

A. R. KENDRICK

P.O. BOX 516 • AZTEC, NEW MEXICO 87410 • (505) 334-2555

OIL CONSERVATION DIVISION
RECEIVED

July 3, 1992

'92 JUL 8 AM 8 42

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

Re: Application for Non-Standard Location
Evergreen Operating Corporation
Rosa Unit #298
850' FSL 790' FEL Sec. 14-T31N-R4W
Basin Fruitland Coal Gas Pool
Rio Arriba County, New Mexico

Gentlemen:

We, on behalf of Evergreen Operating Corporation, hereby make application for approval of the location of the Rosa Unit #298 well to be located 850' FSL 790' FEL of Section 14 Township 31 North, Range 4 West, Basin Fruitland Coal Gas Pool, Rio Arriba County, New Mexico.

The reason for the non-standard location is because of topography and at the request of the U.S. Forest Service to avoid further damage to the environment and wildlife habitat.

We believe that directional drilling should not be required because a beam pump and rods may be required to lift water from the wellbore to sustain production.

The distances between wells is within the footage parameters required by Order R-8759.

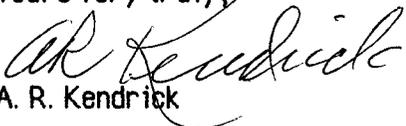
The attached exhibits show the situation at the location and surrounding area.

It is our belief that the information contained in this application is true and correct according to the information available to us.

All offset operators and lease owners are being notified by certified mail at this mailing. The Return Receipt Cards will be provided when they are returned.

If further information is needed, please contact us.

Yours very truly,


A. R. Kendrick

Enclosures

xc: Offset owners and interested parties as listed on Exhibit G

Exhibits for Application for Non-Standard Location

Evergreen Operating Corporation

Rosa Unit #298

850' FSL 790' FEL Sec. 14-T31N-R4W

Basin Fruitland Coal Gas Pool

Rio Arriba County, New Mexico

The following exhibits are enclosed :

EXHIBIT A Form C-102, Well Location and Acreage Dedication Plat, showing the location of the well with respect to the section lines, the dedicated acreage, and the proration unit.

EXHIBIT B Copy of Topographic Map showing the location.
(Notice that the Contour Interval is 40 feet.)

EXHIBIT C Ownership and Offset Well Location Plat showing the location and ownership and offset wells.

EXHIBIT D Location Windows Plat showing the "windows" for standard locations as provided by Order R-8768 with the #293 and #294 wells spotted in their approximate locations.

EXHIBIT E Copy of Application for Permit to Drill.

EXHIBIT F On-Site Inspection report showing the findings of the On-Site Inspection.

EXHIBIT G List of names and addresses of offset owners and other interested parties.

