OIL CONSERVATION DIVISION 2040 South Pacheco Street Santa Fe, New Mexico 87505 (505) 827-7131

June 30, 1998

Taurus Exploration U.S.A., Inc. 2198 Bloomfield Highway Farmington, New Mexico 87401 Attention: Richard P. Corcoran

Administrative Order NSL-4083

Dear Mr. Corcoran:

Reference is made to your applications dated May 29, 1998 for an exception to the well location requirements provided within the "Special Rules and Regulations for the Blanco-Mesaverde Pool/Special Rules and Regulations for the Basin-Dakota Pool," as promulgated by Division Order No. R-10987, for Taurus Exploration U.S.A., Inc.'s ("Taurus") proposed: (i) San Juan "30-4" Unit Well No. 41 to be drilled at an unorthodox gas well location 1260 feet from the South line and 1905 feet from the West line (Unit O) of Section 18, Township 30 North, Range 4 West, NMPM, Rio Arriba County, New Mexico; and, (ii) San Juan "30-4" Unit Well No. 41-M to be drilled at an unorthodox infill gas well location 807 feet from the South line and 692 feet from the East line (Unit P) of Section 18.

Lots 3 and 4, the E/2 SW/4, and the SE/4 (S/2 equivalent) of Section 18, being a standard 269.56-acre gas spacing and proration unit for both the Basin Dakota and Blanco-Mesaverde Pools, is to be dedicated to the proposed wells.

The application has been duly filed under the provisions of Rules 104.F and 605.B of the Rules and Regulations of the New Mexico Oil Conservation Division ("Division").

By the authority granted me under the provisions of Division Rule 104.F(2), the above-described unorthodox Basin-Dakota/Blanco-Mesaverde gas well locations for both the San Juan "30-4" Unit Well No. 41 and 41-M are hereby approved.

Further, both wells and both spacing units will be subject to all existing rules, regulations, policies, and procedures applicable to prorated gas pools in Northwest, New Mexico.

Sincerely,

Lori Wrotenbery

Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec

tenben

U. S. Bureau of Land Management - Farmington

TAURUS EXPLORATION, INC.

2198 Bloomfield Highway Farmington, New Mexico 87401 Telephone (505) 325-6800

May 29, 1998

Michael E. Stogner New Mexico Oil Conservation Commission 2040 South Pacheco Santa Fe, New Mexico 87505

RE:

Administrative Approval of Unorthodox Location

San Juan 30-4 Unit #41 Well 1905' FWL and 1260' FSL Sec. 18-T30N-R4W

Rio Arriba County, New Mexico

Mesaverde/Dakota Dual

Dear Mr. Stogner:

Taurus Exploration U.S.A., Inc. requests administrative approval for an unorthodox location of its San Juan 30-4 Unit #41 well under the provisions of NMOCD Order R-8170.

In an effort to reduce disturbance to wildlife habitat and damage to vegetation in the Carson National Forest, and at the request of the Forest Service we are endeavoring to locate our proposed San Juan 30-4 Unit #41 well on the existing well pad for the San Juan 30-4 Unit #1.

To avoid cutting a stand of large trees on the south edge of the pad and because there is a steep drop off on the west edge of the location, moving the well in a northeasterly direction was necessary. To use the established pad while maintaining an adequate distance from the existing borehole necessitates requesting an unorthodox location for this well.

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,

Richard P. Corcoran District Landman

RPC/df Enclosure

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

TAURUS EXPLORATION USA, INC.

2198 Bloomfield Highway Farmington, New Mexico 87401 Telephone (505) 325-6800

June 2, 1998

Scott Prather Phillips Petroleum Company 5525 Highway 64 Farmington, New Mexico 87401

RE:

Administrative Approval of Unorthodox Location

San Juan 30-4 Unit 41 Well 1905' FWL, 1260' FSL Sec. 18-T30N-R4W

Rio Arriba County, New Mexico

Mesa Verde/Dakota

Dear Mr. Prather:

Sincerely

Richard P. Corcoran District Landman

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 30-4 Unit 41 well. A copy of the application has been attached for your review.

If you have no objection to this unorthodox location, please sign 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 envelopes are enclosed.

Your assistance and cooperation in this matter are appreciated.

RPC/df \_\_\_\_\_\_\_ WAIVER hereby waives objection to the above referenced Application for Unorthodox Location for Taurus Exploration U.S.A., Inc.'s San Juan 30-4 Unit 41 well.

