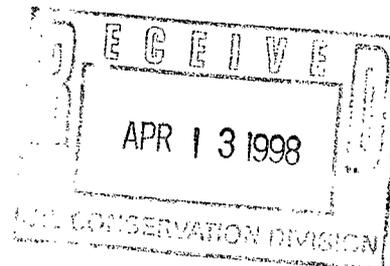


TAURUS

NSL 5/4/98
TAURUS EXPLORATION, INC.
2198 Bloomfield Highway
Farmington, New Mexico 87401
Telephone (505) 325-6800

April 8, 1998

Mr. Michael E. Stogner
New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505



RE: Administrative Approval of Unorthodox Location
San Juan 32-5 Unit #13M Well
1711' FSL, 1295' FEL
Section 25-T32N-R6W
Rio Aribba County, New Mexico
Mesa Verde/Dakota Commingle

Dear Mr. Stogner:

Taurus Exploration U.S.A., Inc. requests administrative approval for an unorthodox location of its San Juan 32-5 Unit #13M well under the provisions of NMOCD Order No. R-8170.

Locating our well at 790' FSL would necessitate building an extensive amount of road coming from Section 31, traversing the mesa, and located on the north side of the mesa which would make the well site and road visible from Navajo Lake. In addition to having a negative impact on our economics, the Bureau of Reclamation would discourage a site visible from the lake.

A copy of this application is being submitted to all offset operators by certified mail with a request that they furnish your office in Santa Fe a Waiver of Objection.

Attached is a well location plat showing dedicated acreage, a topographic plat of the area, and a map showing all offsetting operators.

Sincerely,

A handwritten signature in cursive script that reads "Richard P. Corcoran".

Richard P. Corcoran
District Landman

RPC/df
Enclosure

cc: OCD-Aztec office, BLM-Farmington office, Offset Operators

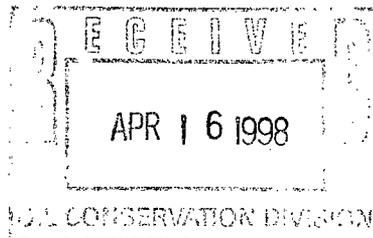
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TAURUS

TAURUS EXPLORATION, INC.
2198 Bloomfield Highway
Farmington, New Mexico 87401
Telephone (505) 325-6800

April 9, 1998

Vern Hansen
Williams Production Company
One Williams Center
P.O. Box 3102
Tulsa, OK 74101



RE: Administrative Approval of Unorthodox Location
San Juan 32-5 Unit #13M Well
1711' FSL and 1295' FEL
Section 25-T32N-R6W, NMPM
Rio Arriba County, New Mexico
Mesa Verde/Dakota Commingle

Dear Mr. Hansen:

Taurus Exploration U.S.A., Inc. has filed with the New Mexico Oil Conservation Division (NMOCD), an Application for the Administrative Approval for an Unorthodox Location for its San Juan 32-5 Unit 13M well. A copy of the application has been attached for your review.

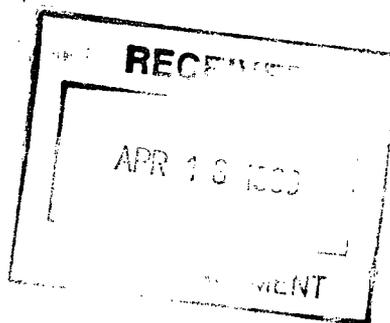
If you have no objection to this unorthodox location, please sign the three copies of the attached waiver. Return one executed copy to the NMOCD in Santa Fe, New Mexico, one copy to our office, and retain one copy for your files. Self addressed, stamped envelopes are enclosed.

Your assistance and cooperation in this matter are appreciated.

Sincerely,

A cursive handwritten signature that reads "Richard P. Corcoran".

Richard P. Corcoran
District Landman



RPC/df

=====

WAIVER

Williams Production Co. hereby waives objection to the above referenced Application for Unorthodox Location for Taurus Exploration U.S.A., Inc.'s San Juan 32-5 Unit 13M well.

Date: 4/14/98 By: M. Vern Hansen

F:\LAND\WILLIAMS\SJ32513M.WPD

TAURUS

TAURUS EXPLORATION, INC.
2198 Bloomfield Highway
Farmington, New Mexico 87401
Telephone (505) 325-6800

April 9, 1998

Vern Hansen
Williams Production Company
One Williams Center
P.O. Box 3102
Tulsa, OK 74101

RE: Administrative Approval of Unorthodox Location
San Juan 32-5 Unit #13M Well
1711' FSL and 1295' FEL
Section 25-T32N-R6W, NMPM
Rio Arriba County, New Mexico
Mesa Verde/Dakota Commingle

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Your assistance and cooperation in this matter are appreciated.

