

A. R. KENDRICK

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

June 2, 1993

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

Re: Application for Non-Standard Location
Evergreen Operating Corporation
Chicosa 36 #1
1174' FNL 790' FWL Sec. 36 - T 31 N - R 4 W
Lease No. NM-59695
Basin Fruitland Coal Gas Pool
Rio Arriba County, New Mexico

93 JUN 7 AM 10 41
OIL CONSERVATION DIVISION
RECEIVED

Gentlemen:

We, on behalf of Evergreen Operating Corporation, hereby make application for the approval of the location of the Chicosa 36 #1 well to be located 1174' FNL 790' FWL of Section 36 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 wildlife habitat restrictions set by the U.S. Forest Service.

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 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 have been returned to us.

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

Exhibit Index

Application for Non-Standard Location

Evergreen Operating Corporation

Chicosa 36 #1

1174' FNL 790' FWL Sec. 36 - T 31 N - R 4 W

Lease No. NM-59695

Basin Fruitland Coal Gas Pool

Rio Arriba County, New Mexico

- 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.

- 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.

- 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

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 outor boundaries of the section

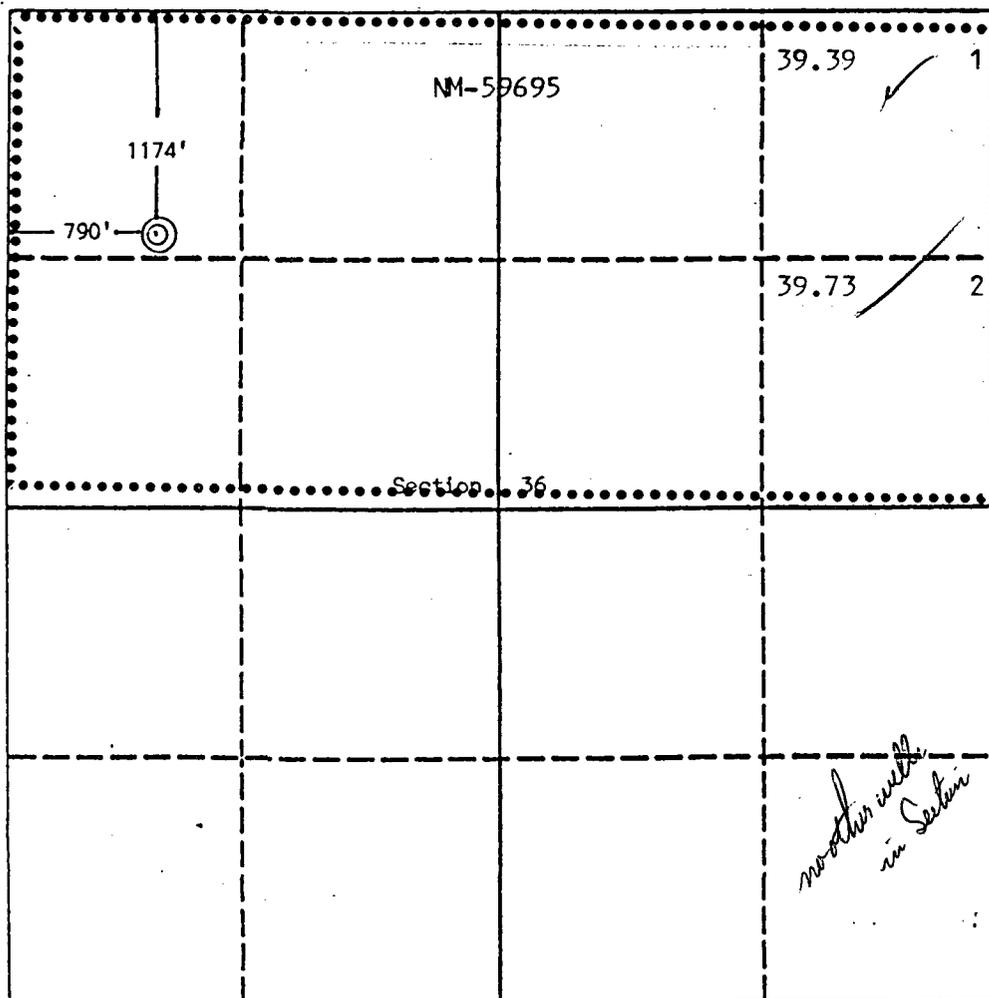
Operator Evergreen Operating Corporation			Lease Chicosa 36		Well No. 1
Unit Letter D	Section 36	Township 31 North	Range 4 West	County Rio Arriba	
Actual Footage Location of Well: 1174 feet from the North line and 790 feet from the West line					
Ground level Elev. 7059 Est.	Producing Formation Fruitland Coal		Pool Basin Fruitland Coal		Dedicated Acreage: N - 319.12 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: *A. R. Kendrick*
 Printed Name: A. R. Kendrick
 Position: Agent
 Company: Evergreen Operating Corp.
 Date: 6-1-93

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 28, 1993

Signature & Seal of Professional Surveyor: *Edgar E. Risen*
 Certificate No. 5979

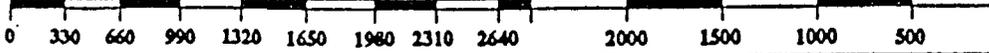
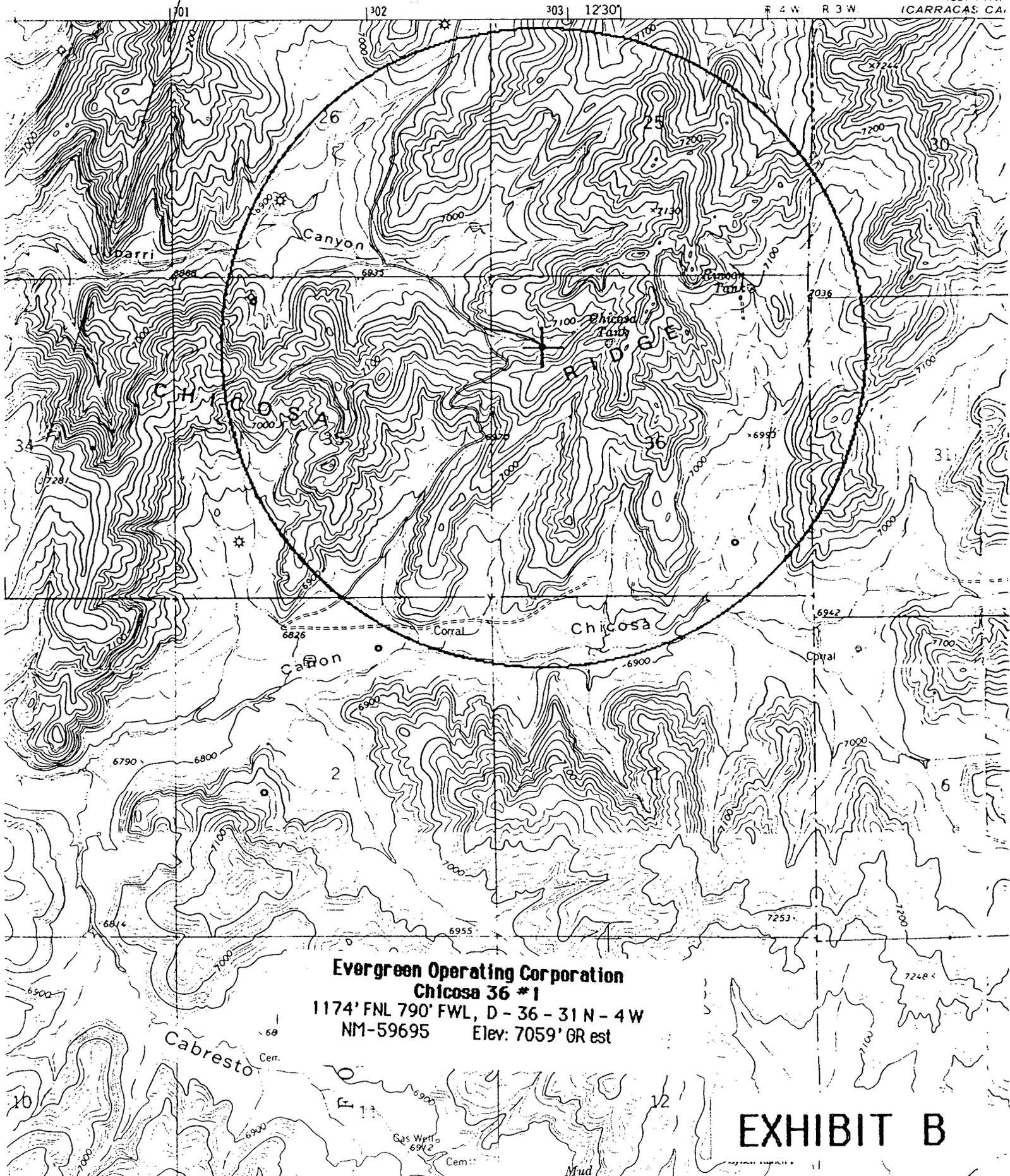


