

McElvain Oil & Gas Properties, Inc.

INDEPENDENCE PLAZA
1050 17TH STREET, SUITE 1800
DENVER, COLORADO 80265

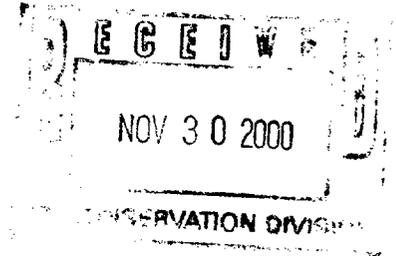
NSL 12/20/00
33931443

JOHN D. STEUBLE
ENGINEERING MANAGER
E.mail johns@mcelvainoilandgas.com

TELEPHONE 303-893-0933 EXT.302
FAX 303-893-0914

November 28,2000

New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505



RE: Application for Administrative Approval
Unorthodox Well Location
Naomi Com #1
Blanco Mesaverde
SW/4, Section 25, T25N, R3W
Rio Arriba Co., New Mexico

Gentlemen:

McElvain Oil and Gas Properties, Inc. requests administrative approval of this non standard footage location pursuant to Rule 104.F(2). This well was originally permitted and drilled as a West Lindirith Gallup Dakota test. The well was completed and subsequently plugged and abandoned. McElvain proposes to re-enter the well and complete in the Mesaverde. The footage of the well does not meet the set back requirements for the Blanco Mesaverde Pool from the west line of the proration unit boundary.

As required by Rule 104.F(3) the following items are attached:

- A C-102 showing the well location and proposed spacing unit.
- A plat showing offset Blanco Mesaverde spacing units or leases if the sections are not spaced.
- A list of the operators or lessee of record for the offsetting proration units with their addresses.

In accordance with Rule 104.F(4) and Rule 1207(A)(5), a complete copy of this application was sent by certified mail-return receipt, on the same date as this application to the operators/lessees on the attached list. A copy of the cover letter is attached

Sincerely,

A handwritten signature in black ink that reads "John D. Steuble". The signature is written in a cursive style.

John D. Steuble
Engineering Manager

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

District I
1625 N. French Dr., Hobbs, NM 88240

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 August 15, 2000

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-24222		² Pool Code 72319		³ Pool Name Blanco Mesaverde	
⁴ Property Code		⁵ Property Name Naomi Com			⁶ Well Number 1
⁷ OGRID No. 22044		⁸ Operator Name McElvain Oil & Gas Properties, Inc.			⁹ Elevation 7077'

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
L	25	25N	3W		1650	South	450	West	Rio Arriba

