



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

December 31, 2007

High Plains Petroleum Corporation
Attn: Mr. John B. Somers II
3860 Carlock Dr
Boulder, Co 80305

Administrative Order NSL-5740

Re: San Isidro 16 Well No. 8
API No. 30-043-21014
Unit H, Section 16-20N-3W
Sandoval County

Dear Mr. Somers:

Reference is made to the following:

(a) your application (**administrative application reference No. pKVR07-30531919**) originally submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on August 10, 2007, and re-submitted for administrative approval following withdrawal of protest by Pride Energy Company, on December 11, 2007, and

(b) the Division's records pertinent to this request.

High Plains Petroleum Corporation (High Plains) has requested to produce the above-referenced well at an unorthodox Mancos gas well location, 2207 feet from the North line and 1000 feet from the East line (Unit H) of Section 16, Township 20 North, Range 3 West, N.M.P.M., in Sandoval County, New Mexico. The N/2 of Section 16 will be dedicated to this well in order to form a standard 320-acre spacing unit in the Rio Puerco-Mancos Oil Pool (52260).

Spacing in this pool is governed by the Special Rules and Regulations for the Rio Puerco-Mancos Oil Pool, as most recently amended by Order R-7471-A-(1), issued on May 31, 1985, which provide for 320-acre units with wells to be located at least 660 feet from any unit outer boundary, at least 330 feet from any quarter-quarter section line, and at least 1800 feet from any other well in the pool. This location is less than 660 feet from the southern unit boundary, less than 330 feet from the western boundary of the SE/4 NE/4 of Section 16, and less than 1800 feet from High Plains' San Isidro 16 Well No. 10.

Your application has been duly filed under the provisions of Division Rules 104.F and 1210.A(2).

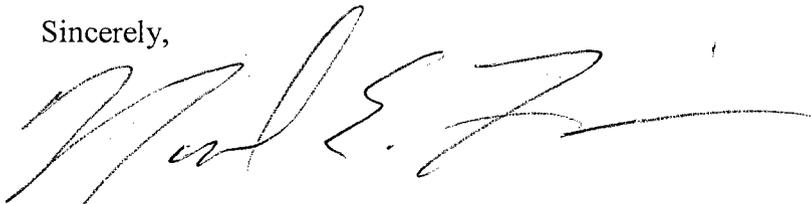
It is our understanding that you are seeking this location to conform to United States Bureau of Land Management surface location requirements.

It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Rule 1210.A(2), in all adjoining units towards which the proposed location encroaches, and that Pride Energy Company, which filed a protest of this application, has withdrawn its protest.

Pursuant to the authority conferred by Division Rule 104.F(2), the above-described unorthodox location is hereby approved.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark E. Fesmire', with a long horizontal flourish extending to the right.

Mark E. Fesmire, P.E.
Director

MEF/db

cc: New Mexico Oil Conservation Division - Aztec
United States Bureau of Land Management - Farmington