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

District I Pt) Box 1980, Hobbs, NM 88241-1980 District II 811 South First, Artesia, NM 83210 District III 1000 Rio Benzos Rd., Aziec, NM 87410

2040 South Pacheco, Santa Fe, NM 87505

District IV

#### State of New Mexico Energy, Minerals & Natural Resources Department

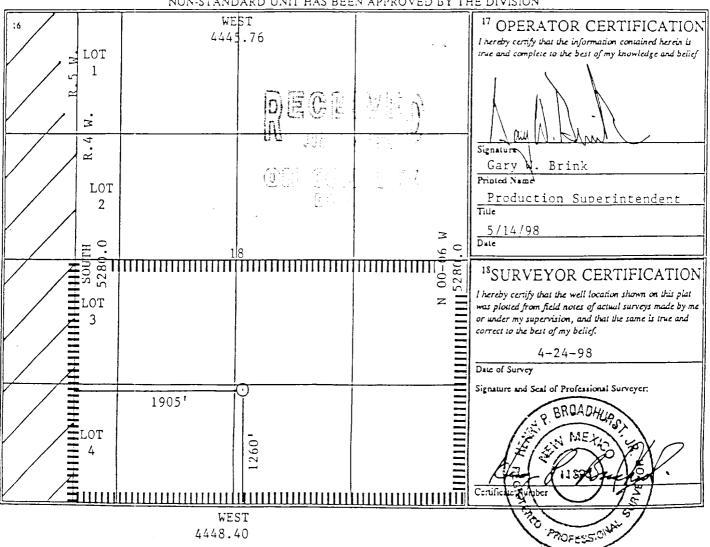
OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505 Form C-102
Revised October 18, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

1	cr	723	<sup>2</sup> Pool Code 329/7159		Pool Name Blanco Mesaverde/Basin Dakota					
<sup>4</sup> Property Code			* Property Name SAN JUAN 30-4 UNIT						* Well Number 41	
70CRID No. 162928				*Elevation 7408						
					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	
0	18	30N	4W		1260	SOUTH	1905	WEST	RIO ARRIBA	
			11 Bot	tom Hol	e Location I	f Different Fro	om Surface			
UL or lot no.	Section	Tuwnship	Runge	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
" Dedicated Acr 269.56/26		or Infall ' C	onsolidatio	n Code 14 O	rder No.	!	<u>!</u>		<u> </u>	