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

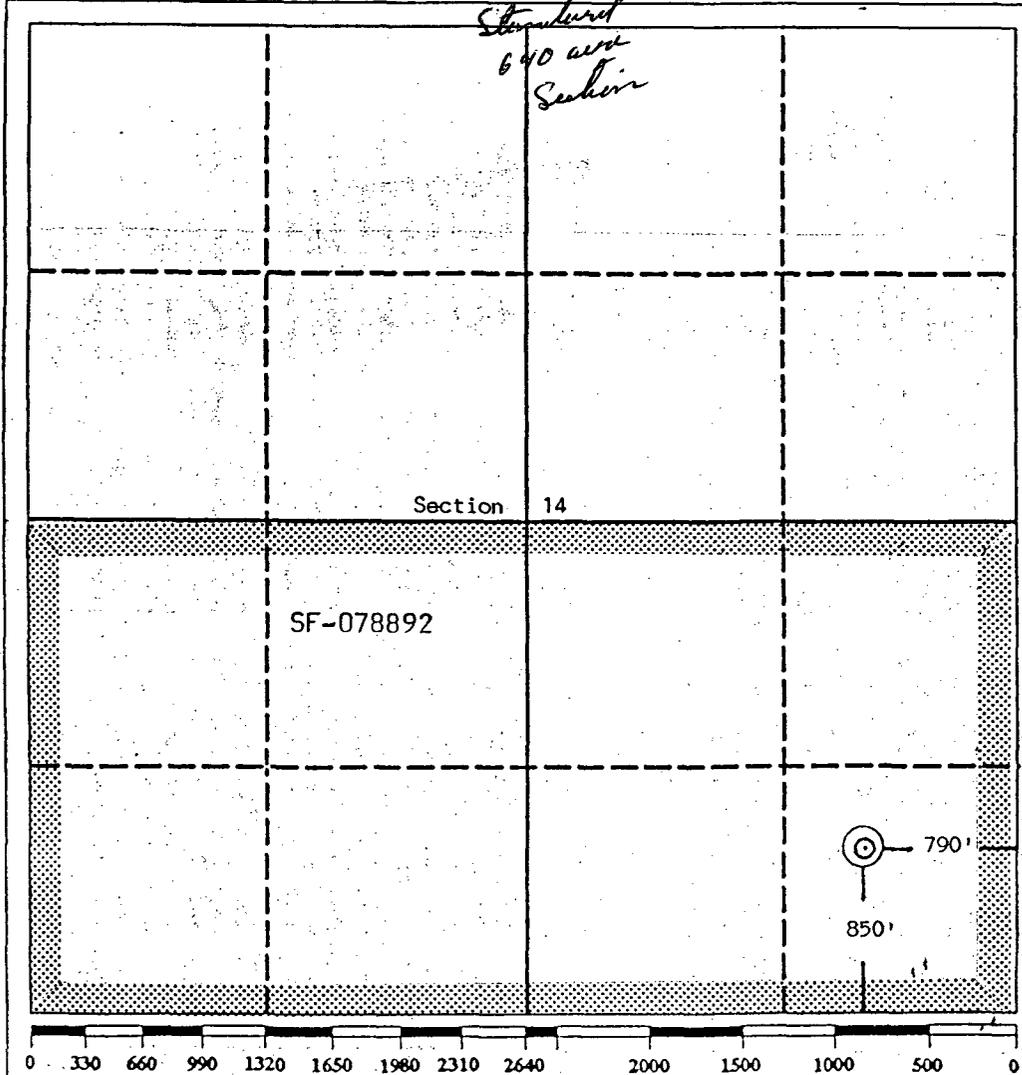
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Evergreen Operating Corporation			Lease Rosa Unit		Well No. 298
Unit Letter P	Section 14	Township 31 North	Range 4 West	County NMPM Rio Arriba	
Actual Footage Location of Well: 850 feet from the South line and 790 feet from the East line					
Ground level Elev. 6834	Producing Formation Fruitland Coal		Pool Basin Fruitland Coal		Dedicated Acreage: 320 Acres

- Outline the acreage dedicated to the subject well by colored pencil or hachure 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: *A. R. Kendrick*
Printed Name: A. R. Kendrick
Position: Agent
Company: Evergreen Operating Corp.
Date: July 2, 1992

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: September 4, 1990

Signature & Seal of Professional Surveyor:
Edgar L. Risenhoover
Certificate No. 5979
Edgar L. Risenhoover

