9155 E. Nichols Ave., Suite 350 • Englewood, CO 80112

Bus: 303-925-0542 • Fax: 303-925-0543

November 9th, 1999

Ms. Lori Wrotenberry New Mexico Oil Conservation Division 2040 South Pacheco Street Santa Fe, New Mexico 87505

RE:

Administrative Approval for Unorthodox Location Greystone Energy, Inc.

Big Jake # 1 Fruitland Coal (New Well)

2164 FNL, 186 FWL, Sec.26, T31N, R13W, N.M.P.M. San Juan County, New Mexico

Dear Ms. Wrotenberry:

Greystone Energy, Inc. requests administrative approval of an unorthodox location pursuant to Rule 104 . F (2). Standard spacing for the Basin Fruitland Coal states that the first well in a section must be located in either the NE/4 or the SW/4. The well bore, which Greystone plans on drilling, is in the NW/4. Endangered / protected vegetation (See attached letter from the BLM), coupled with topography limitations (See attached map) are the rational for the unorthodox location.

To comply with the New Mexcio Oil Conservation Rules, Greystone Energy, Inc. is submitting the following data for support:

- 1. Form C-102 showing planned well position
- 2. Letter from BLM resulting from a onsite visit & Threatened and Endangered Survey we performed
- 3. Topographic Map illustrating well spot
- 4. Location Plat showing Offset lease hold and well spot
- 5. Offset operator / lease holder notification list

In accordance to New Mexico Oil Conservation Division Rule 104. F (3), all offset operators / leaseholders have been notified of this application by certified mail. As an offset operator / leaseholder, if you have an objection to this application you must file your objection in writing with the Division within 20 days from the date that the Division receives this application.

If additional information is needed, please contact me at (303) 925-0542 Ext. 223.

Sincerely,

Brian D. Voigt Vice President

CC: NMOCD-Aztec, BLM - Farmington, Offset Operators / Lease Holders

Applied Cot DAC Make Jabels

FIGURE 3a

DISTRICT P.O. Box 1980, Hobbs, N.M. 88241-1980

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised February 21, 1994 Instructions on back

P.O. Drawer DD, Artesia, N.M. 88211-0719

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

DISTRICT III 1000 Rio Brazos Rd., Aztec, N.M. 87410 OIL CONSERVATION DIVISION P.O. Box 2088 Santa Fe, NM 87504-2088

☐ AMENDED REPORT

PO Box 2088, Santa Fe, NM 87504-2088 WELL LOCATION AND ACREAGE DEDICATION PLAT AP! Number Pool Code ⁴Property Code Property Name * Well Number BIG JAKE OGRID No. *Operator Name ⁹ Elevation GREYSTONE ENERGY, INC., 5667' 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 Ε 26 31 - N13-W 2164 NORTH 186 WEST SAN JUAN 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 Dedicated Acres 13 Joint or Infill 14 Consolidation Code | 18 Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED FD. BLM BRASS CAP OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION **P**16 1952 N 89-48-27 W 5188.29' (MEAS.) FD. BLM BRASS CAP 1952 OPERATOR CERTIFICATION I hereby certify that the information contained herein is 2,889.43' (MEAS.) true and complete to the best of my knowledge and belief 03-10-08 E Printed Name 186 26 Date BRASS CAP SURVEYOR CERTIFICATION 1952 2630.85' (MEAS.) I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by mi or under my supervision, and that the same is true and correct to the best of my belief. [0 Date of Su 00-05-51 W Signature POFESSION 8894 FD. BLM BRASS CAP Certificate Number 1952

SO MARCH 3.1840

IN REPLY REFER TO: 3162.5-1 (070)

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington District Office 1235 La Plata Highway Farmington, New Mexico 87401

(01 2 6 1999

MON II ! 1898

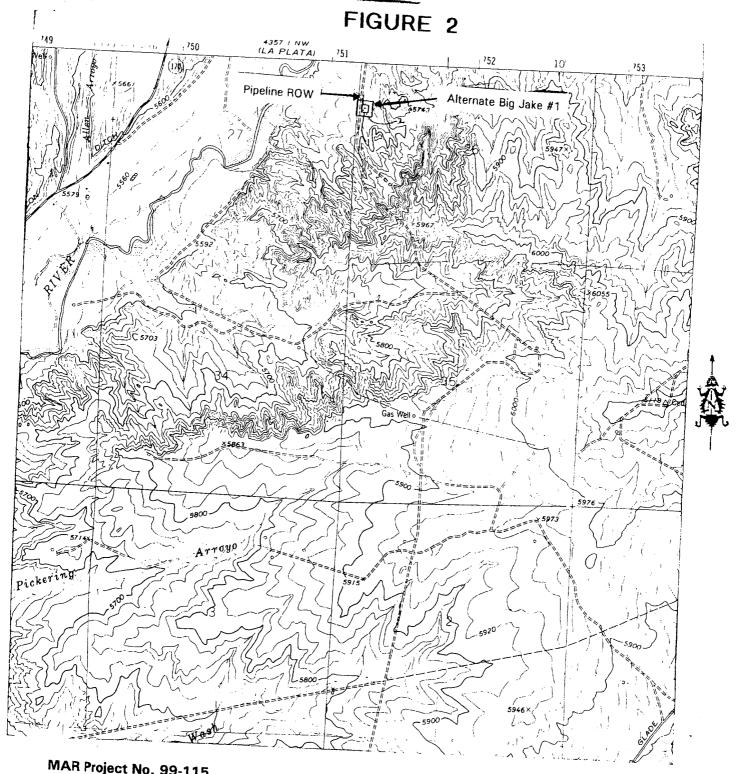
Mr. Brian D. Voigt Greystone Energy, Inc. 9155 East Nichols Ave., Suite 350 Englewood, CO 80112

Dear Mr. Voigt:

The purpose of this letter is to inform Greystone Energy, Inc. and New Mexico Oil Conservation Division (NMOCD) of an unorthodox well placement location for the Greystone Energy, Inc.'s, Big Jake # 1 originally staked 1850' FSL/ 840' FEL, sec. 26, T-31-N, R-13-W. In the past, most locations without resource conflicts have been drilled. The window where the Big Jake #1 was originally staked has topographical constraints and is in critical T&E [Gilia Formosa (Aztec gilia) and Sclerocactus cloveriae var. brackii (Brack's cactus)]. The well was moved to 2164' FNL/ 186' FEL, where it is now staked. It is the Bureau of Land Management's goal to stake this well in an area where resource damage is minimal and can be reduced to acceptable levels by mitigation. Therefore, it is the request of the Authorized Officer that this location be moved to an unorthodox location to lessen impacts to various resources in the area.

If you have any questions, please contact Neel McBride of my staff at (505) 599-6322.

