

OIL CONSERVATION DIVISION  
RECEIVED

July 31, 1991

'91 AUG 2 PM 2 31

William J. LeMay, Director  
State of New Mexico  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
Post Office Box 2088  
State Land Office Building  
Santa Fe, New Mexico 87504

Re: **Unorthodox Location Waiver**  
**Mitchell Energy Corporation Rosa Unit #314**  
**Meridian Oil Gathering, Inc. - Rosa Unit Operator**

Dear Mr. LeMay:

We are submitting an Unorthodox Location Application for the Mitchell Energy Corp. Rosa Unit Well No. 314. Meridian Oil Gathering, Inc., as Operator of the Rosa Unit wells, will receive a copy of the application for approval of the location. The factors determining the location of the site are detailed in the attached package.

If there are no objections to the location, the waiver below will be signed by a representative of Meridian Oil Gathering, Inc.

Thank you for your cooperation.

Sincerely,

**TRIGON ENGINEERING, INC.**



Cristi Cline  
Senior Right-of-Way Agent

Attachment

**WAIVER**

\_\_\_\_\_ hereby waives objection to Mitchell Energy Corporation's application for an unorthodox location for Rosa Unit Well No. 314.

BY: \_\_\_\_\_  
TITLE: \_\_\_\_\_  
Meridian Oil Gathering, Inc.  
Operator, Rosa Unit

DATE \_\_\_\_\_

4100 EAST MAIN STREET FARMINGTON NM 87402

UNORTHODOX LOCATION APPLICATION  
MITCHELL ENERGY CORPORATION  
ROSA UNIT WELL NO. 314  
Basin Fruitland Coal

**SITE LOCATION:**

Township 31 North, Range 4 West  
Section 30: SWNE  
1810' FNL, 2010' FEL

**FACTORS DETERMINING UNORTHODOX LOCATION:**

The site for the Mitchell Energy Corporation Rosa Unit Well No. 314 has been chosen in an unorthodox location due to rugged topography and the presence of numerous archaeological sites in the area. The terrain to the north and east is extremely rugged and to the south and west are large washes which are burdened with erosion.

Attempts were made to locate other possible sites for the proposed well, however, due to topography and archaeology, this is the only feasible location.

The proposed location overlaps the existing Northwest Pipeline Rosa #63 (Basin Dakota) wellpad, therefore, we can utilize previously disturbed ground and eliminate the necessity for more access roads. This location also allows us to avoid the several recorded archaeological sites surrounding the site.

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

State of New Mexico  
 Energy, Minerals and Natural Resources Department

Form C-102  
 Revised 1-1-89

**OIL CONSERVATION DIVISION**  
 P.O. Box 2088  
 Santa Fe, New Mexico 87504-2088

**DISTRICT I**  
 P.O. Box 1980, Hobbs, NM 88240

**DISTRICT II**  
 P.O. Drawer DD, Artesia, NM 88210

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

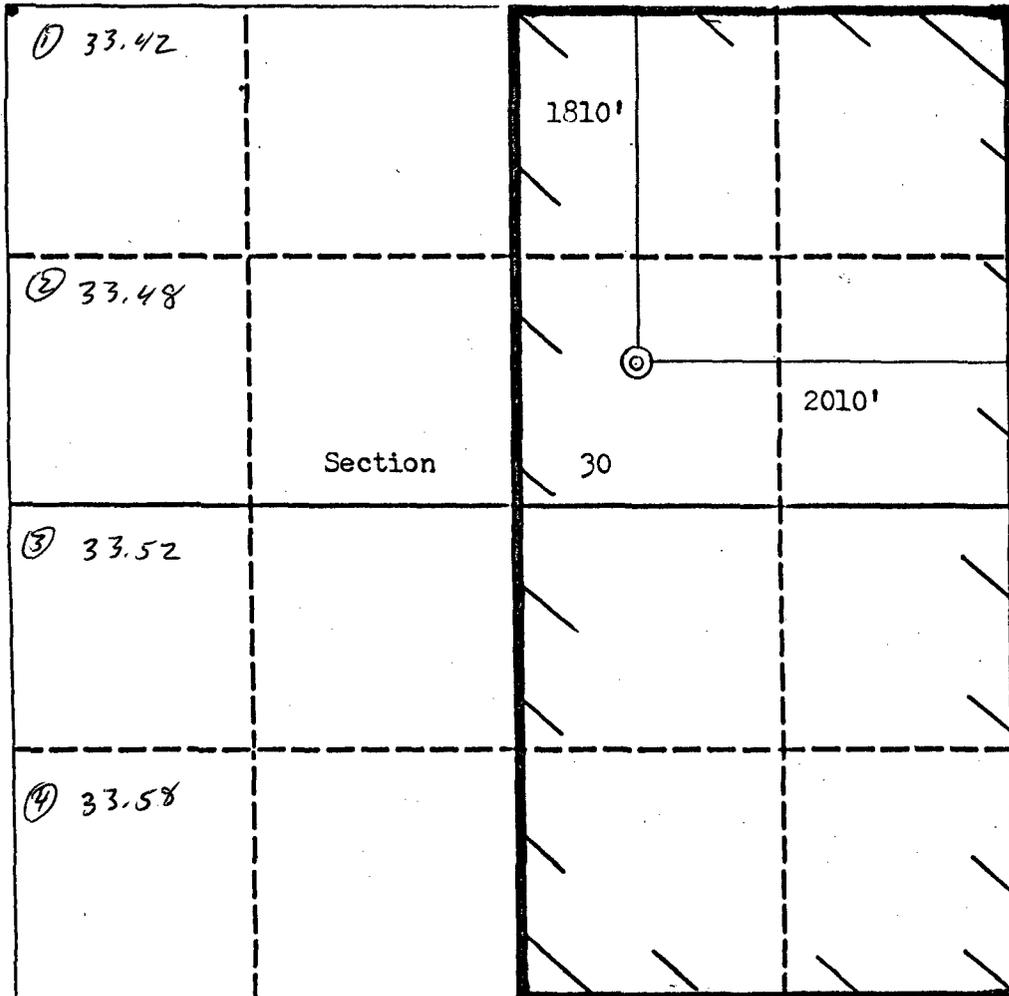
**WELL LOCATION AND ACREAGE DEDICATION PLAT**  
 All Distances must be from the outer boundaries of the section

Operator Mitchell Energy Corporation			Lease Rosa Unit		Well No. 314
Unit Letter B	Section 30	Township 31 North	Range 4 West	County Rio Arriba	
NMPM					

Actual Footage Location of Well:  
 1810 feet from the North line and 2010 feet from the East line

Ground level Elev. 6517	Producing Formation Fruitland	Well Basin Fruitland Coal	Dedicated Acreage: 320 Acres
----------------------------	----------------------------------	------------------------------	---------------------------------

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest 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 interest, has been approved by the Division.



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

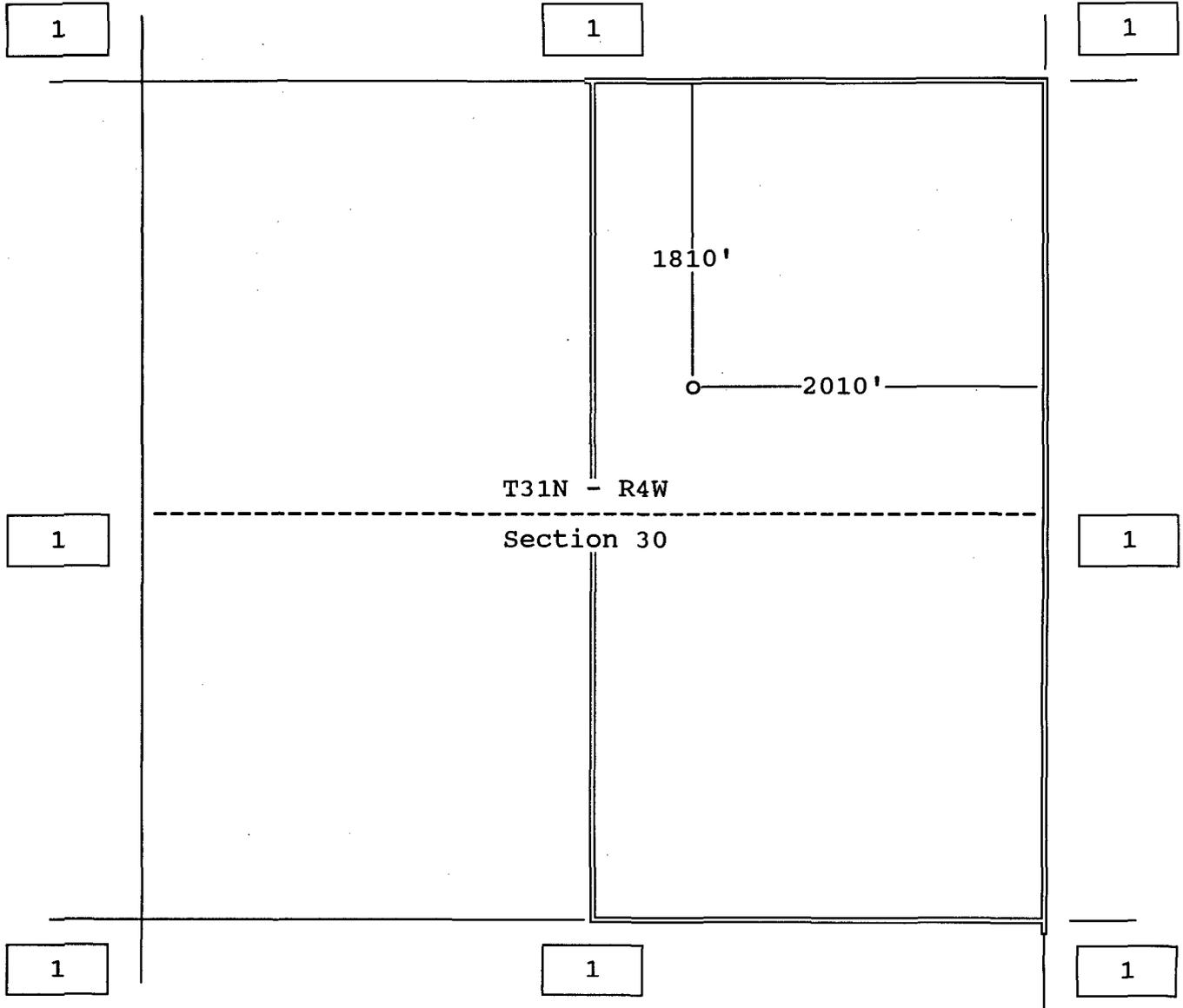
Signature: *James C. Anderson*  
 Printed Name: James C. Anderson  
 Position: Dist. Prod. Mgr.  
 Company: Mitchell Energy Corp  
 Date: 7/3/91

**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 knowledge and belief.

Date Surveyed: \_\_\_\_\_  
 Signature & Seal of Professional Surveyor: *Richard L. Sinkiewicz*  
 REGISTERED PROFESSIONAL SURVEYOR  
 MAY 16, 1991  
 Certificate No. 11225  
 Richard L. Sinkiewicz

ROSA UNIT OWNERSHIP PLAT

Mitchell Energy Corporation  
Rosa Unit Well No. 314

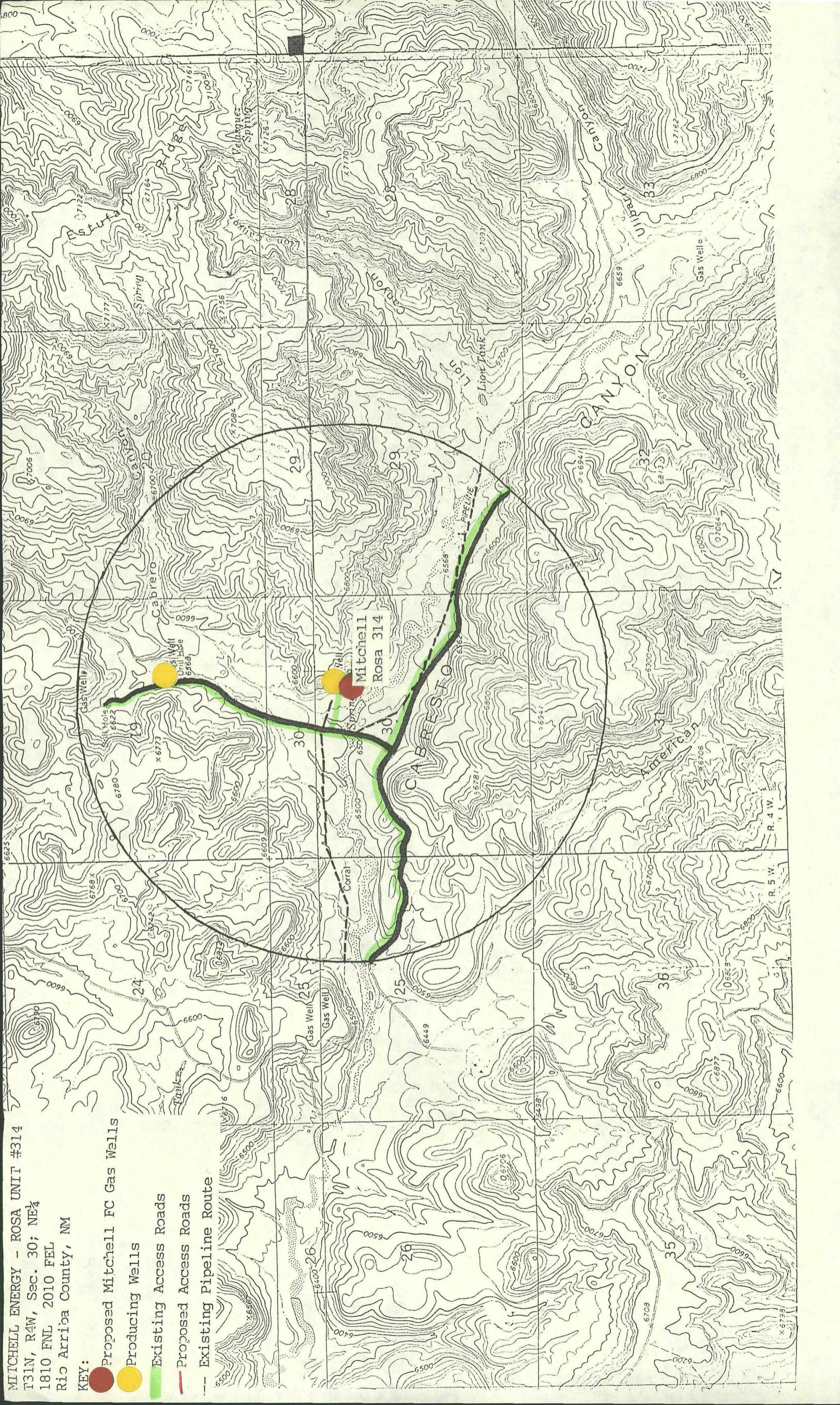


1. Offset Owner - Meridian Oil Gathering, Inc.  
Operator of the Rosa Unit

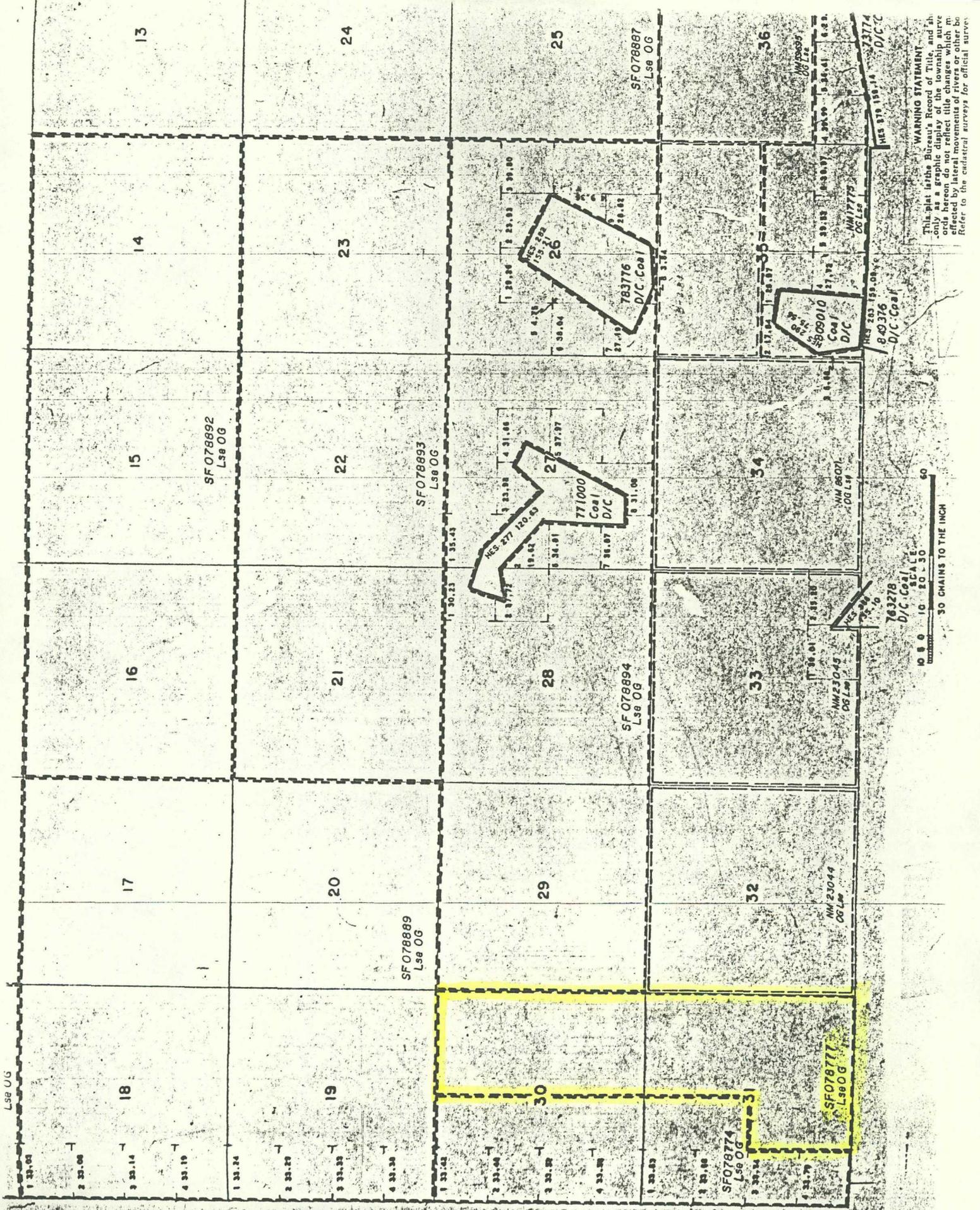
MITCHELL ENERGY - ROSA UNIT #314  
T31N, R4W, Sec. 30; NE¼  
1810 FNL 2010 FEL  
Rio Arriba County, NM

KEY:

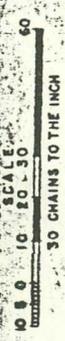
-  Proposed Mitchell FC Gas Wells
-  Producing Wells
-  Existing Access Roads
-  Proposed Access Roads
-  Existing Pipeline Route



Lse UG



**WARNING STATEMENT**  
 This plat is the Bureau's Record of Title and is only as a graphic display of the township survey records hereon do not reflect title changes which are effected by lateral movements of rivers or other bodies of water. Refer to the cadastral surveys for official surveys.



AR-03-02-03-529      AR-03-02-03-528

Mitchell Energy Rosa 314  
well pad and access road

AR-03-02-03-530

CABRESTO

American

AMERIC

Figure 1. Project area

USGS Espinosa Ranch NM  
7.5' Quad 1963 (photorevised)  
T.31N., R.4W., Section 30  
Rio Arriba County NM.  
1:24,000

Proposed well and access road

Gas Well

Fragua

Canyon

Official Use Only - Disclosure of site  
locations prohibited (36CFR296.18)

adjacent to an existing gas well road and no new access road will be required.

**Surveyed Area:** A 500 by 500 foot block surrounding the well center stake (5.7 acres) to cover the well pad, construction zone, and buffer zone. A 2200 by 150 foot corridor for proposed access. Total area surveyed covers 13.2 acres.

**Results:** Three archaeological sites were encountered in this survey area. The three sites (AR 03-02-03-528, AR 03-02-03-529, and AR 03-02-03-530) are described in Appendix A of this report.

## **MANAGEMENT RECOMMENDATIONS**

The three archaeological sites recorded during this survey can be protected during construction and operation of the proposed well. Site specific management recommendations are as follows:

AR 03-02-03-528: This site is located west of the existing Rosa Unit 63 well and to the northwest of the proposed Rosa unit 314 well pad (Figure 3). The northwest edge of the well pad is within 20 feet of the site boundary. A temporary protective fence should be placed between the site and the well pad during construction and the activities should be monitored to insure placement of the fence and to confirm that the site does not extend within the construction zone.

AR 03-02-03-529: The site is located to both sides of the existing road that currently serves the Rosa 63 well and other wells in this area (Figure 4). No apparent cultural features are visible within the road bed or borrow ditches and continued use of the road as needed for construction and operation of the proposed Rosa 314 well pad will not create additional impacts. No further road development should be considered and construction of a pipeline through the site should require additional site evaluation.

AR 03-02-03-530: This site is located just to the west of Forest Route 309e which serves the existing Rosa Unit 63 well pad and will be used to serve the proposed well pad (Figure 5). No further development along the west edge of the road should be allowed.

As no archaeological sites will be adversely affected by this proposed project, archaeological clearance is recommended for the Rosa Unit 314 well pad, and access road. Construction of a pipeline within the road bed may require additional evaluation to confirm that buried cultural deposits do not remain beneath the road through AR 03-02-03-529.



STATE OF NEW MEXICO

ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD  
AZTEC, NEW MEXICO 87410  
(505) 334-6178

91 AUG 7 AM 8 54

Date: August 7, 1991

*W.A.*  
*M. Stogner*

Oil Conservation Division  
P.O. Box 2088  
Santa Fe, NM 87504-2088

RE: Proposed MC \_\_\_\_\_  
Proposed NSL X \_\_\_\_\_  
Proposed WFX \_\_\_\_\_  
Proposed NSP \_\_\_\_\_

Proposed DHC \_\_\_\_\_  
Proposed SWD \_\_\_\_\_  
Proposed PMX \_\_\_\_\_  
Proposed DD \_\_\_\_\_

Gentlemen:

I have examined the application received on August 7, 1991  
for the Mitchell Energy Corp. Redondo #314  
OPERATOR LEASE & WELL NO.

B-30-31N-4u and my recommendations are as follows:  
UL-S-T-R

Approve  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Yours truly,

Ernie Basch



OIL CONSERVATION DIVISION  
RECEIVED

July 30, 1991

'91 AUG 2 PM 2 31

William J. LeMay, Director  
State of New Mexico  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
Post Office Box 2088  
State Land Office Building  
Santa Fe, New Mexico 87504

Re: **Unorthodox Location Waiver**  
**Mitchell Energy Corporation Rosa Unit #318**  
**Meridian Oil Gathering, Inc. - Rosa Unit Operator**

Dear Mr. LeMay:

We are submitting an Unorthodox Location Application for the Mitchell Energy Corp. Rosa Unit Well No. 318. Meridian Oil Gathering, Inc., as Operator of the Rosa Unit wells, will receive a copy of the application for approval of the location. The factors determining the location of the site are detailed in the attached package.

If there are no objections to the location, the waiver below will be signed by a representative of Meridian Oil Gathering, Inc.

Thank you for your cooperation.

Sincerely,

TRIGON ENGINEERING, INC.

*Cristi Cline*

Cristi Cline  
Senior Right-of-Way Agent

Attachment

**WAIVER**

\_\_\_\_\_ hereby waives objection to Mitchell Energy Corporation's application for an unorthodox location for Rosa Unit Well No. 318.

BY: \_\_\_\_\_  
TITLE: \_\_\_\_\_  
Meridian Oil Gathering, Inc.  
Operator, Rosa Unit

DATE \_\_\_\_\_

4100 EAST MAIN STREET FARMINGTON NEW MEXICO 87402

**UNORTHODOX LOCATION APPLICATION  
MITCHELL ENERGY CORPORATION  
ROSA UNIT WELL NO. 318  
Basin Fruitland Coal**

**SITE LOCATION:**

Township 31 North, Range 5 West  
Section 13: SESW  
790' FSL, 2200' FWL

**FACTORS DETERMINING UNORTHODOX LOCATION:**

The site for the Mitchell Energy Corporation Rosa Unit Well No. 318 has been chosen in an unorthodox location due to extremely rough terrain and heavy wildlife use in the area. This location was found to be the most feasible in the entire SE 1/4 of Section 13.

The location lies at the east end of a sagebrush flat. The location could not be moved to the west to make it orthodox as the sagebrush flat is used frequently by wildlife and Forest Service Biologist, Joe Harper, would not allow the site to be located any further west into the flat. The Forest Service also requested this location since there will not be any need of new access road - thus limiting disturbance to terrain and wildlife.

A location on the west side of the existing Northwest Pipeline Rosa Unit #61 (Basin Dakota) was also considered, but due to the presence of an archaeological site, this proposed location was abandoned to avoid cultural/archaeological sites.

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

State of New Mexico  
 Energy, Minerals and Natural Resources Department

Form C-102  
 Revised 1-1-89

**OIL CONSERVATION DIVISION**

DISTRICT I  
 P.O. Box 1980, Hobbs, NM 88240

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT II  
 P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
 1000 P.O. Brazos Rd., Aztec, NM 87410

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

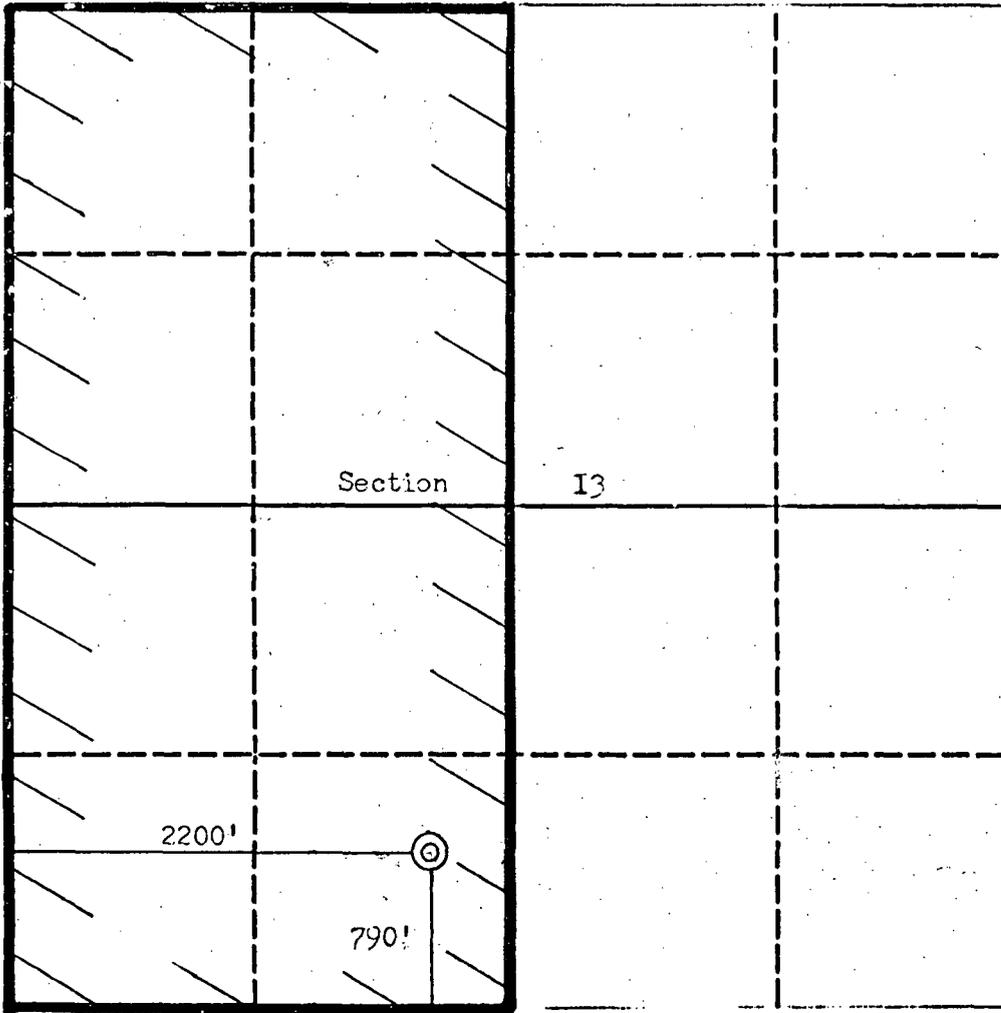
All Distances must be from the outer boundaries of the section

Operator Mitchell Energy Corporation			Lease Rosa Unit		Well No. 318
Unit Letter N	Section 13	Township 31 North	Range 5 West	County NMPM Rio Arriba	
Actual Footage Location of Well: 790 feet from the South line and 2200 feet from the West line					
Ground level Elev. 6539	Producing Formation Fruitland		Basin Fruitland Coal		Dedicated Acreage: 320 Acres

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest 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 interest, has been approved by the Division.