EXHIBIT A

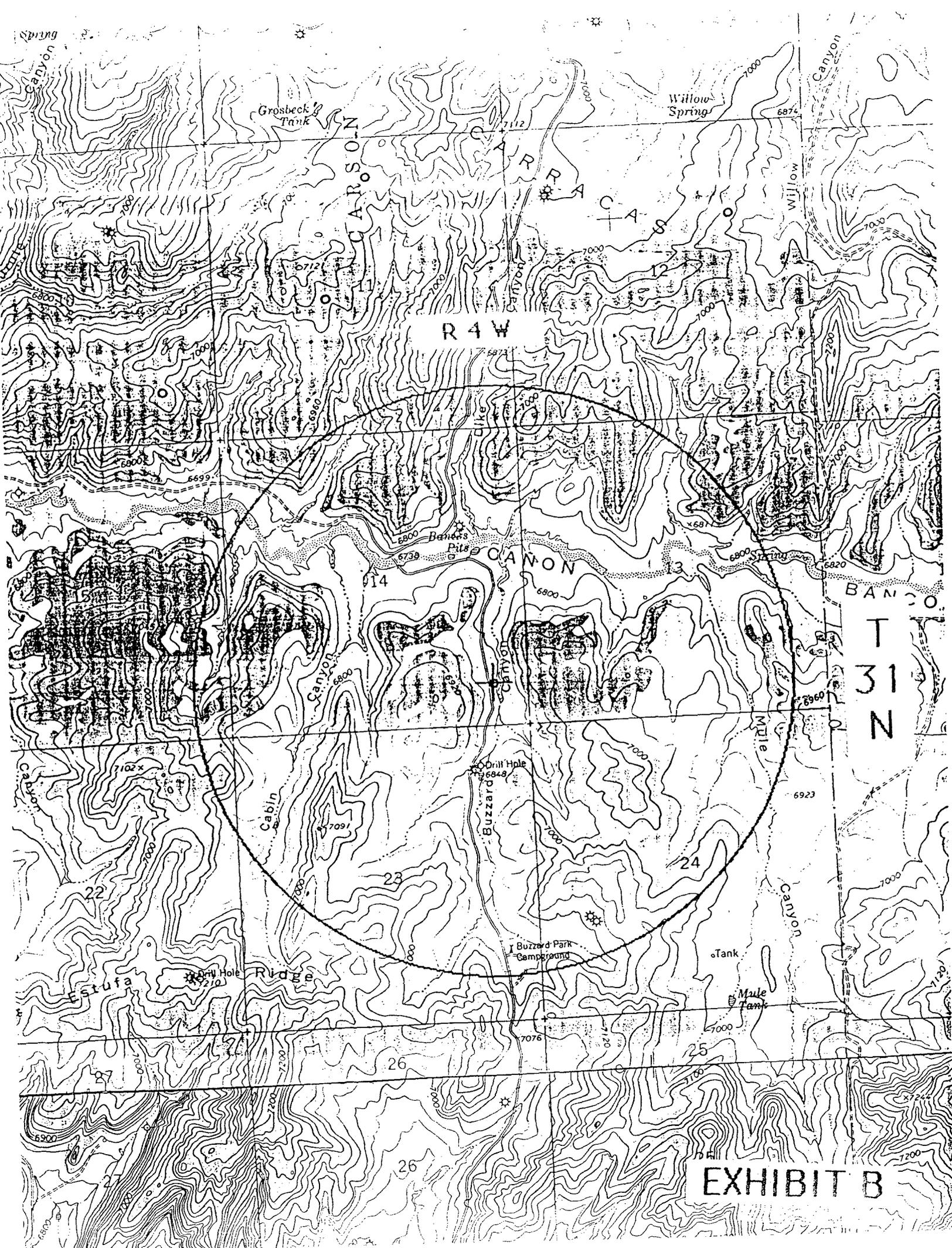