EXHIBIT A

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
CADASTRAL SURVEY

45571 NW
CARRACAS CA.



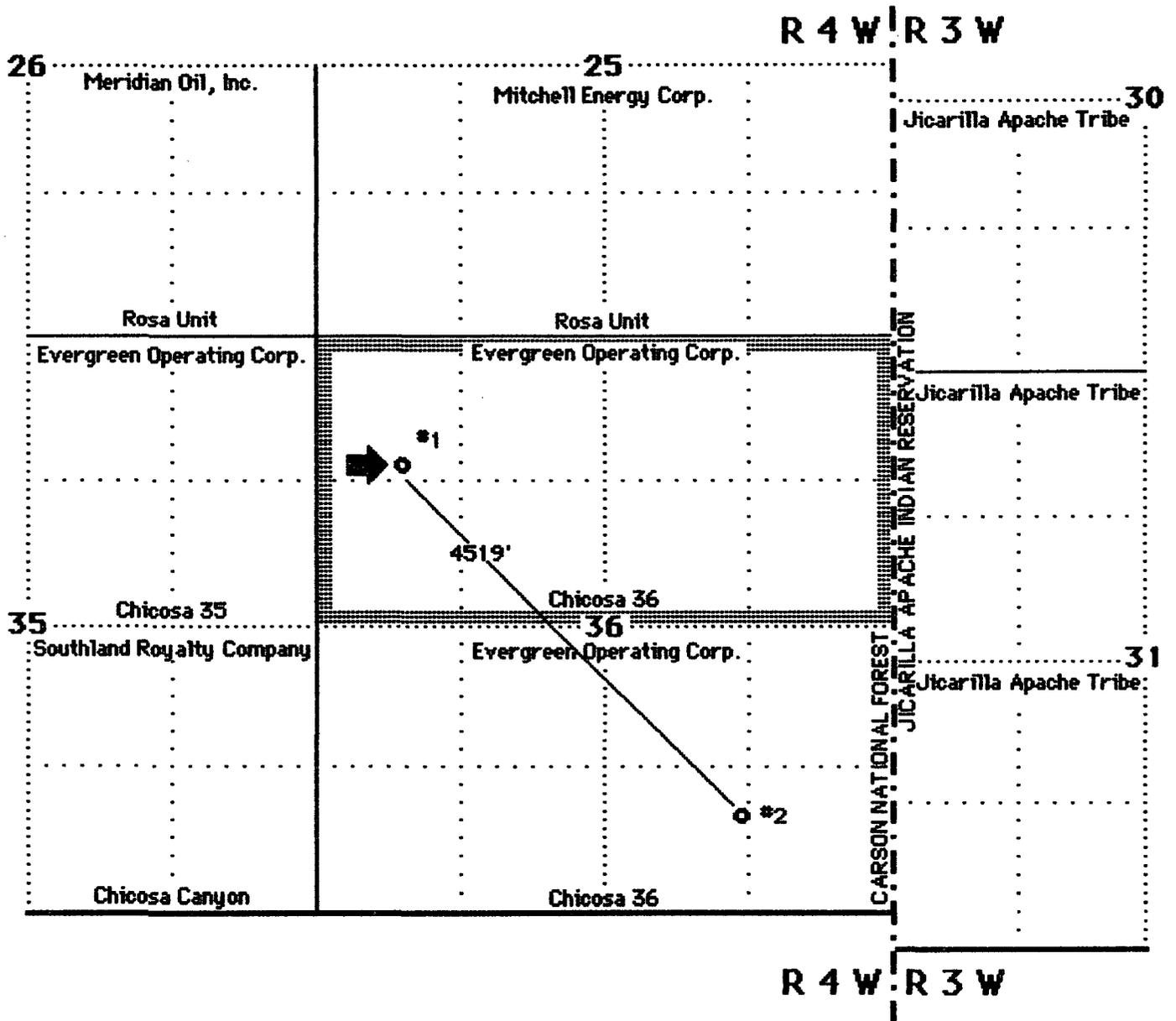
Evergreen Operating Corporation
Chicosa 36 #1
1174' FNL 790' FWL, D - 36 - 31 N - 4 W
NM-59695 Elev: 7059' GR est

EXHIBIT B

OFFSET OWNERS

Application for Non-Standard Location

Evergreen Operating Corporation
Chicosa 36 #1
1174' FNL 790' FWL, D-36-T31N-R4W
Basin Fruitland Coal Gas Pool