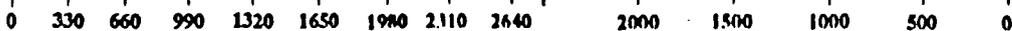
**OPERATOR CERTIFICATION**  
 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *James C. Anderson*  
 Printed Name: James C. Anderson  
 Position: Dist. Prod. Mgr.  
 Company: Mitchell Energy Corp  
 Date: 5/20/91

**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 knowledge and belief.

Date Surveyed: *APR 26 1991*  
 Signature & Seal of Professional Surveyor: *Richard L. Sinkiewicz*  
 Registered Professional Surveyor 11225

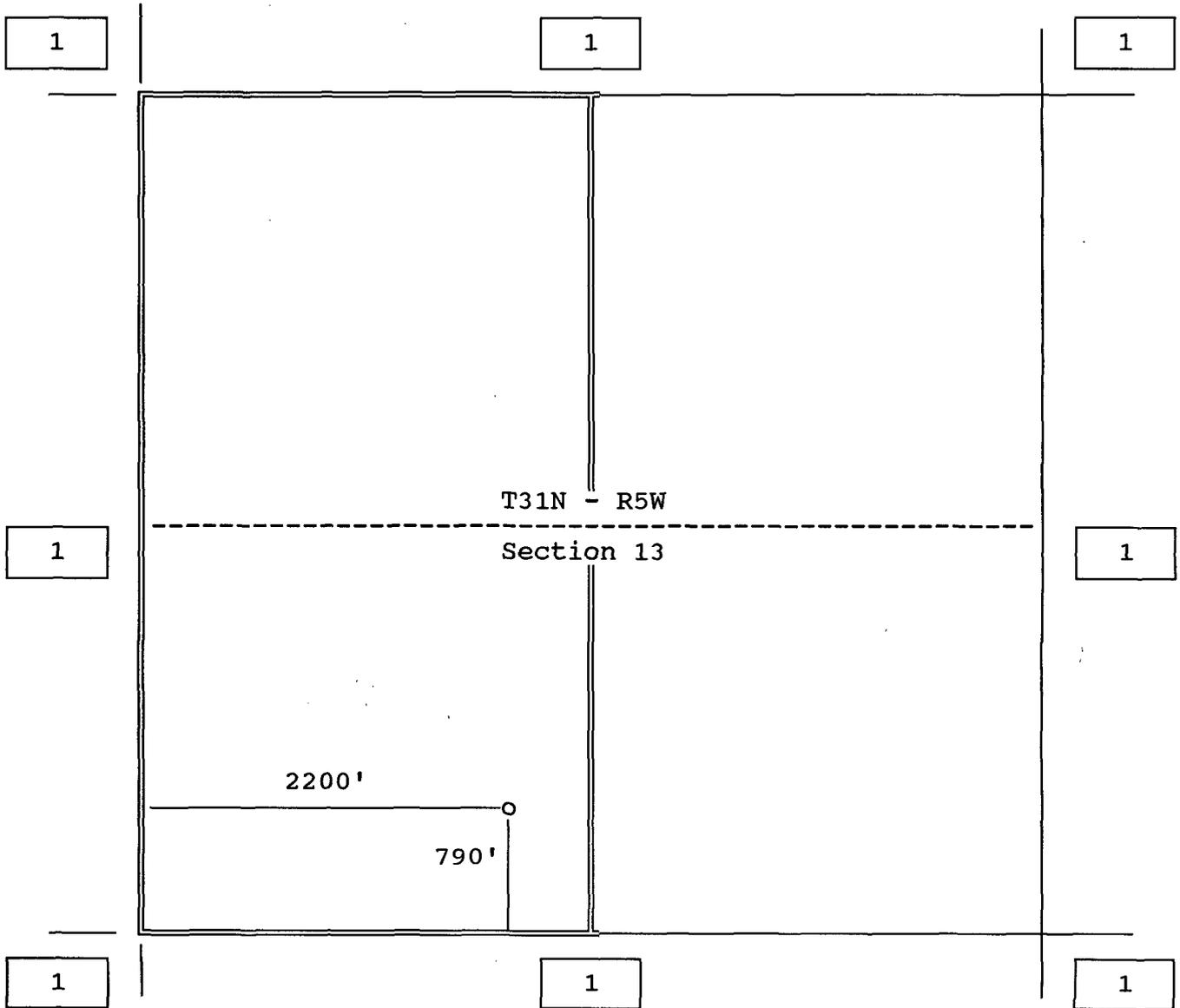
Certificate No. 11225  
 Richard L Sinkiewicz



*Standard 640 acre Section*

ROSA UNIT OWNERSHIP PLAT

Mitchell Energy Corporation  
Rosa Unit Well No. 318



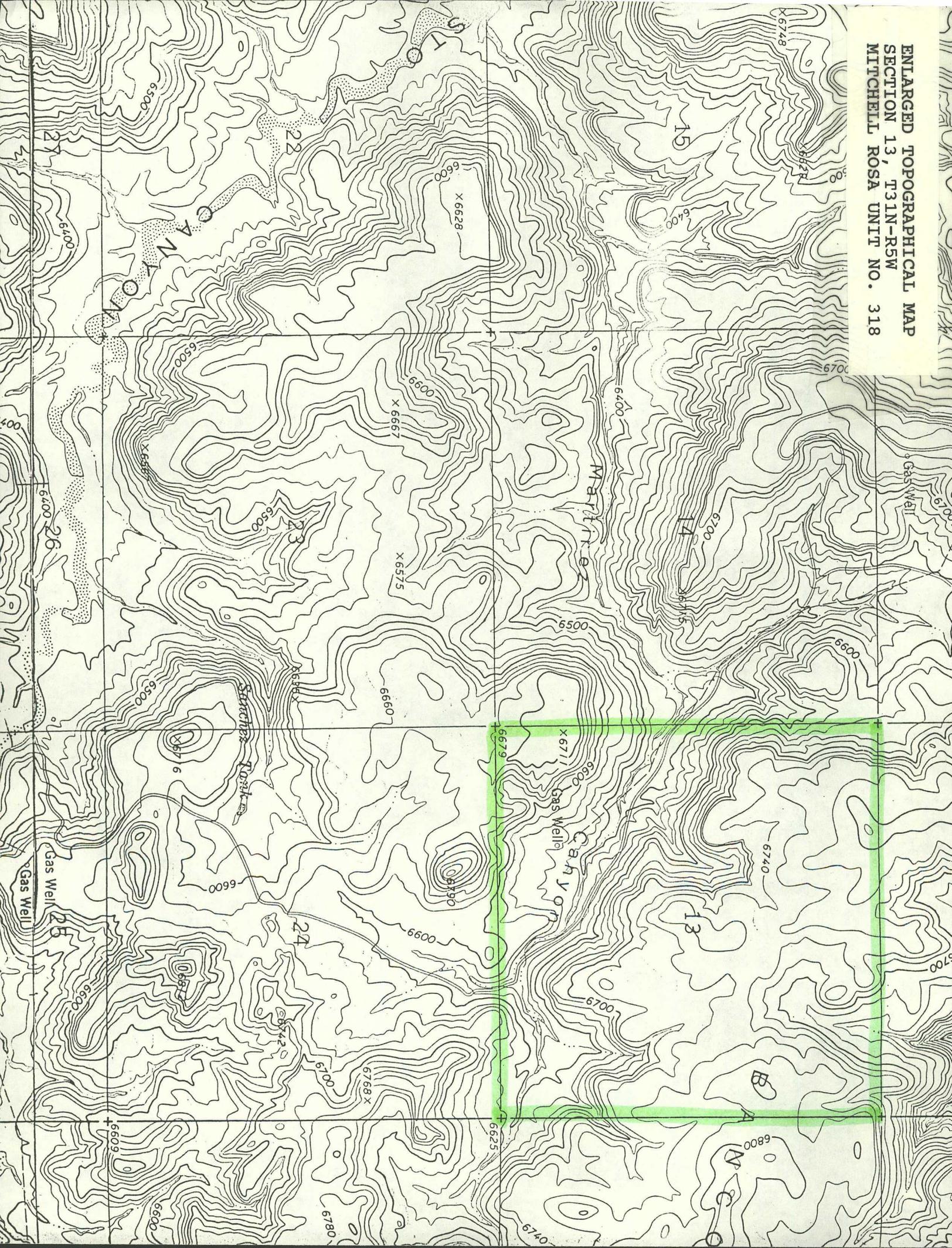
1. Offset Owner - Meridian Oil Gathering, Inc.  
Operator of the Rosa Unit



MITCHELL ENERGY - ROSA #318  
 T31N, R5W, Sec. 13; SW $\frac{1}{4}$   
 2200' FWL 790' PSL  
 Rio Arriba County, NM

- KEY:
- Proposed Mitchell FC Gas Well
  - Producing Wells
  - Existing Access Roads
  - Proposed Access Roads
  - Existing Binaline Route

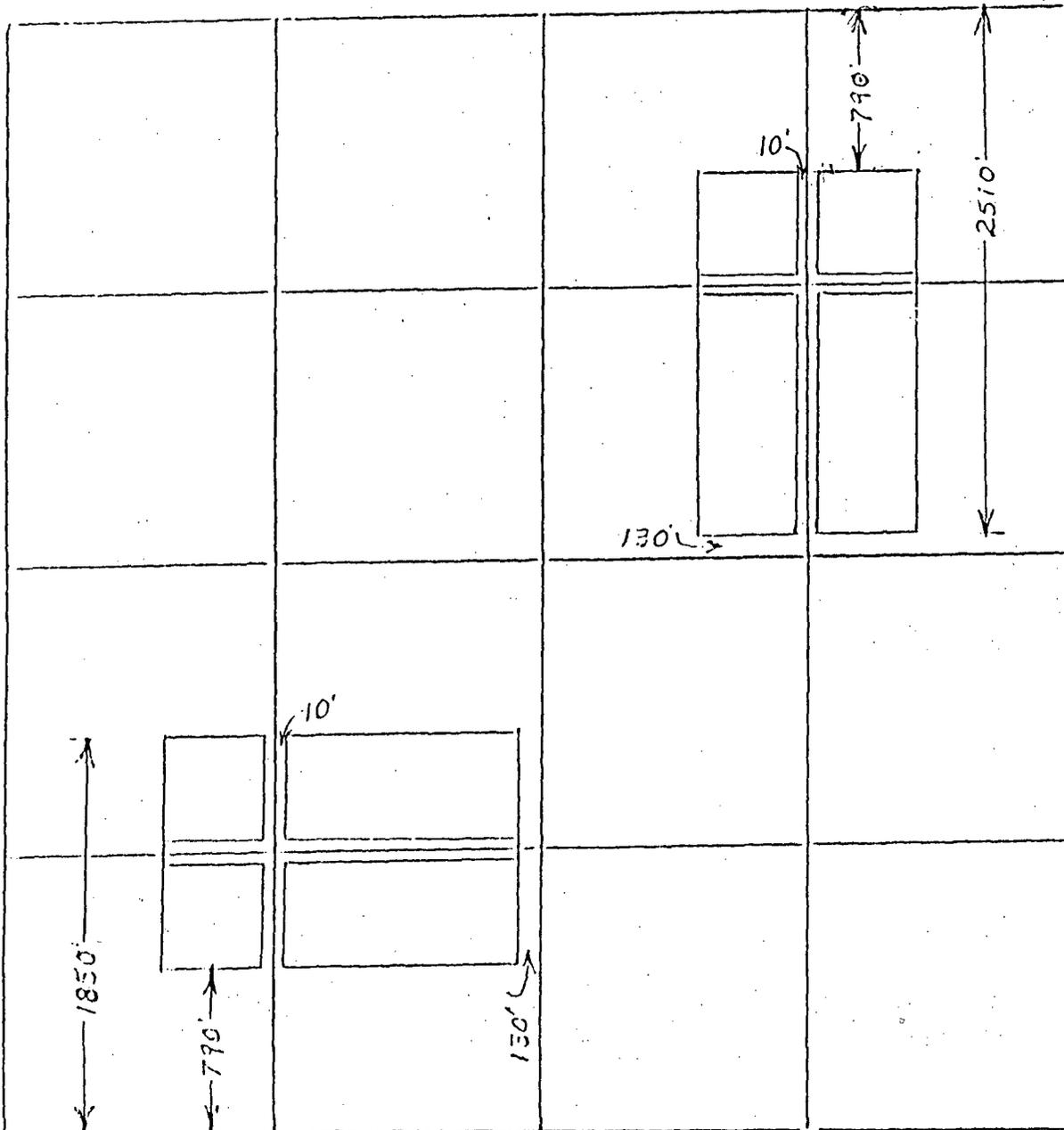
ENLARGED TOPOGRAPHICAL MAP  
SECTION 13, T31N-R5W  
MITCHELL ROSA UNIT NO. 318



SHIP 31 NORTH, RANGE 5 WEST, OF THE NEW MEXICO PRIN. MERIDIAN,  
RIO ARRIBA COUNTY — 039  
NM — 1



P



BASIN FRUITLAND COAL GAS POOL  
SPECIAL GAS SPACING - - 320.00 CONTIGUOUS ACRES

No closer than 790' to the drill tract outer boundary.  
No closer than 130' to the inner boundary 1/4 section line.  
Wells must have a setback from the 1/4, 1/4, line of at least 10 feet.

The first well in a section must be located in either the NE/4 or SW/4. There is no provision for increased drilling density.



SERV. DIVISION  
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

STATE OF NEW MEXICO

OIL CONSERVATION DIVISION  
AZTEC DISTRICT OFFICE

91 AUG 7 AM 8 54

1000 RIO BRAZOS ROAD  
AZTEC, NEW MEXICO 87410  
(505) 334-6178

Date: August 2, 1991

ATTN:  
W. Stagner

Oil Conservation Division  
P.O. Box 2088  
Santa Fe, NM 87504-2088

RE: Proposed MC \_\_\_\_\_  
Proposed NSL    \_\_\_\_\_  
Proposed WFX \_\_\_\_\_  
Proposed NSP \_\_\_\_\_

Proposed DHC \_\_\_\_\_  
Proposed SWD \_\_\_\_\_  
Proposed PMX \_\_\_\_\_  
Proposed DD \_\_\_\_\_

Gentlemen:

I have examined the application received on August 2, 1991  
for the Mitchell Energy Corp. Tract Unit # 318  
OPERATOR LEASE & WELL NO.

N-13-31N-5W and my recommendations are as follows:  
UL-S-T-R

Approve  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Yours truly,

Eric B. Borel

4100 EAST MAIN STREET FARMINGTON NEW MEXICO 87402

OIL CONSERVATION DIVISION  
RECEIVED

B-14-31A-54  
TRIGON ENGINEERING INC



'91 AUG 2 PM 2 31

July 30, 1991

William J. LeMay, Director  
State of New Mexico  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
Post Office Box 2088  
State Land Office Building  
Santa Fe, New Mexico 87504

Re: **Unorthodox Location Waiver**  
**Mitchell Energy Corporation Rosa Unit #319**  
**Meridian Oil Gathering, Inc. - Rosa Unit Operator**

Dear Mr. LeMay:

We are submitting an Unorthodox Location Application for the Mitchell Energy Corp. Rosa Unit Well No. 319. Meridian Oil Gathering, Inc., as Operator of the Rosa Unit wells, will receive a copy of the application for approval of the location. The factors determining the location of the site are detailed in the attached package.

If there are no objections to the location, the waiver below will be signed by a representative of Meridian Oil Gathering, Inc.

Thank you for your cooperation.

Sincerely,

**TRIGON ENGINEERING, INC.**

Cristi Cline  
Senior Right-of-Way Agent

Attachment

**WAIVER**

\_\_\_\_\_ hereby waives objection to Mitchell Energy Corporation's application for an unorthodox location for Rosa Unit Well No. 319.

BY: \_\_\_\_\_  
TITLE: \_\_\_\_\_  
Meridian Oil Gathering, Inc.  
Operator, Rosa Unit

DATE \_\_\_\_\_

**UNORTHODOX LOCATION APPLICATION  
MITCHELL ENERGY CORPORATION  
ROSA UNIT WELL NO. 319  
Basin Fruitland Coal**

**SITE LOCATION:**

Township 31 North, Range 5 West  
Section 14: NWNE  
352' FNL, 1881' FEL

**FACTORS DETERMINING UNORTHODOX LOCATION:**

The site for the Mitchell Energy Corporation Rosa Unit Well No. 319 has been chosen in an unorthodox location due to extremely rugged topography. There are many large washes that run through the base of rocky canyons. After extensive searching, this site is the only feasible location in the NE 1/4 of Section 14 found where a 200' x 200' wellpad could be built.

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

State of New Mexico  
 Energy, Minerals and Natural Resources Department

Form C-102  
 Revised 1-1-89

**OIL CONSERVATION DIVISION**

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

**DISTRICT I**  
 P.O. Box 1980, Hobbs, NM 88240

**DISTRICT II**  
 P.O. Drawer DD, Artesia, NM 88210

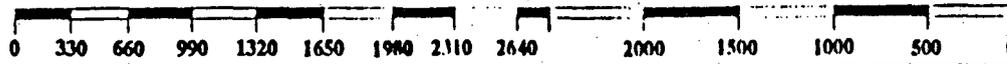
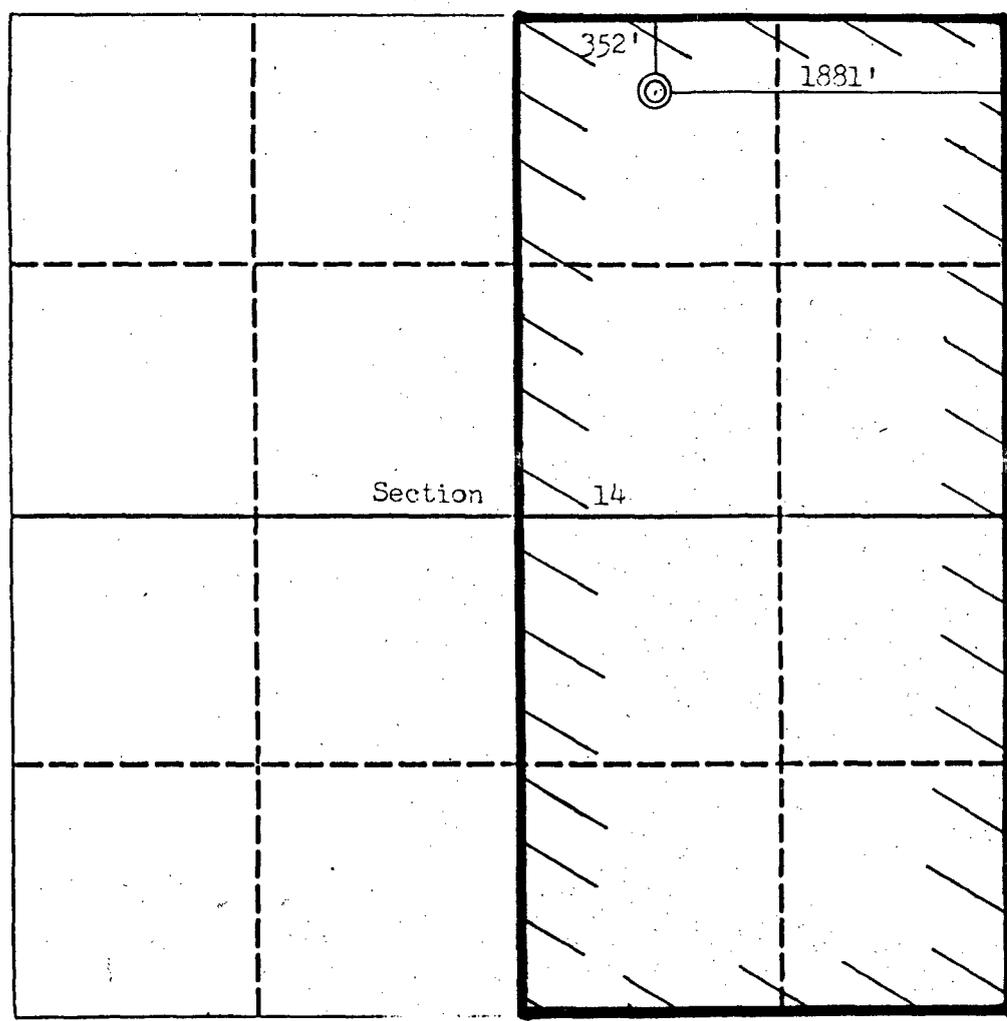
**DISTRICT III**  
 1000 Rio Brazos Rd., Aztec, NM 87410

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

All Distances must be from the outer boundaries of the section

Operator Mitchell Energy Corporation			Lease Rosa Unit		Well No. 319
Unit Letter B	Section 14	Township 31 North	Range 5 West	County Rio Arriba	
Actual Footage Location of Well: 352 feet from the North line and 1881 feet from the East line					
Ground level Elev. 6578	Producing Formation Fruitland		Pool Basin Fruitland Coal		Dedicated Acreage: 320 Acres

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest 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 interest, has been approved by the Division.



**OPERATOR CERTIFICATION**

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

Signature: *James C. Anderson*  
 Printed Name: James C. Anderson  
 Position: Dist. Prod. Mgr.  
 Company: Mitchell Energy Corp.  
 Date: 5/20/91

**SURVEYOR CERTIFICATION**

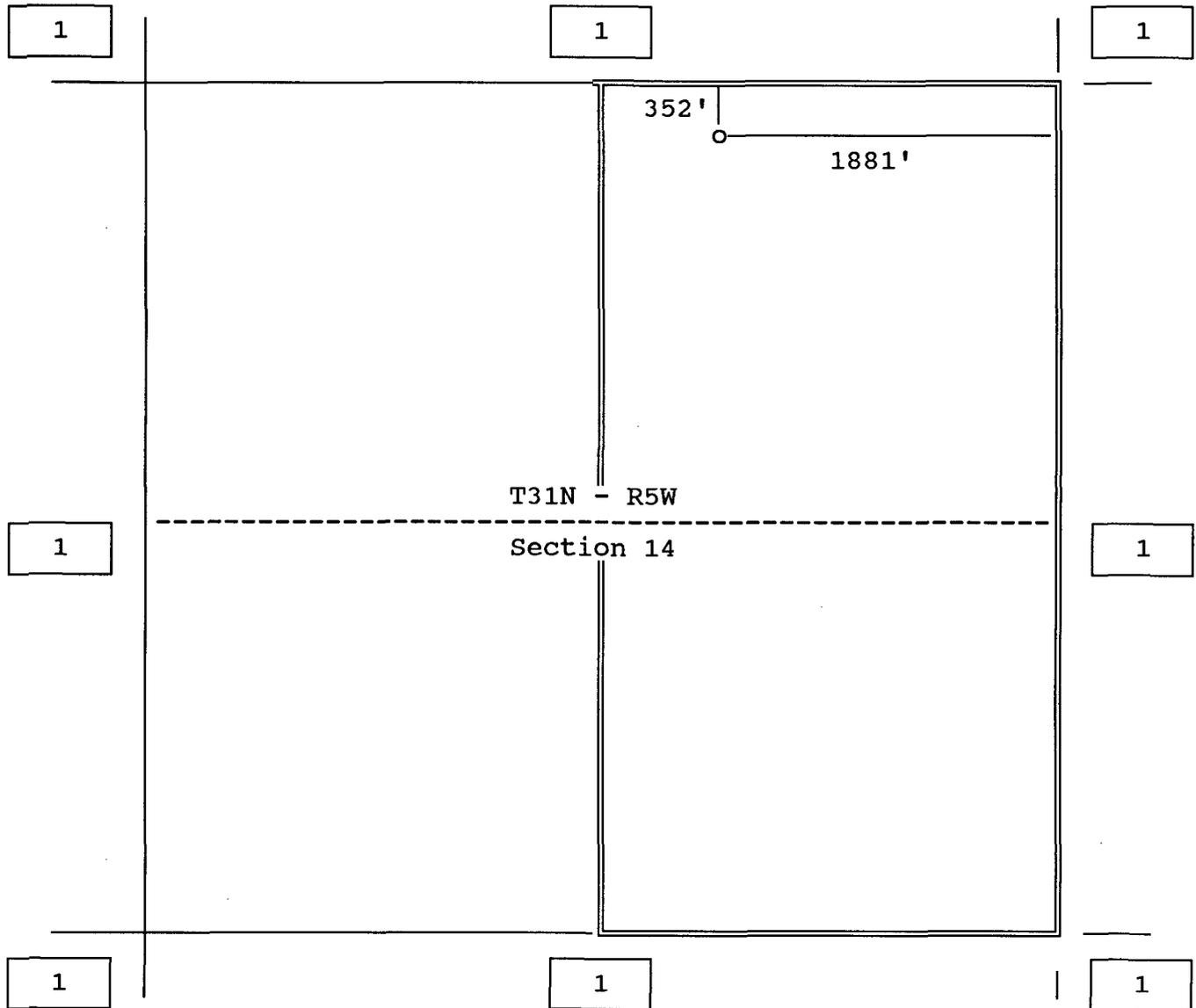
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed: *April 25, 1991*  
 Signature & Seal of Professional Surveyor: *Richard L. Sinkiewicz*  
 Registered Professional Surveyor: 11225  
 Certificate No.: 11225  
 Richard L. Sinkiewicz

*Standard 640 acre Section*

ROSA UNIT OWNERSHIP PLAT

Mitchell Energy Corporation  
Rosa Unit Well No. 319



1. Offset Owner - Meridian Oil Gathering, Inc.  
Operator of the Rosa Unit

MITCHELL ENERGY - ROSA #319  
T31N, R5W, Sec. 14; NE4  
352' FNL 1881' FEL  
Rio Arriba County, NM

KEY:

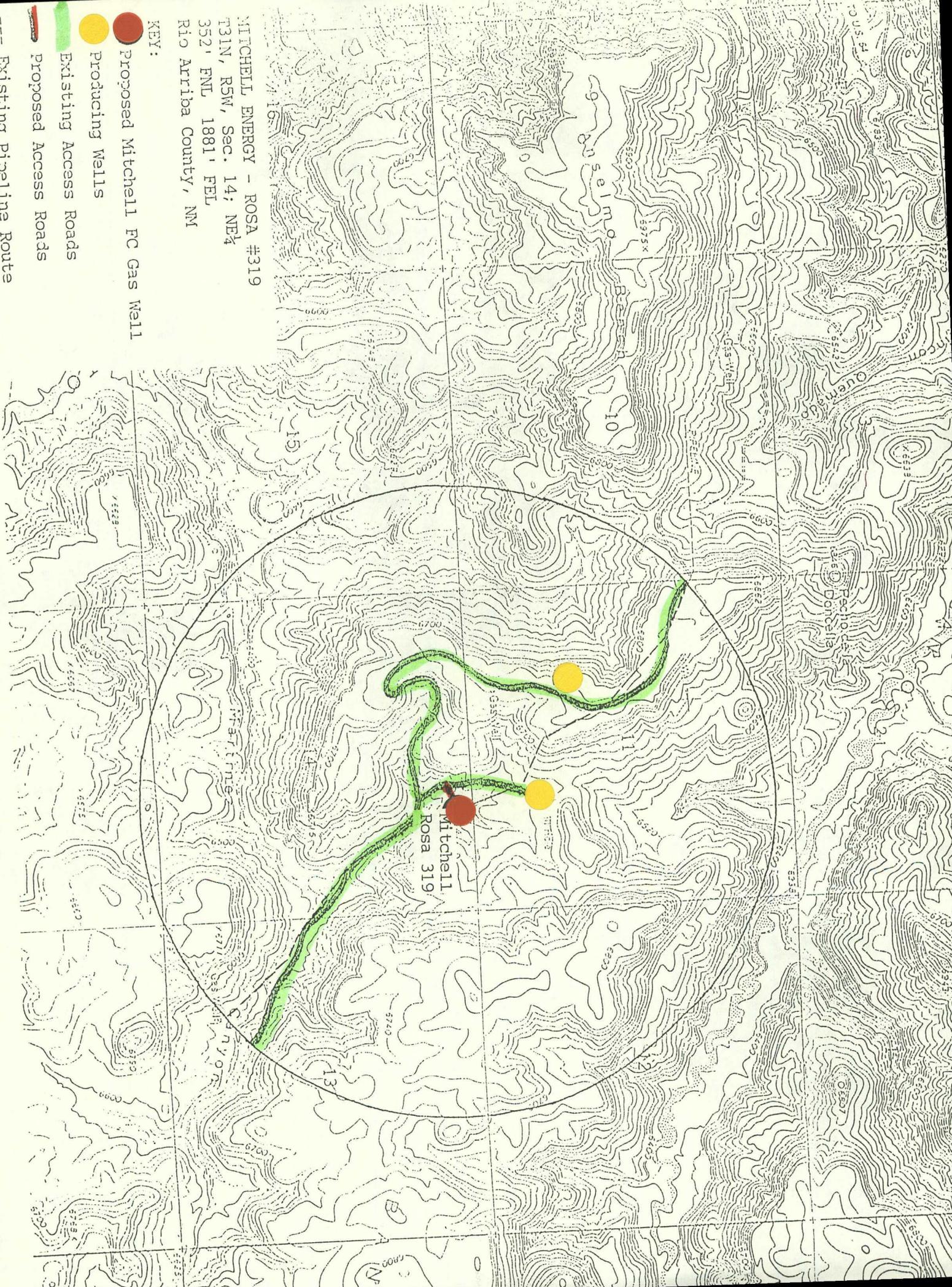
Proposed Mitchell FC Gas Well

Producing Wells

Existing Access Roads

Proposed Access Roads

Existing Pipeline Route



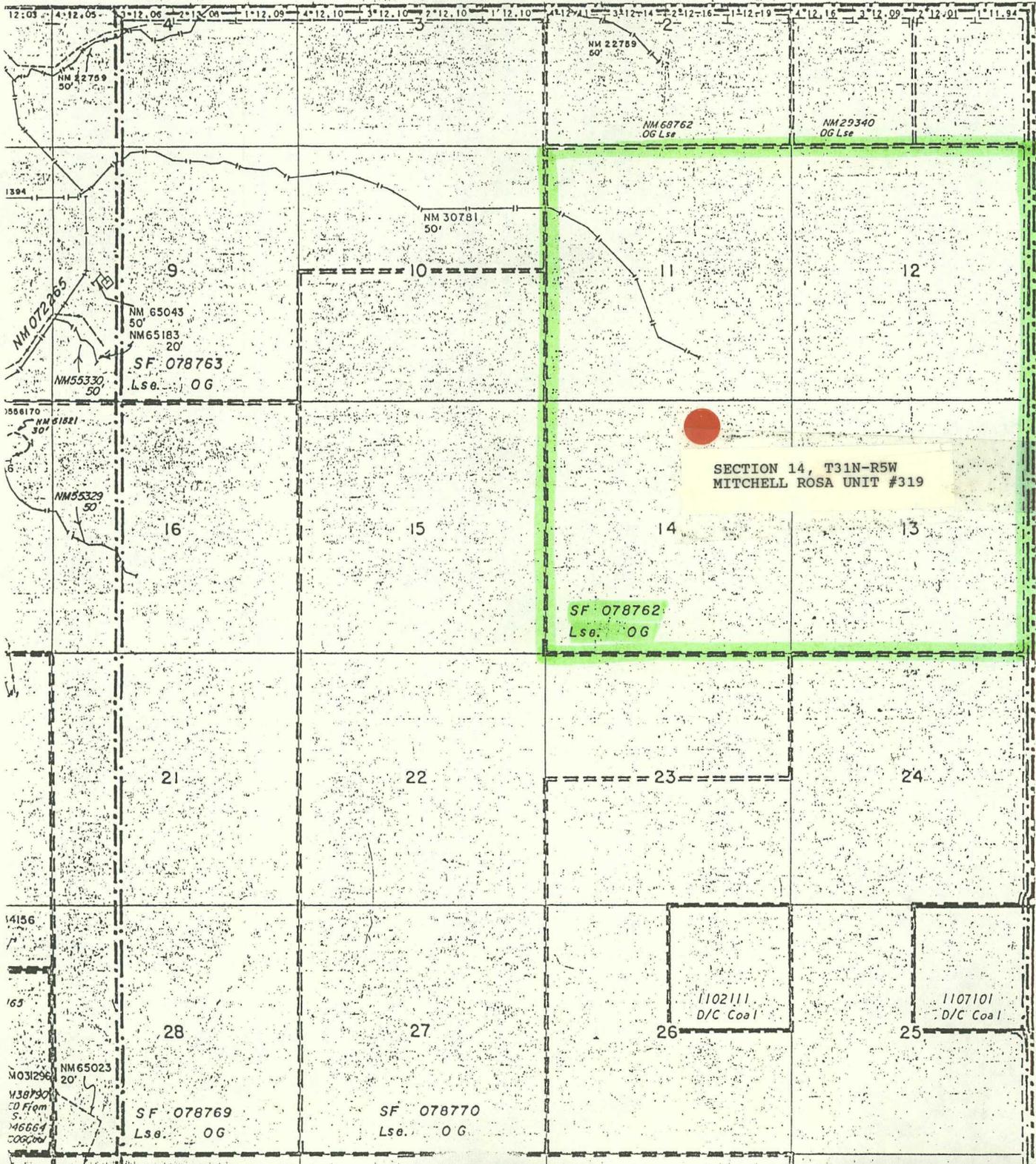


SHIP 31 NORTH, RANGE 5 WEST, OF THE NEW MEXICO PRIN. MERIDIAN,

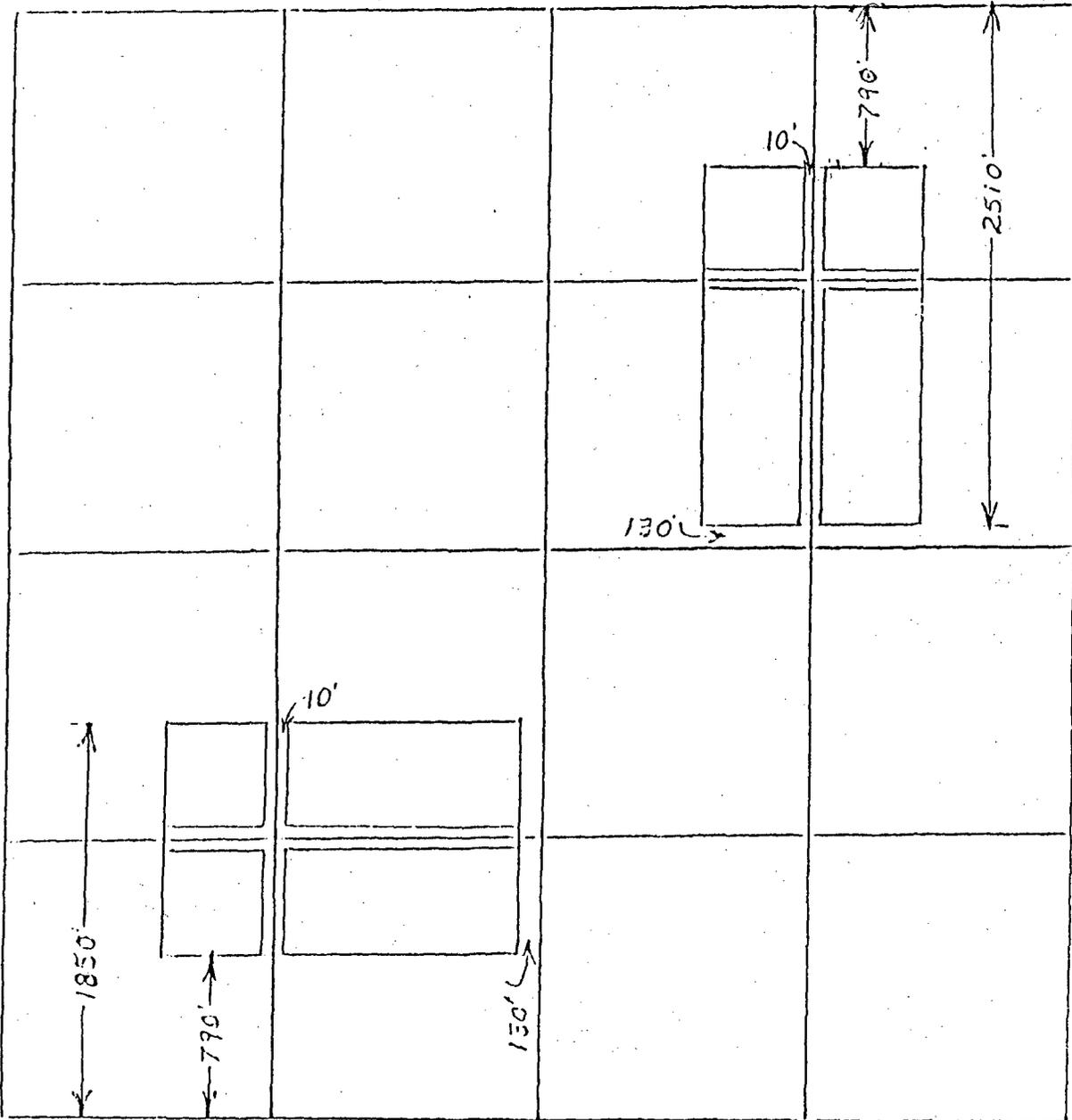
RIO ARRIBA COUNTY — 039

NM — 1

65183  
20'



P



BASIN FRUITLAND COAL GAS POOL  
SPECIAL GAS SPACING - - 320.00 CONTIGUOUS ACRES

No closer than 790' to the drill tract outer boundary.  
No closer than 130' to the inner boundary 1/4 section line.  
Wells must have a setback from the 1/4, 1/4, line of at least 10 feet.

The first well in a section must be located in either the NE/4 or SW/4. There is no provision for increased drilling density.



STATE OF NEW MEXICO

ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

RECEIVED OIL CONSERVATION DIVISION  
AZTEC DISTRICT OFFICE

'91 AUG 7 AM 8 54

1000 RIO BRAZOS ROAD  
AZTEC, NEW MEXICO 87410  
(505) 334-6178

Att'n:  
Mr. Stogner

Date: August 7, 1991

Oil Conservation Division  
P.O. Box 2088  
Santa Fe, NM 87504-2088

RE: Proposed MC \_\_\_\_\_  
Proposed NSL X \_\_\_\_\_  
Proposed WFX \_\_\_\_\_  
Proposed NSP \_\_\_\_\_

Proposed DHC \_\_\_\_\_  
Proposed SWD \_\_\_\_\_  
Proposed PMX \_\_\_\_\_  
Proposed DD \_\_\_\_\_

Gentlemen:

I have examined the application received on August 2, 1991  
for the Mitchell Energy Corp Rosalind #319  
OPERATOR LEASE & WELL NO.

B-14-31N-5W and my recommendations are as follows:  
UL-S-T-R

Require Mitchell to show cause why they  
cannot directionally drill to an oil bed  
BH

Yours truly,

Ernie Brach



OIL CONSERVATION DIVISION  
RECEIVED

'91 AUG 2 PM 2 31

July 31, 1991

William J. LeMay, Director  
State of New Mexico  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
Post Office Box 2088  
State Land Office Building  
Santa Fe, New Mexico 87504

**Re: Unorthodox Location Waiver  
Mitchell Energy Corporation Rosa Unit #324  
Meridian Oil Gathering, Inc. - Rosa Unit Operator**

Dear Mr. LeMay:

We are submitting an Unorthodox Location Application for the Mitchell Energy Corp. Rosa Unit Well No. 324. Meridian Oil Gathering, Inc., as Operator of the Rosa Unit wells, will receive a copy of the application for approval of the location. The factors determining the location of the site are detailed in the attached package.

If there are no objections to the location, the waiver below will be signed by a representative of Meridian Oil Gathering, Inc.

Thank you for your cooperation.

Sincerely,

**TRIGON ENGINEERING, INC.**

*Cristi Cline*  
Cristi Cline  
Senior Right-of-Way Agent

Attachment

**WAIVER**

\_\_\_\_\_ hereby waives objection to Mitchell Energy Corporation's application for an unorthodox location for Rosa Unit Well No. 324.

BY: \_\_\_\_\_  
TITLE: \_\_\_\_\_  
Meridian Oil Gathering, Inc.  
Operator, Rosa Unit

DATE \_\_\_\_\_

4100 EAST MAIN STREET FARMINGTON NM 87402

**UNORTHODOX LOCATION APPLICATION  
MITCHELL ENERGY CORPORATION  
ROSA UNIT WELL NO. 324  
Basin Fruitland Coal**

**SITE LOCATION:**

Township 31 North, Range 5 West  
Section 24: NESW  
1800' FSL, 2050' FWL

**FACTORS DETERMINING UNORTHODOX LOCATION:**

The site for the Mitchell Energy Corporation Rosa Unit Well No. 324 has been chosen in an unorthodox location due to rough terrain and concerns of the Forest Service regarding wildlife. At the request of the Forest Service, the site was located at the edge of a sagebrush slope rather than toward the center (which would be more standard) to prevent disturbance to the wildlife using the sagebrush slope. Also, by locating the site at the edge of the sagebrush slope, we can use Forest Service Road 309 as the northwest boundary of the wellpad - thus making it unnecessary to build additional access road which would cause disturbance to the terrain and wildlife.

A location to the south and west of the chosen location was considered, but due to the presence of several large washes, this site was determined to be unfeasible.

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

State of New Mexico  
 Energy, Minerals and Natural Resources Department

Form C-102  
 Revised 1-1-89

OIL CONSERVATION DIVISION  
 P.O. Box 2088  
 Santa Fe, New Mexico 87504-2088

EXHIBIT NO. 3  
 Page 1 of 2

DISTRICT I  
 P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
 P.O. Drawer DD, Artesia, NM 88210

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

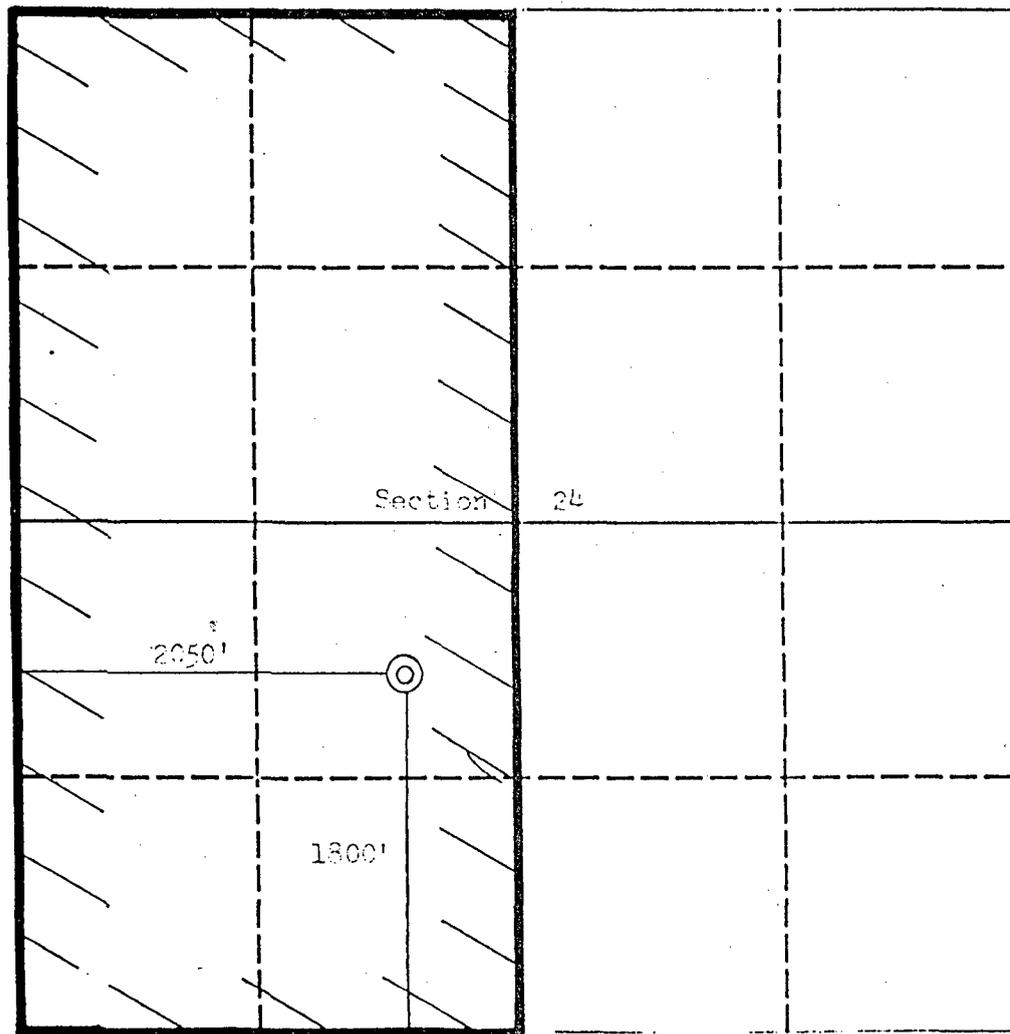
All Distances must be from the outer boundaries of the section

Operator Mitchell Energy Corporation			Lease Rosa Unit		Well No. 324
Unit Letter K	Section 24	Township 31 North	Range 5 West	County Rio Arriba	

Actual Footage Location of Well:  
 1800 feet from the South line and 2050 feet from the West line

Ground level Elev. 6612	Producing Formation Fruitland	Well Basin Fruitland Coal	Dedicated Acreage: 320 Acres
----------------------------	----------------------------------	------------------------------	---------------------------------

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest 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 interest, has been approved by the Division.



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

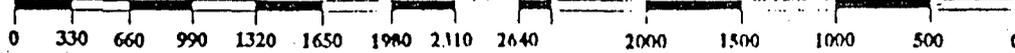
Signature: *James C. Anderson*  
 Printed Name: James C. Anderson  
 Position: Dist. Prod. Mgr.  
 Company: Mitchell Energy Corp.  
 Date: 5/20/91

**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 knowledge and belief.

Date Surveyed: *April 25, 1991*

Signature & Seal of Professional Surveyor: *Richard L. Sinkiewicz*  
 Registered Professional Surveyor 11225

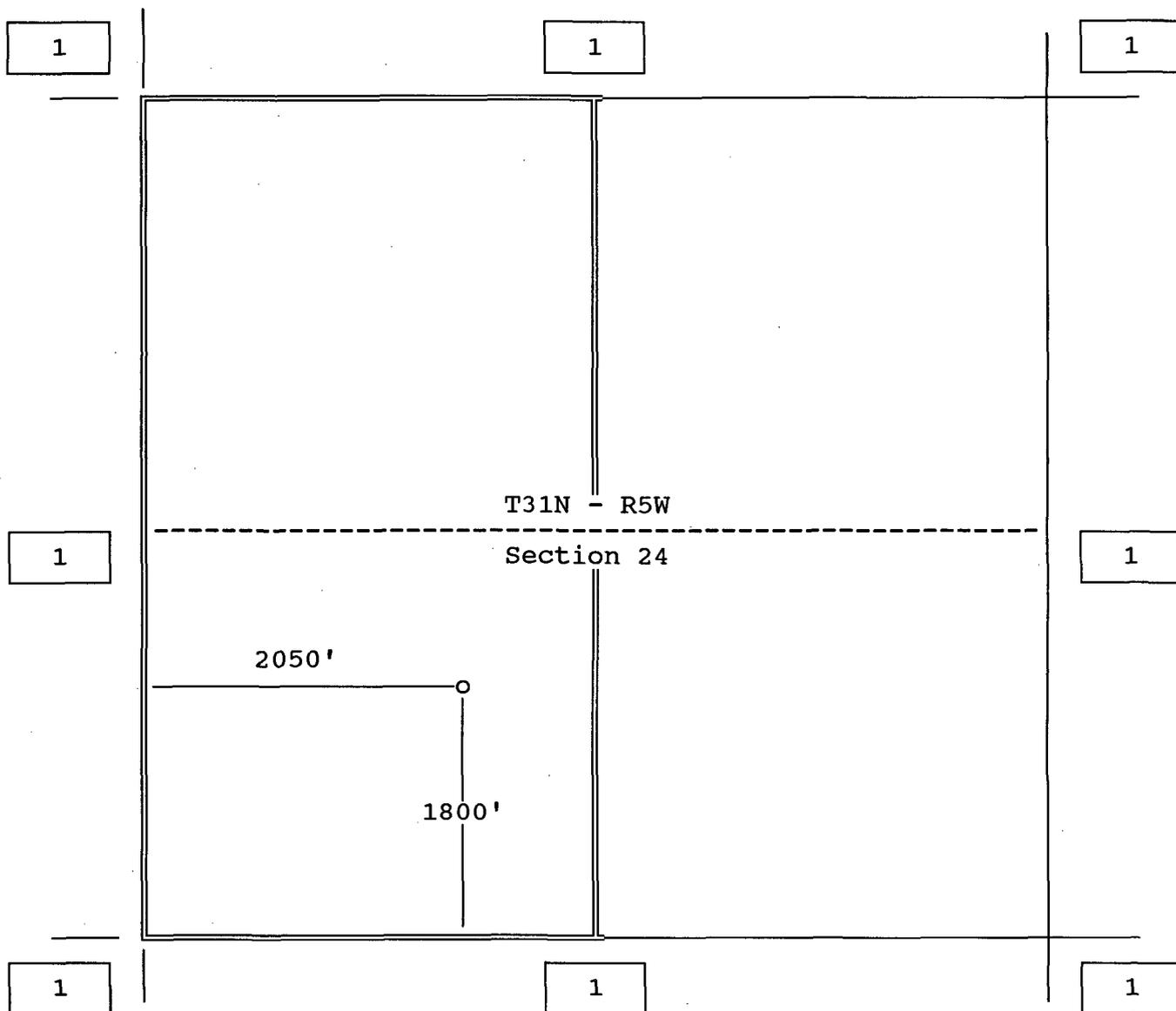
Certificate No. 11225  
 Richard L. Sinkiewicz