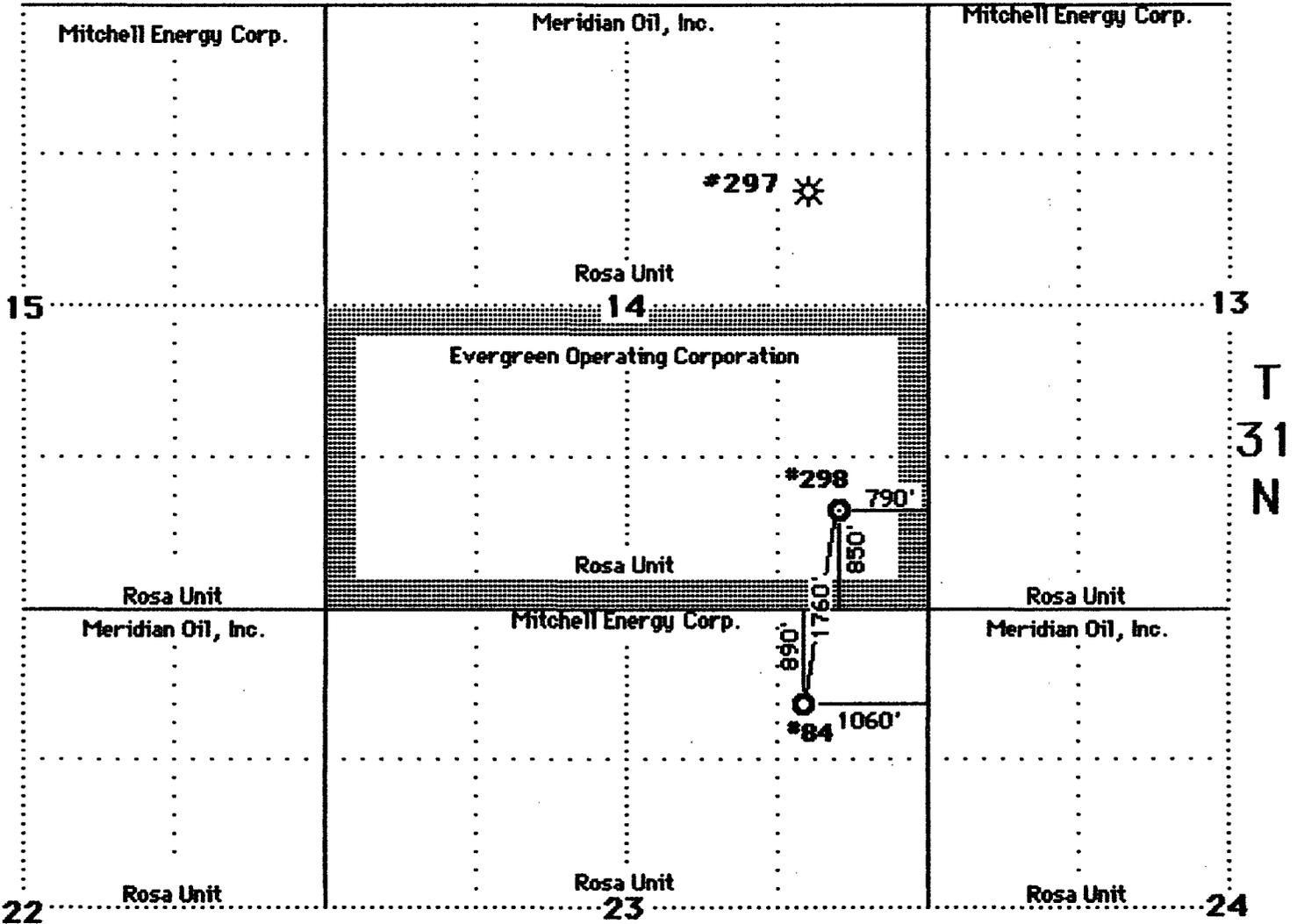


