 1207(A)(5), a complete copy of this application was sent by certified mail - return receipt, on the same date as this application, to the operators on the attached list. A copy of the cover letter to the operators is attached.

Sincerely,

R. E. Fielder
R. E. Fielder

Agent for
McElvain Oil & Gas Properties

(505) 325-5220

xc: New Mexico Oil Conservation Division
1000 Rio Brazos Road
Aztec, NM 87410

District I
PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals & Natural Resources Dept.

Form C-102
Revised February 21, 1994

District II
PO Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

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

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

AMENDED REPORT

District IV
PO Box 2088, Santa Fe, NM 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30 - 039 - 26226		*Pool Code 71599	*Pool Name Basin Dakota
*Property Code 23816	*Property Name COUGAR COM 33		*Well Number 1
*GRID No. 22044	*Operator Name McELVAIN OIL & GAS PROPERTIES		*Elevation 7506'

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
J	33	26N	2W		1970	SOUTH	2125	EAST	RIO ARRIBA

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

¹² Dedicated Acres 320.00	¹³ Joint or Infill N	¹⁴ Consolidation Code C	¹⁵ 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

5281.32'

5280.00'

33

2125'

1970'

5280.00'

¹⁷ OPERATOR CERTIFICATION

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

R. E. Fielder

Signature
R. E. Fielder

Printed Name
Agent

Title
September 27, 1999

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.

SEPTEMBER 22, 1999

Date of Survey

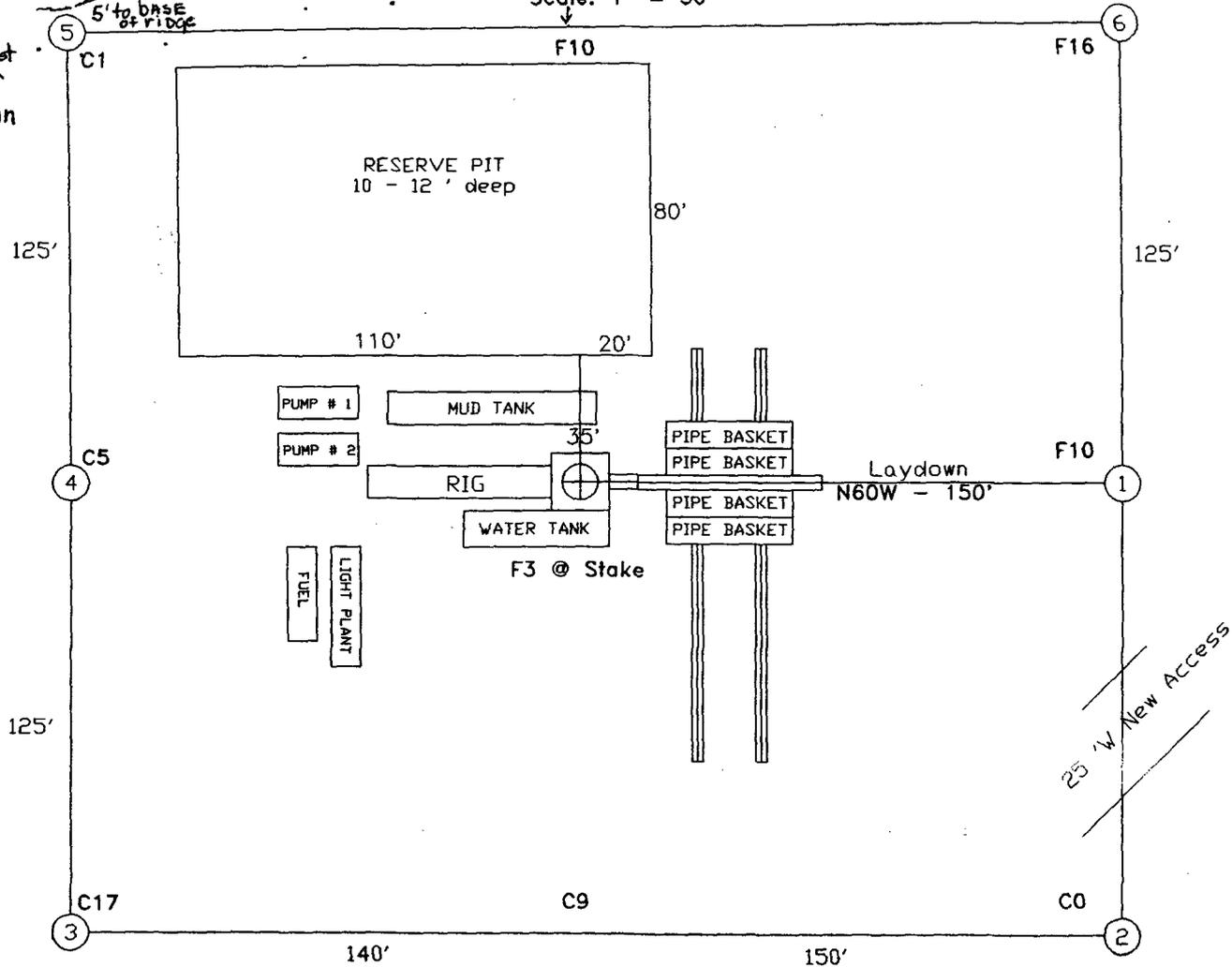
Signature and Seal of Professional Surveyor
Neale C. Edwards

