

HARVARD PETROLEUM CORPORATION

400 North Pennsylvania, Suite 450 • P.O. Box 936 • Roswell, NM 88201 • (505) 623-1581 • Fax (505) 622-8006

May 21, 1999

Mr. Don Craig
Breck Operating Corp.
P.O. Box 911
Breckenridge, TX 76424

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

**Re: Notice of an Application for
Administrative Approval of an
Unorthodox Location 660' FSL and
1650' FWL of Section 5, T8S-R37E
Roosevelt County, New Mexico**

Dear Mr. Craig:

This letter provides actual notice of Harvard Petroleum Corporation's Application for Administrative Approval of an Unorthodox Well Location for its Williams #1 well, 660 feet from the South line and 1650 feet from the West line of Section 5, Township 8 South, Range 37 East, NMPM, Roosevelt County, New Mexico. A copy of the Application for Approval including an orientation plat is enclosed. The W/2 of Section 5 will be dedicated to the well.

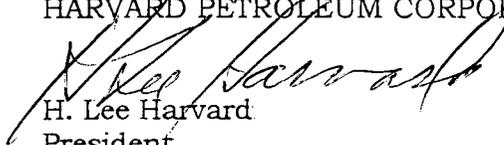
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Sincerely,

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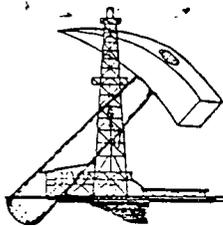


H. Lee Harvard
President

Breck Operating Corp. does not object, and waives any right to object, to the Application for Administrative Approval of an Unorthodox Location for the drilling of the Harvard Petroleum Corporation's Williams #1 well, 660 feet from the South line and 1650 feet from the West line of Section 5, T8S-R37E, NMPM, Roosevelt County, New Mexico.

By Donald A Craig Donald Craig
Title District Engineer
Date May 28, 1999

HLH/rb



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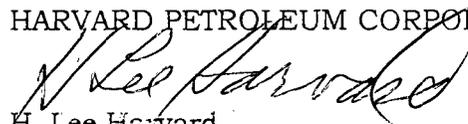
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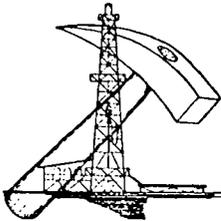


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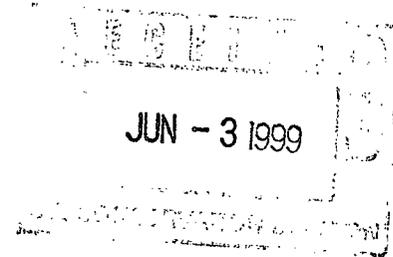


HARVARD PETROLEUM CORPORATION

400 North Pennsylvania, Suite 450 • P.O. Box 936 • Roswell, NM 88201 • (505) 623-1581 • Fax (505) 622-8006

June 1, 1999

Lori Wrotenbery, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
2040 South Pacheco Street
Santa Fe, New Mexico 87505



Re: Application of Harvard Petroleum Corporation for Administrative Approval of an Unorthodox Well Location for its Williams Well #1, 660 feet from the South line and 1650 feet from the West line of Section 5, Township 8 South, Range 37 East, NMPM, Roosevelt County, New Mexico

Dear Ms. Wrotenbery:

On May 21, 1999 Harvard Petroleum Corporation mailed an Application for Administrative Approval of an Unorthodox Well Location, as captioned above. On the same date, a letter was mailed to Breck Operating Corp. requesting a waiver of any rights to oppose the unorthodox location. Enclosed are three signed copies of the letter indicated that Breck Operating Corp. does not object, and waives any right to object, to the unorthodox location.

Harvard Petroleum Corporation would like to commence operation at the location on June 16, 1999.

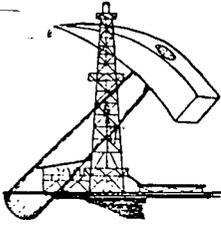
A copy of the Draft Administrative Order mailed with the Application is enclosed. Your attention to this matter is appreciated.

Very truly yours,

HARVARD PETROLEUM CORPORATION

H. Lee Harvard
President

HLH/rb
Enclosures

**HARVARD PETROLEUM CORPORATION**

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May 21, 1999

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Breck Operating Corp.
P.O. Box 911
Breckenridge, TX 76424

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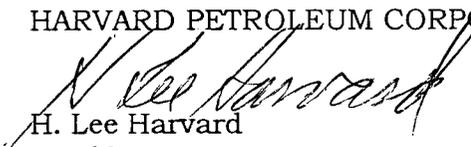
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By Donald R Craig Donald Craig
Title District Engineer
Date May 28, 1999

HLH/rb

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVER SHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

- [NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
- [DD-Directional Drilling] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
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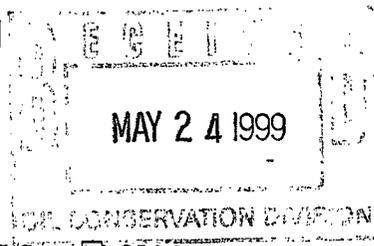
[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Directional Drilling
 NSL NSP DD SD