EXHIBIT B

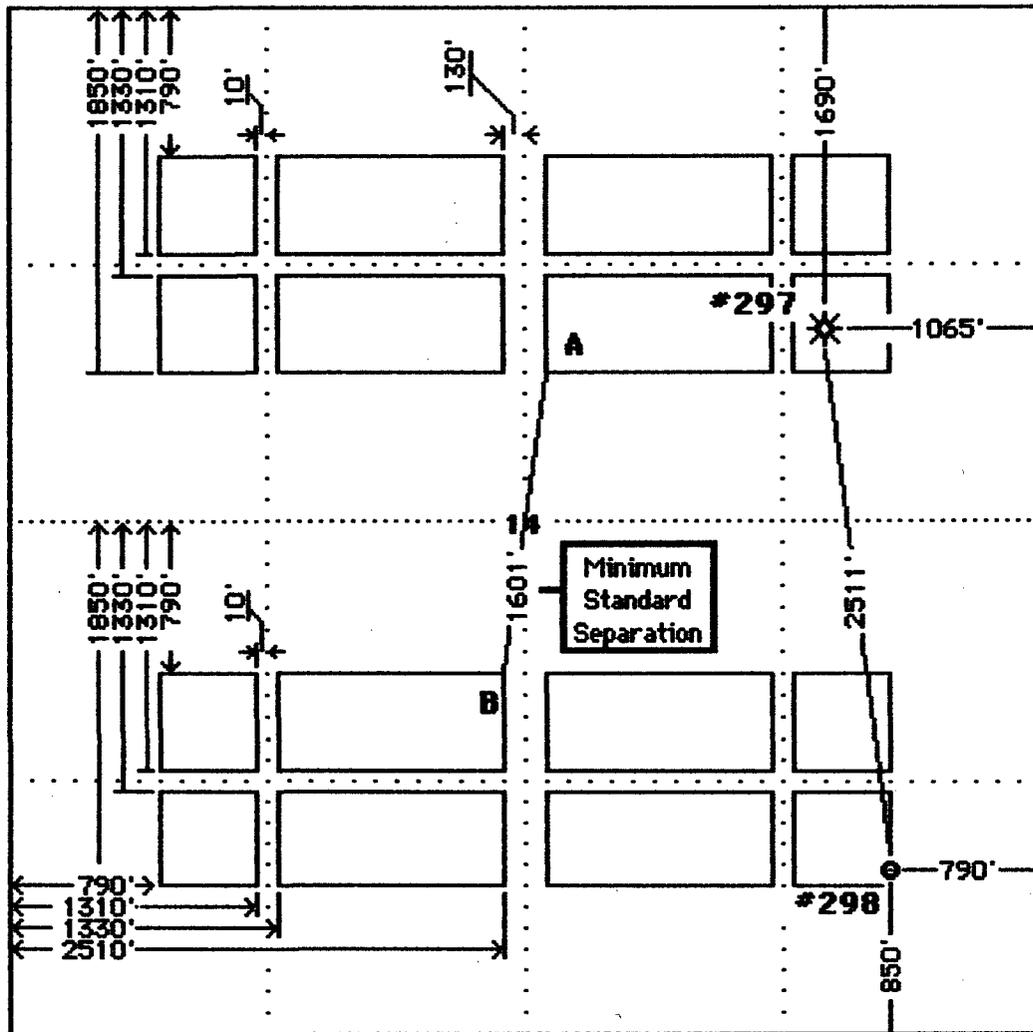
Non-Standard Location for Rosa Unit #298
850' FSL 790' FEL, P-14-T31N-R4W
Basin Fruitland Coal Gas Pool

R 4 W



WINDOWS PLAT

Non-Standard Location for Rosa Unit #298
850' FSL 790' FEL, P-14-T31N-54W
Basin Fruitland Coal Gas Pool



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work <p style="text-align: center;">DRILL</p>	5. Lease Number <p style="text-align: center;">SF-078892</p>	
1b Type of Well <p style="text-align: center;">GAS</p>	6. If Indian, Name of Tribe or Allottee 	
2. Operator <p style="text-align: center;">Evergreen Operating Corp.</p>	7. Unit Agreement Name <p style="text-align: center;">ROSA UNIT</p>	
3. Address & Phone No. of Operator <p style="text-align: center;">SA. R. KENDRICK BOX 516, AZTEC, NM 87410 (505) 334-2555</p>	8. Farm or Lease Name <p style="text-align: center;">ROSA UNIT</p>	
4. Location of Well <p style="text-align: center;">(Unit P) 850' FSL 790' FEL</p>	9. Well Number <p style="text-align: center;">298</p>	
14. Distance in Miles from Nearest Town <p style="text-align: center;">18 MILES WEST OF DULCE, NM</p>	10. Field, Pool, or Wildcat <p style="text-align: center;">BASIN-FRUITLAND COAL GAS POOL</p>	11. Section, Township, & Range, Meridian, or Block <p style="text-align: center;">14-31N-4W</p>
15. Distance from Proposed Location To Nearest Property Line or Lease Line. <p style="text-align: center;">790'</p>	16. Acres in Lease <p style="text-align: center;">1920 Acres</p>	17. Acres Assigned to Well <p style="text-align: center;">S-320</p>
18. Distance From Proposed Location To Nearest Well Dr., Compl., Or Applied For On Lease. <p style="text-align: center;">2511'</p>	19. Proposed Depth <p style="text-align: center;">3995'</p>	20. Rotary or Cable Tools <p style="text-align: center;">ROTARY</p>
21. Elevations (DF, RT, GR, Etc.) <p style="text-align: center;">6834' GR</p>	22. Approximate Date Work Will Start. <p style="text-align: center;">Summer to fall 1992</p>	