Sincerely,



Richard P. Corcoran
District Landman

RPC/df

=====

WAIVER

_____ hereby waives objection to the above referenced Application for Unorthodox Location for Taurus Exploration U.S.A., Inc.'s San Juan 32-5 Unit 13M well.

Date: _____ By: _____

F:\LAND\WILLIAMS\SJ32513M.WPD

R 6 W

R 5 W

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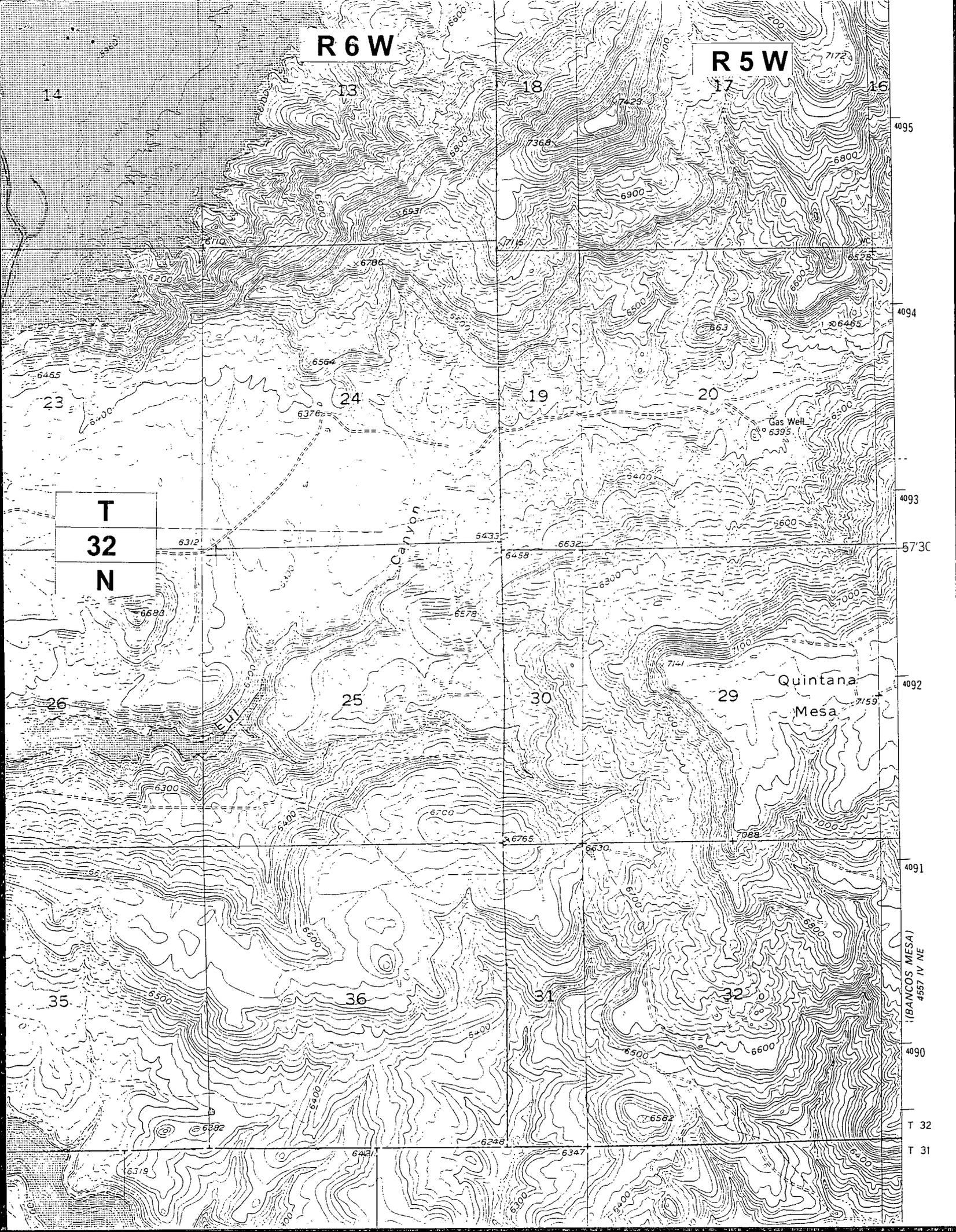
32

Quintana
Mesa

Canyon

EUJ

(IBANCOS MESA)
4557 IV NE



District I
 181 Box 1280, Hobbs, NM 88241-1280
 District II
 811 South First, Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals & Natural Resources Department