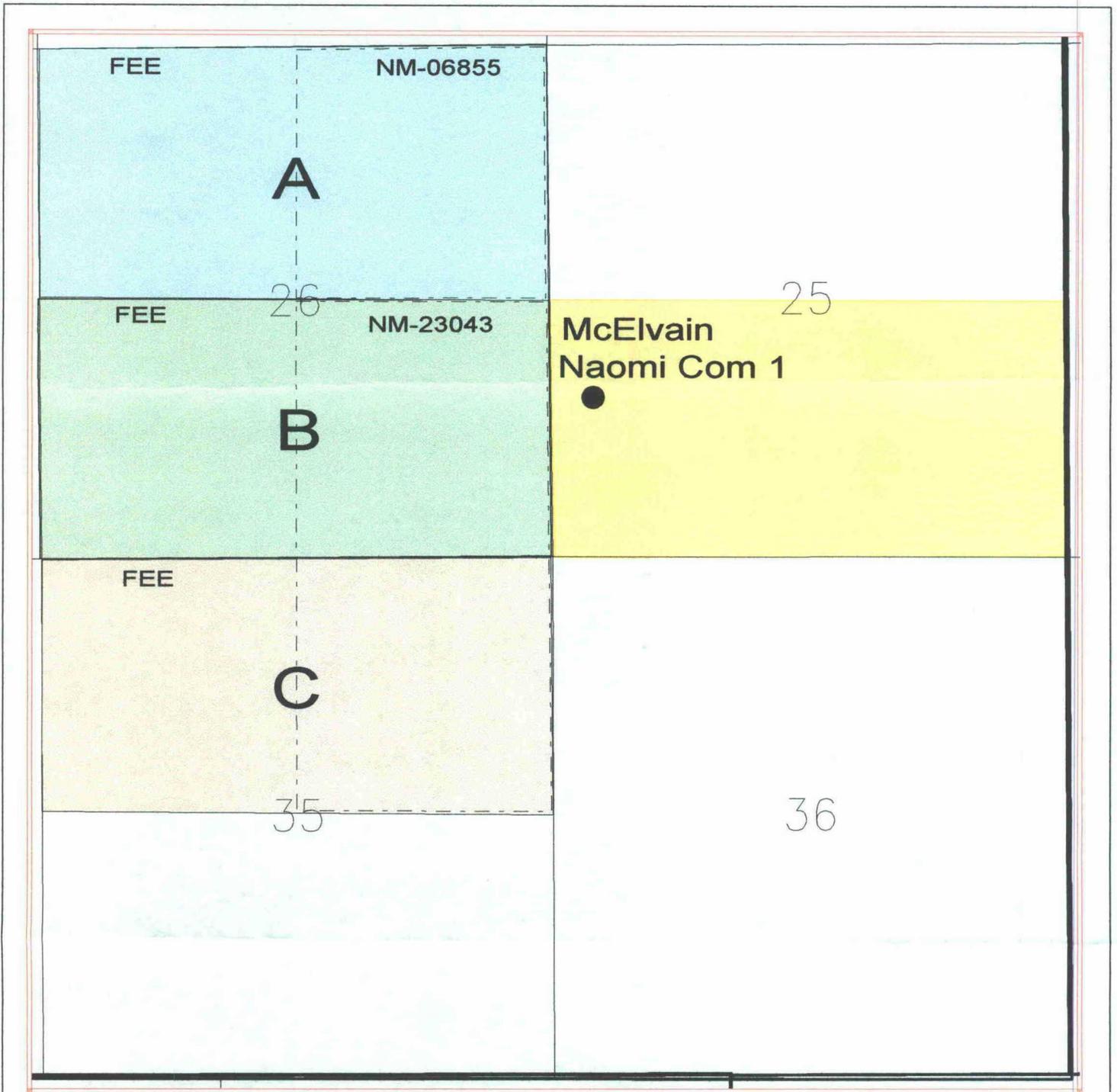
¹¹ Bottom Hole Location If Different From Surface

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 320	¹³ Joint or Infill N	¹⁴ Consolidation Code	¹⁵ Order No.
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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

<p>16</p>	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>John D. Steuble</i> Signature</p> <p>John D. Steuble Printed Name</p> <p>Engineering Manager Title</p> <p>November 20, 2000 Date</p>
	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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 belief.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>This location originally surveyed by R. Howard Daggett on April 30, 1988.</p> <p>The location was not resurveyed</p> <p>Certificate Number</p>



LEGEND

- TRACT A: Dugan Production Co
- TRACT B: Schalk Development Co
The John E. Rouse Trust
Dugan Production Co
Hixon Development Co
Rio Chama Petroleum
- TRACT C: W. M. Galaway
Rio Chama Petroleum

McElvain Oil & Gas Properties, Inc.

UNORTHODOX LOCATION
NAOMI COM #1
NW SW Sec 25, T25N-R3W



		11/27/00
	Scale 1:17956.94	nmk

Names and Addresses of Lessees for Notice Purposes
Unorthodox Location
Naomi Com #1
NW SW Section 25, T25N-R3W
Rio Arriba County, New Mexico

Schalk Development Company
P.O. Box 25825
Albuquerque, NM 87125

The John E. Rouse Marital Trust
P.O. Box 408
Cheyenne, WY 82003

Rio Chama Petroleum, Inc.
P.O. Box 3027
Pagosa Springs, CO 81147

Dugan Production Company
P.O. Box 420
Farmington, NM 87499-420

Hixon Development Company
P.O. Box 2810
Farmington, NM 87499

W.M. Galaway
Petroleum Plaza Building
Farmington, NM 87401

McElvain Oil & Gas Properties, Inc.