Ruben Sanchez
Environmental Protection Team Lead



MAR Project No. 99-115 NMCRIS Proj# 65911, Act# 66211

Alternate Big Jake #. 1 Well and Pipeline T31N, R13W, Sec. 26; NMPM; San Juan County, New Mexico

Key: Well Pad -Buffer Zone . Pipeline ROW -Isolated Loci

MAP: Farmington North, NM Photorevised 1979

SCALE: 1:24,000

CONTOUR INTERVAL: 20 feet

Big Jake #1 - Offset Operators and Owners

Hallwood Petroleum Dugan Production	Hallwood Petroleum Greystone Energy Pevehouse Oil M. F. French		Cas Fuller French Sortington Resources	24	
Hallwood Petroleum 27 Greystone Energy		Big Jake #1 O Hallwood Petroleum Greystone Energy	Surfregion Raccin res	25 25 25 25 25 25 25 25	31 N 13 W.
34	Hallwood Petroleum Greystone Energy	Elurlington Resources	Hallwood Petroleum Greystone Energy	Buringon Resurcts	

Operator	Reservoir	Township	Range	Section	n
Dugan Production Company	Fruitland Coal	30 N	13 W	22	S/2
P.O. Box 420					
Farmington, NM 87499-0420					
Burlington Resources Oil and Gas	Fruitland Coal	31 N	13 W	22	C/00\4/4 0511 0
P.O. Box 4289	The state of the s	31 14	13 44	23	S/2SW/4, SE/4, S/2NE/4
Farmington, NM 87499				25	W/2
				26	E/2
				27	SE/4
				34	W/2
				35	SW/4
				36	W/2
Greystone Energy, Inc.	Fruitland Coal	31 N	13 W	22	NE/4, S/2
9155 East Nichols Ave, #350		0.11	10 44	25	
Englewood, Colorado 80112					E/2
				26	W/2
				27	All excluding SE/4
				34	E/2
				35	All excluding SW/4
Hallwood Petroleum Inc	Fruitland Coal	31 N	13 W	22	NE/4, S/2
4610 South Uister Street, Suite 200				25	E/2
Denver, CO 80237				26	W/2
				27	
				34	All excluding SE/4 E/2
				35	All excluding SW/4
Pevehouse Oil Company					- III OXOIGGING OVVIA
	Fruitland Coal	30 N	13 W	22	S/2
1305 N. Garfield, #203					
Midland, TX 79705-4336					
Marcia Fuller French	Fruitland Coal	30 N	40.14/		
P. O. Box 11327	ramana Coar	30 14	13 W	23	N/2NE/4, NE/4NW/4
Midland, TX 79702					
Bowen Family Trust	Fruitland Coal	30 N	13 W	23	NW/4NW/4, S/2NW/4
333 Throckmorton Street, Suite 712					N/2SW/4
t. Worth, TX 76102					1020774
Questar Exploration & Production	Facilities / Co.				
331 17th St., Suite 800	Fruitland Coal	30 N	13 W	23	NW/4NW/4, S/2NW/4
Denver, CO 80202					N/2SW/4
00202					
moco Production Company	Fruitland Coal	31 N	13 W	23	NUA//ANUA//A C/ONNAVA
01 W. Lake Park Blvd		31 14	13 44	23	NW/4NW/4, S/2NW/4
ouston, TX 77079					N/2SW/4
4-1-010					
dobe Oil Company	Fruitland Coal	31 N	13 W	23	NW/4NW/4, S/2NW/4
000 Ballpark Way, St. 204					N/2SW/4
rlington, TX 76011					172011/T

AMOCO PRODUCTION CO C/O Don Duhrkopf 501 West Lake Park BLVD. Houston, TX 77079-2696

BURLINGTON RES O&G CO P.O. Box 4289 Farmington, NM 87499

GREYSTONE ENERGY, INC. 9155 E. Nichols Ave., Suite 350 Englewood, CO 80112

HALLWOOD PETROLEUM 4610 South Ulster Street, Suite 200 Denver, CO 80237

BOWEN FAMILY TRUST 333 Throckmorton, Suite 712 Ft Worth, TX 76102 DUGAN PRODUCTION CORP P.O. Box 420 Farmington, NM 87499-0420

MARCIA FULLER FRENCH

MARCIA FULLER FRENCH P.O. Box 11327 Midland, TX 79702

ADOBE OIL COMPANY 1000 Ballpark Way, Suite 204 Arlington, TX 76011-5171

PEVEHOUSE OIL COMPANY 4305 N. Garfield, #203 Midland, TX 79705-4336

QUESTAR EXPL & PRODUCTION 1331 17th Street, Suite 800 Denver, CO 80202

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

November 17, 1999

Greystone Energy, Inc. 9155 E. Nichols Ave. - Suite 350 Englewood, Colorado 80112

Attention:

Brien D. Voigt

Vice President

U. S. Bureau of Land Management Farmington Field Office 1235 La Plata Highway - Suite A Farmington, New Mexico 87401-8731

Attention:

Ruben Sanchez

Environmental Protection Team Lead

Re:

Application for location exception.

Big Jake Well No. 1

2164' FNL & 186' FWL (Lot 3/Unit E)

THE CON. DIV.

Sec. 26-T31N-R13W, NMPM, Basin-Fruitland Coal (Gas) Pool, San Juan County, New Mexico.

Dear Messrs. Voigt and Sanchez:

Reference is made to the following: (i) Mr. Voigt's letter of application dated November 9, 1999 to the New Mexico Oil Conservation Division ("Division"); (ii) Mr. Sanchez's letter dated October 26, 1999 concerning this matter; (iii) the "Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool," as promulgated by Division Order No. R-8768, as amended; and (iv) the Division's records in Santa Fe. The purpose of this letter is to inquire as to why an alternate location considered to be standard for the subject well on an existing well pad located approximately one-quarter mile to the northeast [belonging to Greystone's Payne Well No. 3-E (API No. 30-045-25953), located 850 feet from the North line and 940 feet from the West line (Unit Lot 2/Unit D) of Section 26] was not considered (see copies of topo map and portions of the well file attached).

Locating the proposed Big Jake Well No. 1 604 feet (two football field lengths) closer to the outer boundary of the proposed standard 331.77-acre unit comprising the W/2 equivalent (Lots 1, 2, 3, and 4 and the SW/4) of Section 26 then allowed under the current pool rules constitutes a resource conflict. It is the Division's statuary mandate to protect correlative rights, prevent waste, and assure that oil and gas resources within New Mexico are developed in a prudent manner utilizing sound engineering practices.

It appears that staking the proposed Big Jake Well No. 1 on the existing well site for Greystone's Payne Well No. 3-E would serve to minimize surface resource damage while assuring proper reservoir drainage and the prudent development of valuable coal gas resources. By locating wells on an established drainage pattern for a pool, such as the Basin-Fruitland Coal (Gas) Pool as well as all oil and gas production in New Mexico, a minimum number of wells to properly drain its reserves are needed. Varying from this established pattern or the placement of wells too close to or too far from off-setting spacing units results in the need for additional wells to be drilled in order to effectively protect from adverse encroachment or to adequately drain an area. Additional wells in this case would not only be considered wasteful but would adversely impact the surface resources referenced in Mr. Sanchez's letter.