Form C-102
 Revised October 18, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 APT Number		2 Pool Code		3 Pool Name	
		72319/71599		Blanco Mesa Verde/Basin Dakota	
4 Property Code		5 Property Name			6 Well Number
		SAN JUAN 32-5 UNIT			13M
7 OGRID No.		8 Operator Name			9 Elevation
162928		TAURUS EXPLORATION U.S.A., Inc.			6494

10 Surface Location

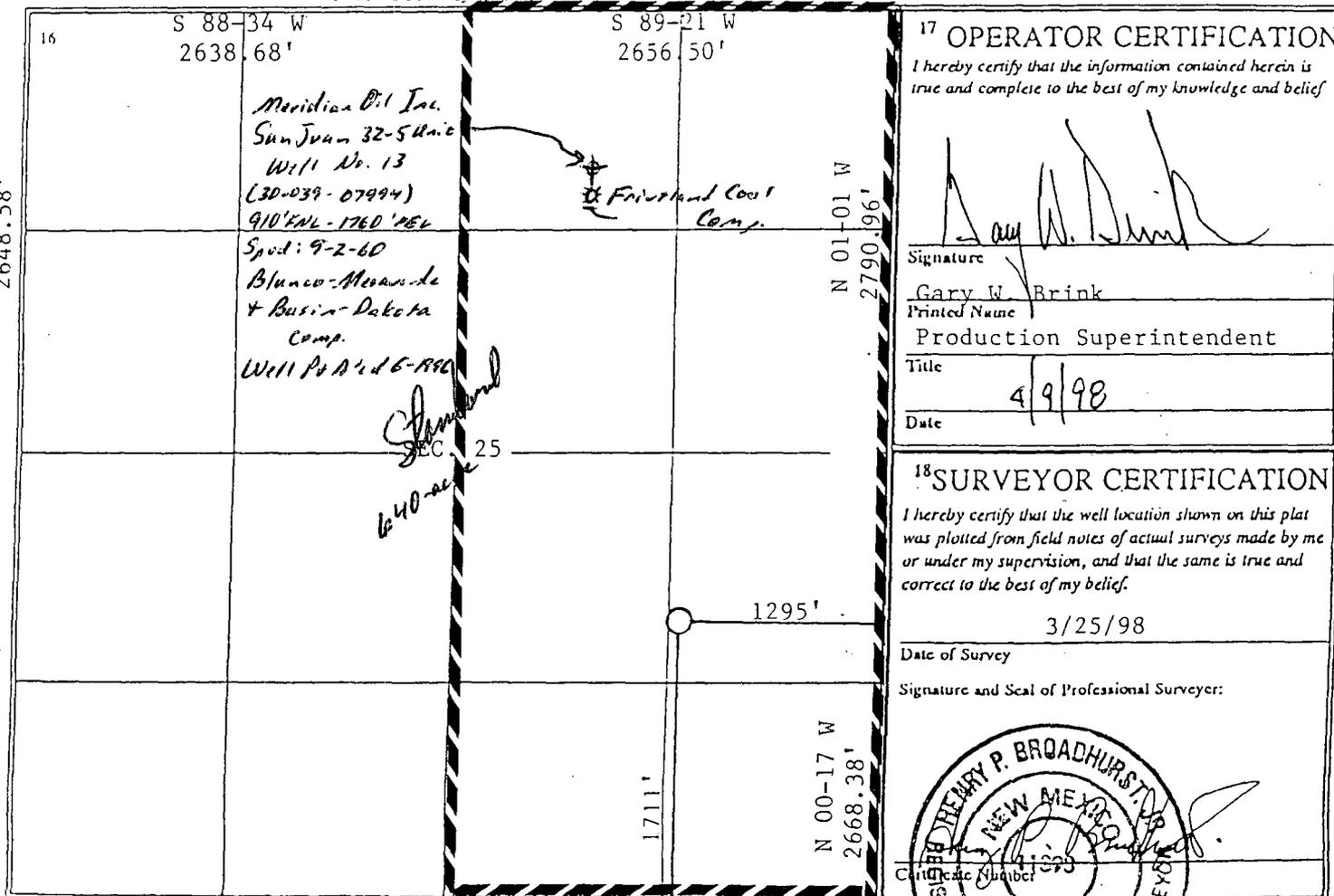
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	25	32N	6W		1711	SOUTH	1295	EAST	RIO ARRIBA

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres	13 Joint or Infill	14 Consolidation Code	15 Order No.
320			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



N 00-55 E
 2648.58'

N 00-26 E
 2601.06'

N 89-42' W
 5415.96'