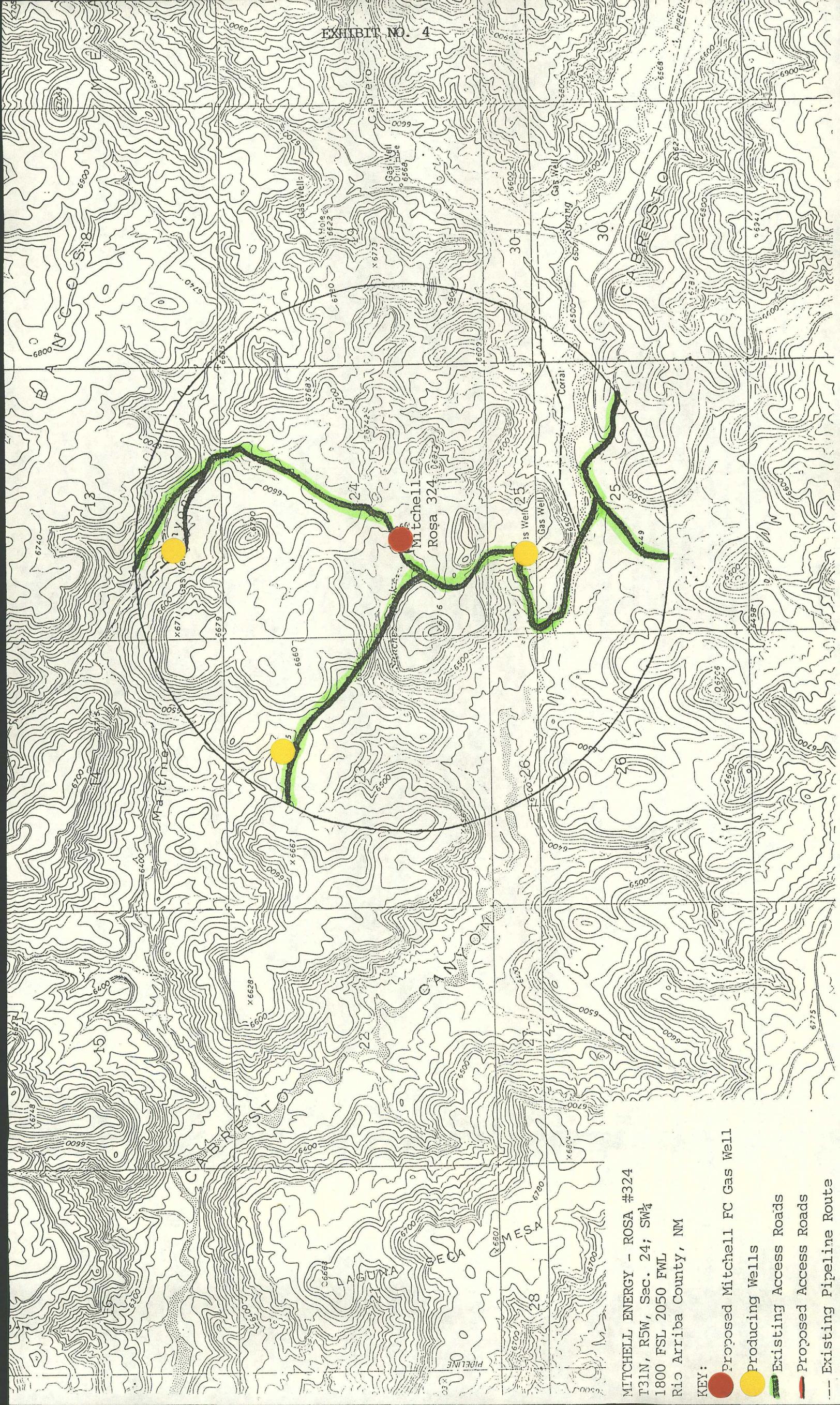
Standard 640 acre Section

ROSA UNIT OWNERSHIP PLAT

Mitchell Energy Corporation  
Rosa Unit Well No. 324



1. Offset Owner - Meridian Oil Gathering, Inc.  
Operator of the Rosa Unit

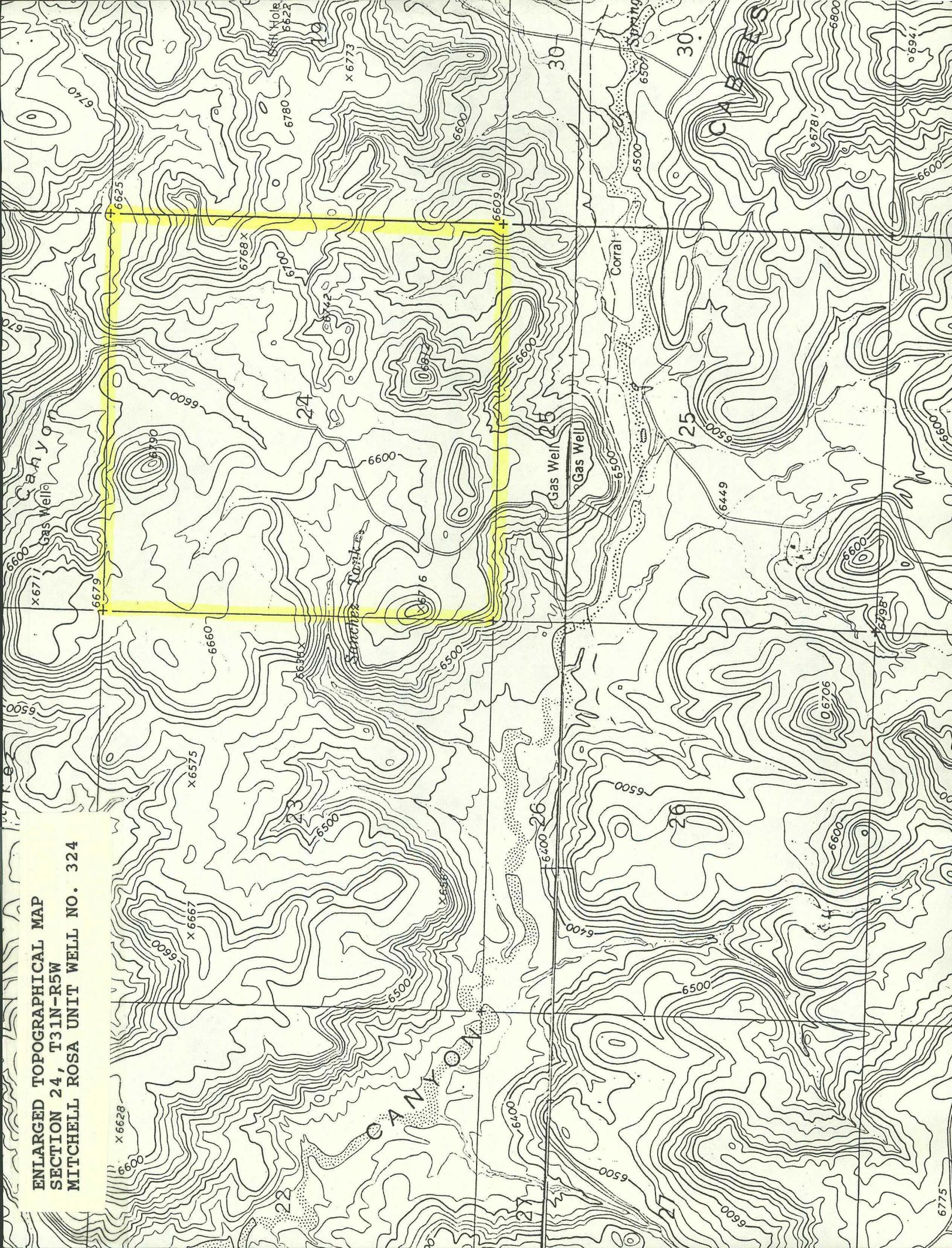


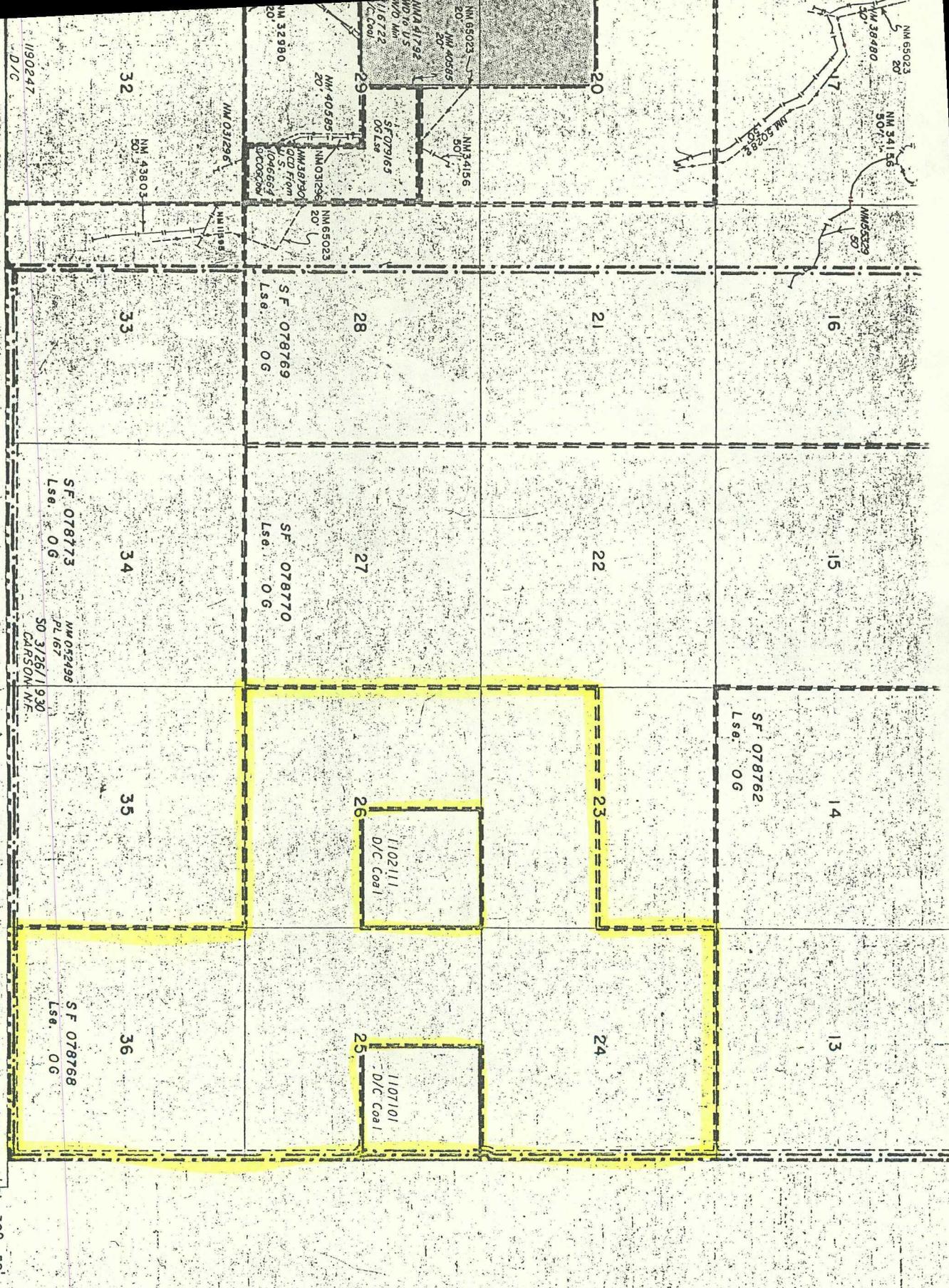
MITCHELL ENERGY - ROSA #324  
 T31N, R5W, Sec. 24; SW¼  
 1800 FSL 2050 FWL  
 Rio Arriba County, NM

KEY:

- Proposed Mitchell FC Gas Well
- Producing Wells
- Existing Access Roads
- Proposed Access Roads
- Existing Pipeline Route

ENLARGED TOPOGRAPHICAL MAP  
SECTION 24, T31N-R5W  
MITCHELL ROSA UNIT WELL NO. 324





SCALE  
 0 10 20 30  
 CHAINS TO THE INCH

**WARNING STATEMENT**  
 This plat is the Bureau's Record of Title, and should be used only as a graphic display of the township survey data. Records hereon do not reflect title changes which may have been effected by lateral movements of rivers or other bodies of water. Refer to the cadastral surveys for official survey information.

Lot 1, 36° 52' N  
 Long. 107° 20' W

CURRENT TO

**CARRACAS CANYON UNIT AGREEMENT**  
 Agr. No. 14-08-0001-19596  
 Sec. 1-2, Inclusive All

- Sec. 2: Lots 1-4, S2
- Sec. 3: Lots 1-4, S2
- Sec. 4: Lots 1-4, S2
- Sec. 5: Lots 1-4, S2
- Sec. 6: Lots 1-5, S2
- Sec. 7: Lots 1-4, E2
- Sec. 8-17, Inclusive: All
- Sec. 18: Lots 1-4, E2
- Sec. 19: Lots 1-4, E2
- Sec. 20-29, Inclusive: All
- Sec. 30: Lots 1-4, E2
- Sec. 31: Lots 1-4, E2
- Secs. 32-36, Inclusive: All



STATE OF NEW MEXICO

ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD  
AZTEC, NEW MEXICO 87410  
(505) 334-6178

OIL CONSERVATION DIVISION  
RECEIVED  
'91 AUG 7 AM 8 54

Date: August 2, 1991

14774:  
M. Stogner

Oil Conservation Division  
P.O. Box 2088  
Santa Fe, NM 87504-2088

RE: Proposed MC \_\_\_\_\_  
Proposed NSL X \_\_\_\_\_  
Proposed WFX \_\_\_\_\_  
Proposed NSP \_\_\_\_\_

Proposed DHC \_\_\_\_\_  
Proposed SWD \_\_\_\_\_  
Proposed PMX \_\_\_\_\_  
Proposed DD \_\_\_\_\_

Gentlemen:

I have examined the application received on August 2, 1991  
for the Mitchell Energy Corp. Rose Unit #324  
OPERATOR LEASE & WELL NO.

K-24-31N-5W and my recommendations are as follows:  
UL-S-T-R

Approve  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Yours truly,

Gene Bush

OIL CONSERVATION DIVISION  
RECEIVED

July 31, 1991

'91 AUG 2 PM 2 31

William J. LeMay, Director  
State of New Mexico  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
Post Office Box 2088  
State Land Office Building  
Santa Fe, New Mexico 87504

Re: **Unorthodox Location Waiver**  
**Mitchell Energy Corporation Rosa Unit #345**  
**Meridian Oil Gathering, Inc. - Rosa Unit Operator**

Dear Mr. LeMay:

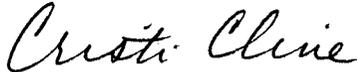
We are submitting an Unorthodox Location Application for the Mitchell Energy Corp. Rosa Unit Well No. 345. Meridian Oil Gathering, Inc., as Operator of the Rosa Unit wells, will receive a copy of the application for approval of the location. The factors determining the location of the site are detailed in the attached package.

If there are no objections to the location, the waiver below will be signed by a representative of Meridian Oil Gathering, Inc.

Thank you for your cooperation.

Sincerely,

**TRIGON ENGINEERING, INC.**



Cristi Cline  
Senior Right-of-Way Agent

Attachment

**WAIVER**

\_\_\_\_\_ hereby waives objection to Mitchell Energy Corporation's application for an unorthodox location for Rosa Unit Well No. 345.

BY: \_\_\_\_\_  
TITLE: \_\_\_\_\_  
Meridian Oil Gathering, Inc.  
Operator, Rosa Unit

DATE \_\_\_\_\_

UNORTHODOX LOCATION APPLICATION  
MITCHELL ENERGY CORPORATION  
ROSA UNIT WELL NO. 345  
Basin Fruitland Coal

**SITE LOCATION:**

Township 31 North, Range 5 West  
Section 19: SESW  
110' FSL, 1622' FWL

**FACTORS DETERMINING UNORTHODOX LOCATION:**

The site for the Mitchell Energy Corporation Rosa Unit Well No. 345 has been chosen in an unorthodox location due to rugged topography and the presence of several archaeological sites. This location is the only feasible location in the quarter section where the terrain is not too rocky, there are no washes, and we are able to avoid the archaeology. Also, the Forest Service is very concerned with the length of new access roads being built, and this location allows us to use the shortest possible route.

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

EXHIBIT NO. 3

PAGE 1 OF 2

DISTRICT I  
 P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
 P.O. Drawer DD, Artesia, NM 88210

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

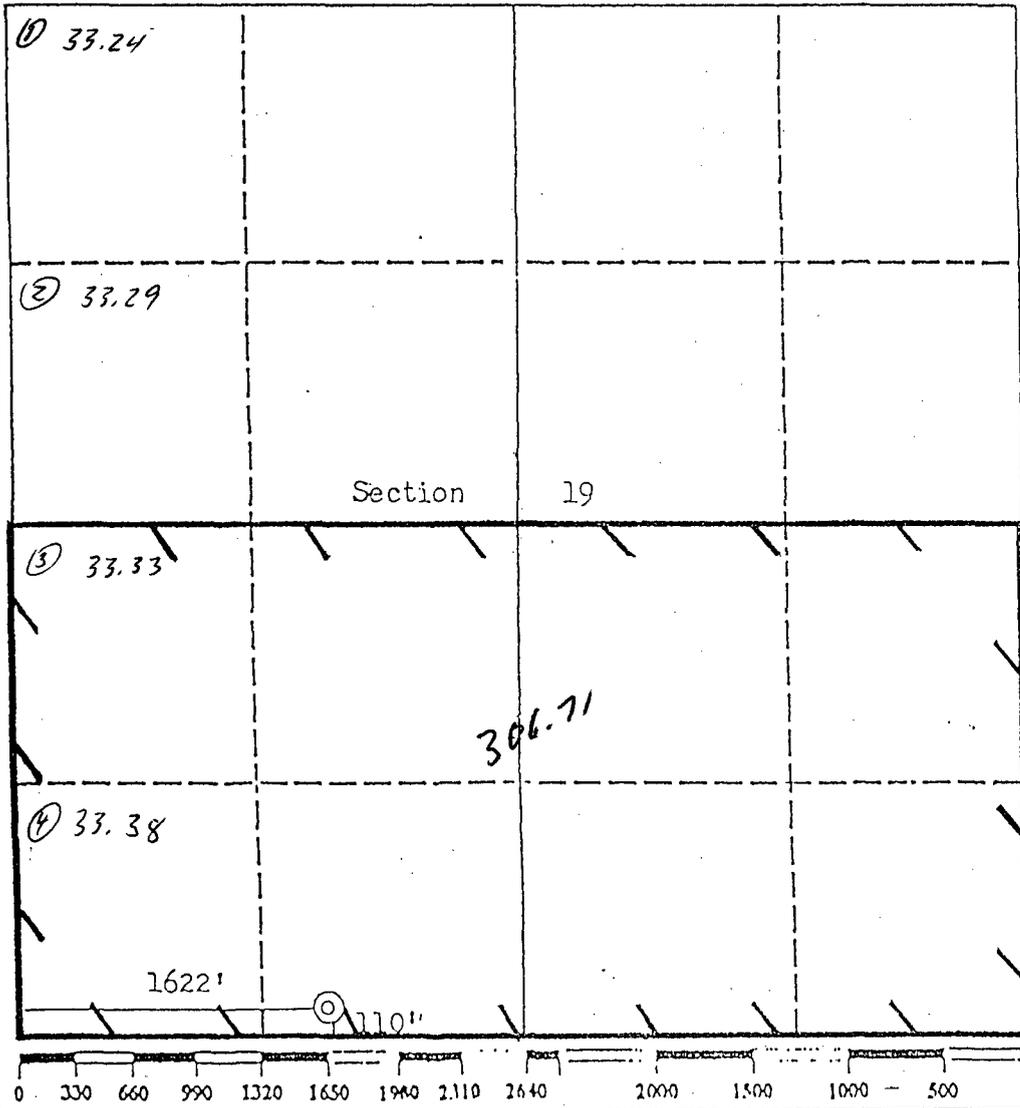
MITCHELL ENERGY CORPORATION  
 ROSA UNIT NO. 345

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Mitchell Energy Corporation			Lease Rosa Unit		Well No. 345
Unit Letter N	Section 19	Township 31 North	Range 4 West	County Rio Arriba	
Actual Footage Location of Well: 110 feet from the South line and 1622 feet from the West line					
Ground level Elev. 6548	Producing Formation Fruitland		Basin Basin Fruitland Coal		Dedicated Acreage: 320 Acres

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
  - If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
  - If more than one lease of different ownership is dedicated to the well, have the interest 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, force-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature  
*James C. Anderson*  
 Printed Name  
 James C. Anderson  
 Position  
 Dist. Prod. Mgr.  
 Company  
 Mitchell Energy Corp  
 Date  
 7/10/91

SURVEYOR CERTIFICATION

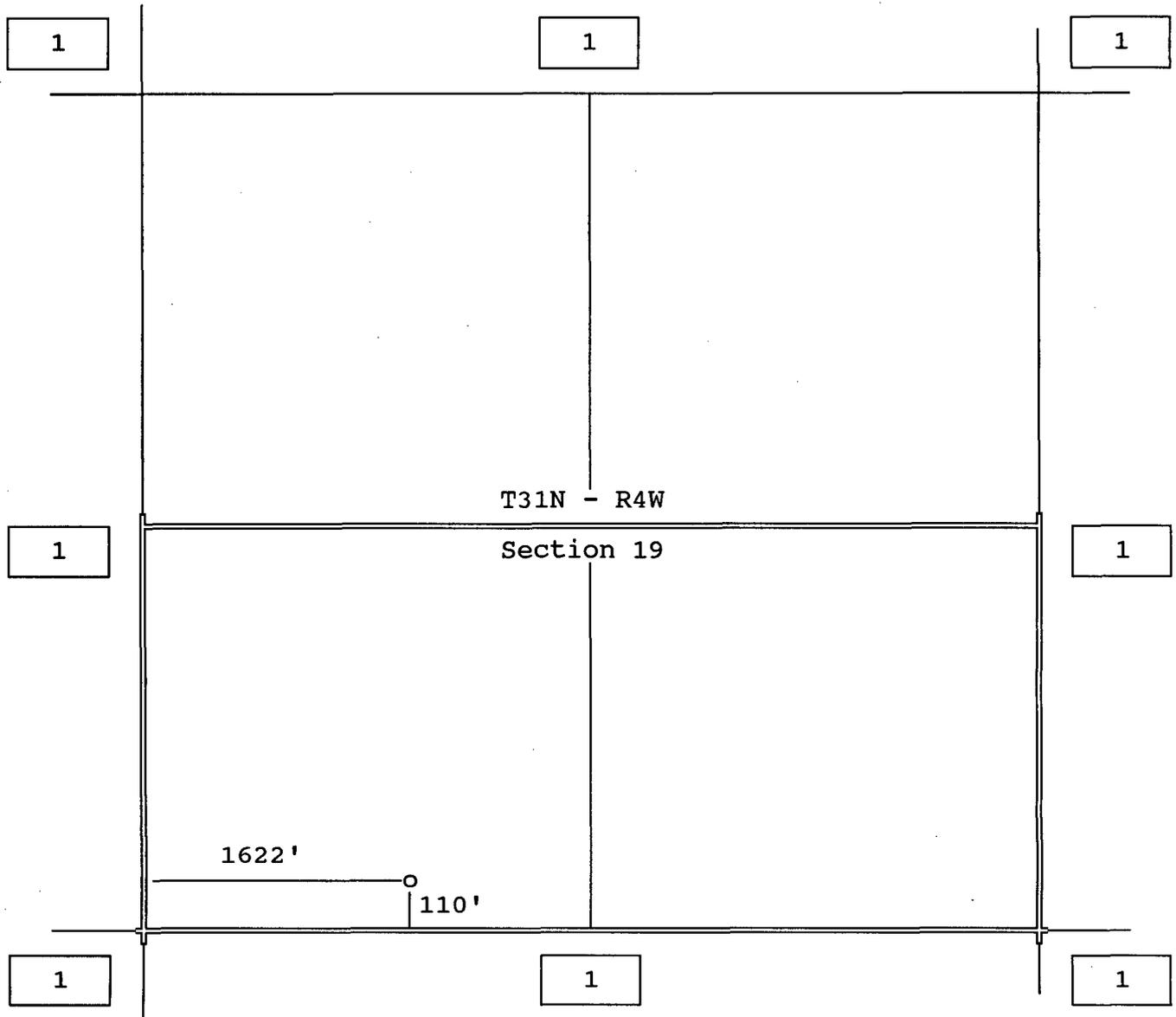
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date  
 June 20, 1991  
 Signature & Seal of  
*Frederick H. Reed*  
 Professional Surveyor

Certificate No.  
 3795  
 Frederick H. Reed

ROSA UNIT OWNERSHIP PLAT

Mitchell Energy Corporation  
Rosa Unit Well No. 345

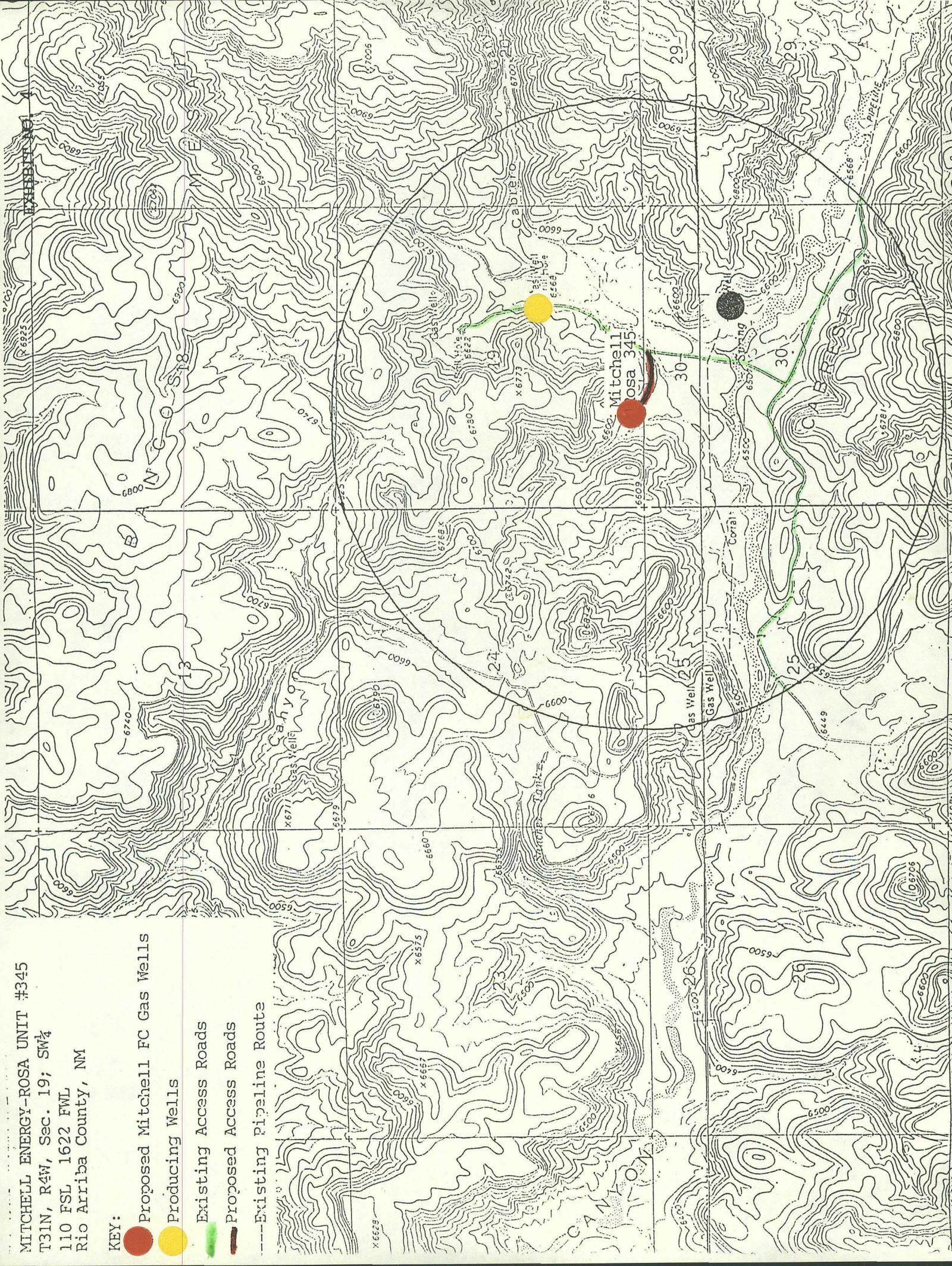


1. Offset Owner - Meridian Oil Gathering, Inc.  
Operator of the Rosa Unit

MITCHELL ENERGY-ROSA UNIT #345  
T31N, R4W, Sec. 19; SW<sup>1</sup><sub>4</sub>  
110 FSL 1622 FWL  
Rio Arriba County, NM

KEY:

-  Proposed Mitchell FC Gas Wells
-  Producing Wells
-  Existing Access Roads
-  Proposed Access Roads
-  Existing Pipeline Route



SF078890  
Lse OG

SF 078888  
Lse OG

SF 078892  
Lse OG

SF078893  
Lse OG

SF078894  
Lse OG

MITCHELL ENERGY CORPORATION  
Rosa Unit #345  
T31N-R4W, Sec. 19: SW 1/4

SF078889  
Lse OG

SF078774  
Lse OG

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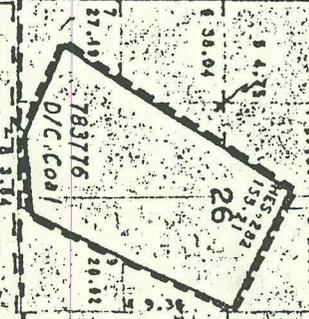
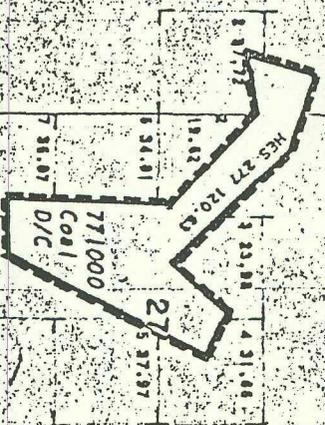
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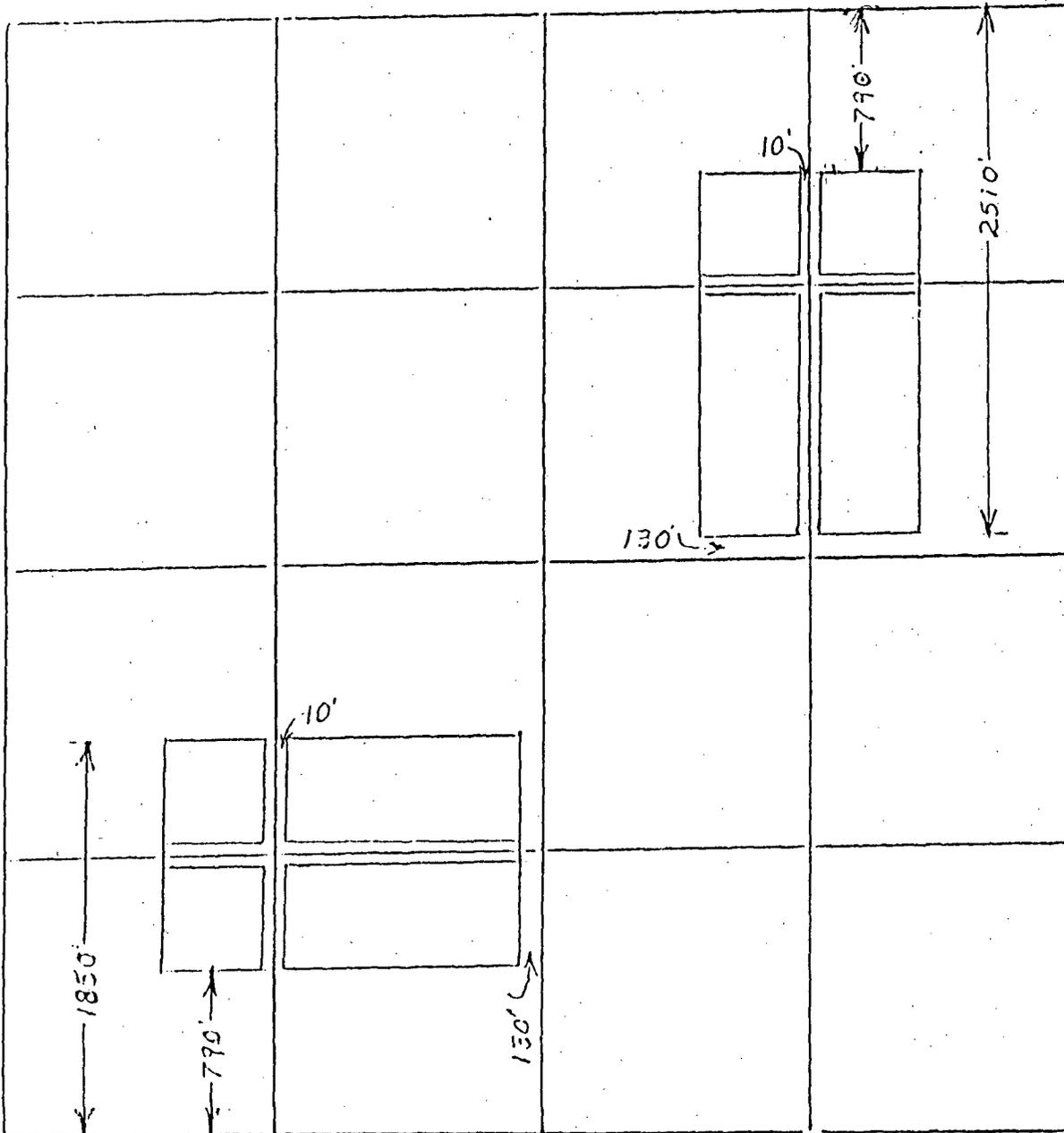
16

15

14



P



BASIN FRUITLAND COAL GAS POOL  
SPECIAL GAS SPACING - - 320.00 CONTIGUOUS ACRES

No closer than 790' to the drill tract outer boundary.  
No closer than 130' to the inner boundary 1/4 section line.  
Wells must have a setback from the 1/4, 1/4, line of at least 10 feet.