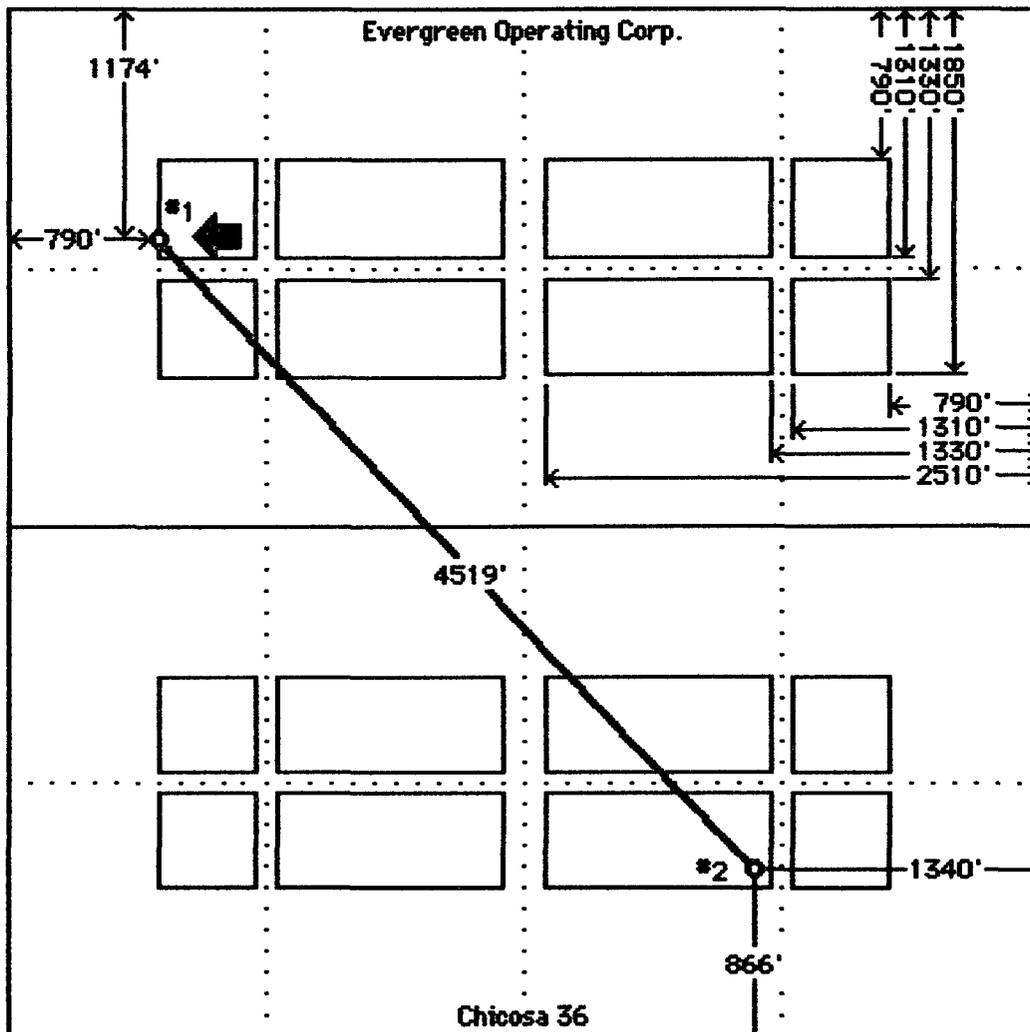
STANDARD SPACING WINDOWS

Evergreen Operating Corporation

Chicosa 36 #1

1174' FNL 790' FWL, D-36-31N-4W

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;">NM-59695</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 Corporation</p>	7. Unit Agreement Name 	
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;">CHICOSA 36</p>	9. Well Number <p style="text-align: center;">1</p>
4. Location of Well <p style="text-align: center;">1174' FNL 790' FWL</p>	10. Field, Pool, or Wildcat <p style="text-align: center;">BASIN-FRUITLAND COAL GAS POOL</p>	
14. Distance in Miles from Nearest Town <p style="text-align: center;">15 Airline miles north Gobernador, NM</p>	12. County <p style="text-align: center;">RIO ARRIBA</p>	13. State <p style="text-align: center;">NEW MEXICO</p>
15. Distance from Proposed Location To Nearest Property Line or Lease Line. <p style="text-align: right;">790'</p>	16. Acres in Lease <p style="text-align: center;">476.11 ACRES</p>	17. Acres Assigned to Well <p style="text-align: center;">N-319.12</p>
18. Distance From Proposed Location To Nearest Well Dr., Compl., Or Applied For On Lease. <p style="text-align: right;">4519'</p>	19. Proposed Depth <p style="text-align: center;">4050'</p>	20. Rotary or Cable Tools <p style="text-align: center;">ROTARY</p>
21. Elevations (DF, RT, GR, Etc.) <p style="text-align: center;">7059' GR est.</p>		22. Approximate Date Work Will Start. <p style="text-align: center;">Fall, 1993</p>

23. Proposed Casing and Cementing Program:

Exhibits attached as follows:

- | | |
|---|--|
| "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 | "F" Location Profile
"G" Drill Rig Layout
"H" Completion Rig Layout
"I" Production Facility Schematic |
|---|--|

24. Signed *AR Kendrick* Title _____ Agent _____ Date 6-1-93

Permit No. _____ Approval Date _____

Approved By _____ Title _____ Date _____

EXHIBIT E

ON-SITE FIELD INSPECTION

Evergreen Operating Corporation
Chicosa 36 #1
1174' FNL 790' FWL Sec. 36 - T 31 N - R 4 W
Lease No. NM-59695
Basin Fruitland Coal Gas Pool
Rio Arriba County, New Mexico

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

- The terrain in the area is severe.
- The location is within the Carson National Forest.
- 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 meets the guidelines set by the Forest Service.

EXHIBIT F

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

Evergreen Operating Corp.
Chicosa 36 #1
1174' FNL 790' FWL Sec. 36 - T 31 N - R 4 W
Lease No. NM-59695
Basin Fruitland Coal Gas Pool
Rio Arriba County, New Mexico

Jicarilla Apache Tribe of Indians ●
Mr. Elmo Sandoval, Realty Officer
P.O. Box 507
Dulce, New Mexico 87528

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

Mr. Albert Libersat ●
Mitchell Energy Corporation
2001 Timberlock Place
The Woodlands, Texas 77380

Southland Royalty Company ●
P.O. Box 4289
Farmington, New Mexico 87499-4289

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

A. R. KENDRICK

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

June 3, 1993

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

Re: Application for Non-Standard Location
Evergreen Operating Corporation
Chicosa 35 #1
300' FNL 1331' FWL Sec. 35 - T 31 N - R 4 W
Lease No. NM-89783
Basin Fruitland Coal Gas Pool
Rio Arriba County, New Mexico

93 JUN 7 AM 10 41
OIL CONSERVATION DIVISION
RECEIVED

Gentlemen:

We, on behalf of Evergreen Operating Corporation, hereby make application for the approval of the location of the Chicosa 35 #1 well to be located 300' FNL 1331' FWL of Section 35 Township 31 North, Range 4 West, Basin Fruitland Coal Gas Pool, Rio Arriba County, New Mexico.

The well will utilize an existing well pad and access road and avoid further damage to the environment.

The reason for the non-standard location is because of topography and lease restrictions set by 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.

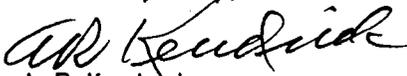
The attached exhibits show the situation at the location and surrounding area.

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 have been returned to us.

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

Exhibit Index

Application for Non-Standard Location

Evergreen Operating Corporation

Chicosa 35 #1

300' FNL 1331' FWL Sec. 35 - T 31 N - R 4 W

Lease No. NM-89783

Basin Fruitland Coal Gas Pool

Rio Arriba County, New Mexico

- 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.
- 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.
- 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.
- EXHIBIT H A plat showing restrictions on the lease set by the US Forest Service.