Therefore, it is the request of this agency that the Big Jake Well No. 1 be moved to a standard coal gas well location or, in the alternative, to an alternate location that is less unorthodox in order to lessen adverse impact to neighboring properties and to assure the orderly development of coal gas reserves in this area

Sincerely,

Michael E. Stogner

Chief Hearing Officer/Engineer

MES/kv

cc: New Mexico Oil Conservation Division - Aztec

Mr. Steve Salzman - U. S. Bureau of Land Management, Santa Fe

Mr. Lee Otteni, Field Office Manager - U. S. Bureau of Land Management, Farmington

Mr. Neel McBride - U. S. Bureau of Land Management, Farmington

Ms. Kathy Valdes, NMOCD - Santa Fe

Ms. Lori Wrotenbery, Director - NMOCD, Santa Fe



9155 E Nichols Ave., Suite 350 • Englewood, CO 80112

Bus: 303-925-0542 • Fax: 303-925-0543

November 9th, 1999

Ms. Lori Wrotenberry New Mexico Oil Conservation Division 2040 South Pacheco Street Santa Fe, New Mexico 87505

NUV 1 Z 1999

RE:

Administrative Approval for Unorthodox Location Greystone Energy, Inc. Big Jake # 1 Fruitland Coal (New Well) 2164' FNL, 186' FWL, Sec.26, T31N, R13W, N.M.P.M. San Juan County, New Mexico

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If additional information is needed, please contact me at (303) 925-0542 Ext. 223.

Sincerely,

Brian D. Voigt Vice President

CC: NMOCD-Aztec, BLM - Farmington, Offset Operators / Lease Holders

FIGURE 3a

DISTRICT I P.O. Box 1980, Hobbs, N.M. 88241-1980 State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised February 21, 1994 Instructions on back Submit to Appropriate District Office

DISTRICT II P.O. Drawer DD, Artesia, N.M. 88211-0719

OIL CONSERVATION DIVISION

State Lease - 4 Copies Fee Lease - 3 Copies

DISTRICT IV PO Box 2088, Santa Fe, NM 87504-2088

DISTRICT III 1000 Rio Brazos Rd., Aztec, N.M. 87410

P.O. Box 2088 Santa Fe, NM 87504-2088

☐ AMENDED REPORT

			WELL I			AC	REAGE DED	ICATION P	LAT		
*API	Number			*Pool Co	de			Pool Nam	ŋe		
4 Property C	ode				*Pro	perty	Name			• ¥	ell Number
OGRID No						IG JA					1
					•		ERGY, INC.,			1	Elevation
L	<u>-</u> -1										5667'
UL or lot no.	Section	Township	Range	Lot Idn	Feet from		Location North/South line	Feet from the	East/We	-1 1i	
E	26	31-N	13-W		2164		NORTH	186	WE		SAN JUAN
		r :		om Hol	le Locati	on l	f Different Fro	om Surface			
UL or lot no.	Section	Township	Range	Lot ldn	Feet from	the	North/South line	Feet from the	East/We	st line	County
Dedicated Acre	Joint o	or infill 14	Consolidatio	n Code	Order No.				L		
	<u> </u>	<u>-</u>	··		·-						
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FD. BLM BRASS CAP 1952		Course b		6	MEAS.) Silver Conflict Conflict	c:	BRASS,	Signature Signature Printed Nam Title Date 18 SUR I hareby certify was plotted from	ty that the to blete to the b	CERTI	FICATION formationed hervein, is menelodge and belief FICATION form on this piel arrays made by me prome is true and
FD. BLM BRASS CAP 1952		1						Date of Bure Signature and	889 ²	RUSH MEXICOS 8894	Sun



IN REPLY REFER TO: 3162.5-1 (070)

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington District Office 1235 La Plata Highway Farmington, New Mexico 87401

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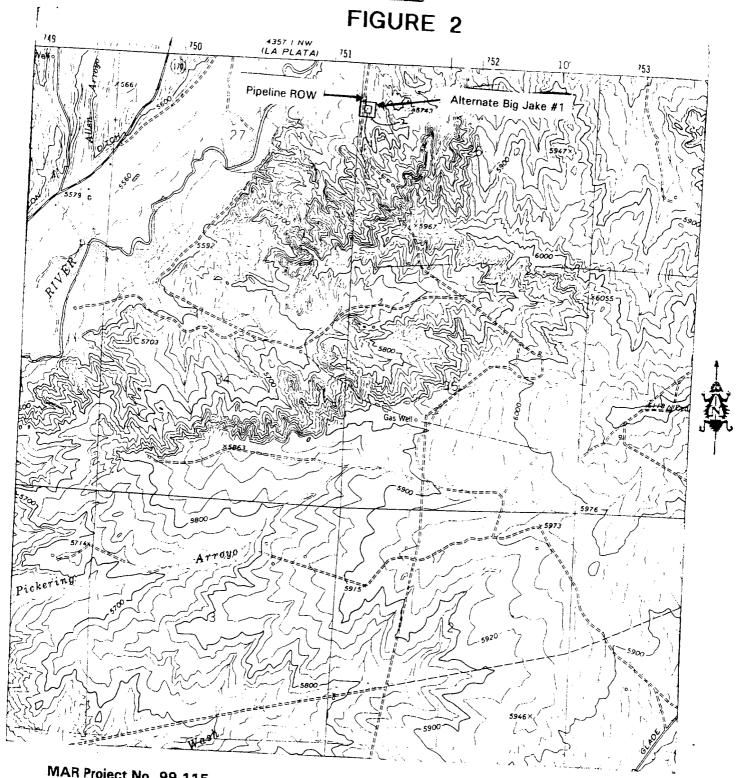
Mr. Brian D. Voigt Greystone Energy, Inc. 9155 East Nichols Ave., Suite 350 Englewood, CO 80112

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Ruben Sanchez
Environmental Protection Feam Lead



MAR Project No. 99-115 NMICRIS Proj# 65911, Act# 66211

Alternate Big Jake #. 1 Well and Pipeline T31N, R13W, Sec. 26; NMPM; San Juan County, New Mexico

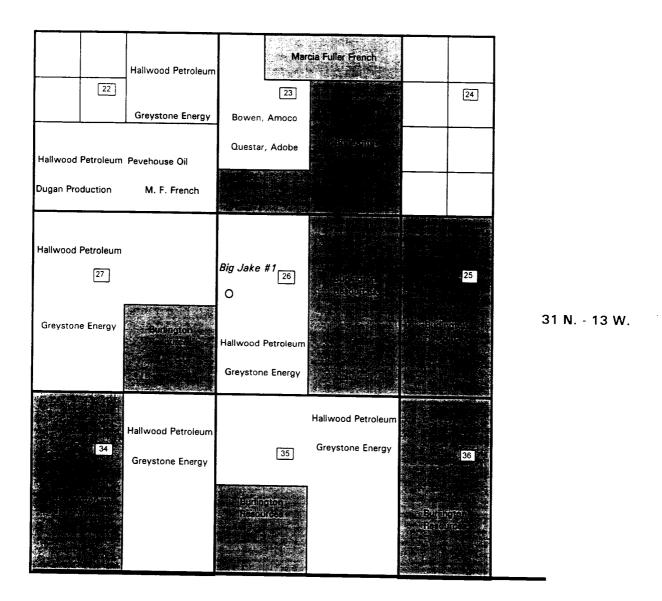
Key: Well Pad -Buffer Zone -Pipeline ROW -Isolated Loci

MAP: Farmington North, NM Photorevised 1979

SCALE: 1:24,000

CONTOUR INTERVAL. 20.