The first well in a section must be located in either the NE/4 or SW/4. There is no provision for increased drilling density.



STATE OF NEW MEXICO

ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD  
AZTEC, NEW MEXICO 87410  
(505) 334-6178

'91 AUG 7 AM 8 54

Date: August 2, 1991

ATTN:  
M. Stogner

Oil Conservation Division  
P.O. Box 2088  
Santa Fe, NM 87504-2088

RE: Proposed MC \_\_\_\_\_  
Proposed NSL X \_\_\_\_\_  
Proposed WFX \_\_\_\_\_  
Proposed NSP \_\_\_\_\_

Proposed DHC \_\_\_\_\_  
Proposed SWD \_\_\_\_\_  
Proposed PMX \_\_\_\_\_  
Proposed DD \_\_\_\_\_

Gentlemen:

I have examined the application received on August 2, 1991  
for the Witchell Energy Corp. Perm. Plat #345  
OPERATOR LEASE & WELL NO.

N-19-31N-4W and my recommendations are as follows:  
UL-S-T-R

Applicant requires Mitchell to  
show how why well shouldn't be  
done directly drilled.

Yours truly,

Eric Busch

OIL CONSERVATION DIVISION  
RECEIVED

'91 AUG 12 AM 9 39

August 8, 1991

William J. LeMay, Director  
 State of New Mexico  
 Energy, Minerals and Natural Resources Department  
 Oil Conservation Division  
 Post Office Box 2088  
 State Land Office Building  
 Santa Fe, New Mexico 87504

**Re: Unorthodox Location Waiver  
 Mitchell Energy Corporation Rosa Unit #352  
 Meridian Oil Gathering, Inc. - Rosa Unit Operator**

Dear Mr. LeMay:

We are submitting an Unorthodox Location Application for the Mitchell Energy Corp. Rosa Unit Well No. 352. Meridian Oil Gathering, Inc., as Operator of the Rosa Unit wells, and Nassau Resources, Operator of the Carracas Unit, will receive copies of the application for approval of the location. The factors determining the location of the site are detailed in the attached package.

If there are no objections to the location, the waiver below will be signed by a representative of Meridian Oil Gathering, Inc.

Thank you for your cooperation.

Sincerely,

**TRIGON ENGINEERING, INC.**

*Cristi Cline*  
 Cristi Cline  
 Senior Right-of-Way Agent

Attachment

**WAIVER**

\_\_\_\_\_ hereby waives objection to Mitchell Energy Corporation's application for an unorthodox location for Rosa Unit Well No. 352.

BY: \_\_\_\_\_  
 TITLE: \_\_\_\_\_  
 Meridian Oil Gathering, Inc.  
 Operator, Rosa Unit

DATE \_\_\_\_\_



# COPY

August 8, 1991

William J. LeMay, Director  
 State of New Mexico  
 Energy, Minerals and Natural Resources Department  
 Oil Conservation Division  
 Post Office Box 2088  
 State Land Office Building  
 Santa Fe, New Mexico 87504

**Re: Unorthodox Location Waiver  
 Mitchell Energy Corporation Rosa Unit #352  
 Nassau Resources - Carracas Unit Operator**

Dear Mr. LeMay:

We are submitting an Unorthodox Location Application for the Mitchell Energy Corp. Rosa Unit Well No. 352. Meridian Oil Gathering, Inc., as Operator of the Rosa Unit wells, and Nassau Resources, Operator of the Carracas Unit, will receive copies of the application for approval of the location. The factors determining the location of the site are detailed in the attached package.

If there are no objections to the location, the waiver below will be signed by a representative of Nassau Resources.

Thank you for your cooperation.

Sincerely,

**TRIGON ENGINEERING, INC.**

*Cristi Cline*

Cristi Cline  
 Senior Right-of-Way Agent

Attachment

### WAIVER

\_\_\_\_\_ hereby waives objection to Mitchell Energy Corporation's application for an unorthodox location for Rosa Unit Well No. 352.

BY: \_\_\_\_\_  
 TITLE: \_\_\_\_\_  
 Nassau Resources  
 Operator, Carracas Unit

DATE \_\_\_\_\_

**UNORTHODOX LOCATION APPLICATION  
MITCHELL ENERGY CORPORATION  
ROSA UNIT WELL NO. 352  
Basin Fruitland Coal**

**SITE LOCATION:**

Township 31 North, Range 4 West  
Section 5: NWNE  
1345' FNL, 1935' FEL

**FACTORS DETERMINING UNORTHODOX LOCATION:**

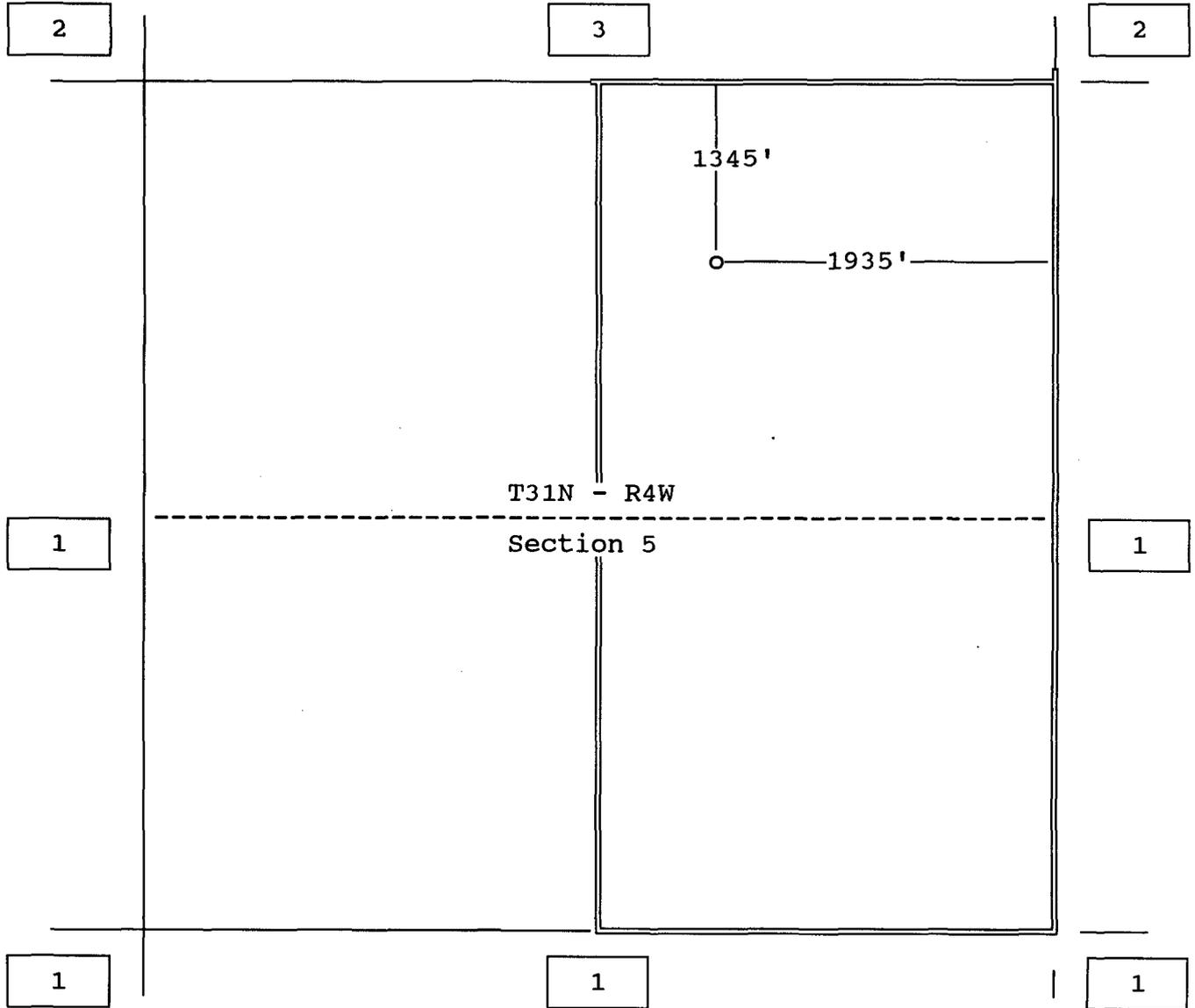
The site for the Mitchell Energy Corporation Rosa Unit Well No. 352 has been chosen in a slightly unorthodox location due to rocky/mountainous topography and the presence of several archaeological sites in the area.

During a preliminary archaeological clearance of the area surrounding the proposed well location, the area to the immediate east and southeast were avoided due to indications of archaeological sites.

If moved to the east, the location would be extremely close to the edge of the mesa which would be ecologically unfeasible due to the possibility of overflow spillage into the wash. The Forest Service also recommends that the well pad not be located near the edge of the Mesa because of its high visibility to the canyon and to the adjacent mesa.

ROSA UNIT OWNERSHIP PLAT

Mitchell Energy Corporation  
Rosa Unit Well No. 352



1. Offset Owner - Meridian Oil Gathering, Inc.  
Operator of the Rosa Unit
2. Offset Owner - Nassau Resources  
Operator of the Carracas Unit
3. Federal Land - Unleased Minerals

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

State of New Mexico  
 Energy, Minerals and Natural Resources Department

Form C-102  
 Revised 1-1-89

**OIL CONSERVATION DIVISION**

P.O. Box 2088  
 Santa Fe, New Mexico 87504-2088

**DISTRICT I**  
 P.O. Box 1980, Hobbs, NM 88240

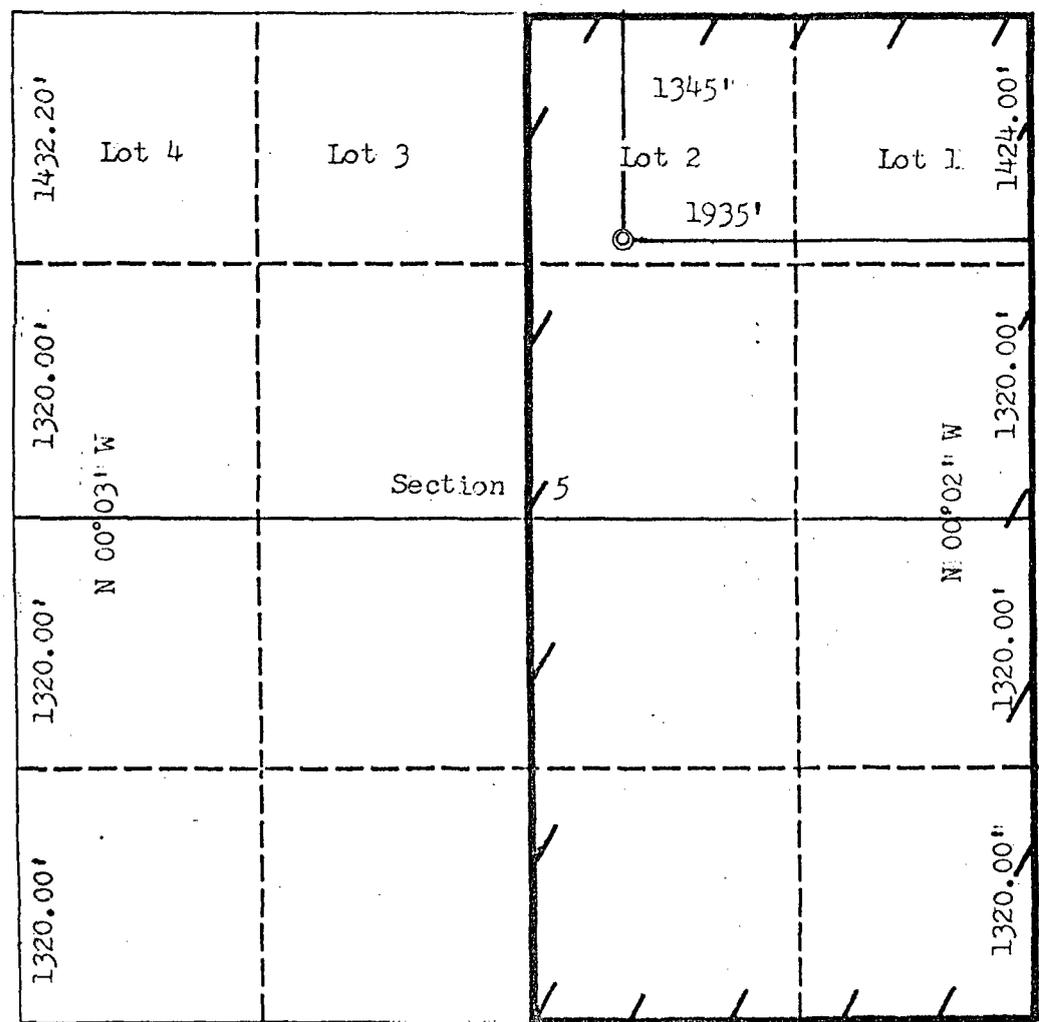
**DISTRICT II**  
 P.O. Drawer DD, Artesia, NM 88210

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

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

All Distances must be from the outer boundaries of the section

Operator Mitchell Energy Corporation			Lease Rosa Unit		Well No. 352
Unit Letter B	Section 5	Township 31 North	Range 4 West	County Rio Arriba	
Actual Footage Location of Well: 1345 feet from the North line and 1935 feet from the East line					
Ground level Elev. 7125	Producing Formation Fruitland		Basin Basin Fruitland Coal		Dedicated Acreage: 320 Acres
<p>1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.</p> <p>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).</p> <p>3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?  <input type="checkbox"/> Yes <input type="checkbox"/> 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 interest, has been approved by the Division.</p>					



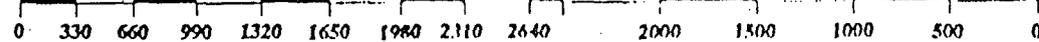
**OPERATOR CERTIFICATION**  
 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature: *James C. Anderson*  
 Printed Name: James C. Anderson  
 Position: Dist. Prod. Mgr.  
 Company: Mitchell Energy Corp.  
 Date: 7/10/91

**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 knowledge and belief.  
 Date Surveyed: May 31, 1991

Signature & Seal of Professional Surveyor: *Frederick H. Reed*  
 Certificate No.: NM 3795

Frederick H. Reed



MITCHELL ENERGY-ROSA UNIT #352  
 T31N, R4W, Sec. 5; NE¼  
 1345' FNL 1935 FEL  
 Rio Arriba County, NM

KEY:

-  Proposed Mitchell FC Gas Wells
-  Producing Wells
-  Existing Access Roads
-  Proposed Access Roads
-  Existing Pipeline Route

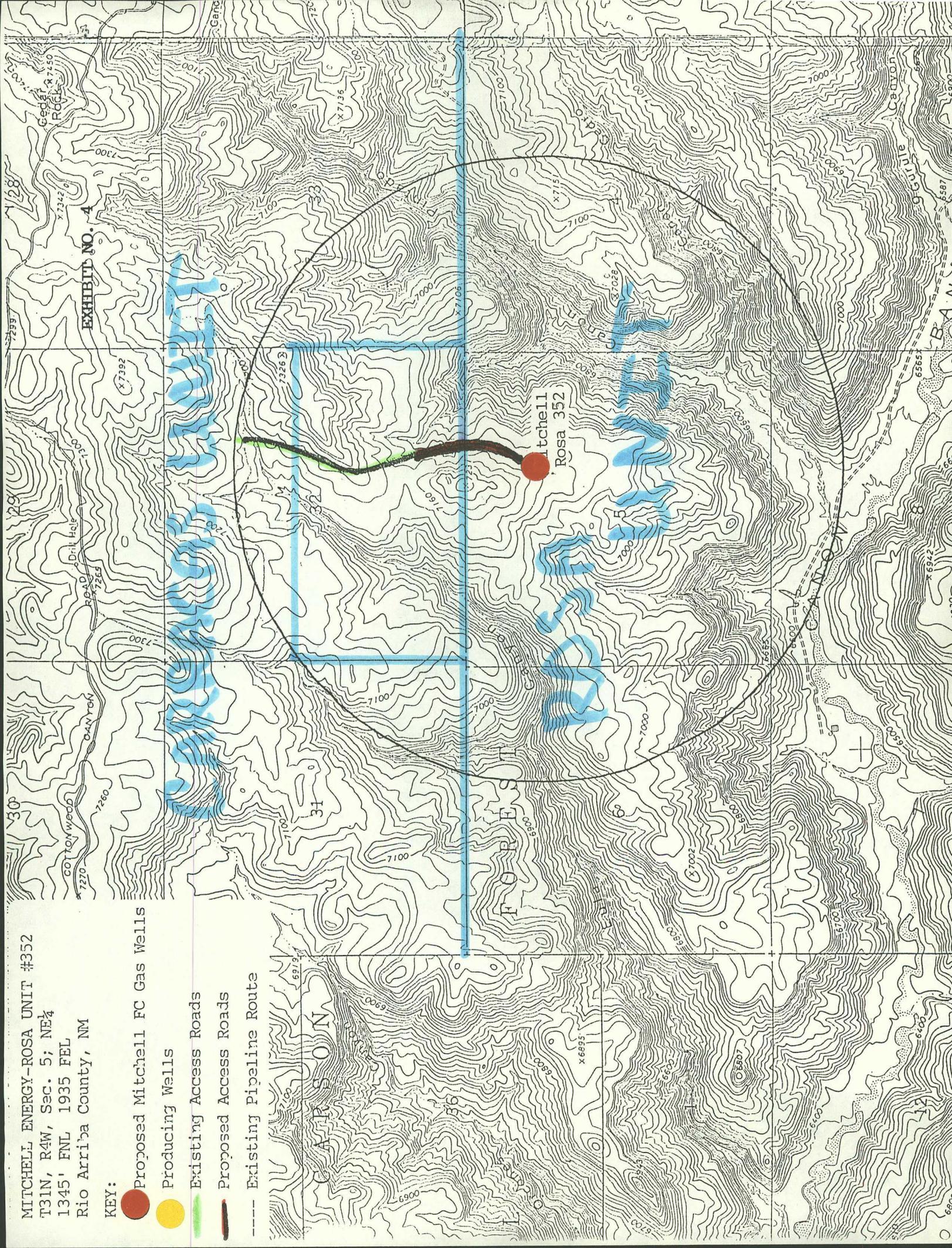


EXHIBIT NO. 4



# McHUGH

Jerome P. McHugh & Associates  
Operating Affiliate: Nassau Resources, Inc.  
650 South Cherry, Suite 1225  
Denver, Colorado 80222-1894  
(303) 321-2111 FAX (303) 321-1563

August 14, 1991

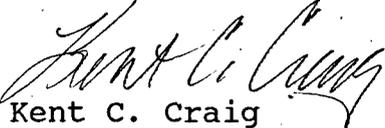
Mr. Michael Stogner  
New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, N. M. 87504

Re: Unorthodox Location  
Mitchell Energy's Rosa #352  
Sec. 5-T31N-R4W  
Rio Arriba Co., N. M.

Gentlemen:

Please be advised that Nassau Resources has no objection to the unorthodox location proposed by Mitchell Energy Corp., being the Rosa Unit #352 in the NE/4 of Sec. 5-T31N-R4W. Our consent letter is attached.

Very truly yours,



Kent C. Craig

/kcc

enclosure

cc: Trigon Engineering Inc.



August 8, 1991

William J. LeMay, Director  
 State of New Mexico  
 Energy, Minerals and Natural Resources Department  
 Oil Conservation Division  
 Post Office Box 2088  
 State Land Office Building  
 Santa Fe, New Mexico 87504

Re: Unorthodox Location Waiver  
 Mitchell Energy Corporation Rosa Unit #352  
 Nassau Resources - Carracas Unit Operator

Dear Mr. LeMay:

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If there are no objections to the location, the waiver below will be signed by a representative of Nassau Resources.

Thank you for your cooperation.

Sincerely,

TRIGON ENGINEERING, INC.

*Cristi Cline*

Cristi Cline  
 Senior Right-of-Way Agent

Attachment

WAIVER

Nassau Resources, Inc. hereby waives objection to Mitchell Energy Corporation's application for an unorthodox location for Rosa Unit Well No. 352.

BY: *Kent E. Craig*  
 TITLE: Vice-President  
Nassau Resources  
Operator, Carracas Unit

August 14, 1991  
 DATE

OIL CONSERVATION DIVISION  
RECEIVED  
'91 AUG 30 AM 9 05

NSL-30411



August 8, 1991

William J. LeMay, Director  
State of New Mexico  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
Post Office Box 2088  
State Land Office Building  
Santa Fe, New Mexico 87504

Re: Unorthodox Location Waiver  
Mitchell Energy Corporation Rosa Unit #352  
Meridian Oil Gathering, Inc. - Rosa Unit Operator

Dear Mr. LeMay:

We are submitting an Unorthodox Location Application for the Mitchell Energy Corp. Rosa Unit Well No. 352. Meridian Oil Gathering, Inc., as Operator of the Rosa Unit wells, and Nassau Resources, Operator of the Carracas Unit, will receive copies of the application for approval of the location. The factors determining the location of the site are detailed in the attached package.

If there are no objections to the location, the waiver below will be signed by a representative of Meridian Oil Gathering, Inc.

Thank you for your cooperation.

Sincerely,

TRIGON ENGINEERING, INC.

Cristi Cline  
Senior Right-of-Way Agent

Attachment

WAIVER

Meridian Oil Inc. hereby waives objection to Mitchell Energy Corporation's application for an unorthodox location for Rosa Unit Well No. 352.

BY: Kent Beers  
TITLE: Attorney-in-Fact  
Meridian Oil Gathering, Inc.  
Operator, Rosa Unit

August 22, 1991  
DATE



OIL CONSERVATION DIVISION  
RECEIVED

July 30, 1991

91 AUG 2 PM 2 31

William J. LeMay, Director  
State of New Mexico  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
Post Office Box 2088  
State Land Office Building  
Santa Fe, New Mexico 87504

**Re: Unorthodox Location Waiver  
Mitchell Energy Corporation Rosa Unit #356  
Meridian Oil Gathering, Inc. - Rosa Unit Operator**

Dear Mr. LeMay:

We are submitting an Unorthodox Location Application for the Mitchell Energy Corp. Rosa Unit Well No. 356. Meridian Oil Gathering, Inc., as Operator of the Rosa Unit wells, will receive a copy of the application for approval of the location. The factors determining the location of the site are detailed in the attached package.

If there are no objections to the location, the waiver below will be signed by a representative of Meridian Oil Gathering, Inc.

Thank you for your cooperation.

Sincerely,

**TRIGON ENGINEERING, INC.**

Cristi Cline  
Senior Right-of-Way Agent

Attachment

**WAIVER**

\_\_\_\_\_ hereby waives objection to Mitchell Energy Corporation's application for an unorthodox location for Rosa Unit Well No. 356.

BY: \_\_\_\_\_  
TITLE: \_\_\_\_\_  
Meridian Oil Gathering, Inc.  
Operator, Rosa Unit

DATE \_\_\_\_\_

**UNORTHODOX LOCATION APPLICATION  
MITCHELL ENERGY CORPORATION  
ROSA UNIT WELL NO. 356  
Basin Fruitland Coal**

**SITE LOCATION:**

Township 31 North, Range 5 West  
Section 11: SWSE  
771' FSL, 1746' FEL

**FACTORS DETERMINING UNORTHODOX LOCATION:**

The site for the Mitchell Energy Corporation Rosa Unit Well No. 356 has been located adjacent to the Northwest Pipeline Well No. 48 (Basin Dakota) at the request of the Carson National Forest Service.

This area has very heavy wildlife use and Forest Service Biologist, Joe Harper, has stipulated that no new access roads be built and that minimal disturbance be caused while building the location. The location of the site was chosen at the direct request of the Carson National Forest Service and has resulted in a slightly unorthodox location, however, due to the existing access roads and well pad - very little additional disturbance to wildlife will be caused.

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

EXHIBIT NO. 3  
 PAGE 1 OF 2

**DISTRICT I**  
 P.O. Box 1980, Hobbs, NM 88240

**DISTRICT II**  
 P.O. Drawer DD, Artesia, NM 88210

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

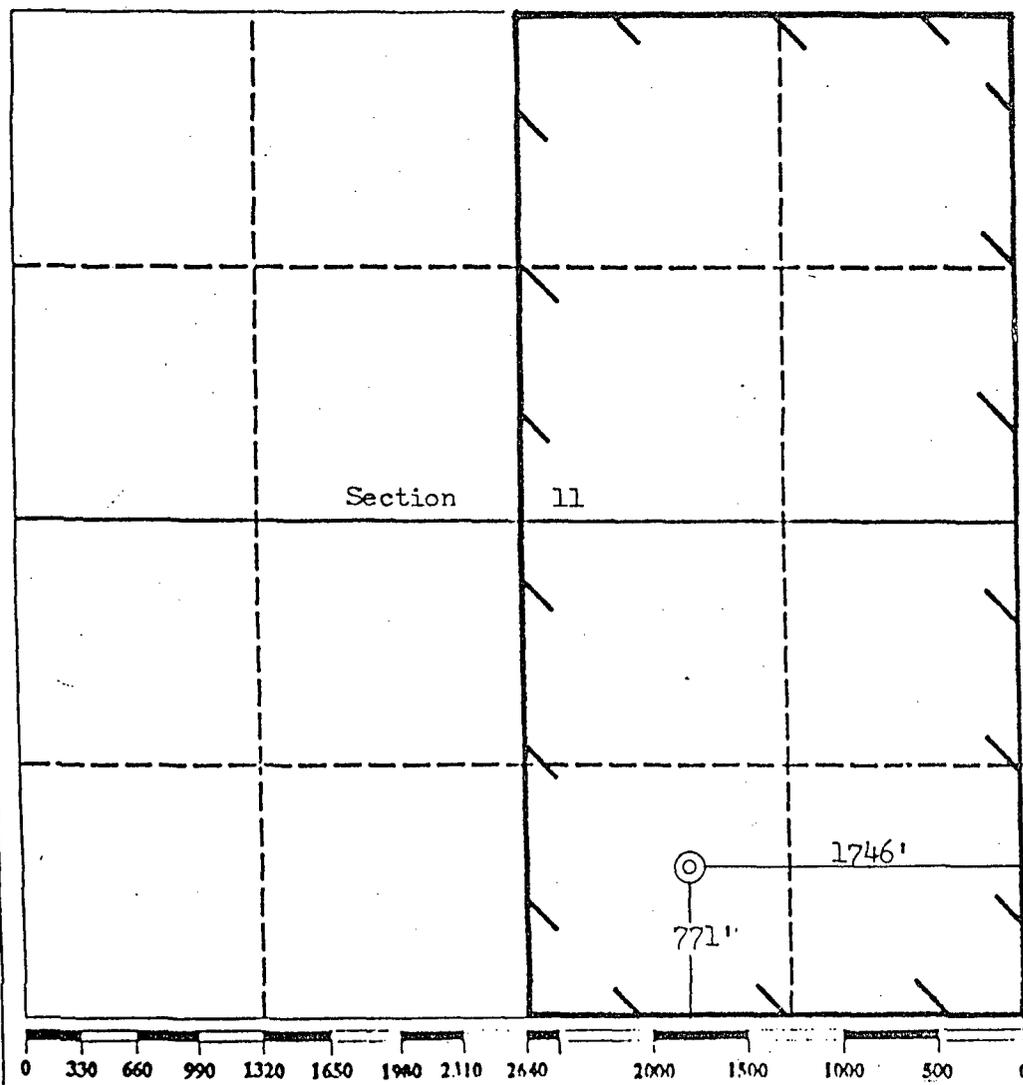
MITCHELL ENERGY CORPORATION  
 ROSA UNIT NO. 356

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

All Distances must be from the outer boundaries of the section

Operator Mitchell Energy Corporation			Lease Rosa Unit		Well No. 356
Unit Letter 0	Section 11	Township 31 North	Range 5 West	County Rio Arriba	
Actual Footage Location of Well: 771 feet from the South line and 1746 feet from the East line					
Ground level Elev. 6603	Producing Formation Fruitland	Basin Basin Fruitland Coal	Dedicated Acreage: 320 Acres		

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest 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 interest, has been approved by the Division.