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

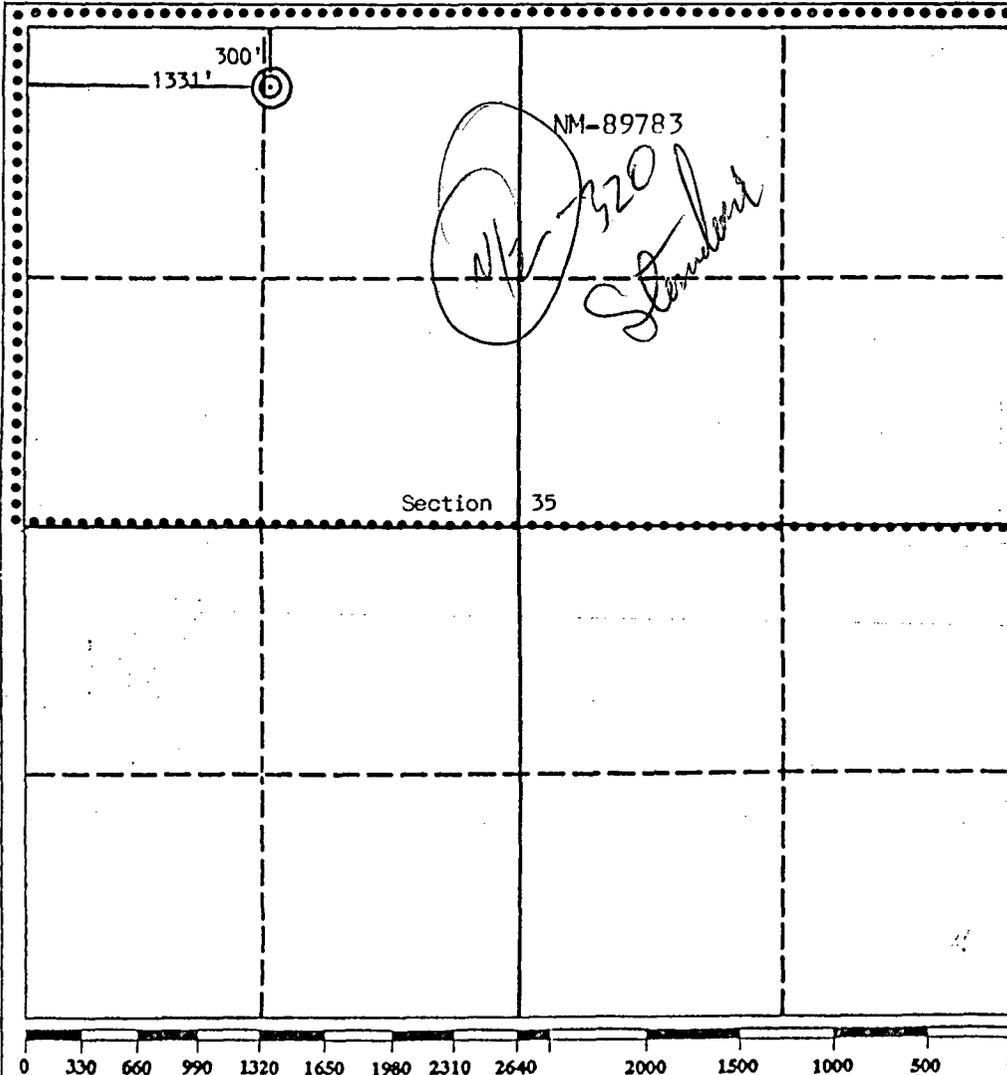
Operator Evergreen Operating Corporation			Lease Chicosa 35			Well No. 1		
Unit Letter C	Section 35	Township 31 North	Range 4 West	County NMPM		Rio Arriba		
Actual Footage Location of Well: 300 feet from the North line and 1331 feet from the West line								
Ground level Elev. 6964 Est.	Producing Formation Fruitland Coal		Pool Basin Fruitland Coal			Dedicated Acreage: N-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 communization, 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 communization, 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: *June 2, 1993*

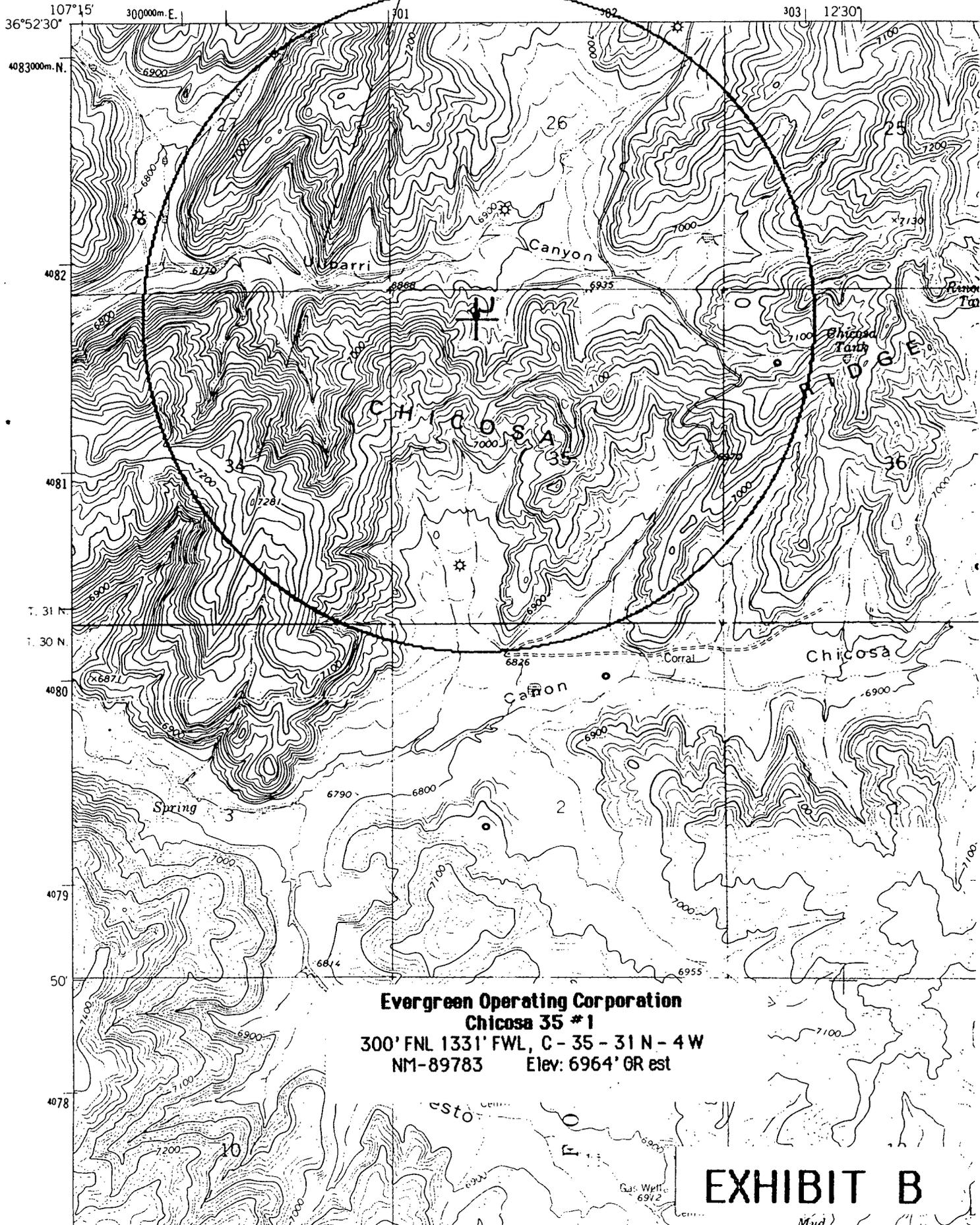
SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed: May 4, 1993
Signature & Seal of Professional Surveyor: *Edgar R. Isenhoo*
Certificate No. 5979