Big Jake #1 - Offset Operators and Owners



Operator	Reservoir	Township	Range	Section	n
Dugan Production Company	Fruitland Coal	30 N	13 W	22	S/2
P.O. Box 420					
Farmington, NM 87499-0420					
Burlington Resources Oil and Gas	Fruitland Coal	31 N	13 W	20	C/2014/4 25
P.O. Box 4289	Tomana ada	31 14	13 00	23	S/2SW/4, SE/4, S/2NE/4
Farmington, NM 87499				25	W/2
				26	E/2
				27	SE/4
				34	W/2
				35	SW/4
				36	W/2
Greystone Energy, Inc.	Fruitland Coal	31 N	13 W	22	NE/4. S/2
9155 East Nichols Ave, #350				25	E/2
Englewood, Colorado 80112				26	W/2
				27	
				34	All excluding SE/4 E/2
				35	
				35	All excluding SW/4
allwood Petroleum Inc	Fruitland Coal	31 N	13 W	22	NE/4, S/2
610 South Ulster Street, Suite 200				25	E/2
enver, CO 80237				26	W/2
				27	All excluding SE/4
				34	E/2
				35	All excluding SW/4
evehouse Oil Company	Coulting of Co.				
305 N. Garfield, #203	Fruitland Coal	30 N	13 W	22	S/2
lidland, TX 79705-4336					
larcia Fuller French					
. O. Box 11327	Fruitland Coal	30 N	13 W	23	N/2NE/4, NE/4NW/4
idland, TX 79702					
101and, 17, 79702					
owen Family Trust	Fruitland Coal	30 N	13 W		
33 Throckmorton Street, Suite 712	Takeno Godi	30 14	13 VV		NW/4NW/4, S/2NW/4
Worth, TX 76102					N/2SW/4
uestar Exploration & Production					
331 17th St., Suite 800	Fruitland Coal	30 N	13 W	23	NW/4NW/4, S/2NW/4
enver, CO 80202					N/2SW/4
00202					
noco Production Company	Fruitland Coal	24 1	40.11		
1 W. Lake Park Blvd	, rumanu CUal	31 N	13 W		NW/4NW/4, S/2NW/4
ouston, TX 77079	-			ı	N/2SW/4
obo Oil Composi					
lobe Oil Company	Fruitland Coal	31 N	13 W	23 N	VW/4NW/4. S/2NW/4
00 Ballpark Way, St. 204					N/2SW/4
ington. TX 76011				,	

AMOCO PRODUCTION CO C/O Don Duhrkopf 501 West Lake Park BLVD. Houston, TX 77079-2696

BURLINGTON RES O&G CO P.O. Box 4289 Farmington, NM 87499

GREYSTONE ENERGY, INC. 9155 E. Nichols Ave., Suite 350 Englewood, CO 80112

HALLWOOD PETROLEUM 4610 South Ulster Street, Suite 200 Denver, CO 80237

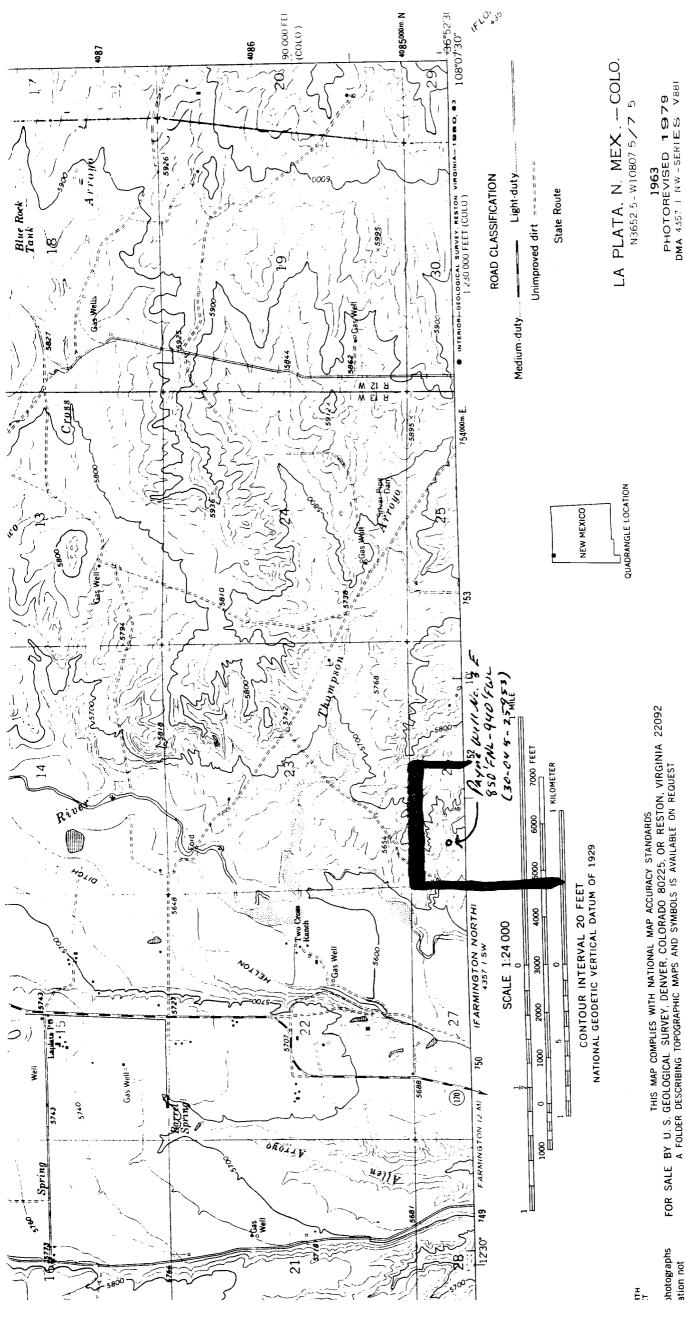
BOWEN FAMILY TRUST 333 Throckmorton, Suite 712 Ft. Worth, TX 76102 DUGAN PRODUCTION CORP P.O. Box 420 Farmington, NM 87499-0420

MARCIA FULLER FRENCH P.O. Box 11327 Midland, TX 79702

ADOBE OIL COMPANY 1000 Ballpark Way, Suite 204 Arlington, TX 76011-5171

PEVEHOUSE OIL COMPANY 4305 N. Garfield, #203 Midland, TX 79705-4336

QUESTAR EXPL & PRODUCTION 1331 17th Street, Suite 800 Denver, CO 80202



THIS MAP COMPLIES WITH NATIONAL MAP ACCURACY STANDARDS
FOR SALE BY U. S. GEOLOGICAL SURVEY, DENVER, COLORADO 80225, OR RESTON, VIRGINIA 22092
A FOLDER DESCRIBING TOPOGRAPHIC MAPS AND SYMBOLS IS AVAILABLE ON REQUEST shotographs ation not

BURLINGTON RESOURCES

November 23, 1999

NOV 2 9 1898

egg. DIV.