NEALE C. EDWARDS
NEW MEXICO
REGISTERED PROFESSIONAL SURVEYOR
6857

Certificate No. 6857

Site LA127878
 Approx. 80' west
 of Corner 5 of
 current location

57' to base of ridge
 Scale: 1" = 50'



50' Construction Buffer on all corners except 2, 3, & 5. Side 2-3 will be 1:1 cutslope outside stakes. Corner 5 will be rounded inside the stake. Drainage berm will be started at corner 5 stake.

McElwain Oil & Gas Properties, Inc.

Wellsite Layout
 Cougar Com 33 No. 1
 1970' FSL - 2125' FEL
 Section 33, T26N, R2W, NMPM
 Rio Arriba Co., New Mexico

T26N, R2W, Sections 32, 33 & 34: W.I. Owners & Operators

Mountain States Natural Gas Corporation
P.O. Box 35426
Tulsa, OK 74153

Samson Resources Company
Samson Plaza
2 West 2nd Street
Tulsa, OK 74103

Ramona Sweet Revocable Trust
P.O. Box 1132
Tulsa, OK 74101

Christopher L. Phillips
23 West 4th Street, Ste. 900
Tulsa, OK 74103

Duer Wagner, III
301 Commerce Street, Ste. 2930
Ft. Worth, TX 76102

NM&O Operating Company
6 E. 5th Street, Ste. 200
Tulsa, OK 74103

Mesa Grande Resources, Inc.
1200 Philtower Bldg.
Tulsa, OK 74103

Albert Hill Trust,
5000 Thanksgiving Tower
Dallas, TX 75201

Texaco Exploration & Production, Inc.
P.O. Box 841144
Dallas, TX 75284-1144

Hooper, Kimball & Williams
P.O. Box 52147
Tulsa, OK 74152-0147

Clark & Oatman
P.O. Box 310
Bastrop, TX 78602

PC, Ltd.
P.O. Box 911
Breckenridge, TX 76424

IBEX Partnership
P.O. Box 911
Breckenridge, TX 76424

Noseco Corporation, a Nevada corporation
7400 Lakeside Drive
Reno, NV 89511

Neumann Family Trust
c/o Peter C. Neumann
P.O. Box 1170
Reno, Nevada 89504

Gavilan Dome Properties
1180 Cedarwood Drive
Moraga, CA 94556

Energen Resources Corporation
605 21st Street North
Birmingham, Alabama 35203-2707

Mesa Grande Resources, Inc.
1200 Philtower Bldg.
Tulsa, Oklahoma 74103

NM & O Operating Company
6 E. 5th Street, Suite 200
Tulsa, OK 74103

Johansen Energy Partnership
P.O. Box 1773
Whitefish, MT 59937

Williams Production Company
Attn: Mr. M. Vern Hansen
P.O. Box 3102
Tulsa, Oklahoma 74101