EXHIBIT A

4557' N, NE
18ANCOS MESA

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY



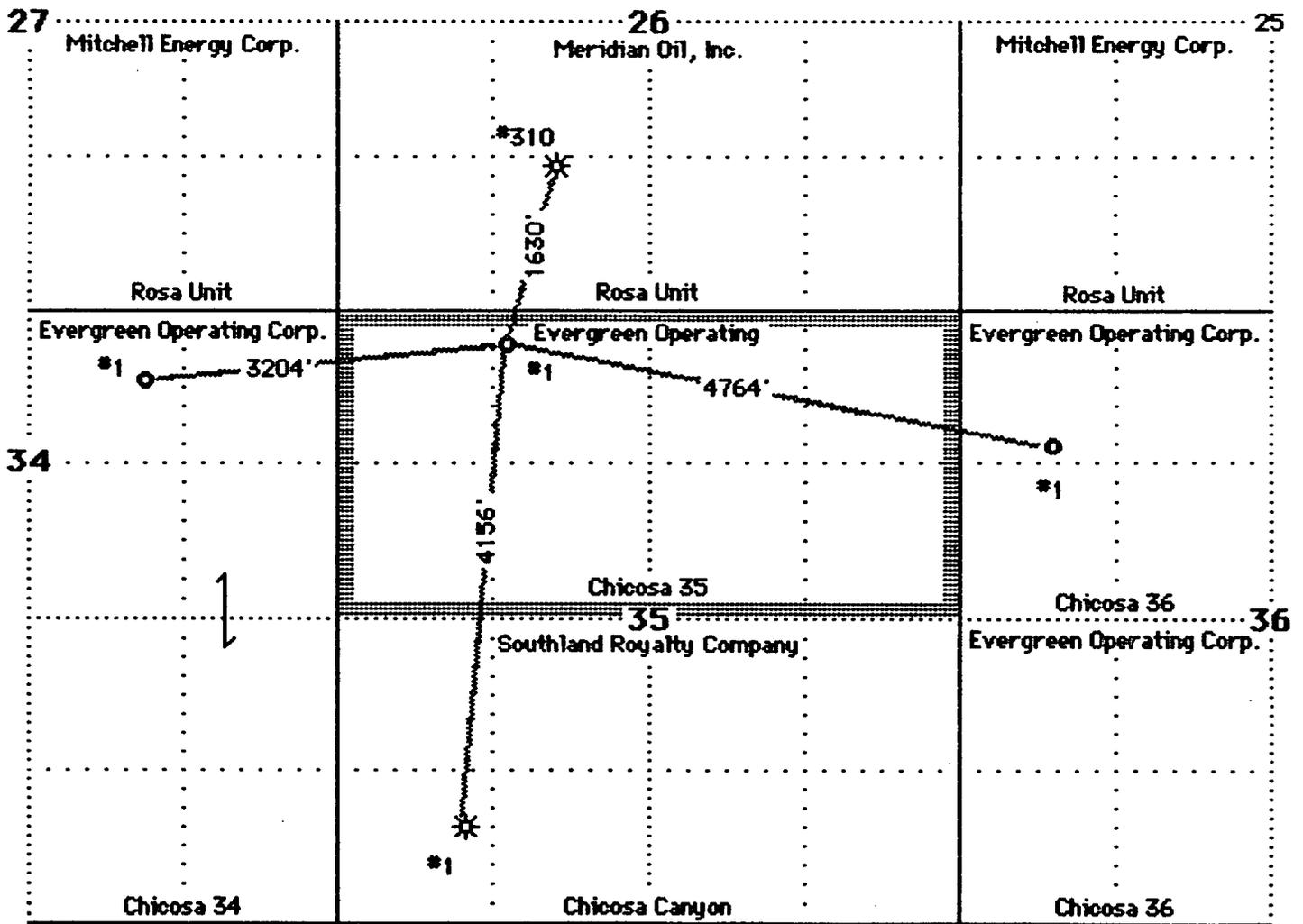
Evergreen Operating Corporation
Chicosa 35 #1
300' FNL 1331' FWL, C-35-31N-4W
NM-89783 Elev: 6964' OR est