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

Re:

San Juan 27-5 Unit #106

G Section 1, T-27-N, R-5-W

30-039-20025

Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well. DHC-2284 was issued for this well.

Gas:

Mesa Verde

80%

Dakota

20%

Oil:

Mesa Verde

50%

Dakota

50%

These allocations are based on historical production from the Mesa Verde and Dakota. Please let me know if you have any questions.

Sincerely,

Peggy Bradfield Cole

Regulatory/Compliance Administrator

Xc:

NMOCD - Santa Fe

Bureau of Land Management - Farmington

PRODUCTION ALLOCATION FORMULA USING FLOW TEST INFORMATION

San Juan 27-5 Unit #106 (Mesaverde/Dakota) Commingle Unit G, 01-T27N-R05W Rio Arriba County, New Mexico

Allocation Formula Method:

1999 Three Month Dakota Average = 111 MCFD & 0 BO

1999 First Three Month Commingled Average = 567 MCFD & 0 BO

1999 Commingled Production - 1999 Dakota Average = Mesaverde Contribution

GAS:

(MV & DK) 567 MCFD (100%) - (DK) 111 MCFD (26%) = (MV) % Mesaverde 80%

OIL:

$$\frac{(DK) \, 0 \, BOPD}{(MV \,\& \, DK) \, 0 \, BOPD} = (DK) \,\% \, \underline{Dakota \, 50\%}$$

$$(MV \& DK) 0 BOPD (100\%) - (DK) 0 BOPD (50\%)$$

= $(MV) \% Mesaverde 50\%$

BURLINGTON RESOURCES

NOV 2 3 1949

November 23, 1999

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

Re.

San Juan 27-5 Unit #118

K Section 22, T-27-N, R-5-W

30-039-20318

Gentlemen:

Attached is a copy of the allocation for the commingling of the subject well. DHC-2287 was issued for this well.

Gas:

Mesa Verde

69%

Dakota

31%

Oil:

Mesa Verde

50%

Dakota

50%

These allocations are based on historical production from the Mesa Verde and Dakota. Please let me know if you have any questions.

Sincerely.

Peggy Bradfield Cole

Regulatory/Compliance Administrator

Xc:

NMOCD - Santa Fe

Bureau of Land Management - Farmington

PRODUCTION ALLOCATION FORMULA USING FLOW TEST INFORMATION

San Juan 27-5 Unit #118 (Mesaverde/Dakota) Commingle Unit K, 22-T27N-R05W Rio Arriba County, New Mexico

Allocation Formula Method:

1999 Three Month Dakota Average = 160 MCFD & 0 BO

1999 First Three Month Commingled Average = 517 MCFD & 0 BO

1999 Commingled Production - 1999 Dakota Average = Mesaverde Contribution

GAS:

$$(MV \& DK) 517 MCFD (100\%) - (DK) 160 MCFD (26\%)$$

= $(MV) \% Mesaverde 69\%$

OIL:

$$(MV \& DK) 0 BOPD (100\%) - (DK) 0 BOPD (50\%)$$

= $(MV) \% Mesaverde 50\%$

District I

PO Box 1980, Hobbs, NM 88241-1980

District II

811 South First, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

State of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505 Form C-104
Revised October 18, 1994
Instructions on back
Submit to Appropriate District Office
5 Copies

AMENDED REPORT

Ul or lot no. Section Township Range Lot.Idn Feet from the South Line Feet from the Hole Location UL or lot no. Section Township Range Lot Idn Feet from the North/South Line Feet from the Hole Location UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West 12 Lse Code 13 Producing Method Code 14 Gas Connection Date 15 C-129 Permit Number 16 C-129 Effective Date	Pool Code Pool Code Well Number County
API Number 30-045-25953 **Property Code **Property Name PAYNE (DK) **I. **IO Surface Location UI or lot no. Section Township Range Lot.Idn Feet from the North/South Line Feet from the PAYNE (DK) **II Bottom Hole Location** UI. or lot no. Section Township Range Lot Idn Feet from the North/South Line Feet from the PAYNE (DK) **II Bottom Hole Location** UI. or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West **II Lise Code *** Producing Method Code *** Gas Connection Date *** C-129 Permit Number *** C-129 Effective Date ** **II. Oil and Gas Transporters** *** Transporter OGRID *** Transporter Name and Address.** *** Transporter OGRID *** Transporter Name and Address.** *** POD *** POD *** O/G	'Pool Code 99 'Well Number line County SS
30-045-25953 'Property Code PAYNE (DK) I. 10 Surface Location UI or lot no. Section Township Range Lot.Idn Feet from the North/South Line Feet from the Seast/West 11 Bottom Hole Location UI. or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West 11 Lise Code 11 Producing Method Code 12 Gas Connection Date 13 C-129 Permit Number 14 C-129 Effective Date 15 C-129 Effective Date 15 C-129 Producing Method Code 15 C-129 Producing Method Code 16 Gas Connection Date 17 C-129 Effective Date 18 C-129 Producing Method Code 16 Gas Connection Date 17 C-129 Producing Method Code 16 Gas Connection Date 17 C-129 Producing Method Code 17 POD ULST and Description Code 18 POD 18 OF COMPANY COMP	'Well Number line County S S line County
Property Name PAYNE (DK) I. 10 Surface Location Ul or lot no. Section Township Range Lot.Idn Feet from the North/South Line Feet from the O/4/O 11 Bottom Hole Location UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West 11 Lise Code 13 Producing Method Code 14 Gas Connection Date 15 C-129 Permit Number 16 C-129 Effective Date 11 Oil and Gas Transporter Name and Address. 18 POD 11 O/G 12 POD ULST and Description of the Description of the Pod Descript	line County S S
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II. Oil and Gas Transporters "Transporter OGRID "Transporter Name and Address." "O/G "POD ULST and Description of the Company of the Compan	17 C-129 Expiration Date
"Transporter OGRID "Transporter Name and Address." "POD ULST and Description of the Control of	
OGRID and Address. and Desc	·
55 SO 6 2/2 C	
Cornord High Refining Co. 2293810 0 DEGE	
11 COT (e. Time
	i jili je
V. Produced Water	
²² POD ULSTR Location and Description	
V. Well Completion Data Spud Date Ready Date Perforations Perforations	³ DHC, DC,MC
"Hole Size "Casing & Tubing Size "Depth Set	34 Sacks Cement
/I. Well Test Data	
" Date New Oil Gas Delivery Date "Test Date" Test Length "Tbg. Pressure	" Csg. Pressure
4 Choke Size 4 Oil 5 Water 4 Gas 6 AOF	4 Test Method
O'l hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and better. OIL CONSERVATION DI	IVISION
Printed name: TOM PARKER Approved by: 7.5 Title: SUPERVISOR DISTRIC	CT #3
Title: PRESIDENT Approval Date:	
Date: C1 / C 95 Phone: 303-221-7576 OCT 1 4 1998	
Date: C1 C 96 Phone: 303-221-7576 OCT 1 4 1998 "If this is a change of operator fill in the OGRID number and name of the previous operator DANA M. DUTCHER	PRESIDENT

