Rate Harry

P.O. Box 819 Bloomfield, New Mexico 87413

(505) 632-3385

September 18, 1981

New Mexico Energy & Mineral Dept. P. O. Box 2860 Santa Fe, New Mexico 87501

New Mexico Oil Conservation Com. 1000 Rio Brazos Road Aztec, New Mexico 87410

Gentlemen:

We respectfully request administrative approval for exception to Field Rule #3 of the Puerto Chiquito Field, Rio Arriba County, Poo / New Mexico.

The Grevey #4-R is staked for drilling on an existing drill location at 1870' FSL and 335' FWL of Section 26, T26N, R1E, Rio Arriba County, New Mexico. This location is 160' too far West to comply with Rule #3. To comply with the rule, the new location would be on a very steep mountain side and would greatly increase the cost of drilling this well. We propose to drill on the existing pad of the P & A well Grevey #4. The U.S.G.S. has approved this as a drillable location. A topo map of the area is attached along with Form C-102.

There are no offset operators surrounding this non-standard location.

Your early approval of this location will be most appreciated. The formal name change had been submitted to the U.S.G.S. making this location the Grevey #4-R instead of the Grevey #4-X.

Very truly yours,

Elledge

Harold W. Elledge

Agent

HWE; jr

CC: Han-San, Inc. P. O. Box 349 Deming, New Mexico 88030

NEW MEXICO OIL CONSERVATION COMMISSION WELL LOCATION AND ACREAS DEDICATION PLAT

Form C-102
Language C-128
Chaptive 1-125

WELL LOCATION AND ACREAS TO DEDICATION PLAT Disective 1-1-75 must be from the outer boundaries of the HAN-SAN INC. 4-R Section Unit Letter "Cownehip Rango 26 1 HAST 26 NORTH RIO ARRIBA Actual Footage Location of Well: 235 1870 SOUTH WEST feet from the feet from the Hine and Cround Level Elev. Producing Ferniation Pool Dedicated Acteage: 7691 Puerto Chiquito 160 Acres 1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below, 2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty). 3. If more than one 'case of different ownership is dedicated to the we'l, have the interests of all owners been consolidated by communitization, unitization, force-nocling, etc? If answer is "ves;" type of consolidation _ If answer is "no!" list the owners and tract descriptions which have actually been consolidated. Use reverse side of No allowable will be assigned to the well until all interests have been consolidated by communitization, unitization, forced-pooling, or otherwise) or unil a non-standard unit, climinating such interests, has been approved by the Commission. CERTIFICATION I hereby certify that the information contained herein is true and complete to the hest of my knowledge and helint. Elledge I hereby cert's that the well-location wn on this plat was platted from field notes of actual surveys made by me or under n / supervision, one that he same is true and insport to the best of my rnowindne one be set.

S QUADRANCY

NEW MEXICO-PIO / T

HAJ-SAN rriba County. New



Corrida Oils Inc.

Suite 800, 425 S. Cherry Street Denver, Colorado 80222

Mailing Address: P.O. Box 5550 T.A. Denver, Colorado 80217

Our Ref.

Telephone: (303) 322-5588

Telecopier: (303) 333-2144

August 15, 1984

Mr. Gilbert Quintana Oil & Gas Conservation Division Post Office Box 2088 Santa Fe, New Mexico 87501

Re: Badlands Federal #3

Dear Mr. Quintana:

Further to our recent discussion, we enclose a copy of our resurveyed location plat.

You wanted this for your records in connection with the off pattern spacing unit.

Yours very truly,

CORRIDA OILS INC.

John W. Shepardson

President

JWS:gej Enclosure

STATE OF NEW MEXICO

OIL CONSERVATION DIVISION

P. O. BOX 2088

Form C-102 Revised 10-1-78

ENERGY AND MINERALS DEPARTMENT SANTA FE, NEW MEXICO 87501 All distances must be from the outer boundaries of the Section.

| Cyerator Commission Dilla Tana | | | | | Well No. | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|-----------------------|--------------|-----------|---------------------------------------|-------------------------------------|--------------------------|
| Corrida Oils Inc. | | | | | | | <u></u> |
| Unit Letter I | Section 13 | Townshilp 25 North | Ro | 13 West | County San J | luan | |
| Actual Footage Location of Well: 2060 feet from the South line and 720 feet from the East line | | | | | | | |
| Ground Level Elev. | Producing For | | Pool | | | | nted Acreage: |
| 6452 | | | 1 | | | 1 | Acres |
| 1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below. | | | | | | | |
| 2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty). | | | | | | | |
| 3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling.etc? | | | | | | | |
| Yes No If answer is "yes;" type of consolidation | | | | | | | |
| If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) | | | | | | | |
| No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, | | | | | | | |
| forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division. | | | | | | | |
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| province Transmit | | 2210 2240 2200 | Company of T | 1 , | | - | 5979 Isenhoover J.S. |