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

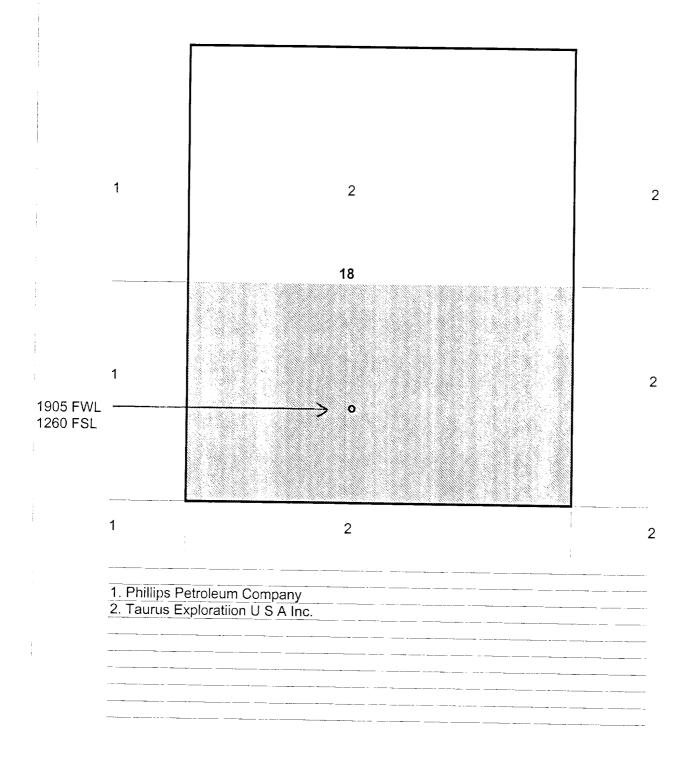


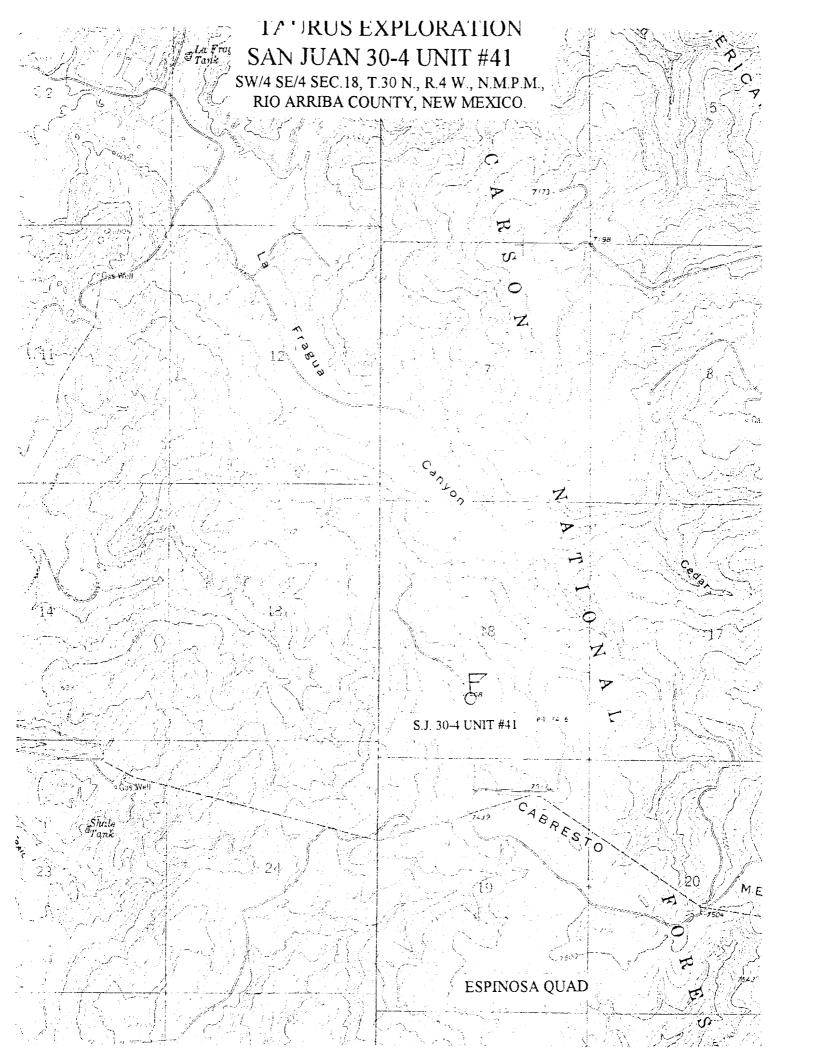
## Taurus Exploration U. S. A., Inc.

# San Juan 30-4 Unit #41 OFFSET OPERATOR \ OWNER PLAT

Mesa Verde \Dakota Dual

Township 30 North - Range 4 West





TAURUS EXPLORATION, INC.

2198 Bloomfield Highway Farmington, New Mexico 87401 Telephone (505) 325-6800

May 29, 1998

Michael E. Stogner New Mexico Oil Conservation Commission 2040 South Pacheco Santa Fe, New Mexico 87505

RE:

Administrative Approval of Unorthodox Location

San Juan 30-4 Unit #41M Well

692' FEL and 807' FSL Sec. 18-T30N-R4W

Rio Arriba County, New Mexico

Mesaverde/Dakota Dual

Dear Mr. Stogner:

Taurus Exploration U.S.A., Inc. requests administrative approval for an unorthodox location of its San Juan 30-4 Unit #41M well under the provisions of NMOCD Order R-8170.

In an effort to reduce disturbance to wildlife habitat and damage to vegetation in the Carson National Forest, and at the request of the Forest Service we are endeavoring to locate our proposed San Juan 30-4 Unit #41M well on the existing well pad for the San Juan 30-4 Unit #7. Use of the established pad necessitates requesting an unorthodox location for this well.

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,

Richard P. Corcoran District Landman

RPC/df Enclosure

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

TAURUS EXPLORATION USA, INC.

2198 Bloomfield Highway Farmington, New Mexico 87401 Telephone (505) 325-6800

June 2, 1998

Scott Prather Phillips Petroleum Company 5525 Highway 64 Farmington, New Mexico 87401

RE:

Admin strative Approval of Unorthodox Location

San Juan 30-4 Unit 41M Well

692' FEL, 807' FSL Sec. 18-T30N-R4W

Rio Arriba County, New Mexico

Mesa Verde/Dakota

Dear Mr. Prather:

Sincerely.