District I

PO Box 1980, Hobbs, NM 88241-1980

District II

811 South First, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-104 Revised October 18, 1994 Instructions on back Submit to Appropriate District Office 5 Copies

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505

District IV 2040 South Pach	ieco, Santa I	Fe, NM 87505								<u> </u>	J AM	ENDED REPOR
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			•	me and Address ENERGY, INC.					1732	S OGRI	ID Numl	ber
				VAY, SUITE 630						Reason fe	or Filing	Code
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30-045-259	PI Number			Llover	115/	ool Name	Fo (le)	-	100	Pool Code
	operty Code			Dividi	Prop	perty Nam	ne	- V			, <u>, , ,</u>	Vell Number
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with and that th	e information			Division have been aplete to the best o			OI	L CC	NSERVAT	ION I	DIVIS	SION
knowledge and Signature:	bellet.	(Val)			Į.	Approved	i by:			,		
Printed name:	TOM PARK	ER				Title:		1775	77			
Title: PRESIDI		-						UPE	RVISOR D	S : HI	# اب	<u>3</u>
	17-12	0	Dha 22	3 331 7577		Approval	Date:		<u> </u>	1000		
				3-221-7576	<u> </u>)CT 14	1998		
" If this is a c	nange of ope	rator fill in the	ZGKID nur	nber and name of	the previou	is operate)r	DA	NA M. DUTCHER	t .		PRESIDENT
	Previous (Operator Signatu	ге			Printe	d Name				tle	Date /-
	-			KI WE	CHATEAU		D GAS, IN		19	:. 		7/15/7

(June 1990) + ON STONEDARTMEN	TED STATES	FORM APPROVED Budget Bureau No. 1004-0135 Expires: March 31, 1993
REUN PE	LAND MANAGEMENT	5. Lease Designation and Serial No. SF078464
' (19) publicuse this form for proposals to dr	AND REPORTS ON WELLS ill or to deepen or reentry to a different reservoir. R PERMIT—" for such proposals	6. If Indian, Allottee or Tribe Name
	IN TRIPLICATE	7. If Unit or CA, Agreement Designation
1. Type of Well Oil Well Well Other 2. Name of Operator		8. Well Name and No. Payne No. 3E
Snyder Oil Corporation		9. API Well No.
	, N.M. 87499 505-632-8056	30-045-25953 10. Field and Pool, or Exploratory Area Baisn Dakota
4. Location of Well (Footage, Sec., T., R., M., or Survey D	escription)	
850'FNL & 940'FWL Section 26, T31N,R13W, NMPM		11. County or Parish, State
		San Juan, New Mexico
12. CHECK APPROPRIATE BOX	s) TO INDICATE NATURE OF NOTICE, REPO	RT, OR OTHER DATA
TYPE OF SUBMISSION	TYPE OF ACTION	
Notice of Intent	Abandonment	Change of Plans
Subsequent Report	Recompletion Plugging Back	New Construction Non-Routine Fracturing
	Casing Repair	Water Shut-Off
Final Abandonment Notice	Altering Casing Other	Conversion to Injection Dispose Water (Note: Report results of multiple completion on Well
12 Decembe Proposed or Completed Operations (Clearly state a	Il pertinent details, and give pertinent dates, including estimated date of startin	Completion or Recompletion Report and Log form.) g any proposed work. If well is directionally drilled.
give subsurface locations and measured and true verti	cal depths for all markers and zones pertinent to this work.)*	g any proposed month in work is discounting, or more
compressor site to connect of New Mexico as shown on construction will require centerline survey with a t x 150' (0.52 acres). The survey of the entire route Services, Inc. with the re	poses to lay a 4" gas gathering the subject well to a tie in pothe attached survey plats. The a 40' wide right of way (20' on otal length of 2973.56'. The corproject is on Federal surface. has been completed by Southwest sults contained in Technical Report the BLM. Pipeline specification	pint on Gas Company pipeline each side of mpressor site is 150' An archeological t Archaeological port No. 93-SASI-062S
Snyder intends to commence issued.	construction of this project as R EG DEC3	IVED
		N. DIV.
14. I hereby confly that the foregoing is true and correct	D!S	
Signed John VI Stevell	Title ALENT	Date 11/129/95
(This space for Federal or State office use)		ATTROVED
Approved by	Title	Date 7 9 1993
		DICTRICT NANAGER
Title 18 U.S.C. Section 1001, makes it a crime for any person or representations as to any matter within its jurisdiction.	n knowingly and willfully to make to any department or agency of the United	d States any false, fictitious or fraudulent statements

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SNYDER OIL CORPORATION PIPELINE SPECIFICATIONS

LINE SIZE: 4" Nominal.

<u>PIPE SPECS:</u> 4.5" O.D., 0.237" wall thickness, plain end seamless, Grade A25 or better manufactured in accordance with API Spec 5L.

BURIAL DEPTH: (+/-) 48". Sand padding will be used in all portions of ditch that have rock bottom and/or sides.

JOINING METHOD: Welded as per API Standard 1104.

SYSTEM OPERATING PRESSURE: 150 psig.