23. Proposed Casing and Cementing Program:

Exhibits attached as follows:

- | | |
|--|--|
| <ul style="list-style-type: none"> "A" Location and Elevation Plat "B" Vicinity Map - Access Roads "C" Ten-Point Compliance Program "D" Multi-Point Requirements for APD "E" Blowout Preventer Schematic | <ul style="list-style-type: none"> "F" Location Profile "G" Drill Rig Layout "H" Completion Rig Layout "I" Production Facility Schematic |
|--|--|

24. Signed *A.R. Kendrick* Title Agent Date JUL 3 1992

Permit No. _____ Approval Date _____

Approved By _____ Title _____ Date _____

E

ON-SITE FIELD INSPECTION

**Evergreen Operating Corporation
Rose Unit #298**

850' FSL 790' FEL Sec. 14-T31N-R4W
Basin Fruitland Coal Gas Pool
Rio Arriba County, New Mexico

During our On-Site Inspection, we found the following to exist:

- The location is within the Carson National Forest.
- The terrain in the area is severe.
- The location was staked according to the instructions we received earlier from the US Forest Service with respect to avoiding unnecessary road construction, excessive cuts and fills, excessive timber removal, and other ecological damage.
- The location does not crowd any drill tract inside or outside of Section 14 according to the footage requirements in Order R-8768.
- The location is satisfactory to the Forest Service.

EXHIBIT F

**LIST OF OFFSET OWNERS AND
OTHER INTERESTED PARTIES**

**Evergreen Operating Corporation
Rosa Unit #298**

850' FSL 790' FEL Sec. 14-T31N-R4W
Basin Fruitland Coal Gas Pool
Rio Arriba County, New Mexico

Amoco Production Company ●
P. O. Box 800
Denver, Colorado 80201

Meridian Oil, Inc. ●
P.O. Box 4289
Farmington, New Mexico 87499-4289

Mitchell Energy Corporation ●
2001 Timberlock Place
The Woodlands, Texas 77380

U. S. Forest Service ●
Jicarilla Ranger District
Gobernador Route
Blanco, New Mexico 87412

Bureau of Land Management
1235 La Plata Highway
Farmington, New Mexico 87401

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

● Notified by certified mail Return Receipt.

EXHIBIT G



STATE OF NEW MEXICO

ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

RECEIVED OIL CONSERVATION DIVISION

AZTEC DISTRICT OFFICE

'92 AUG 12 AM 8 55

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

Date: 8-5-92

Att: *Mark Fogner*

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 7-7-92

for the Evergreen Operating Corp. Road/Unit #298
OPERATOR LEASE & WELL NO.

P-14-31N-4W and my recommendations are as follows:
UL-S-T-R

Approved

Yours truly,

Eric Lynch

NSL-3134

AMOCO PRODUCTION COMPANY

P.O. Box 800
Denver, Colorado 80201-0800

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

NSL-3134

Re: Waiver of Objection
Application for Non-Standard Location
Evergreen Operating Corporation
Rosa Unit #298
850' FSL 790' FEL of section 14, T31N, R4W

Gentlemen:

We, Amoco Production Company, as an offset owner hereby waive objection to the subject application.

Yours very truly,

AMOCO PRODUCTION COMPANY

By *JW Hawkins*
Date *7/27/92*

MERIDIAN OIL, INC.

P. O. Box 4289
Farmington, New Mexico 87499-4289

OIL CONSERVATION DIVISION
RECEIVED

'92 AUG 4 AM 8 50

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

NSL-3134

Re: Waiver of Objection
Application for Non-Standard Location
Evergreen Operating Corporation
Rosa Unit #298
850' FSL 790' FEL of section 14, T31N, R4W

Gentlemen:

We, Meridian Oil, Inc., as an offset owner hereby waive objection to the subject application.

Yours very truly,

MERIDIAN OIL, INC.

By  ^{AK}
Date KENT BEERS, ATTORNEY-IN-FACT 8/3/92