EXHIBIT B

OFFSET OWNERS

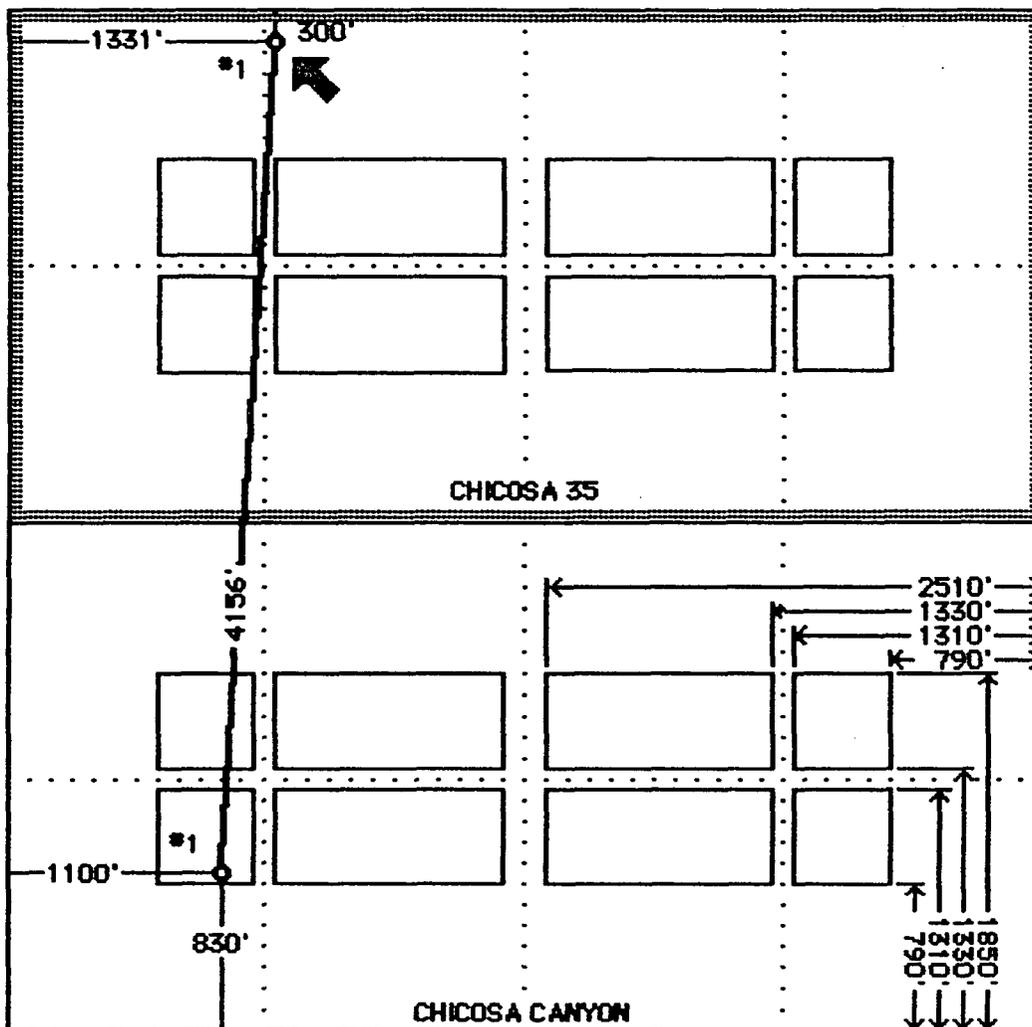
Application for Non-Standard Location

Evergreen Operating Corporation
Chicosa 35 #1
300' FNL 1331' FWL, C-35-T31N-R4W
Basin Fruitland Coal Gas Pool



STANDARD SPACING WINDOWS

Evergreen Operating Corporation
Chicosa 35 #1
300' FNL 1331' FWL, C-35-31N-4W
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;">NM-89783</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 Corporation</p>		7. Unit Agreement Name 	
3. Address & Phone No. of Operator <p style="text-align: center;">W. R. KENDRICK BOX 516, AZTEC, NM 87410 (505) 334-2555</p>		8. Farm or Lease Name <p style="text-align: center;">CHICOSA 35</p>	
4. Location of Well <p style="text-align: center;">300' FNL 1331' FWL</p>		9. Well Number <p style="text-align: center;">1</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;">C - 35 - 31N - 4W</p>	
12. County <p style="text-align: center;">RIO ARRIBA</p>		13. State <p style="text-align: center;">NEW MEXICO</p>	
14. Distance in Miles from Nearest Town <p style="text-align: center;">14 Miles northeast of Gobernador, NM</p>		15. Distance from Proposed Location To Nearest Property Line or Lease Line. <p style="text-align: center;">300'</p>	
16. Acres in Lease <p style="text-align: center;">320 ACRES</p>		17. Acres Assigned to Well <p style="text-align: center;">N-320</p>	
18. Distance From Proposed Location To Nearest Well Dr, Compl., Or Applied For On Lease. <p style="text-align: center;">50'</p>		19. Proposed Depth <p style="text-align: center;">3980'</p>	
20. Rotary or Cable Tools <p style="text-align: center;">ROTARY</p>		21. Elevations (DF, RT, GR, Etc.) <p style="text-align: center;">6964' GR est</p>	
22. Approximate Date Work Will Start. <p style="text-align: center;">Fall, 1993</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 *W. R. Kendrick* Title _____ Agent _____ Date 6/2/93

Permit No. _____ Approval Date _____

Approved By _____ Title _____ Date _____

EXHIBIT E

ON-SITE FIELD INSPECTION

Evergreen Operating Corporation
Chicosa 35 #1
300' FNL 1331' FWL Sec. 35 - T 31 N - R 4 W
Lease No. NM-89783
Basin Fruitland Coal Gas Pool
Rio Arriba County, New Mexico

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

- The terrain in the area is severe.
- The location is within the Carson National Forest.
- The location utilizes an existing well pad and access road.
- 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 was restricted by limitations in the lease set by the US Forest Service.
- The location meets the guidelines set by the U.S. Forest Service.

EXHIBIT F

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

Evergreen Operating Corp.
Chicosa 35 # 1
300' FNL 1331' FWL Sec. 35 - T 31 N - R 4 W
Lease No. NM-89783
Basin Fruitland Coal Gas Pool
Rio Arriba County, New Mexico

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

Mr. Albert Libersat ●
Mitchell Energy Corporation
2001 Timberlock Place
The Woodlands, Texas 77380

Southland Royalty Company ●
P.O. Box 4289
Farmington, New Mexico 87499-4289

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



T. 31N.

T. 30N.

R. 4W.

EXHIBIT 3A
PARCEL MAP
PROPOSED LEASE NM 11929
JICARILLA R.D., CARSON N.F.
RIO ARriba COUNTY, NEW MEXICO

Scale 1:24000 Countour Interval = 20'
 No Surface Occupancy

RBS 5/92

Evergreen Operating Corporation
Chicosa 35 #1
300' FNL 1331' FWL, C-35-31N-4W
NM-89783 Elev: 6964' GR est

EXHIBIT H



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

June 8, 1993



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Evergreen Operating Corporation
c/o A. R. Kendrick
P. O. Box 516
Aztec, New Mexico 87410

Re: Application for an Unorthodox Coal Gas Well Location; Chicosa "35" Well No. 1; 300'FNL - 1331'FWL (Unit C) of Section 35, Township 31 North, Range 4 West, NMPM, Basin Fruitland Coal (Gas) Pool, Rio Arriba County, New Mexico.

Dear Mr. Kendrick:

The subject application dated June 3, 1993 references an existing well pad, I find no such location in our records of an existing well or abandoned location that might of had a well pad prepared. Please provide me a detailed explanation and a plat of this "existing location" to supplement this application. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Stogner".

Michael E. Stogner
Chief Hearing Examiner/Engineer

cc: Oil Conservation Division - Aztec
U. S. Forest Service - Blanco
U. S. Bureau of Land Management - Farmington

A. R. KENDRICK

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

June 10, 1993

OIL CONSERVATION DIVISION
RECEIVED

'93 JUN 14 AM 8 57

Mr. Michael E. Stogner
Oil Conservation Division
Box 2088
Santa Fe, New Mexico 87499-2088

Re: Application for Non-Standard Location
Evergreen Operating Corporation
Chicosa 35 #1
300' FNL 1331' FWL, Section 35, T31N, R4W

Dear Mr. Stogner:

We measured, by tape, 50 feet from the dry hole marker of the Resources Investment Corporation Rio Federal #1-35 to set the location stake for the Chicosa 35 #1 well.

We elected to not assume the liability of the location of the Rio Federal #1-35; so, we surveyed to the northwest corner of Section 35 and to a known corner in Section 26 to determine the location of the Chicosa 35 #1.

Based upon our field measurements and the position on the USGS Bixler Ranch Quadrangle, we believe we have properly identified the location of the Chicosa 35 #1.

Enclosed are copies of Forms C-102 and C-105 from the file of the Rio Federal #1-35 well which were obtained from the Aztec office of the OCD.

If further information is needed, please contact us.