Dugan Production Corporation
P.O. Box 420
Farmington, NM 87499-0420

THE MARGARET HILL MARITAL TRUST,
THE MARGARET HUNT HILL - ALBERT G. HILL III TRUST,
THE MARGARET HUNT HILL - ELISA MARGARET HILL TRUST,
THE MARGARET HUNT HILL - HEATHER VICTORIA HILL TRUST,
THE MARGARET HUNT HILL - MICHAEL BUSH WISENBAKER, JR. TRUST,
THE MARGARET HUNT HILL - WESLEY HILL WISENBAKER TRUST,
THE MARGARET HUNT HILL - MARGRETTA HILL WIKERT TRUST, and
THE MARGARET HUNT HILL - CODY McARTHUR WIKERT TRUST
5000 Thanksgiving Tower
Dallas, Texas 75201

Albert Hill Trust
2500 First National Bank Tower
Dallas, Texas 75202

ENERGEN

R E S O U R C E S

2198 Bloomfield Highway
Farmington, New Mexico 87401
(505) 325-6800
FAX (505) 326-6112

Total number of pages (including cover page)

TO: NMOCID

ATTN: Lori Wrotenberly

FROM: Rich Corcoran

DATE: 10/25/99

COVER MESSAGE:

If there are errors in transmission, please contact Vicki Donaghey at
(505) 325-6800.

1050 17th Street Suite 710

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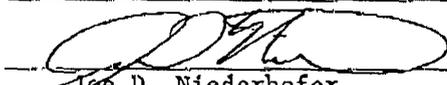
Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87504

Attn: Lori Wrotenbcry

RE: Application for Administrative Approval
Unorthodox Well Location
Cougar Com 33 No. 1
Basin Dakota
SE / 4, Section 33, T26N, R2W
Rio Arriba Co., New Mexico

We have no objection to the above referenced unorthodox well location.

COMPANY: ENERGEN RESOURCES CORPORATION

BY:  Joe D. Niederhofer *PC*

TITLE: General Manager - San Juan Basin

DATE: October 25, 1999

McElvain Oil & Gas Properties, Inc.

1050 17th Street Suite 710

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Oil Conservation Division
Box 2088
Santa Fe, NM 87504 - 2088

Attn: Lori Wrotenbery

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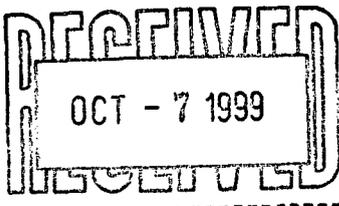
COMPANY: _____

BY: _____

TITLE: _____

DATE: _____

Joe Wagner
[Signature]
10/4/99



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Rio Arriba Co., New Mexico

We have no objection to the above referenced unorthodox well location.

COMPANY: Dugan Production Corp.

BY:


David M. Poage

TITLE:

Land Manager

DATE:

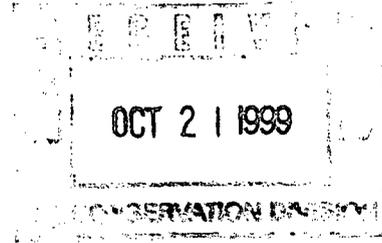
10/04/99

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We have no objection to the above referenced unorthodox well location.

COMPANY: NEUMAN Family Trust
BY: Lori Wrotenbery
TITLE: Trustee
DATE: 10-18-99

McElvain Oil & Gas Properties, Inc.

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Attn: Lori Wrotenbery

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Rio Arriba Co., New Mexico

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COMPANY: Dugan Production Corp.

BY:



David M. Poage

TITLE:

Land Manager

DATE:

11/1/99

McElvain Oil & Gas Properties, Inc.

1050 17th Street Suite 710

Denver, Co. 80265

(303) 893-0933

NSL-4370

Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87504

Attn: Lori Wrotenbery

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Rio Arriba Co., New Mexico

We have no objection to the above referenced unorthodox well location.

COMPANY: Clark & Oatman
BY: Carolyn Clark Oatman
TITLE: Agt
DATE: 11/10/99

McElvain Oil & Gas Properties, Inc.

1050 17th Street Suite 710

Denver, Co. 80265

(303) 893-0933

NSL-4370

Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87504

Attn: Lori Wrotenbery

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Rio Arriba Co., New Mexico

We have no objection to the above referenced unorthodox well location.

COMPANY: Samsen Resources Company
BY: Julian Huber
TITLE: Landman
DATE: 11/2/99