**INDEPENDENCE PLAZA
1050 17TH STREET, SUITE 1800
DENVER, COLORADO 80265**

**JOHN D. STEUBLE
ENGINEERING MANAGER**

**TELEPHONE 303-893-0933 EXT.302
FAX 303-893-0914**

SENT CERTIFIED MAIL – RETURN RECEIPT REQUESTED

November 28, 2000

Schalk Development Company
P.O. Box 25825
Albuquerque, NM 87125

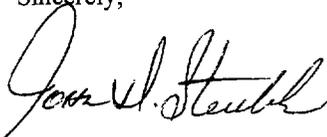
Re: Application for Administrative Approval
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Naomi Com #1
Gallup/Dakota
SW/4, Section 25-T25N-R3W
Rio Arriba Co., New Mexico

To All Interested Parties:

McElvain Oil & Gas Properties, Inc. had made application to the New Mexico Oil Conservation Division for administrative approval of the above referenced unorthodox well location. In accordance with Rule 104.F (4) and 1207.A (5), we are advising you of this application as the lessee/operator of an offsetting spacing unit. A copy of the application is attached for your review. If you have no objection to the application, please sign the attached waiver letter and return to the NMOCD in the enclosed self-addressed stamped envelope. If you do not sign the waiver or enter an objection within twenty (20) days, the Division Director may approve this application.

Please contact the undersigned at the letterhead telephone number if you have any questions.

Sincerely,



John D. Steuble
Engineering Manager

Enclosures

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

12/29/00 10:42:21
OGOMES -TP8Y
PAGE NO: 1

Sec : 25 Twp : 25N Rng : 03W Section Type : NORMAL

D 40.00 Federal owned	C 40.00 Federal owned	B 40.00 Federal owned	A 40.00 Federal owned
E 40.00 Federal owned	F 40.00 Federal owned	G 40.00 Federal owned	H 40.00 Federal owned

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

12/29/00 10:42:28
OGOMES -TP8Y
PAGE NO: 2

Sec : 25 Twp : 25N Rng : 03W Section Type : NORMAL

L 40.00	K 40.00	J 40.00	I 40.00
Federal owned	Federal owned	Federal owned	Federal owned
A			
M 40.00	N 40.00	O 40.00	P 40.00
Federal owned	Federal owned	Federal owned	Federal owned

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

CMD :
OG6IWCM

ONGARD
INQUIRE WELL COMPLETIONS

12/29/00 10:42:35
OGOMES -TP8Y

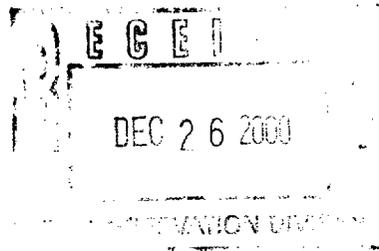
API Well No : 30 39 24222 Eff Date : 12-09-1998 WC Status : P
Pool Idn : 39189 LINDRITH GALLUP-DAKOTA, WEST
OGRID Idn : 22044 MCELVAIN OIL AND GAS PROPERTIES INC
Prop Idn : 6671 WYNONA

Well No : 001
GL Elevation: 7077

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
B.H. Locn	: L	25	25N	03W	FTG 1650 F S	FTG 450 F W	P
Lot Identifier:							
Dedicated Acre:							
Lease Type	: P						
Type of consolidation (Comm, Unit, Forced Pooling - C/U/F/O)	:						

M0025: Enter PF keys to scroll

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 NEXT-WC	PF11 HISTORY	PF12 NXTREC



Oil Conservation Division
2040 S. Pacheco
Santa Fe, NM 87505

Attn: Lori Wrotenbery

Re: Application For Administrative Approval
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Naomi Com #1
Gallup/Dakota
SW/4 Section 25-T25N-R3W
Rio Arriba Co., New Mexico

We have no objection to the above referenced unorthodox well location.

COMPANY: W M Gallaway
BY: W M GALLAWAY
TITLE: OWNER
DATE: 12-21-00

Oil Conservation Division
2040 S. Pacheco
Santa Fe, NM 87505

RECEIVED
DEC 15 1999
OIL CONSERVATION DIVISION

Attn: Lori Wrotenbery

Re: Application For Administrative Approval
Unorthodox Well Location
Naomi Com #1
Gallup/Dakota
SW/4 Section 25-T25N-R3W
Rio Arriba Co., New Mexico

We have no objection to the above referenced unorthodox well location.

COMPANY: DuPan Production Corp
BY: John Alexander
TITLE: V.P.
DATE: 12/5/2000

Oil Conservation Division
2040 S. Pacheco
Santa Fe, NM 87505



Attn: Lori Wrotenbery

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Naomi Com #1
Gallup/Dakota
SW/4 Section 25-T25N-R3W
Rio Arriba Co., New Mexico

We have no objection to the above referenced unorthodox well location.

COMPANY: Rio Chama Petroleum
BY: David C. Parker
TITLE: V. Pres.
DATE: 12/1/00