Yours very truly,



A. R. Kendrick

Enclosures as stated

xc: Oil Conservation Division - Aztec
U. S. Forest Service - Blanco
U. S. Bureau of Land Management - Farmington
Evergreen Operating Corporation - Denver



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



June 8, 1993

BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Evergreen Operating Corporation
c/o A. R. Kendrick
P. O. Box 516
Aztec, New Mexico 87410

Re: Application for an Unorthodox Coal Gas Well Location; Chicosa "35" Well No. 1; 300'FNL - 1331'FWL (Unit C) of Section 35, Township 31 North, Range 4 West, NMPM, Basin Fruitland Coal (Gas) Pool, Rio Arriba County, New Mexico.

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Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Stogner".

Michael E. Stogner
Chief Hearing Examiner/Engineer

cc: Oil Conservation Division - Aztec
U. S. Forest Service - Blanco
U. S. Bureau of Land Management - Farmington

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-11
Supersedes C-1
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

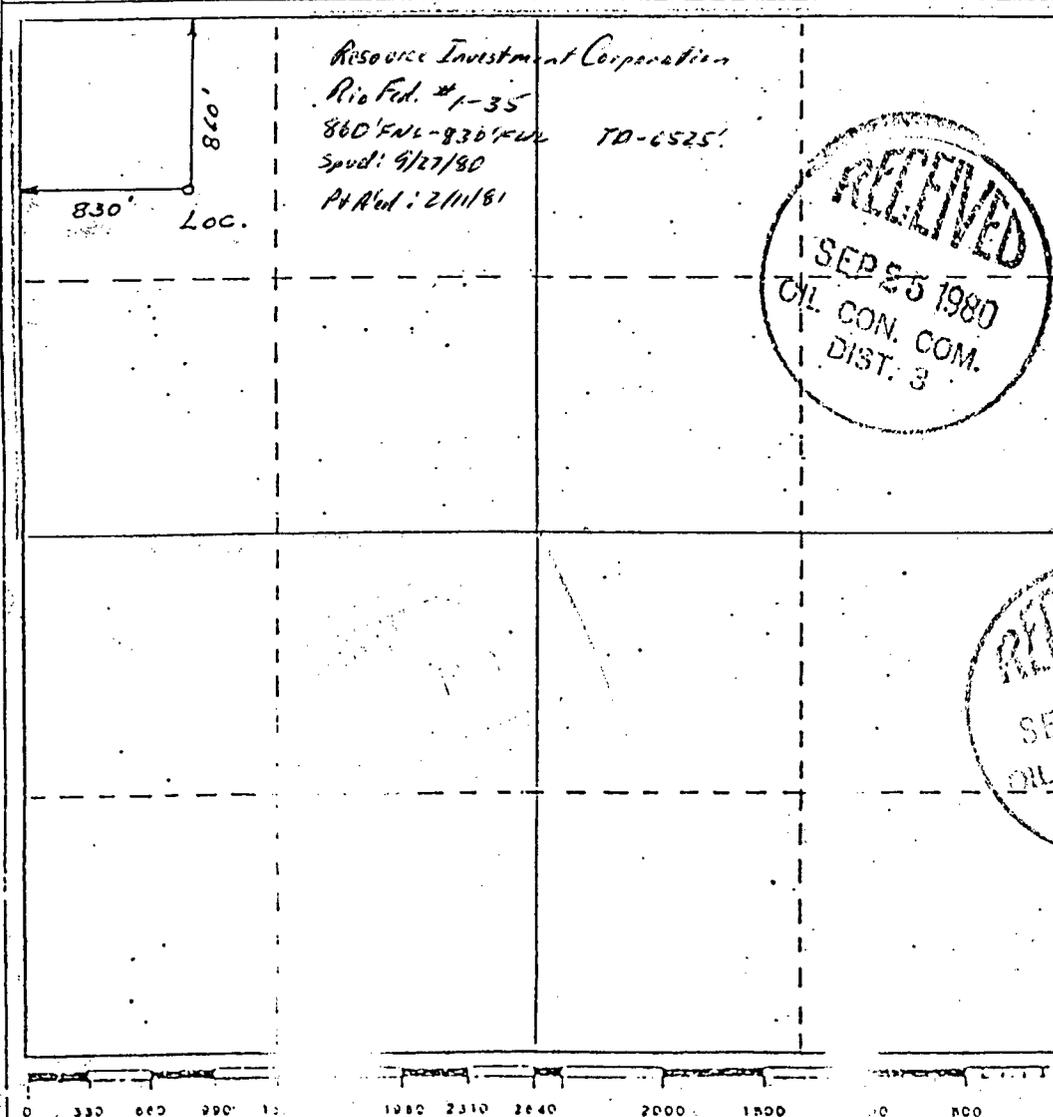
Operator Resources Investment		Lease Rio Federal #35		Well No. 11-35-Rio Fed	
Unit Letter D	Section 35	Township 31 North	Range 4 West	County Rio Arriba	
Actual Footage Location of Well: 860 feet from the North line and 830 feet from the West line					
Ground Level Elev. 6964'	Producing Formation MV	Pool		Dedicated Acreage: Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

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

W. R. Brown
Name
W. R. Brown
Position
District Landman
Company
Resources Investment Corp.
Date
September 22, 1980

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.

G. Huddleston
Date
September 22, 1980
Registration Professional Engineer and Oil Surveyor
REGISTERED SURVEYOR

Certificate No. _____

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE*

(See other instructions on reverse side)

Form approved.
Budget Bureau No. 42-R355.5.

5. LEASE DESIGNATION AND SERIAL NO.

NM 11929

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Rio Fed.

9. WELL NO.

1-35

10. FIELD AND POOL, OR WILDCAT

Wildcat

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

35-31N-4W

12. COUNTY OR PARISH

Rio Arriba

13. STATE

NM

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL: OIL WELL GAS WELL DRY Other _____

b. TYPE OF COMPLETION: NEW WELL WORK OVER DEEP-EN PLUG BACK DIFF. RESVR. Other _____

2. NAME OF OPERATOR
Resources Investment Corporation

3. ADDRESS OF OPERATOR
3500 Anaconda Tower, Denver, CO 80202

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface 860' FNL & 830' FWL (NW NW)

At top prod. interval reported below Same

At total depth Same

14. PERMIT NO.

U. S. GEOLOGICAL SURVEY
FARMINGTON, N. M.
MAR 10 1981

15. DATE SPUNDED 16. DATE T.D. REACHED 17. DATE COMPL. (Ready to prod.)* 18. ELEVATIONS (DF, REB, RT, GR, ETC.)* 19. ELEV. CASINGHEAD
9-27-80 10-26-80 P & A'd 2/11/81 7083' KB

20. TOTAL DEPTH, MD & TVD 21. PLUG, BACK T.D., MD & TVD 22. IF MULTIPLE COMPL., HOW MANY* 23. INTERVALS DRILLED BY 24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* 25. WAS DIRECTIONAL SURVEY MADE
6525' N/A → 0-TD N/A No

26. TYPE ELECTRIC AND OTHER LOGS RUN 27. WAS WELL CORED
DIL/SP, FDC/CNL/GR/CAL, CBL/GR/CCL No

28. CASING RECORD (Report all strings set in well)

CASINO SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
10-3/4"	32.75#	293'	13-3/4"	275 sx Cl. "D"	None
7"	20#	4155'	9-7/8"	550 sx Cl. "B"	None

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
4 1/2"	4044	6523	175 SX	N/A			

31. PERFORATION RECORD (Interval, size and number)
6247-59'; 10 Shots
3757-97'; 12 Shots
3500'; 3 Squeeze Shots

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.
DEPTH INTERVAL (MD) AMOUNT AND KIND OF MATERIAL USED
Please see addendum.

33. PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in)

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) TEST WITNESSED BY

35. LIST OF ATTACHMENTS
Addendum

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records
SIGNED Jim Hall TITLE District Engineer DATE MAR 17 1981 3/12/81

*(See Instructions and Spaces for Additional Data on Reverse Side)

ACCEPTED FOR RECORD
BY RB FARMINGTON DISTRICT

NMOCG

MERIDIAN OIL

OIL CONSERVATION DIVISION
RECEIVED June 25, 1993

FAXED 827-5741

'93 JUN 28 AM 9 56

New Mexico Oil Conservation Division
Attn: Mr. Michael Stogner
P.O. Box 2088
Santa Fe, NM 87499-2088

**RE: EVERGREEN OPERATING CORP.
UNORTHODOX WELL LOCATIONS
CHICOSA 35 #1
300' FNL, 1331' FWL
SEC. 35-31N-4W**

**CHICOSA 36 #1
1174' FNL, 790' FWL
SEC. 36-31N-4W**

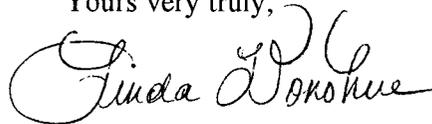
**CHICOSA 36 #2
866' FSL, 1340' FEL
SEC. 36-31N-4W
ALL IN RIO ARRIBA COUNTY, NEW MEXICO**

Dear Mr. Stogner:

Meridian Oil Inc. and Southland Royalty Company, as offset Operators, hereby waive objection to the Chicosa 36 #1 and #2 unorthodox well locations. Executed copies of Evergreen's waiver letters are attached for your records.

Meridian is currently working with Mr. Al Kendrick to ascertain if any other orthodox well locations are possible regarding the Chicosa 35 #1 well. We request that the Division delay approval of the 35 #1 unorthodox location until other possible locations can be evaluated. Mr. Kendrick and Meridian believe this process will require an additional two weeks. Please call me at (505) 326-9760 if you have additional questions concerning this matter.

Yours very truly,



Linda Donohue
Senior Landman

LD/pr
ldjune.27

xc: Al Kendrick
Evergreen

MERIDIAN OIL, INC.

P. O. Box 4289

Farmington, New Mexico 87499-4289

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

Re: Waiver of Objection
Application for Non-Standard Location
Evergreen Operating Corporation
Chicosa 36 #2
866' FSL 1340' FEL of section 36, T31N, R4W

Gentlemen:

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

Yours very truly,

MERIDIAN OIL, INC.

By 

Date 6-25-93

SOUTHLAND ROYALTY COMPANY

P. O. Box 4289

Farmington, New Mexico 87499-4289

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

Re: Waiver of Objection
Application for Non-Standard Location
Evergreen Operating Corporation
Chicosa 36 #2
866' FSL 1340' FEL of section 36, T31N, R4W

Gentlemen:

We, the Southland Royalty Company, as an offset owner hereby waive objection to the subject application.

Yours very truly,

SOUTHLAND ROYALTY COMPANY

By 

Date 6-25-93

MERIDIAN OIL, INC.

P. O. Box 4289

Farlington, New Mexico 87499-4289

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

Re: Waiver of Objection
Application for Non-Standard Location
Evergreen Operating Corporation
Chicosa 36 #1
1174' FNL 790' FWL of section 36, T31N, R4W

Gentlemen:

We, the Meridian Oil, Inc., as an offset owner and as operator of the Rosa Unit hereby waive objection to the subject application.

Yours very truly,

MERIDIAN OIL, INC.

By Linda Donohue

Date 6-25-93

SOUTHLAND ROYALTY COMPANY

P. O. Box 4289

Farmington, New Mexico 87499-4289

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

Re: Waiver of Objection
Application for Non-Standard Location
Evergreen Operating Corporation
Chicosa 36 #1
1174' FNL 790' FWL of section 36, T31N, R4W

Gentlemen:

We, the Southland Royalty Company, as an offset owner hereby waive objection to the subject application.

Yours very truly,

SOUTHLAND ROYALTY COMPANY

By Linda Donohue

Date 6-25-93

Complete items 1 and/or 2 for additional services:
 • Complete items 3, and 4a & b.
 • Print your name and address on the reverse of this form so that we can return this card to you.
 Attach this form to the front of the mailpiece, or on the back if space does not permit.
 Write "Return Receipt Requested" on the mailpiece below the article number.
 The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):
 1. Addressee's Address
 2. Restricted Delivery
 Consult postmaster for fee.

3. Article Addressed to: **Meridian Oil, Inc.** **35 #1**
Box 4289
Farmingington, NM 87499-4289

4a. Article Number **P 911 175 238**

4b. Service Type
 Registered
 Certified
 Express Mail
 Return Receipt for Merchandise

7. Date of Delivery

8. Addressee's Address (Only if requested and fee is paid)

4a. Article Number **P-911 175 241**

4b. Service Type
 Registered
 Certified
 Express Mail
 Return Receipt for Merchandise

7. Date of Delivery

8. Addressee's Address (Only if requested and fee is paid)

6. Signature (Agent)

 PS Form 3811, December 1991 * U.S.G.P.O.: 1992-307-530

6. Signature (Agent)

 PS Form 3811, December 1991 * U.S.G.P.O.: 1992-307-530

5. Signature (Addressee)

5. Signature (Addressee)

SENDER:
 • Complete items 1 and/or 2 for additional services.
 • Complete items 3, and 4a & b.
 • Print your name and address on the reverse of this form so that we can return this card to you.
 Attach this form to the front of the mailpiece, or on the back if space does not permit.
 Write "Return Receipt Requested" on the mailpiece below the article number.
 The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):
 1. Addressee's Address
 2. Restricted Delivery
 Consult postmaster for fee.

3. Article Addressed to: **Mitchell Energy Corporation** **35 #1**
2001 Timberlock Place
The Woodlands, TX 77380

4a. Article Number **P 911 175 239**

4b. Service Type
 Registered
 Certified
 Express Mail
 Return Receipt for Merchandise

7. Date of Delivery **6-9-93**

8. Addressee's Address (Only if requested and fee is paid)

4a. Article Number **P 911 175 240**

4b. Service Type
 Registered
 Certified
 Express Mail
 Return Receipt for Merchandise

7. Date of Delivery **6-9-93**

8. Addressee's Address (Only if requested and fee is paid)

6. Signature (Agent)

 PS Form 3811, December 1991 * U.S.G.P.O.: 1992-307-530

6. Signature (Agent)

 PS Form 3811, November 1990 * U.S. G.P.O.: 1991-287-088

5. Signature (Addressee)

5. Signature (Addressee)

DOMESTIC RETURN RECEIPT

DOMESTIC RETURN RECEIPT

