

NEELEY CONSULTING SERVICE, LLC
3001 Northridge Drive, Los Amigos Bldg
FARMINGTON, NEW MEXICO 87401
(505) 486-0211

Rec: 3-28-05
Susp: 4-18-05

NMESCO-509952923

March 22, 2005

Mr. David Catanach – Engineering Bureau
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Applications for Unorthodox Well Locations (NSLs) – 2 Wells
Jicarilla Apache Energy Corporation
JVA Well No. 3A, 425' FNL & 660' FWL, Sec 21, T27N, R2W, NMPM
JVA Well No. 4B, 446' FNL & 2245' FEL, Sec 20, T27N, R2W, NMPM

Dear David:

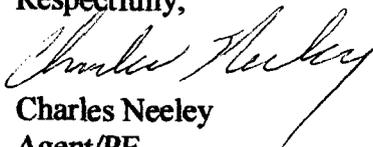
Enclosed are two applications for NSLs mailed to NMOCD back in May, 2004. I checked with William Jones re: status of applications and he determined that the applications apparently were not received by NMOCD.

Jicarilla Apache Energy Corporation, JAECO, solicits NMOCD approval for these Unorthodox well locations.

Should you have any questions regarding these applications, please do not hesitate to call. I can be reached at 505-486-0221.

As always, your consideration of these applications is appreciated.

Respectfully,


Charles Neeley
Agent/PE

RECEIVED

MAR 21 2005

28

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

NEELEY CONSULTING SERVICE, LLC

3001 Northridge Drive, Los Amigos Bldg
FARMINGTON, NEW MEXICO 87401
(505) 486-0211

May 19, 2004

Mr. Edwin J. Singleton
Bureau of Land Management
435 Montano NE
Albuquerque, New Mexico 87107

Ms. Joanna Prukop, Interim Director
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

Re: Request for Unorthodox Well Location
Jicarilla Apache Energy Corporation
JVA Well No. 3A, 425' FNL & 660' FWL, Sec 21, T27N, R2W, NMPM
Rio Arriba County, New Mexico

Dear Ms. Prukop and Mr. Singleton:

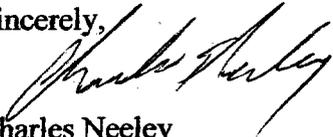
Jicarilla Apache Energy Corporation, JAECO, is writing to request your respective administrative approvals for an Unorthodox Well Location for the JVA 3A Blanco-Mesaverde well staked at 425' FNL & 660' FWL, Sec 21, T27N, R2W, NMPM, Rio Arriba County, New Mexico. JAECO had the well re-staked to this location at the request of the Jicarilla Apache Tribe Oil & Gas Administration, during the onsite conducted on April 28, 2004, to avoid adverse topography and pine trees. The location, access road and pipeline ROW have been arched by Velarde Energy Service.

JAECO is the sole division-designated operator of Section 21, T27N, R2W and all adjoining spacing units. Since there are no other persons owning interests in the adjoining spacing units, there are no affected persons requiring notice as defined in Rule 1207.A(2).

Attached is NMOCD form C-102 and a plat showing: the spacing unit, the proposed unorthodox well location and the adjoining spacing units and wells.

Your consideration of this application is appreciated.

Sincerely,


Charles Neeley
Agent/PE

RECEIVED

MAR 29 2005

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

DATE IN	SUBPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.
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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.