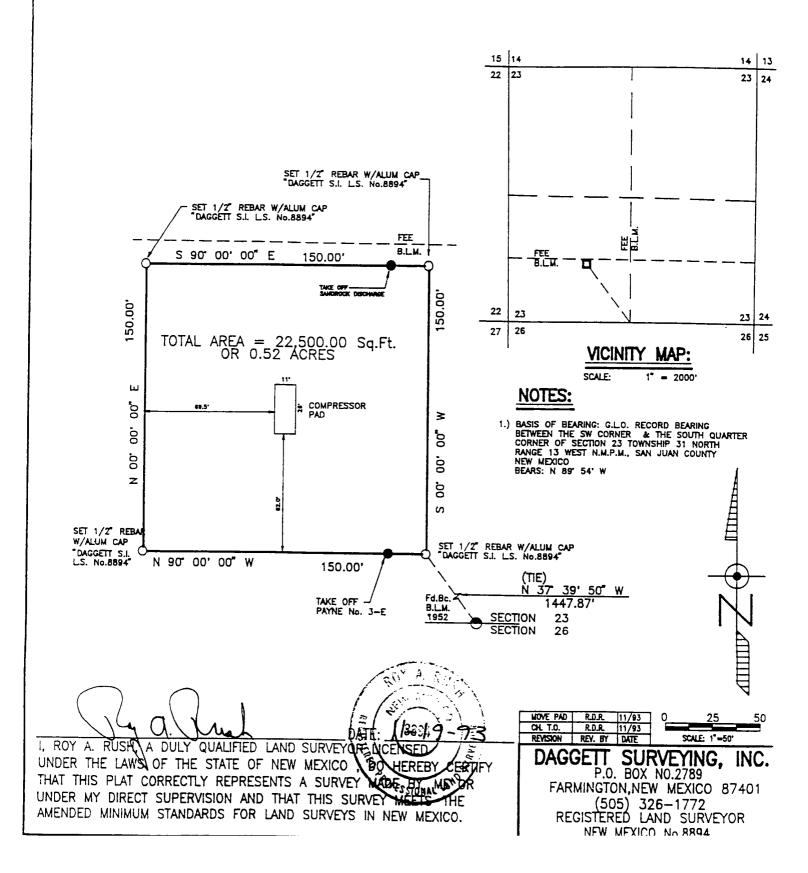
TESTS: 10% of welds will be radiologically inspected.

Pipe will be tested to 500 psig prior to backfilling.

NOTIFICATIONS: All owner/operators of offset or crossed below ground facilities will be notified prior to start of construction.

MARKING: Pipeline route will be marked with appropriate markers at all road crossings and on a line of sight spacing through the entire route.

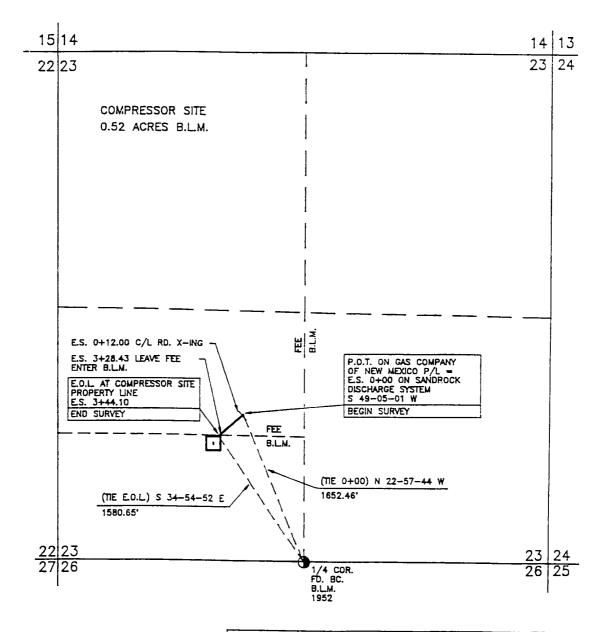
SNYDER OIL SANDROCK COMPRESSOR SITE SW 1/4 SEC.23, T.31 N., R.13 W., N.M.P.M., SAN JUAN COUNTY, NEW MEXICO



A SURVEY FOR

SNYDER OIL GAS PIPELINE SANDROCK DISCHARGE SYSTEM

SW/4 SEC. 23, T. 31 N.,R. 13 W.,N.M.P.M. SAN JUAN COUNTY, NEW MEXICO



NOTES:

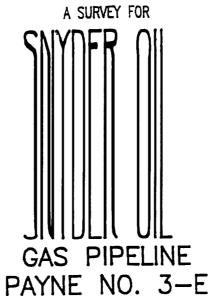
 BASIS OF BEARING: G.L.O. RECORD BEARING BETWEEN THE SW CORNER & THE SOUTH QUARTER CORNER OF SECTION 23, TOWNSHIP 31 NORTH, RANGE 13 WEST, N.M.P.M., SAN JUAN COUNTY, NEW MEXICO. BEARS: N 89° 54' W

OWNER	OWNER STATION				
FEE	Q+00	ТО	3+28.43	328.43/19.90	
B.L.M.	NY A 3¥28:43	TO	3+44.10	15.67/0.95	
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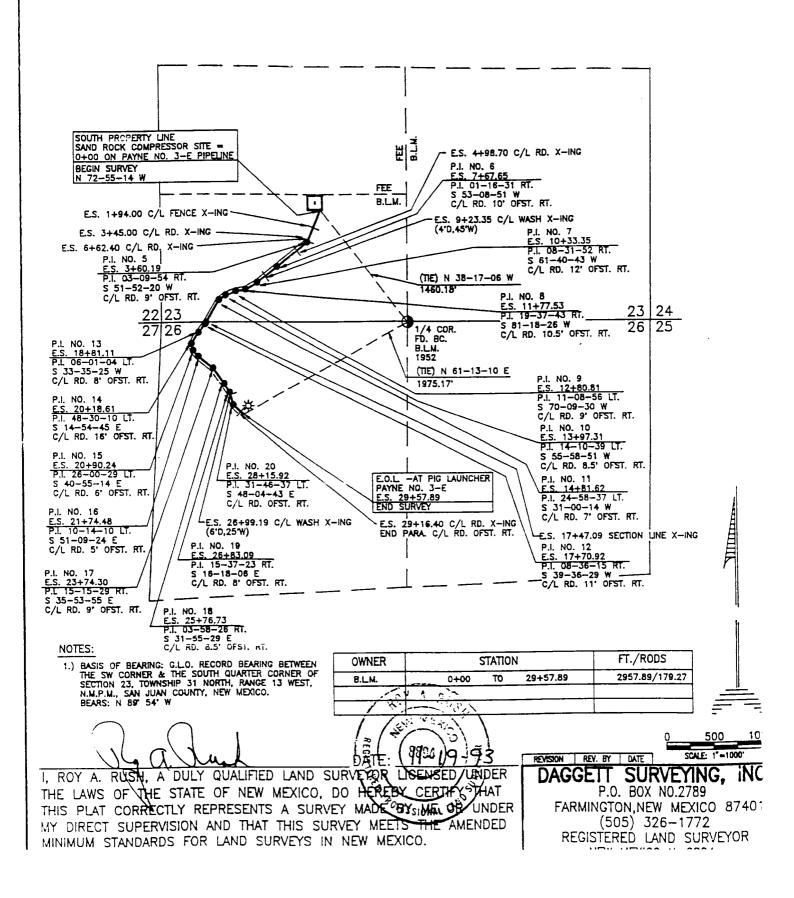
I, ROY A. RUSH, A DULY QUALIFIED LAND SURVEYOR LICENSED UNDER THE LAWS OF THE STATE OF NEW MEXICO, DO HEREDY CERTIFY THAT THIS PLAT CORRECTLY REPRESENTS A SURVEY MADE BY MEMORY UNDER MY DIRECT SUPERVISION AND THAT THIS SURVEY MEETS THE AMENDED MINIMUM STANDARDS FOR LAND SURVEYS IN NEW MEXICO.