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

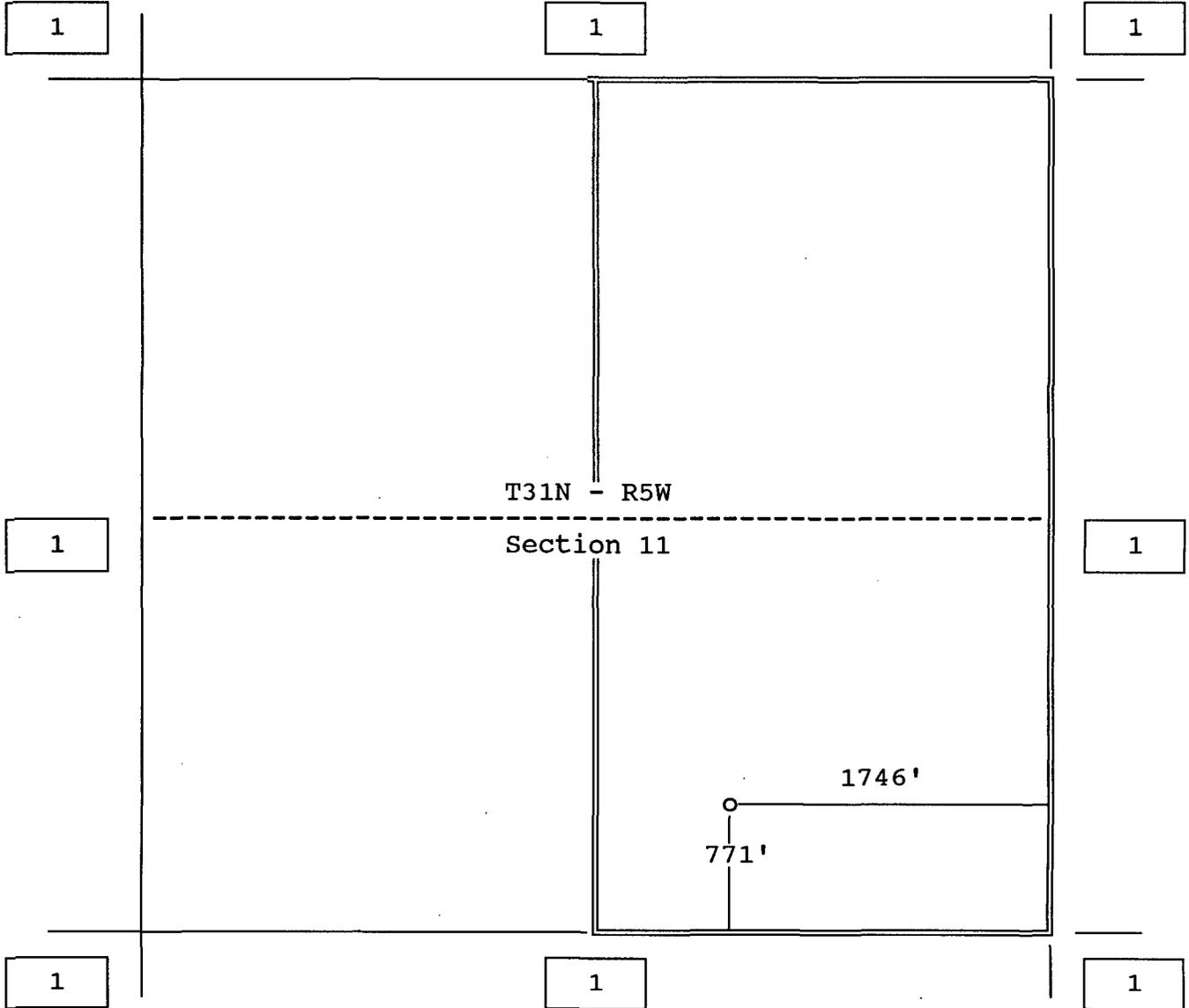
Signature: *Albert Libersat*  
 Printed Name: Albert Libersat  
 Position: District Engineer  
 Company: Mitchell Energy Corp.  
 Date: 7-17-91

**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 knowledge and belief.  
 Date Surveyed: June 20, 1991  
 Signature & Seal of Professional Surveyor: *Frederick H. Reed*  
 Certificate No.: 3795  
 Frederick H. Reed

*Standard 640 acre Section*

ROSA UNIT OWNERSHIP PLAT

Mitchell Energy Corporation  
Rosa Unit Well No. 356

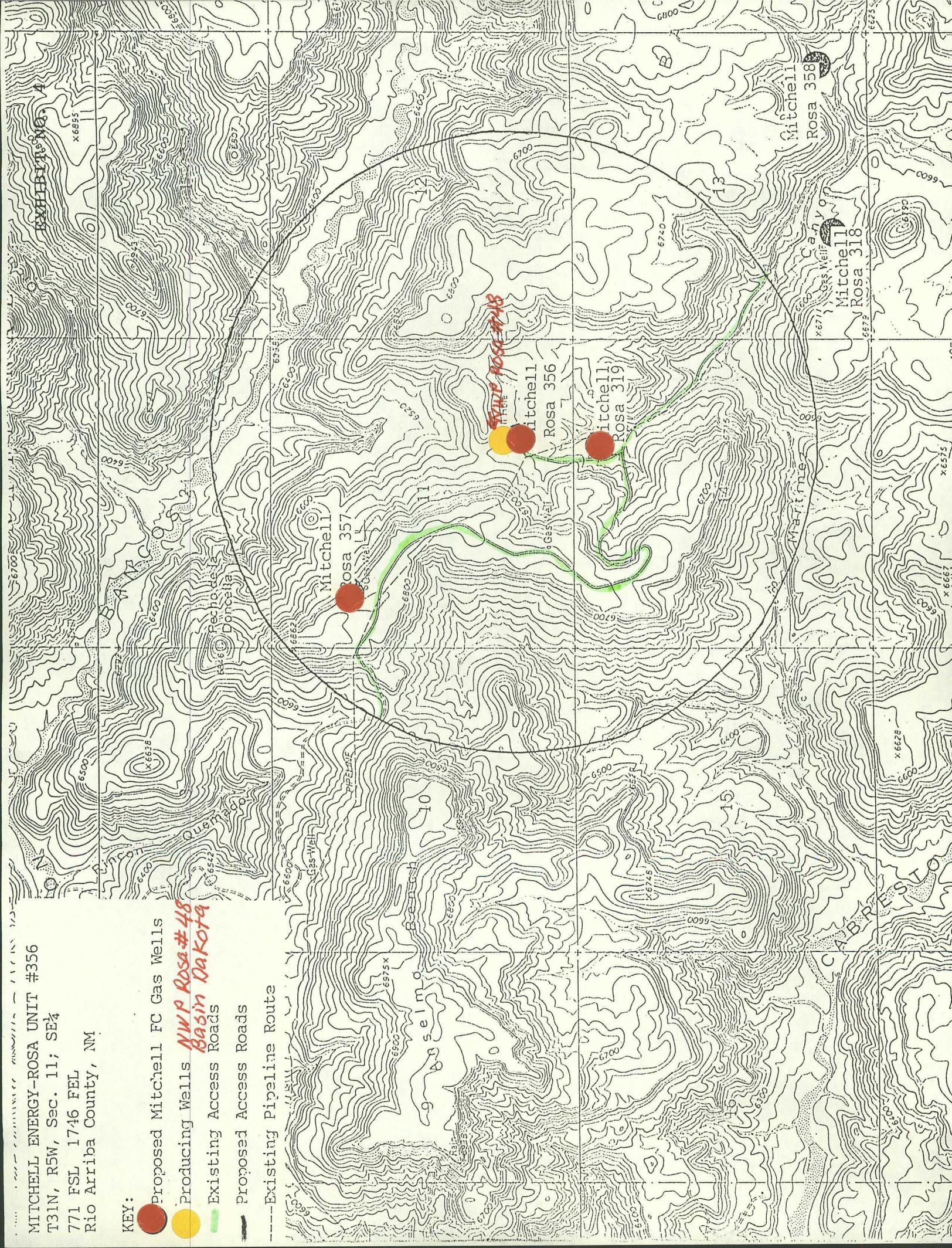


1. Offset Owner - Meridian Oil Gathering, Inc.  
Operator of the Rosa Unit

MITCHELL ENERGY-ROSA UNIT #356  
T31N, R5W, Sec. 11; SE¼  
771 FSL 1746 FEL  
Rio Arriba County, NM

KEY:

- Proposed Mitchell FC Gas Wells
- Producing Wells *NWR Rosa # 48*  
*Basin Dakota*
- Existing Access Roads
- Proposed Access Roads
- Existing Pipeline Route



**FILE COPY**

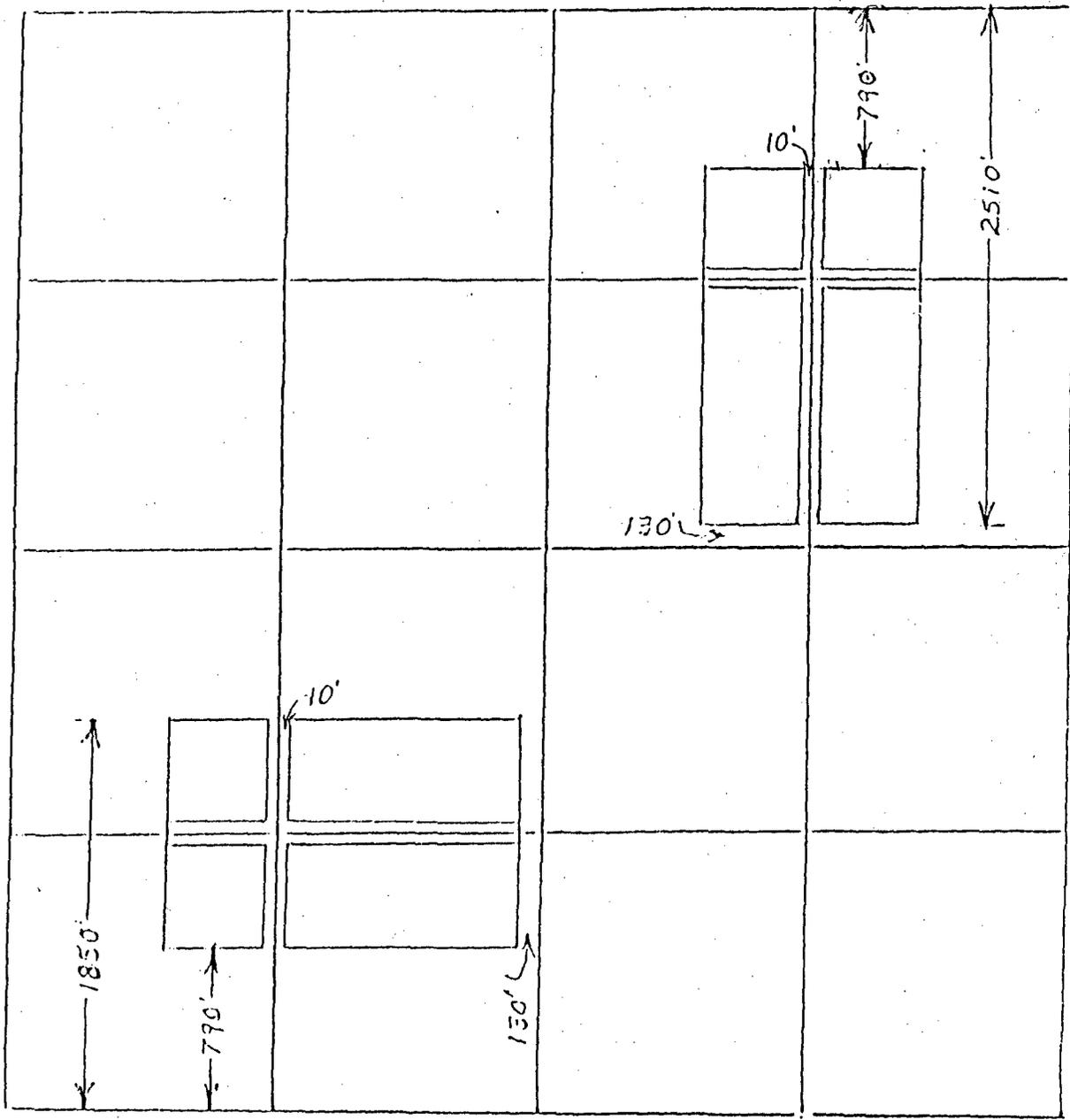
NOTICE OF STAKING (Not to be used in place of Application for Permit to Drill Form 3160-3)		6. Lease Number SF 078762	
1. Oil well <input type="checkbox"/> Gas well <input checked="" type="checkbox"/> Other (Specify)		7. If Indian, Allottee or Tribe Name  N/A	
2. Name of Operator  MITCHELL ENERGY CORPORATION		8. Unit Agreement Name  ROSA	
3. Name of Specific Contact Person MARK SMITH, Agent TRIGON ENGINEERING		9. Farm or Lease Name  N/A	
4. Address & Phone No. of Operator or Agent 4100 E. Main 505 Farmington, NM 87401 325-1266		10. Well No. #356	
5. Surface Location of Well  Attach: a) Sketch showing road entry onto pad, pad dimensions, and reserve pit. b) Topographical or other accept- able map showing location, access road, and lease boundaries.		11. Field or Wildcat Name FRUITLAND	
		12. Sec., T., R., M., or Blk and Survey or Area T31N-R5W Sec. 11: SE $\frac{1}{4}$	
15. Formation Objective(s)  Fruitland Coal	16. Estimated Well Depth  3900'	13. County, Parish or Borough  Rio Arriba	14. State  NM
17. Additional Information (as appropriate; must include surface owner's name, address, and telephone number)  Carson National Forest, Jicarilla Ranger District Gobenador Rt, Blanco, NM 87412			
18. Signed <u>James C. Anderson</u> Title <u>Dist. Perml. Mgr.</u> Date <u>6/17/91</u>			

Note: Upon receipt of this Notice, the Bureau of Land Management (BLM) will schedule the date of the onsite predrill inspection and notify you accordingly. The location must be staked and access road must be flagged prior to the onsite.

- Operators must consider the following prior to the onsite:
- a) H<sub>2</sub>S Potential
  - b) Cultural Resources (Archeology)
  - c) Federal Right of Way or Special Use Permit



P



BASIN FRUITLAND COAL GAS POOL  
SPECIAL GAS SPACING - - 320.00 CONTIGUOUS ACRES

No closer than 790' to the drill tract outer boundary.  
No closer than 130' to the inner boundary 1/4 section line.  
Wells must have a setback from the 1/4, 1/4, line of at least 10 feet.

The first well in a section must be located in either the NE/4 or SW/4. There is no provision for increased drilling density.



STATE OF NEW MEXICO

ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
AZTEC DISTRICT OFFICE

'91 AUG 7 AM 8 54

1000 RIO BRAZOS ROAD  
AZTEC, NEW MEXICO 87410  
(505) 334-6178

Date: August 2, 1991

ATTN: M. Sfogner

Oil Conservation Division  
P.O. Box 2088  
Santa Fe, NM 87504-2088

RE: Proposed MC \_\_\_\_\_  
Proposed NSL X \_\_\_\_\_  
Proposed WFX \_\_\_\_\_  
Proposed NSP \_\_\_\_\_

Proposed DHC \_\_\_\_\_  
Proposed SWD \_\_\_\_\_  
Proposed PMX \_\_\_\_\_  
Proposed DD \_\_\_\_\_

Gentlemen:

I have examined the application received on August 2, 1991  
for the Mitchell Energy Corp. OPERATOR Rosa Unit # 556 LEASE & WELL NO.

0-11-31N-5W and my recommendations are as follows:  
UL-S-T-R

Approve

Yours truly,

[Signature]



OIL CONSERVATION DIVISION  
RECEIVED

'91 AUG 2 PM 2 31

July 30, 1991

William J. LeMay, Director  
State of New Mexico  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
Post Office Box 2088  
State Land Office Building  
Santa Fe, New Mexico 87504

Re: **Unorthodox Location Waiver**  
**Mitchell Energy Corporation Rosa Unit #357**  
**Meridian Oil Gathering, Inc. - Rosa Unit Operator**

Dear Mr. LeMay:

We are submitting an Unorthodox Location Application for the Mitchell Energy Corp. Rosa Unit Well No. 357. Meridian Oil Gathering, Inc., as Operator of the Rosa Unit wells, will receive a copy of the application for approval of the location. The factors determining the location of the site are detailed in the attached package.

If there are no objections to the location, the waiver below will be signed by a representative of Meridian Oil Gathering, Inc.

Thank you for your cooperation.

Sincerely,

**TRIGON ENGINEERING, INC.**

Cristi Cline  
Senior Right-of-Way Agent

Attachment

**WAIVER**

\_\_\_\_\_ hereby waives objection to Mitchell Energy Corporation's application for an unorthodox location for Rosa Unit Well No. 357.

BY: \_\_\_\_\_  
TITLE: \_\_\_\_\_  
Meridian Oil Gathering, Inc.  
Operator, Rosa Unit

DATE \_\_\_\_\_

4100 EAST MAIN STREET FARMINGTON NEW MEXICO 87402

**UNORTHODOX LOCATION APPLICATION  
MITCHELL ENERGY CORPORATION  
ROSA UNIT WELL NO. 357  
Basin Fruitland Coal**

**SITE LOCATION:**

Township 31 North, Range 5 West  
Section 11: SWNW  
1835' FNL, 587' FWL

**FACTORS DETERMINING UNORTHODOX LOCATION:**

The site for the Mitchell Energy Corporation Rosa Unit Well No. 357 has been located adjacent to the Northwest Pipeline Well No. 40 (Basin Dakota) at the request of the Carson National Forest Service.

This area has very heavy wildlife use and Forest Service Biologist, Joe Harper, has stipulated that no new access roads be built and that minimal disturbance be caused while building the location. The location of the site was chosen at the direct request of the Carson National Forest Service and has resulted in a slightly unorthodox location, however, due to the existing access roads and well pad - very little additional disturbance to wildlife will be caused.

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

State of New Mexico  
 Energy, Minerals and Natural Resources Department

Form C-102  
 Revised 1-1-89

**OIL CONSERVATION DIVISION**  
 P.O. Box 2088  
 Santa Fe, New Mexico 87504-2088

**DISTRICT I**  
 P.O. Box 1980, Hobbs, NM 88240

**DISTRICT II**  
 P.O. Drawer DD, Artesia, NM 88210

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

**WELL LOCATION AND ACREAGE DEDICATION PLAT**  
 All Distances must be from the outer boundaries of the section

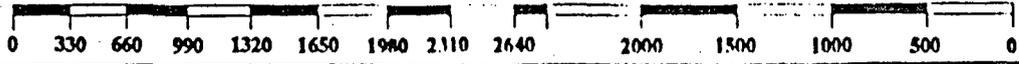
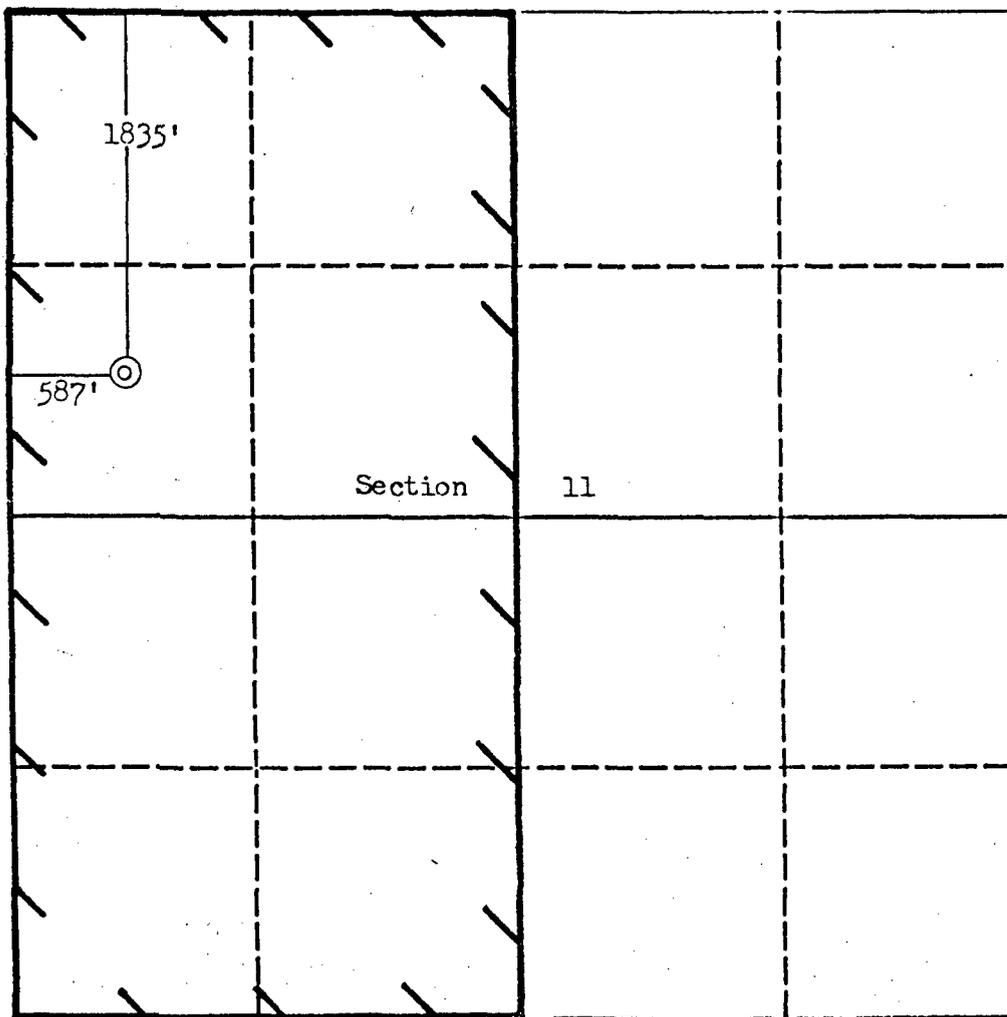
Operator Mitchell Energy Corporation			Lease Rosa Unit			Well No. 357		
Unit Letter E	Section 11	Township 31 North	Range 5 West	County NMPM		Rio Arriba		
Actual Footage Location of Well: 1835 feet from the North line and 587 feet from the West line								
Ground level Elev. 6831		Producing Formation Fruitland			Basin Basin Fruitland Coal		Dedicated Acreage: 320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated in the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest 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 interest, has been approved by the Division.



**OPERATOR CERTIFICATION**

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

Signature: *James C. Anderson*  
 Printed Name: James C. Anderson  
 Position: Dist. Prod. Mgr.  
 Company: Mitchell Energy Corp  
 Date: 7/10/91

**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 knowledge and belief.

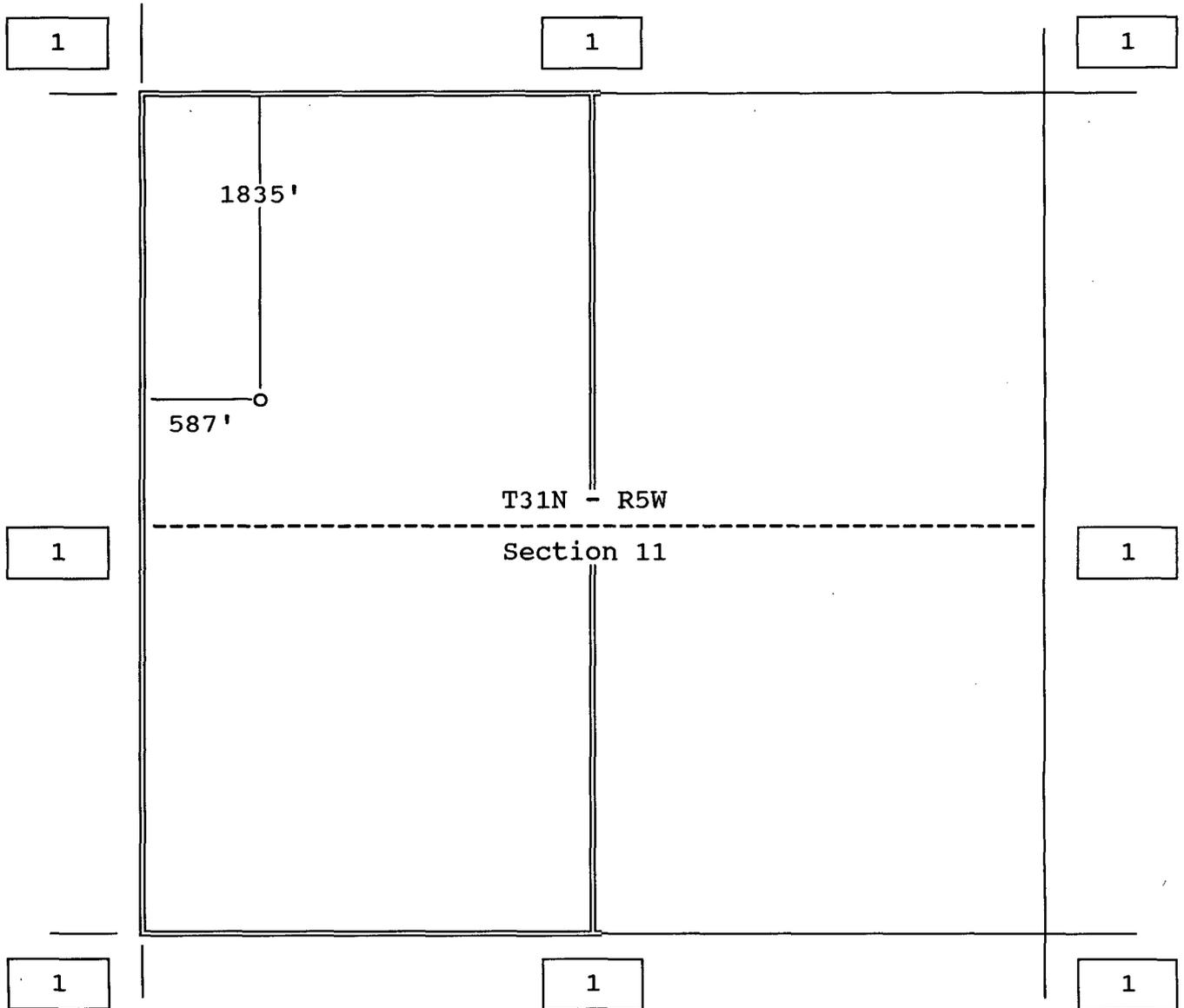
Date Surveyed: June 20, 1991  
 Signature & Seal of Professional Surveyor: *Frederick H. Reed*

Certificate No. 3795  
 Frederick H. Reed

*Standard 640 acre Section*

ROSA UNIT OWNERSHIP PLAT

Mitchell Energy Corporation  
Rosa Unit Well No. 357



1. Offset Owner - Meridian Oil Gathering, Inc.  
Operator of the Rosa Unit



**FILE COPY**

NOTICE OF STAKING (Not to be used in place of Application for Permit to Drill Form 3160-3)		6. Lease Number SF 078762	
1. Oil well <input type="checkbox"/> Gas well <input checked="" type="checkbox"/> Other (Specify)		7. If Indian, Allottee or Tribe Name  N/A	
2. Name of Operator  MITCHELL ENERGY CORPORATION		8. Unit Agreement Name ROSA	
3. Name of Specific Contact Person MARK SMITH, Agent TRIGON ENGINEERING		9. Farm or Lease Name  N/A	
4. Address & Phone No. of Operator or Agent 4100 E. Main 505 Farmington, NM 87401 325-1266		10. Well No.  #357	
5. Surface Location of Well  Attach: a) Sketch showing road entry onto pad, pad dimensions, and reserve pit. b) Topographical or other accept- able map showing location, access road, and lease boundaries.		11. Field or Wildcat Name FRUITLAND	
		12. Sec., T., R., M., or Blk and Survey or Area <u>T31N-R5W</u> Sec. 11: NW $\frac{1}{4}$	
15. Formation Objective(s)  Fruitland Coal	16. Estimated Well Depth  3800'	13. County, Parish or Borough  Rio Arriba	14. State  NM
17. Additional Information (as appropriate; must include surface owner's name, address, and telephone number)  Carson National Forest, Jicarilla Ranger District Gobenedor Rt, Blanco, NM 87412			
18. Signed _____ Title _____ Date _____			