Charles Neelev
 Print or Type Name

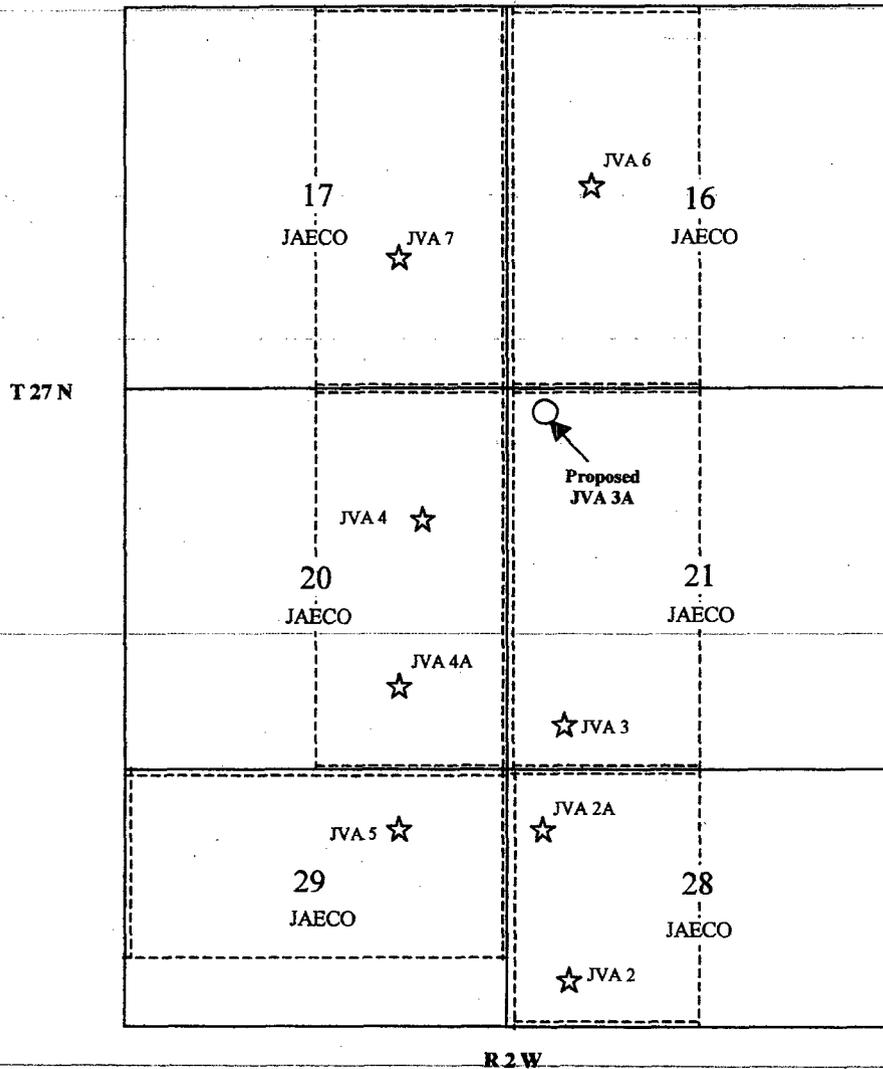
Charles Neelev
 Signature

Agent/PE
 Title

5-18-04
 Date

neeleece@acnet.com
 e-mail Address

PLAT
Jicarilla Apache Energy Corporation
Unorthodox Location Application
JVA 3A Blanco-Mesaverde
425' FNL & 660' FWL, Sec 21, T27N, R2W, NMPPM
Rio Arriba County, New Mexico



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

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

¹ API Number		² Pool Code 72319		³ Pool Name Blanco-Mesaverde	
⁴ Property Code 5415		⁵ Property Name JVA			⁶ Well Number 3A
⁷ OGRID No. 11859		⁸ Operator Name Jicarilla Apache Energy Corporation			⁹ Elevation 7364' UGL

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
D	21	27N	2W		425	North	660	West	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	¹³ Joint or Infill Y	¹⁴ Consolidation Code	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

	<p>¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Charles Neeley</i> Signature Printed Name Charles Neeley Title and E-mail Address Agent/PE neelecc@acnet.com Date May 12, 2004</p>
	<p>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.</p> <p>Date of Survey Signature and Seal of Professional Surveyor </p>

Standard 640-ac Section

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires: January 31, 2004

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
701900001

6. If Indian, Allottee or Tribe Name
Jicarilla Apache Tribe

7. If Unit or CA/Agreement, Name and/or No.
Joint Venture Agreement

8. Well Name and No.
JVA Well No. 3A

9. API Well No.
Not Assigned

10. Field and Pool, or Exploratory Area
Blanco-Mesaverde

11. County or Parish, State
Rio Arriba, NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
Jicarilla Apache Energy Corporation

3a. Address
P.O. Box 710, Dulce, NM 87528

3b. Phone No. (include area code)
505-759-3224

4. Location of Well (Footage, Sec., T, R., M., or Survey Description)
425' FNL & 660' FWL, Sec 21, T27N, R2W, NMPM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <u>Unorthodox Well</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>Location Application</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

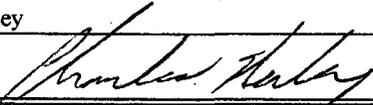
3. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Jicarilla Apache Energy Corporation applies to the BLM and NMOCD for an Unorthodox Well Location for the JVA 3A, Sec 21, T27N, R2W, NMPM, Rio Arriba County, NM.

See Letter of Application, NMOCD C-102 and Plat - Attached

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) Charles Neeley Title Agent/PE

Signature  Date May 17, 2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by (Signature) _____ Name (Printed/Typed) _____ Title _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Office _____ Date _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on next page)