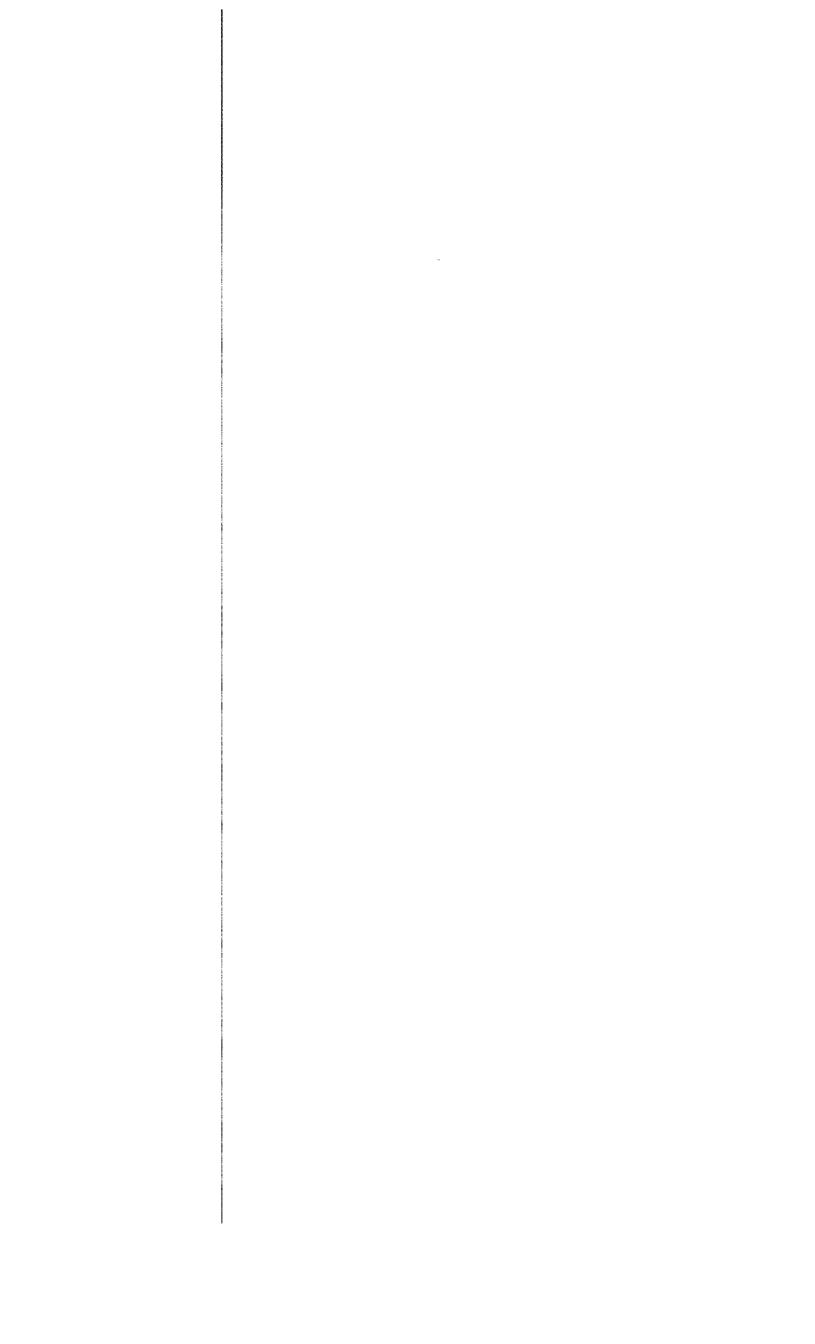
			0	500
LC.	R.D.R.	11/93		
REVISION	REY. BY	DATE	:	SCALE: 1"=1000"

P.O. BOX NO.2789
FARMINGTON, NEW MEXICO 8740
(505) 326-1772
REGISTERED LAND SURVEYOR



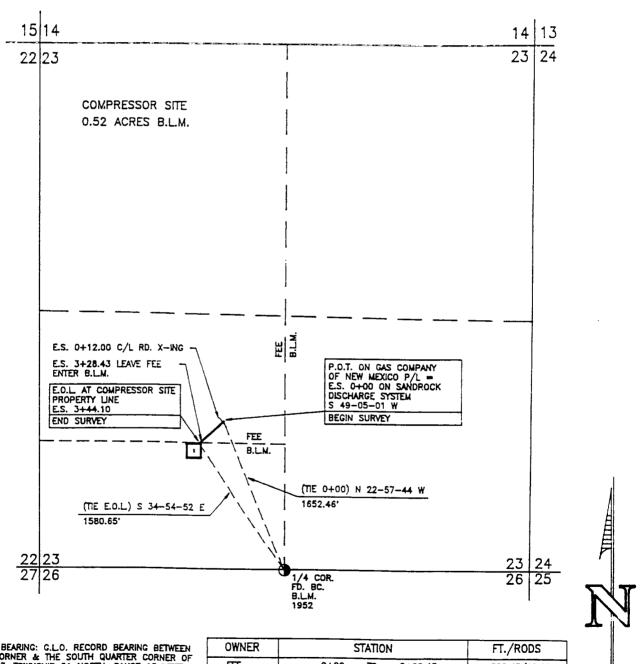
SE/4 SEC. 23, NE/4 SEC. 26, T. 31 N.,R. 13 W.,N.M.P.M. SAN JUAN COUNTY, NEW MEXICO





SNYDER OIL GAS PIPELINE SANDROCK DISCHARGE SYSTEM

SW/4 SEC. 23, T. 31 N.,R. 13 W.,N.M.P.M. SAN JUAN COUNTY, NEW MEXICO



NOTES:

 BASIS OF BEARING: C.L.O. RECORD BEARING BETWEEN THE SW CORNER & THE SOUTH QUARTER CORNER OF SECTION 23, TOWNSHIP 31 NORTH, RANGE 13 WEST, N.M.P.M., SAN JUAN COUNTY, NEW MEXICO. BEARS: N 89' 54' W

OWNER	SIAII	ON	FT./RODS
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I, ROY A. RUSH, A DULY QUALIFIED LAND SURVEYOR LICENSED UNSER THE LAWS OF THE STATE OF NEW MEXICO, DO HEREDY CERTIFY THAT THIS PLAT CORRECTLY REPRESENTS A SURVEY MADE EXTENDING UNDER MY DIRECT SUPERVISION AND THAT THIS SURVEY MEETS THE AMENDED MINIMUM STANDARDS FOR LAND SURVEYS IN NEW MEXICO.

REGISTERED LAND SURVEYOR