Check One Only for [B] and [C]

- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR



[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

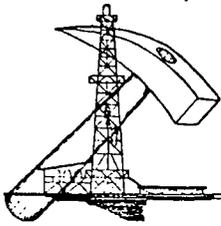
- [A] Working, Royalty or Overriding Royalty Interest Owners
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- [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are Attached

[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data (including API numbers, pool codes, etc.), pertinent information and any required notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

H. Lee Harvard _____ President _____ 5/24/99
 Print or Type Name Signature Title Date



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May 21, 1999

Lori Wrotenbery, Director
Oil conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Re: Application of Harvard Petroleum Corporation for Administrative Approval of an Unorthodox Well Location for its Williams Well #1, 660 feet from the South line and 1650 feet from the West line of Section 5, Township 8 South, Range 37 East, NMPM, Roosevelt County, New Mexico

Dear Ms. Wrotenbery:

Harvard Petroleum Corporation hereby seeks administrative approval pursuant to the provisions of Division Rule 104 F (2) adopted on January 18, 1996, of an unorthodox well location in the San Andres formation, Bluit-San Andres Associated Gas Pool, for its Williams Well No. 1 to be drilled 660 feet from the South line and 1650 feet from the West line of Section 5, Township 8 South, Range 37 East, NMPM, Roosevelt County, New Mexico. The W/2 of Section 5 will be dedicated to the well.

This location in the San Andres formation is unorthodox because it is governed by the Division's special pool rules for the Bluit-San Andres Associated Pool, which provide for gas wells on 320-spacing units to be located no closer than 660 feet to the nearest side boundary of the dedicated tract nor closer than 990 feet to the nearest end boundary.

Attached hereto as Exhibit A is a San Andres Porosity Isopach Map which shows the proposed unorthodox well location is necessary to enable Harvard to locate this well away from the porosity pinchout and in the thicker part of the San Andres porosity development under the West half of said Section 5.

Attached hereto as Exhibit B is a plat as required by Rule 104 F (3) showing the subject spacing unit, the proposed unorthodox well location, the offsetting wells and the diagonal and adjoining spacing units.

This proposed unorthodox location is unorthodox by being located closer than 990 feet from the nearest end boundary of the dedicated tract. The only party affected by this unorthodox location is Breck Operating Corp., P.O. Box 911, Breckendridge,

Lori Wrotenbery
May 21, 1999
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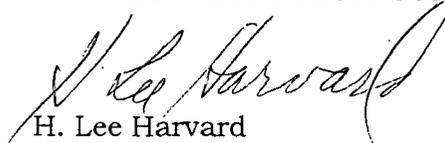
Texas 76425. Breck Operating Corp. has been notified by certified mail of this unorthodox location and information showing Proof of Notification is enclosed.

Also enclosed is a proposed order approving this application..

Your attention to his matter is appreciated

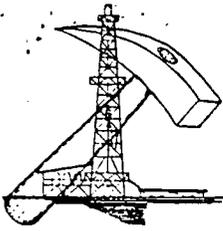
Very truly yours,

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H. Lee Harvard
President

HLH/rb
Enclosures



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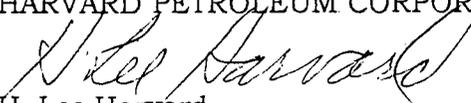
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By _____
Title _____
Date _____

HLH/rb

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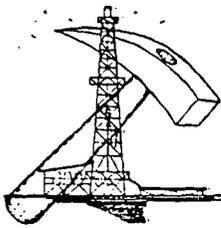
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Print or Type Name

H. Lee Harvard
Signature

President
Title

5/21/99
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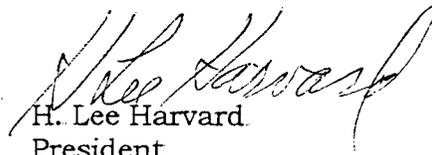
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H. Lee Harvard
President

HLH/rb
Enclosures

P 502 370 468

US Postal Service
Receipt for Certified Mail

No Insurance Coverage Provided.
Do not use for International Mail (See reverse)

Sent to	Don Craig @ Breck Operating
Street & Number	PO Box 911
Post Office, State, & ZIP Code	Breckenridge TX 76424
Postage	\$
Certified Fee	1.40
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.25
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	5/21/99

Notice of App for Approval
Unorthodox Location for
Blair Prospect-Williams #

Fold at line over top of envelope to
the right of the return address.

CERTIFIED

P 502 370 468

MAIL

PS Form 3800, April 1995

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- 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:
Mr. Don Craig
Breck Operating Corp.
P.O. Box 911
Breckenridge, TX 76424

4a. Article Number
P 502 370 468

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

7. Date of Delivery

5. Received By: (Print Name)

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

6. Signature: (Addressee or Agent)

X

Thank you for using Return Receipt Service.