Richard P. Corcoran District Landman

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 30-4 Unit 4M well. A copy of the application has been attached for your review.

If you have no objection to this unorthodox location, please sign 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 addressec envelopes are enclosed.

Your assistance and cooperation in this matter are appreciated.

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

RPC/df

WAIVER

hereby waives objection to the above referenced Application for Unorthodox Location for Taurus Exploration U.S.A., Inc.'s San Juan 30-4 Unit 4M well.

Date: \_\_\_\_\_\_ By: \_\_\_\_\_\_

District I PO Box 1980, Hobbs, NNI 88241-1980 District II 811 South First, Artesia, NM 88210 District III 1000 Rlu Brazos Rd., Aztec, NM 87410 District IV

2040 South Pacheco, Santa Fe, NM 87505

## State of New Mexico mergy, Minerals & Natural Renources Department

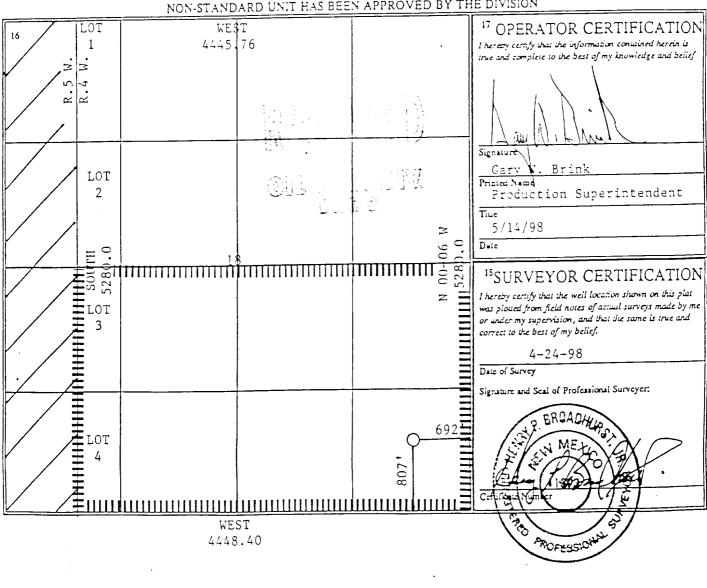
Form C-102 Revised October 18, 1994 Instructions on back Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

**Property Code  SAN JUAN 30-4 UNIT  Operator Name TAURUS EXPLORATION U.S.A., INC.  10 Surface Location  UI. or lot no. Section P 18 30N 4W 807 SOUTH 692 EAST RIO  10 Bottom Hole Location If Different From Surface  North/South line Feet from the East/West line County Root South From Surface  11 Bottom Hole Location If Different From Surface  County Root South R	API Number				* Pool Code 72329/71599		Pool Name Blanco Mesaverde/Basin Dakota				
TAURUS EXPLORATION U.S.A., INC.  TAURUS EXPLORATION U.S.A., INC.  7416  10 Surface Location  UI. or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County P 18 30N 4W 807 SOUTH 692 EAST RIO A	<sup>4</sup> Property										
UI, or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County P 18 30N 4W 807 SOUTH 692 EAST RIO A  11 Bottom Hole Location If Different From Surface  County Feet from the Feet from the East/West line County  North/South line Feet from the East/West line County			TAURUS EXPLORATION U.S.A., INC.							*Elevation 7416	
P 18 30N 4W 807 SOUTH 692 EAST RIO A  11 Bottom Hole Location If Different From Surface  12 Bottom Hole Location If Different From Surface  13 Bottom Hole Location If Different From Surface	10232					10 Surface	Location				
Bottom Hole Location If Different From Surface  11 Bottom Hole Location If Different From Surface  County				4W		807	SOUTH	692	_	County RIO ARRIBA	
South line Feet from the Fast/West line County			,1,331,	II Bot	tom Hol	e Location I	f Different Fro	om Surface			
	UL or lot no.	Section	Township		1	1	1	1	East/West line	County	
"Dedicated Acres "Joint or Infill "Consolidation Code "Order No. 269.56/269.56 " NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATE	269.56/26	69.56									



### Taurus Exploration U. S. A., Inc.

# San Juan 30-4 Unit #41M OFFSET OPERATOR \ OWNER PLAT

Mesa Verde \Dakota Dual

Township 30 North - Range 4 West