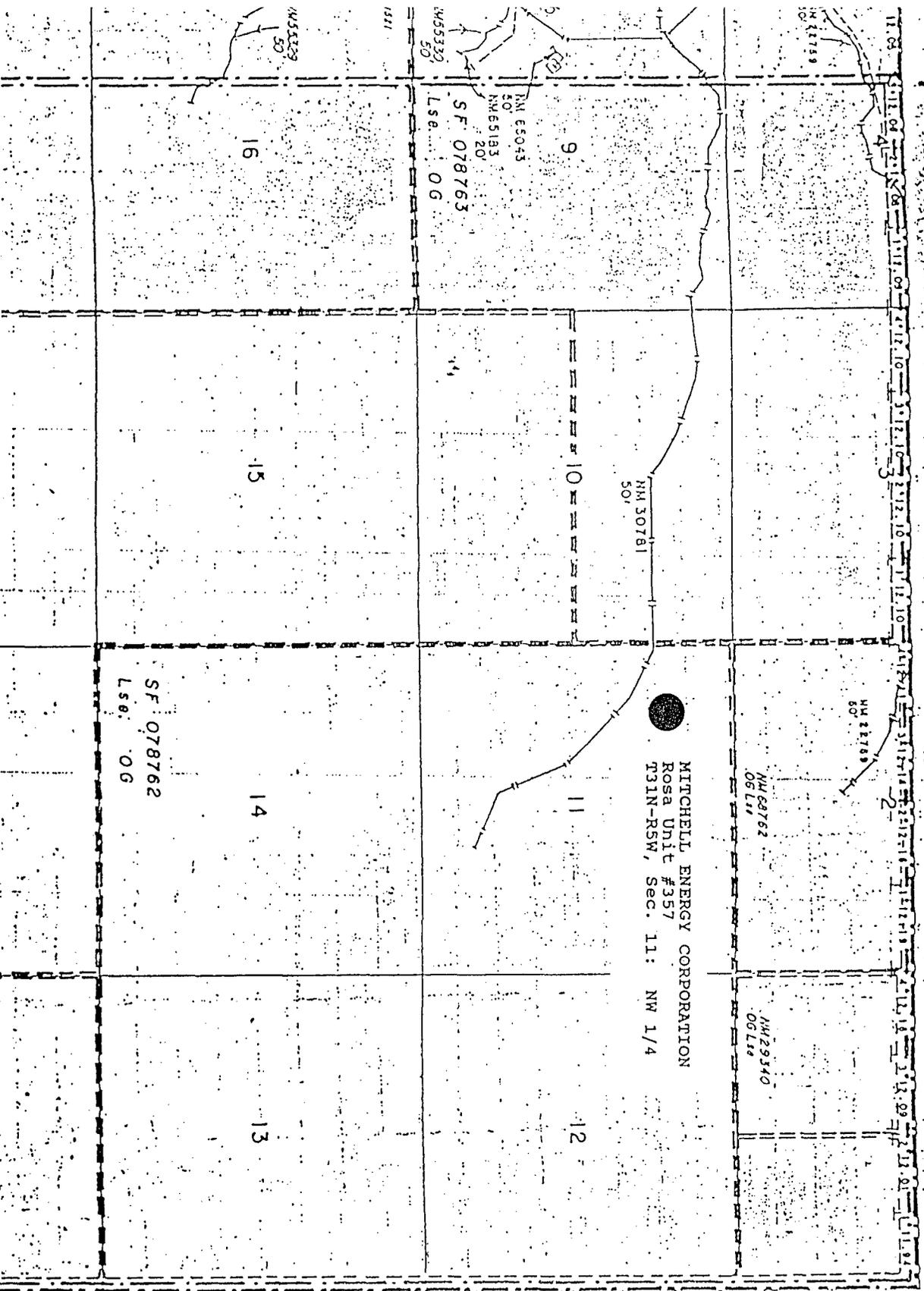
Note: Upon receipt of this Notice, the Bureau of Land Management (BLM) will schedule the date of the onsite predrill inspection and notify you accordingly. The location must be staked and access road must be flagged prior to the onsite.

Operators must consider the following prior to the onsite:

- a) H<sub>2</sub>S Potential
- b) Cultural Resources (Archeology)
- c) Federal Right of Way or Special Use Permit

RIO ARRIBA COUNTY — 039  
 NM — 1

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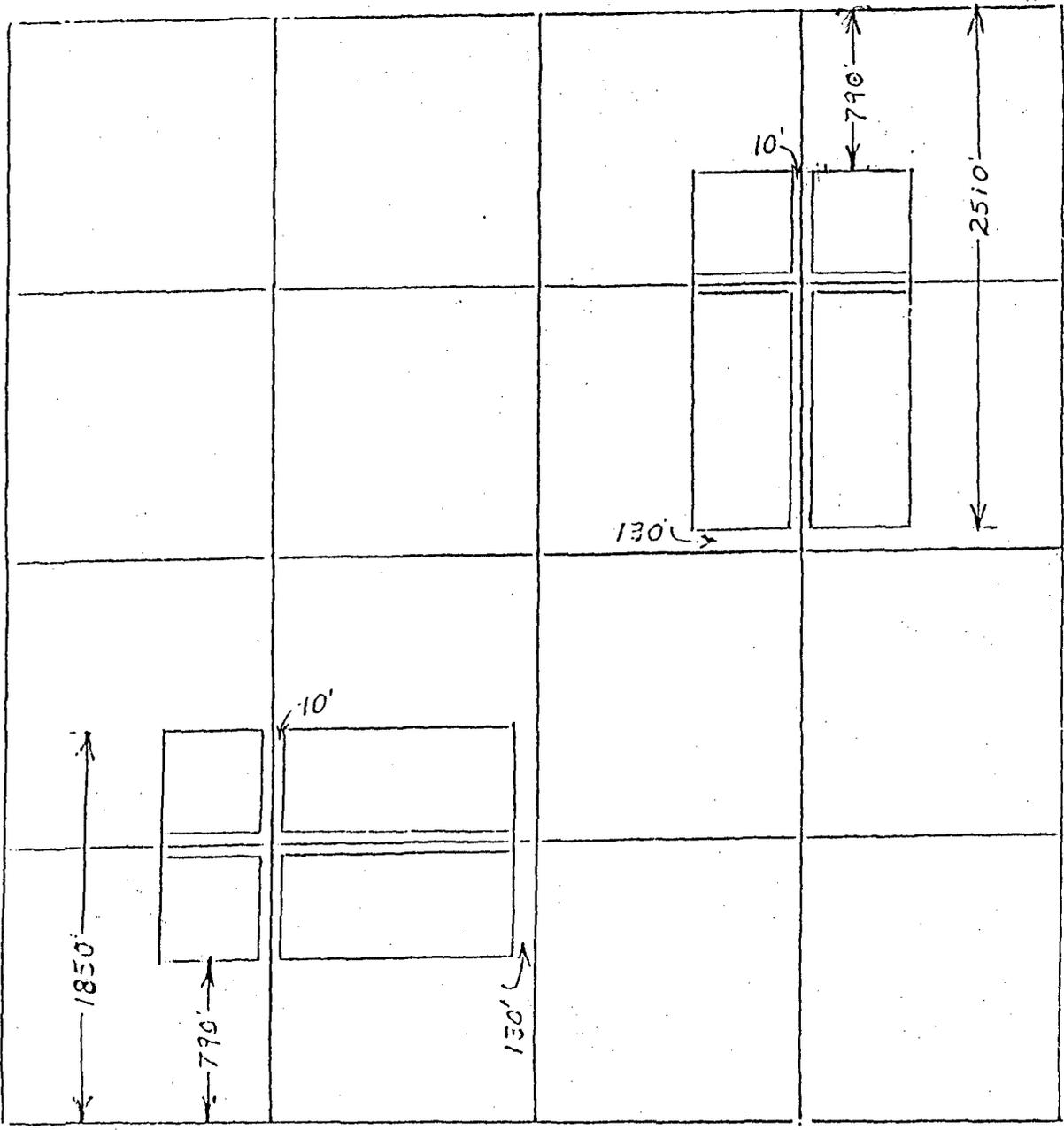
Sec. 2, Lot 1, 2, 3  
 Sec. 16, All 1/4 E  
 Sec. 36, All 1/4 E

NM 99, Coal Co.

KGS

- Sec. 2, Lot 1, 4
- Sec. 3, Lot 1, 4
- Sec. 4, Lot 1, 4
- Sec. 5, Lot 1, 4
- Sec. 6, Lot 1, 4
- Sec. 7, Lot 1, 4
- Sec. 8-17, 1/4 sec.
- Sec. 18, Lot 1
- Sec. 19, Lot 1
- Sec. 20-29, 1/4
- Sec. 30, Lot 1
- Sec. 31, Lot 1
- Sec. 32-36, 1/4

P



BASIN FRUITLAND COAL GAS POOL  
SPECIAL GAS SPACING - - 320.00 CONTIGUOUS ACRES

No closer than 790' to the drill tract outer boundary.  
No closer than 130' to the inner boundary 1/4 section line.  
Wells must have a setback from the 1/4, 1/4, line of at least 10 feet.

The first well in a section must be located in either the NE/4 or SW/4. There is no provision for increased drilling density.



STATE OF NEW MEXICO  
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
AZTEC DISTRICT OFFICE

'91 AUG 7 AM 8 54

1000 RIO BRAZOS ROAD  
AZTEC, NEW MEXICO 87410  
(505) 334-6178

Date: August 2, 1991

ATTN: M. Stogner

Oil Conservation Division  
P.O. Box 2088  
Santa Fe, NM 87504-2088

RE: Proposed MC \_\_\_\_\_  
Proposed NSL X \_\_\_\_\_  
Proposed WFX \_\_\_\_\_  
Proposed NSP \_\_\_\_\_

Proposed DHC \_\_\_\_\_  
Proposed SWD \_\_\_\_\_  
Proposed PMX \_\_\_\_\_  
Proposed DD \_\_\_\_\_

Gentlemen:

I have examined the application received on August 2, 1991  
for the Mitchell Energy Corp. Raha Unit #357  
OPERATOR LEASE & WELL NO.

E-11-31N-5W and my recommendations are as follows:  
UL-S-T-R

Approve  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Yours truly,

Lucie Bunch

OIL CONSERVATION DIVISION  
RECEIVED

'91 AUG 2 PM 2 31



July 30, 1991

William J. LeMay, Director  
State of New Mexico  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
Post Office Box 2088  
State Land Office Building  
Santa Fe, New Mexico 87504

Re: **Unorthodox Location Waiver**  
**Mitchell Energy Corporation Rosa Unit #358**  
**Meridian Oil Gathering, Inc. - Rosa Unit Operator**

Dear Mr. LeMay:

We are submitting an Unorthodox Location Application for the Mitchell Energy Corp. Rosa Unit Well No. 358. Meridian Oil Gathering, Inc., as Operator of the Rosa Unit wells, will receive a copy of the application for approval of the location. The factors determining the location of the site are detailed in the attached package.

If there are no objections to the location, the waiver below will be signed by a representative of Meridian Oil Gathering, Inc.

Thank you for your cooperation.

Sincerely,

**TRIGON ENGINEERING, INC.**

Cristi Cline  
Senior Right-of-Way Agent

Attachment

**WAIVER**

\_\_\_\_\_ hereby waives objection to Mitchell Energy Corporation's application for an unorthodox location for Rosa Unit Well No. 358.

BY: \_\_\_\_\_

DATE \_\_\_\_\_

TITLE: \_\_\_\_\_  
Meridian Oil Gathering, Inc.  
Operator, Rosa Unit

UNORTHODOX LOCATION APPLICATION  
MITCHELL ENERGY CORPORATION  
ROSA UNIT WELL NO. 358  
Basin Fruitland Coal

**SITE LOCATION:**

Township 31 North, Range 5 West  
Section 13: SESE  
915' FSL, 600' FEL

**FACTORS DETERMINING UNORTHODOX LOCATION:**

The site for the Mitchell Energy Corporation Rosa Unit Well No. 358 has been chosen in an unorthodox location due to extremely rough topography. There are several large washes and very rocky terrain. This location is the only clear location with any sort of access. Although a new access road will have to be built, there is an existing two-track for the first 1/4 mile of the proposed access road.

The only alternative location for the well site would be at the top of Bancos Mesa. In order to drill from this location, an access road would have to be built through terrain so rocky and rough as to make it unfeasible. Also, building a road to the top of Bancos Mesa would open it up to the public which the Forest Service is extremely adverse to as it is old, virgin forest land which they want left undisturbed.

Submit to appropriate District Office  
 State Lease - 4 copies  
 Fee Lease - 3 copies

State of New Mexico  
 Energy, Minerals and Natural Resources Department

Form C-102  
 Revised 1-1-89

**OIL CONSERVATION DIVISION**  
 P.O. Box 2088  
 Santa Fe, New Mexico 87504-2088

EXHIBIT NO. 3  
 PAGE 1 of 2

**DISTRICT I**  
 P.O. Box 1980, Hobbs, NM 88240

**DISTRICT II**  
 P.O. Drawer DD, Artesia, NM 88210

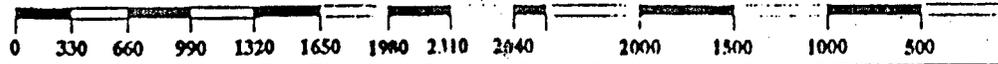
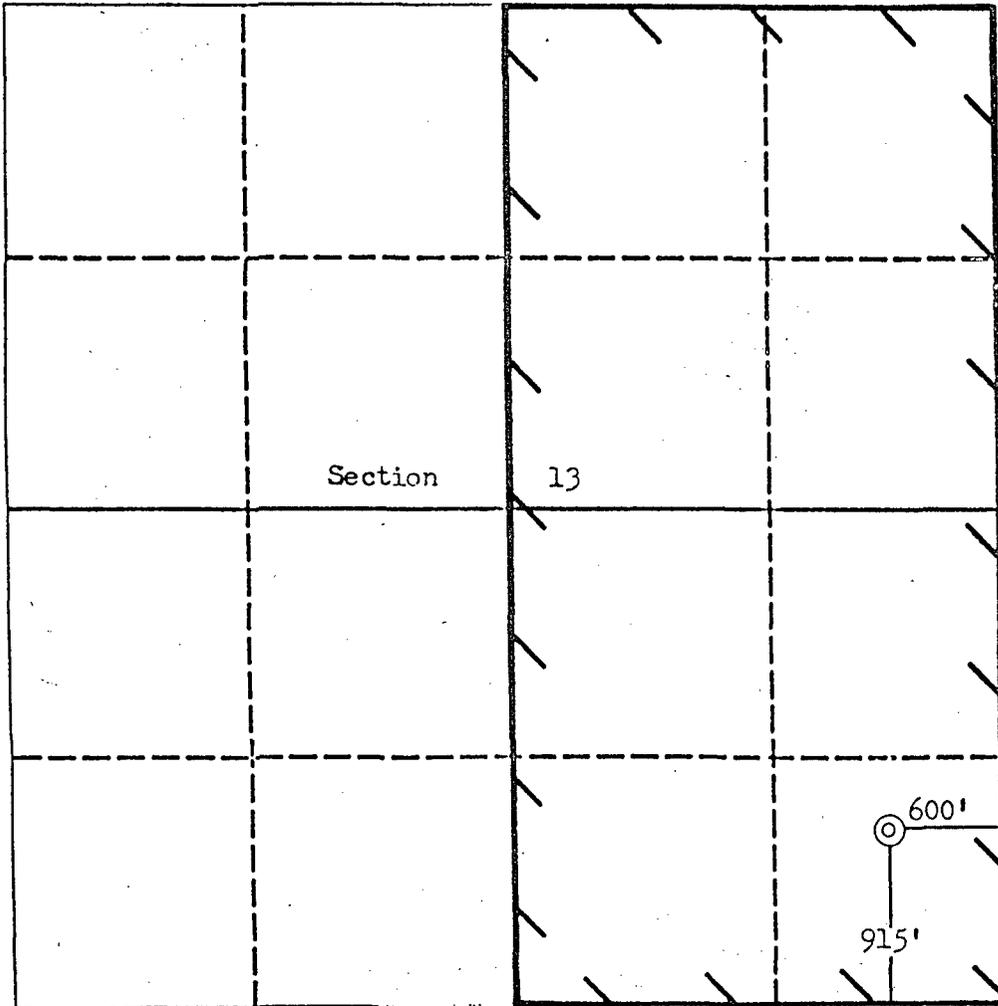
**DISTRICT III**  
 1000 Rio Brazos Rd., Aztec, NM 87410

**WELL LOCATION AND ACREAGE DEDICATION PLAT**  
 All Distances must be from the outer boundaries of the section

MITCHELL ENERGY CORPORATION  
 ROSA UNIT NO. 358

Operator Mitchell Energy Corporation			Lease Rosa Unit		Well No. 358
Unit Letter P	Section 13	Township 31 North	Range 5 West	County NMPM Rio Arriba	
Actual Footage Location of Well: 915 feet from the South line and 600 feet from the East line					
Ground level Elev. 6613	Producing Formation Fruitland		Pool Basin Fruitland Coal	Dedicated Acreage: 320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hardware marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest 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 interest, has been approved by the Division.



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

Signature: *James C. Anderson*  
 Printed Name: James C. Anderson  
 Position: Dist. Prod. Mgr.  
 Company: Mitchell Energy Corp.  
 Date: 7/19/91

**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 knowledge and belief.

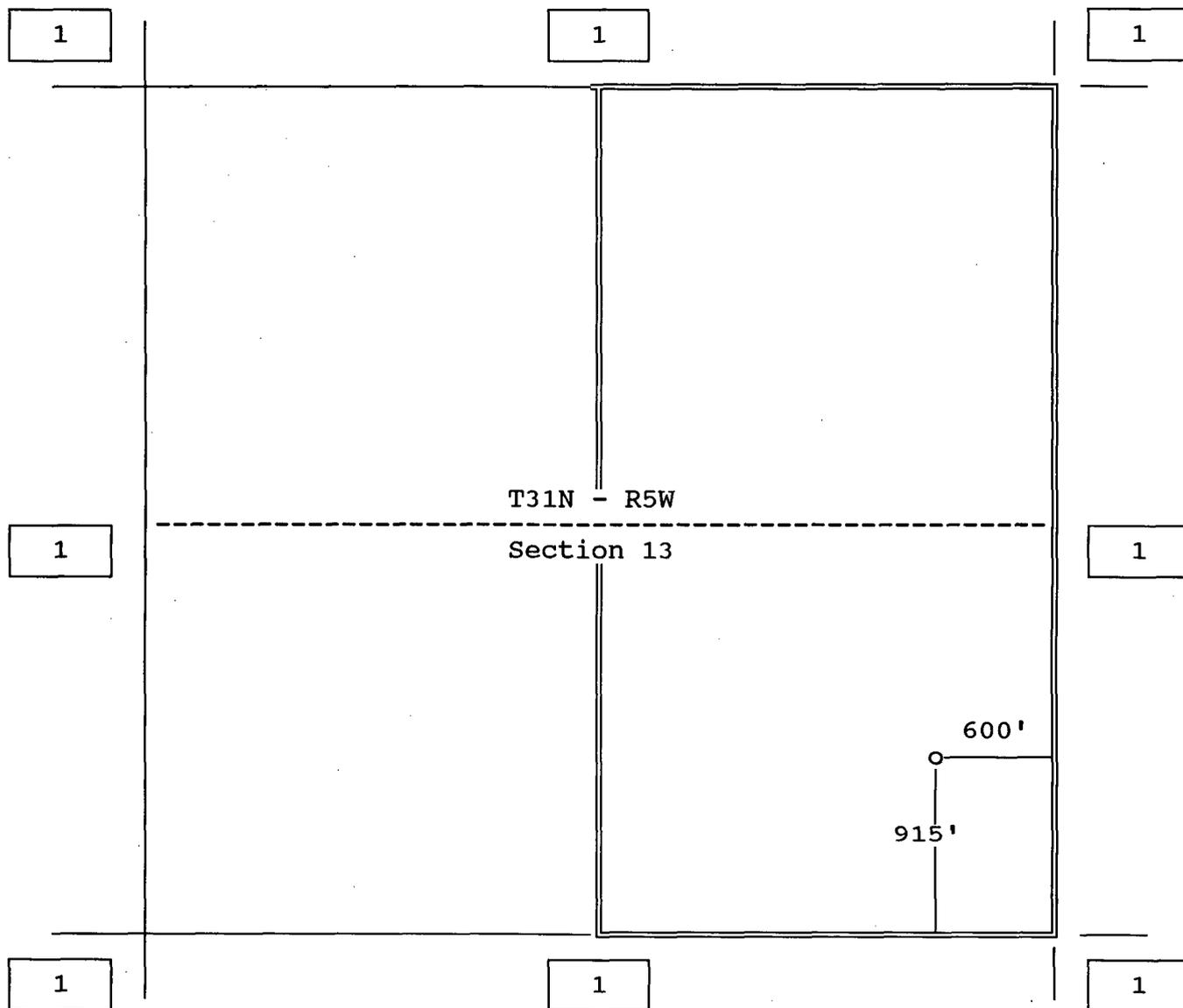
Date Surveyed: June 20, 1991  
 Signature & Seal of Professional Surveyor: *Frederick H. Reed*

Certificate No. 3795  
 Frederick H. Reed

*Standard 640 acre Section*

ROSA UNIT OWNERSHIP PLAT

Mitchell Energy Corporation  
Rosa Unit Well No. 358



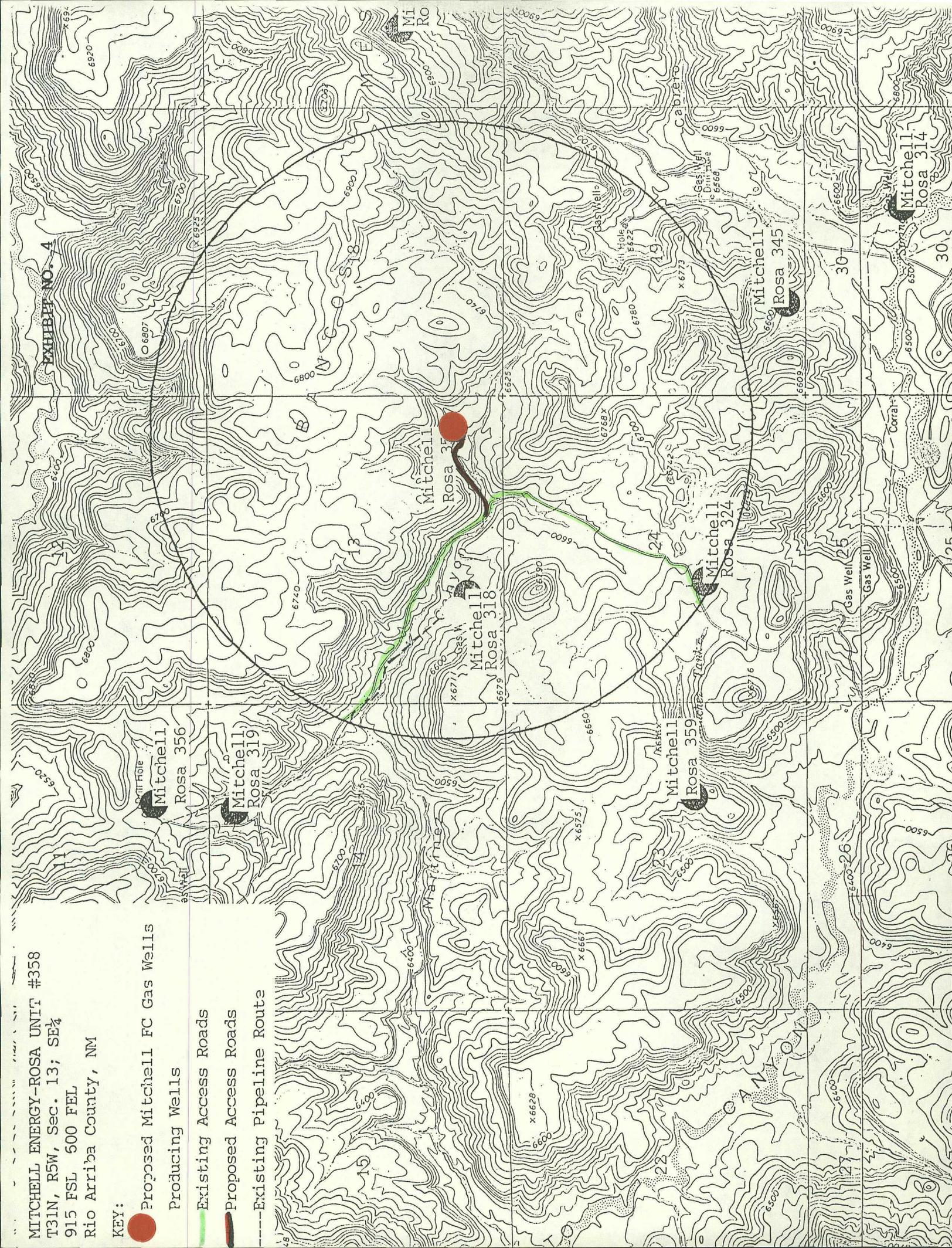
1. Offset Owner - Meridian Oil Gathering, Inc.  
Operator of the Rosa Unit

MITCHELL ENERGY-ROSA UNIT #358  
 T31N, R5W, Sec. 13; SE $\frac{1}{4}$   
 915 FSL 500 FEL  
 Rio Arriba County, NM

KEY:

-  Proposed Mitchell FC Gas Wells
-  Producing Wells
-  Existing Access Roads
-  Proposed Access Roads
-  Existing Pipeline Route

EXHIBIT NO. 4





**FILE COPY**

NOTICE OF STAKING (Not to be used in place of Application for Permit to Drill Form 3160-3)		6. Lease Number SF 078762	
1. Oil well <input type="checkbox"/> Gas well <input checked="" type="checkbox"/> Other (Specify)		7. If Indian, Allottee or Tribe Name  N/A	
2. Name of Operator  MITCHELL ENERGY CORPORATION		8. Unit Agreement Name  ROSA	
3. Name of Specific Contact Person MARK SMITH, Agent TRIGON ENGINEERING		9. Farm or Lease Name  N/A	
4. Address & Phone No. of Operator or Agent 4100 E. Main 505 Farmington, NM 87401 325-1266		10. Well No. #358	
5. Surface Location of Well  Attach: a) Sketch showing road entry onto pad, pad dimensions, and reserve pit. b) Topographical or other accept- able map showing location, access road, and lease boundaries.		11. Field or Wildcat Name FRUITLAND	
		12. Sec., T., R., M., or Blk and Survey or Area T31N-R5W Sec. 13: SE $\frac{1}{4}$	
15. Formation Objective(s)  Fruitland Coal	16. Estimated Well Depth  3900'	13. County, Parish or Borough Rio Arriba	14. State  NM
17. Additional Information (as appropriate; must include surface owner's name, address, and telephone number)  Carson National Forest, Jicarilla Ranger District Gobenador Rt, Blanco, NM 87412			
18. Signed <u>Albert S. Sberna</u> Title <u>District Engr</u> Date <u>6-7-91</u>			

Note: Upon receipt of this Notice, the Bureau of Land Management (BLM) will schedule the date of the onsite predrill inspection and notify you accordingly. The location must be staked and access road must be flagged prior to the onsite.

- Operators must consider the following prior to the onsite:
- a) H<sub>2</sub>S Potential
  - b) Cultural Resources (Archeology)
  - c) Federal Right of Way or Special Use Permit





STATE OF NEW MEXICO

ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION  
AZTEC DISTRICT OFFICE

RECEIVED  
'91 AUG 7 AM 8 54

1000 RIO BRAZOS ROAD  
AZTEC, NEW MEXICO 87410  
(505) 334-6178

Date: August 21, 1991

ATTN:  
Mr. Stogner

Oil Conservation Division  
P.O. Box 2088  
Santa Fe, NM 87504-2088

RE: Proposed MC \_\_\_\_\_  
Proposed NSL X \_\_\_\_\_  
Proposed WFX \_\_\_\_\_  
Proposed NSP \_\_\_\_\_

Proposed DIIC \_\_\_\_\_  
Proposed SWD \_\_\_\_\_  
Proposed PMX \_\_\_\_\_  
Proposed DD \_\_\_\_\_

Gentlemen:

I have examined the application received on August 6, 1991  
for the Mitchell Energy Corp. OPERATOR Roba Unit # 358 LEASE & WELL NO.

P-13 - 31N-5W and my recommendations are as follows:  
UL-S-T-R

Approve  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Yours truly,

Gene R. [Signature]

4100 EAST MAIN STREET FARMINGTON NM 87402



OIL CONSERVATION DIVISION  
RECEIVED

'91 AUG 15 AM 8 44

August 12, 1991

William J. LeMay, Director  
State of New Mexico  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
Post Office Box 2088  
State Land Office Building  
Santa Fe, New Mexico 87504

Re: **Unorthodox Location Waiver**  
**Mitchell Energy Corporation Rosa Unit #359**  
**Meridian Oil Gathering, Inc. - Rosa Unit Operator**

Dear Mr. LeMay:

We are submitting an Unorthodox Location Application for the Mitchell Energy Corp. Rosa Unit Well No. 359. Meridian Oil Gathering, Inc., as Operator of the Rosa Unit wells, will receive a copy of the application for approval of the location. The factors determining the location of the site are detailed in the attached package.

If there are no objections to the location, the waiver below will be signed by a representative of Meridian Oil Gathering, Inc.

Thank you for your cooperation.

Sincerely,

**TRIGON ENGINEERING, INC.**

*Cristi Cline*  
Cristi Cline  
Senior Right-of-Way Agent

Attachment

**WAIVER**

\_\_\_\_\_ hereby waives objection to Mitchell Energy Corporation's application for an unorthodox location for Rosa Unit Well No. 359.

BY: \_\_\_\_\_  
TITLE: \_\_\_\_\_  
Meridian Oil Gathering, Inc.  
Operator, Rosa Unit

DATE \_\_\_\_\_

**UNORTHODOX LOCATION APPLICATION  
MITCHELL ENERGY CORPORATION  
ROSA UNIT WELL NO. 359  
Basin Fruitland Coal**

**SITE LOCATION:**

Township 31 North, Range 5 West  
Section 23: NWSE  
2500' FSL, 1625' FEL

**FACTORS DETERMINING UNORTHODOX LOCATION:**

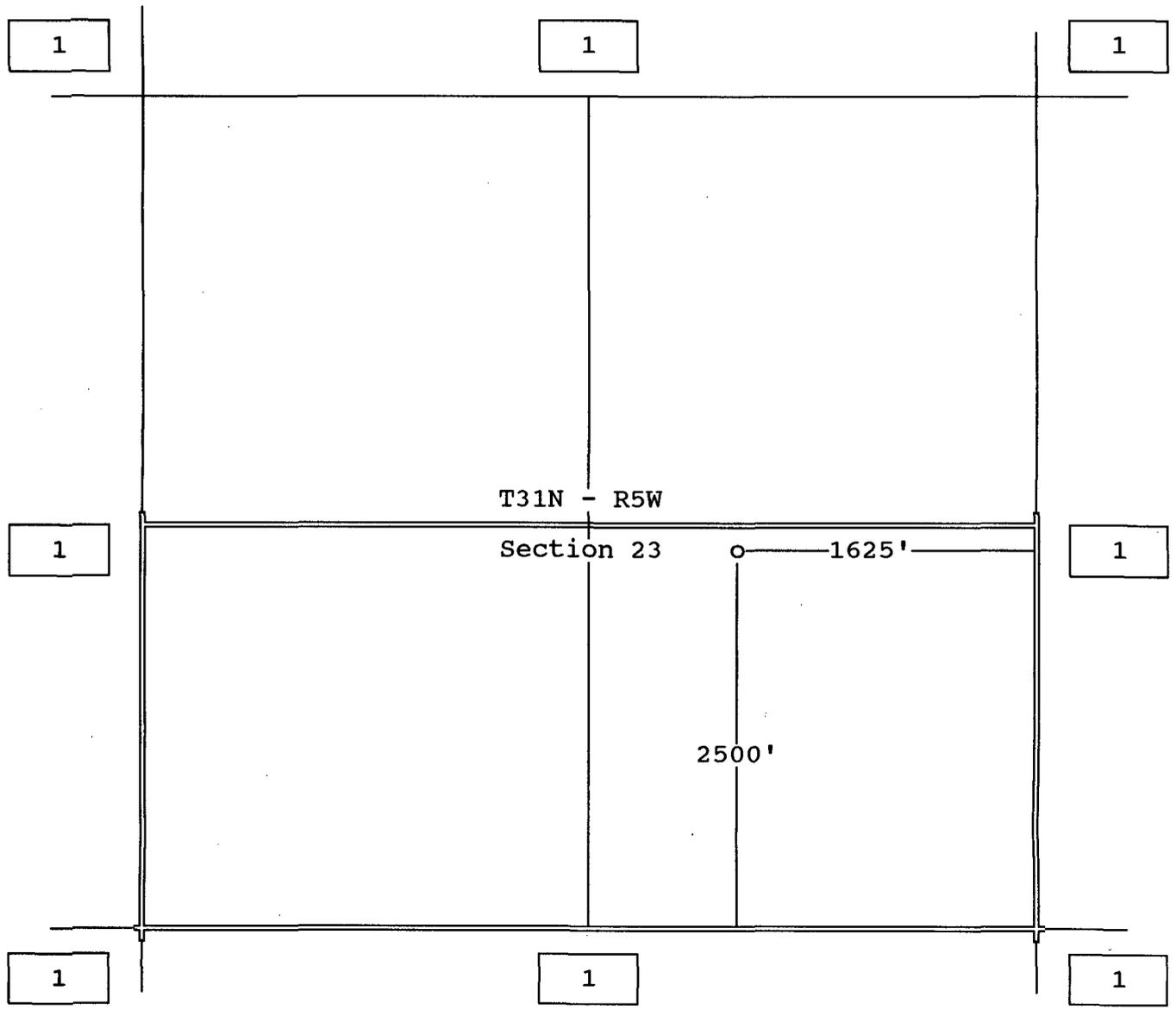
The site for the Mitchell Energy Corporation Rosa Unit Well No. 359 has been chosen in an unorthodox location due to topography, archaeology, and concerns of the Forest Service.

It is unfeasible to locate the site to the south because the terrain is very rough and rocky and several large washes run through the area. There are also several archaeological sites south of the proposed location which were avoided by choosing the more northerly location.

In addition, the Forest Service had several concerns about locating the site to the south - 1) building the location any further south into the section would open up Cabresto Canyon to the public, which the Forest Service is very much against, 2) the present location requires only 1/4 mile of new access road while building the location further to the south would require at least 1 1/2 miles of new road which would create more disturbance to the forest and wildlife, 3) if the location was built any further south, it would be located at the top of a canyon, creating a very visible scar.

ROSA UNIT OWNERSHIP PLAT

Mitchell Energy Corporation  
Rosa Unit Well No. 359



1. Offset Owner - Meridian Oil Gathering, Inc.  
Operator of the Rosa Unit

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

State of New Mexico  
 Energy, Minerals and Natural Resources Department

Form C-102  
 Revised 1-1-89

OIL CONSERVATION DIVISION

DISTRICT I  
 P.O. Box 1980, Hobbs, NM 88240

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT II  
 P.O. Drawer DD, Artesia, NM 88210

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

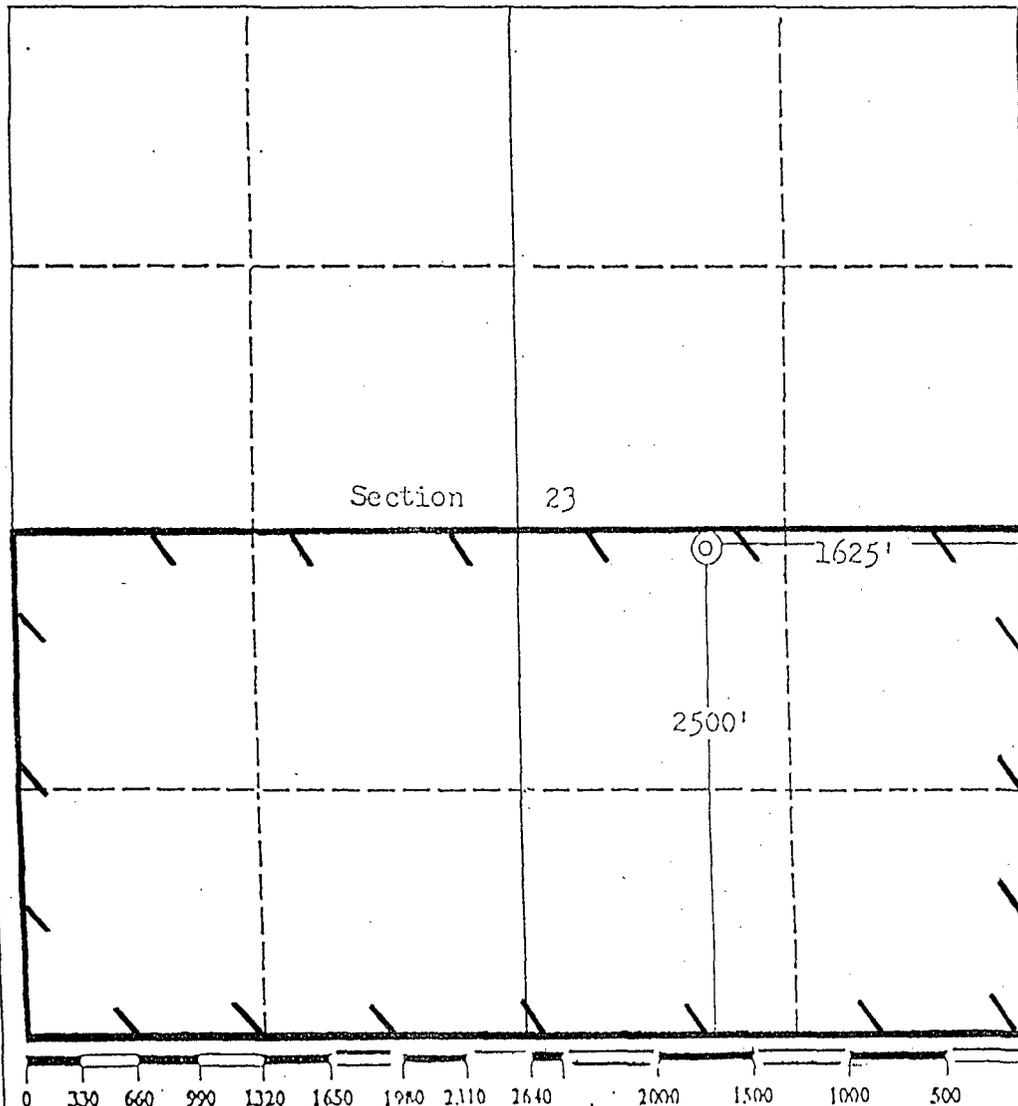
Operator Mitchell Energy Corporation			Lease Rosa Unit		Well No. 359
Unit Letter J	Section 23	Township 31 North	Range 5 West	County Rio Arriba	
Actual Footage Location of Well: 2500 feet from the South line and 1625 feet from the East line					
Ground level Elev. 6536	Producing Formation Fruitland		(X) Basin Fruitland Coal	Dedicated Acreage: 320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to this well, outline each and identify the township thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest 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 interest, has been approved by the Division.



**OPERATOR CERTIFICATION**

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

Signature: *James C. Anderson*  
 Printed Name: James C. Anderson  
 Position: Dist. Prod. Mgr.  
 Company: Mitchell Energy Corp  
 Date: 7/10/91

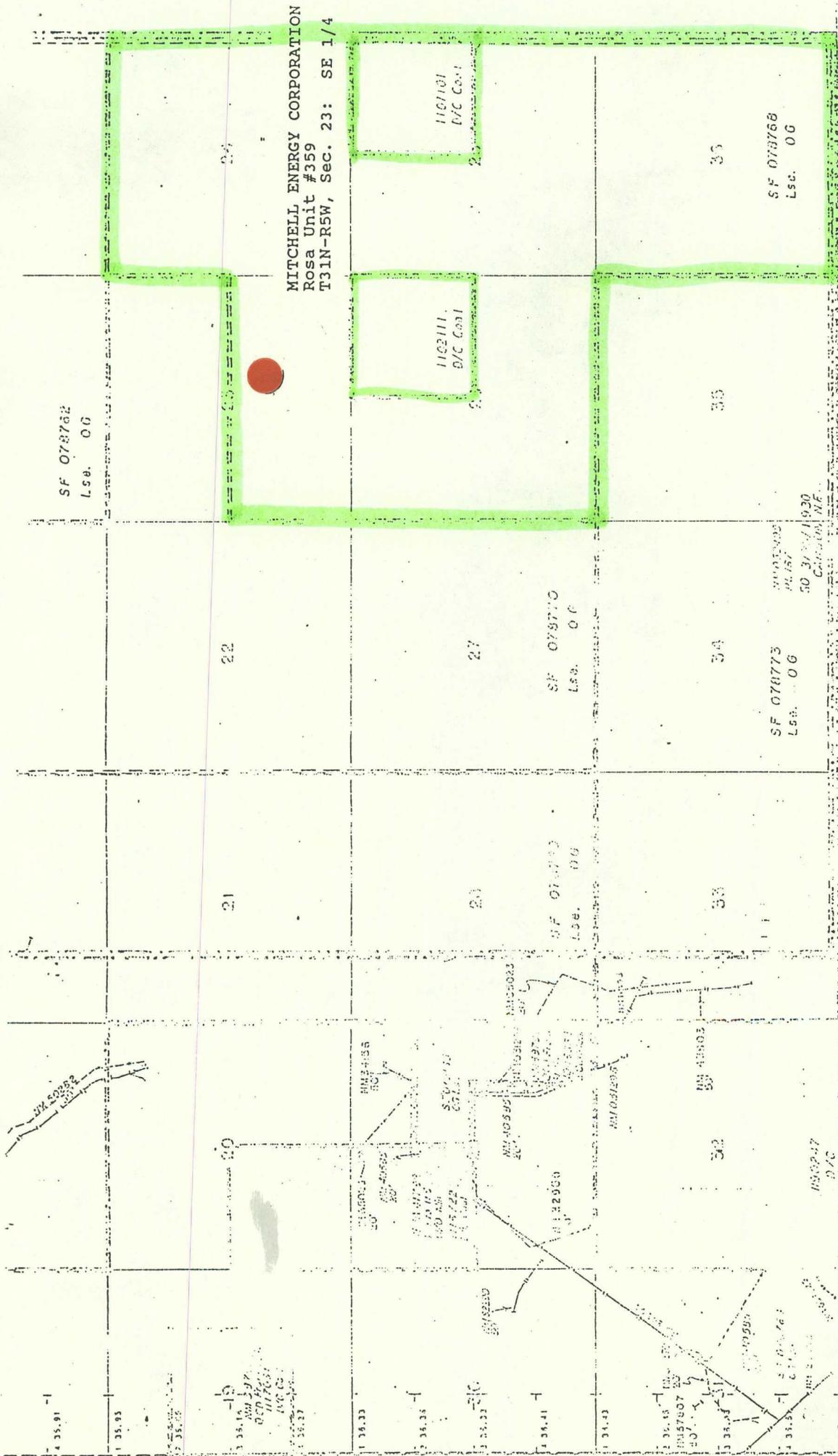
**SURVEYOR CERTIFICATION**

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 knowledge and belief.

Date Surveyed: June 20, 1991  
 Signature & Seal of Professional Surveyor: *Frederick H. Reed*  
 Certificate No.: 3795  
 Frederick H. Reed

Standard 640 acre Section







August 12, 1991

William J. LeMay, Director  
 State of New Mexico  
 Energy, Minerals and Natural Resources Department  
 Oil Conservation Division  
 Post Office Box 2088  
 State Land Office Building  
 Santa Fe, New Mexico 87504

*NSL-3041*

**Re: Unorthodox Location Waiver  
 Mitchell Energy Corporation Rosa Unit #359  
 Meridian Oil Gathering, Inc. - Rosa Unit Operator**

Dear Mr. LeMay:

We are submitting an Unorthodox Location Application for the Mitchell Energy Corp. Rosa Unit Well No. 359. Meridian Oil Gathering, Inc., as Operator of the Rosa Unit wells, will receive a copy of the application for approval of the location. The factors determining the location of the site are detailed in the attached package.

If there are no objections to the location, the waiver below will be signed by a representative of Meridian Oil Gathering, Inc.

Thank you for your cooperation.

Sincerely,

**TRIGON ENGINEERING, INC.**

*Cristi Cline*  
 Cristi Cline  
 Senior Right-of-Way Agent

Attachment

**WAIVER**

Meridian Oil Inc. hereby waives objection to Mitchell Energy Corporation's application for an unorthodox location for Rosa Unit Well No. 359.

*Kent Beers*  
 BY: Kent Beers  
 TITLE: Attorney-in-Fact  
Meridian Oil Gathering, Inc.  
Operator, Rosa Unit

August 22, 1991  
 DATE

OIL CONSERVATION DIVISION  
RECEIVED

July 31, 1991

'91 AUG 20 AM 8 40

William J. LeMay, Director  
 State of New Mexico  
 Energy, Minerals and Natural Resources Department  
 Oil Conservation Division  
 Post Office Box 2088  
 State Land Office Building  
 Santa Fe, New Mexico 87504

**Re: Unorthodox Location Waiver  
 Mitchell Energy Corporation Rosa Unit #314  
 Meridian Oil Gathering, Inc. - Rosa Unit Operator**

Dear Mr. LeMay:

We are submitting an Unorthodox Location Application for the Mitchell Energy Corp. Rosa Unit Well No. 314. Meridian Oil Gathering, Inc., as Operator of the Rosa Unit wells, will receive a copy of the application for approval of the location. The factors determining the location of the site are detailed in the attached package.

If there are no objections to the location, the waiver below will be signed by a representative of Meridian Oil Gathering, Inc.

Thank you for your cooperation.

Sincerely,

**TRIGON ENGINEERING, INC.**

Cristi Cline  
 Senior Right-of-Way Agent

Attachment

**WAIVER**

Meridian Oil Inc. hereby waives objection to Mitchell Energy Corporation's application for an unorthodox location for Rosa Unit Well No. 314.

BY:   
 TITLE: Attorney-in-Fact  
Meridian Oil Gathering, Inc.  
Operator, Rosa Unit

August 16, 1991  
 DATE



July 31, 1991

William J. LeMay, Director  
 State of New Mexico  
 Energy, Minerals and Natural Resources Department  
 Oil Conservation Division  
 Post Office Box 2088  
 State Land Office Building  
 Santa Fe, New Mexico 87504

**Re: Unorthodox Location Waiver  
 Mitchell Energy Corporation Rosa Unit #345  
 Meridian Oil Gathering, Inc. - Rosa Unit Operator**

Dear Mr. LeMay:

We are submitting an Unorthodox Location Application for the Mitchell Energy Corp. Rosa Unit Well No. 345. Meridian Oil Gathering, Inc., as Operator of the Rosa Unit wells, will receive a copy of the application for approval of the location. The factors determining the location of the site are detailed in the attached package.

If there are no objections to the location, the waiver below will be signed by a representative of Meridian Oil Gathering, Inc.

Thank you for your cooperation.

Sincerely,

TRIGON ENGINEERING, INC.

*Cristi Cline*

Cristi Cline  
 Senior Right-of-Way Agent

Attachment

**WAIVER**

Meridian Oil Inc. hereby waives objection to Mitchell Energy Corporation's application for an unorthodox location for Rosa Unit Well No. 345.

BY: *[Signature]*  
 TITLE: Kent Beers  
Attorney-in-Fact  
Meridian Oil Gathering, Inc.  
Operator, Rosa Unit

DATE August 16, 1991



July 31, 1991

William J. LeMay, Director  
 State of New Mexico  
 Energy, Minerals and Natural Resources Department  
 Oil Conservation Division  
 Post Office Box 2088  
 State Land Office Building  
 Santa Fe, New Mexico 87504

Re: **Unorthodox Location Waiver**  
**Mitchell Energy Corporation Rosa Unit #324**  
**Meridian Oil Gathering, Inc. - Rosa Unit Operator**

Dear Mr. LeMay:

We are submitting an Unorthodox Location Application for the Mitchell Energy Corp. Rosa Unit Well No. 324. Meridian Oil Gathering, Inc., as Operator of the Rosa Unit wells, will receive a copy of the application for approval of the location. The factors determining the location of the site are detailed in the attached package.

If there are no objections to the location, the waiver below will be signed by a representative of Meridian Oil Gathering, Inc.

Thank you for your cooperation.

Sincerely,

TRIGON ENGINEERING, INC.

*Cristi Cline*

Cristi Cline  
 Senior Right-of-Way Agent

Attachment

**WAIVER**

Meridian Oil Inc. hereby waives objection to Mitchell Energy Corporation's application for an unorthodox location for Rosa Unit Well No. 324.

BY: *Kent Beers*  
 TITLE: Attorney-in-Fact  
Meridian Oil Gathering, Inc.  
Operator, Rosa Unit

August 16, 1991  
 DATE



July 30, 1991

William J. LeMay, Director  
 State of New Mexico  
 Energy, Minerals and Natural Resources Department  
 Oil Conservation Division  
 Post Office Box 2088  
 State Land Office Building  
 Santa Fe, New Mexico 87504

**Re: Unorthodox Location Waiver  
 Mitchell Energy Corporation Rosa Unit #358  
 Meridian Oil Gathering, Inc. - Rosa Unit Operator**

Dear Mr. LeMay:

We are submitting an Unorthodox Location Application for the Mitchell Energy Corp. Rosa Unit Well No. 358. Meridian Oil Gathering, Inc., as Operator of the Rosa Unit wells, will receive a copy of the application for approval of the location. The factors determining the location of the site are detailed in the attached package.

If there are no objections to the location, the waiver below will be signed by a representative of Meridian Oil Gathering, Inc.

Thank you for your cooperation.

Sincerely,

TRIGON ENGINEERING, INC.

*Cristi Cline*

Cristi Cline  
 Senior Right-of-Way Agent

Attachment

**WAIVER**

Meridian Oil Inc. hereby waives objection to Mitchell Energy Corporation's application for an unorthodox location for Rosa Unit Well No. 358.

BY: *Kent Beers*  
 TITLE: Attorney-in-Fact \*  
Meridian Oil Gathering, Inc.  
 Operator, Rosa Unit

August 16, 1991  
 DATE



July 30, 1991

William J. LeMay, Director  
State of New Mexico  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
Post Office Box 2088  
State Land Office Building  
Santa Fe, New Mexico 87504

Re: Unorthodox Location Waiver  
Mitchell Energy Corporation Rosa Unit #356  
Meridian Oil ~~Gathering~~, Inc. - Rosa Unit Operator

Dear Mr. LeMay:

We are submitting an Unorthodox Location Application for the Mitchell Energy Corp. Rosa Unit Well No. 356. Meridian Oil Gathering, Inc., as Operator of the Rosa Unit wells, will receive a copy of the application for approval of the location. The factors determining the location of the site are detailed in the attached package.

If there are no objections to the location, the waiver below will be signed by a representative of Meridian Oil Gathering, Inc.

Thank you for your cooperation.

Sincerely,

TRIGON ENGINEERING, INC.

Cristi Cline  
Senior Right-of-Way Agent

Attachment

WAIVER

Meridian Oil Inc. hereby waives objection to Mitchell Energy Corporation's application for an unorthodox location for Rosa Unit Well No. 356.

BY:   
TITTLE: Attorney-in-Fact  
Meridian Oil ~~Gathering~~, Inc. <sup>AG</sup>  
Operator, Rosa Unit

August 16, 1991  
DATE

4100 EAST MAIN STREET FARMINGTON NEW MEXICO 87402



July 30, 1991

William J. LeMay, Director  
State of New Mexico  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
Post Office Box 2088  
State Land Office Building  
Santa Fe, New Mexico 87504

Re: Unorthodox Location Waiver  
Mitchell Energy Corporation Rosa Unit #357  
Meridian Oil Gathering, Inc. - Rosa Unit Operator

Dear Mr. LeMay:

We are submitting an Unorthodox Location Application for the Mitchell Energy Corp. Rosa Unit Well No. 357. Meridian Oil Gathering, Inc., as Operator of the Rosa Unit wells, will receive a copy of the application for approval of the location. The factors determining the location of the site are detailed in the attached package.

If there are no objections to the location, the waiver below will be signed by a representative of Meridian Oil Gathering, Inc.

Thank you for your cooperation.

Sincerely,

TRIGON ENGINEERING, INC.

Cristi Cline  
Senior Right-of-Way Agent

Attachment

WAIVER

Meridian Oil Inc. hereby waives objection to Mitchell Energy Corporation's application for an unorthodox location for Rosa Unit Well No. 357.

BY:   
TITLE: Attorney-in-Fact  
Meridian Oil Gathering, Inc.  
Operator, Rosa Unit

August 16, 1991  
DATE

4100 EAST MAIN STREET FARMINGTON NEW MEXICO 87402



July 30, 1991

William J. LeMay, Director  
 State of New Mexico  
 Energy, Minerals and Natural Resources Department  
 Oil Conservation Division  
 Post Office Box 2088  
 State Land Office Building  
 Santa Fe, New Mexico 87504

Re: Unorthodox Location Waiver  
 Mitchell Energy Corporation Rosa Unit #318  
 Meridian Oil ~~Gathering~~, Inc. - Rosa Unit Operator

Dear Mr. LeMay:

We are submitting an Unorthodox Location Application for the Mitchell Energy Corp. Rosa Unit Well No. 318. Meridian Oil Gathering, Inc., as Operator of the Rosa Unit wells, will receive a copy of the application for approval of the location. The factors determining the location of the site are detailed in the attached package.

If there are no objections to the location, the waiver below will be signed by a representative of Meridian Oil Gathering, Inc.

Thank you for your cooperation.

Sincerely,

TRIGON ENGINEERING, INC.

*Cristi Cline*

Cristi Cline  
 Senior Right-of-Way Agent

Attachment

WAIVER

Meridian Oil Inc. hereby waives objection to Mitchell Energy Corporation's application for an unorthodox location for Rosa Unit Well No. 318.

BY: *Kent Beers*  
 TITLE: Attorney-in-Fact  
Meridian Oil ~~Gathering~~, Inc.  
Operator, Rosa Unit

August 16, 1991  
 DATE



July 30, 1991

William J. LeMay, Director  
 State of New Mexico  
 Energy, Minerals and Natural Resources Department  
 Oil Conservation Division  
 Post Office Box 2088  
 State Land Office Building  
 Santa Fe, New Mexico 87504

**Re: Unorthodox Location Waiver  
 Mitchell Energy Corporation Rosa Unit #319  
 Meridian Oil Gathering, Inc. - Rosa Unit Operator**

Dear Mr. LeMay:

We are submitting an Unorthodox Location Application for the Mitchell Energy Corp. Rosa Unit Well No. 319. Meridian Oil Gathering, Inc., as Operator of the Rosa Unit wells, will receive a copy of the application for approval of the location. The factors determining the location of the site are detailed in the attached package.

If there are no objections to the location, the waiver below will be signed by a representative of Meridian Oil Gathering, Inc.

Thank you for your cooperation.

Sincerely,

**TRIGON ENGINEERING, INC.**

*Cristi Cline*

Cristi Cline  
 Senior Right-of-Way Agent

Attachment

**WAIVER**

Meridian Oil Inc. hereby waives objection to Mitchell Energy Corporation's application for an unorthodox location for Rosa Unit Well No. 319.

BY: *Kent Beers*  
 TITLE: Attorney-in-Fact  
Meridian Oil Gathering, Inc.  
Operator, Rosa Unit

August 16, 1991  
 DATE