

DATE <u>1/18/00</u>	SUBMITTER <u>2/7/01</u>	ENGINEER <u>MS</u>	LOGGED <u>M</u>	TYPE <u>NSL</u>
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ABOVE THIS LINE FOR DIVISION USE ONLY

102240825

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

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]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[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****[B] ✓ Offset Operators, ✓ Leascholders or Surface Owner****[C] Application is One Which Requires Published Legal Notice****[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, ORR) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

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

Elm Ridge Resources, Inc.

Print or Type Name

Signature

Patrick Hegarty

Agent

Title

1-05-01

Date

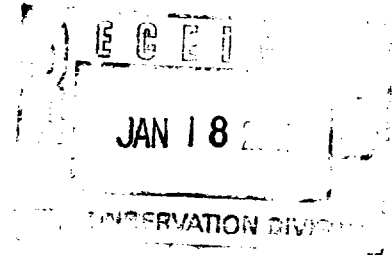
Kelly IND. 1E -
660' FWL - 2480' FNL
Section 12, T27N, R13W



27 C.R. 3025 • P.O. BOX 1317
AZTEC, NEW MEXICO 87410
(505) 325-5449 • FAX: (505) 334-4992
E-MAIL: synergy@cyberport.com

December 29, 2000

Mike Stogner
New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87504



Re: Application for Unorthodox Location
Kelly IND. 1E - Elm Ridge Resources, Inc.
660' FWL - 2480' FNL - Section 12, T27N, R13W
San Juan County, New Mexico

Gentlemen:

Elm Ridge Resources, Inc. hereby requests administrative approval of an unorthodox location for the captioned well based upon topographic conditions and a Farmington Indian Mineral Office request.

As indicated by the attached topographic map, there exists a high power electric transmission line that is interfering with a legal location. Also cultural resources have ruled out development of other locations in this section.

Cross Timbers Operating Company, Energen Corp., Rocanville Corp. BP Amoco Exploration and Curtis Little Oil & Gas, offsetting operators, as indicated on the attached lease plat, have been notified of this application by certified mail.

Also attached are: the C-102 plat, producers map, Administrative Cover Sheet and a copy of a letter from Farmington Indian Minerals Office.

Please contact us if anything further is required to complete this application.

Respectfully submitted,


Patrick Hegarty, Agent
Elm Ridge Resources, Inc.

PH/mac
Attachments

XC: Steve Hayden, NMOCD, NM
Cross Timbers Operating Company,
Energen Corp.,
Rocanville Corp.
BP Amoco Exploration
Curtis Little Oil & Gas,

NMOCD



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Rottenberry*

December 29, 2000

Mike Stogner
New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87504

Re: Application for Non-standard Proration Unit
Kelly IND. 1E - Elm Ridge Resources, Inc.
660' FWL - 2480' FNL - Section 12, T27N, R13W
San Juan County, New Mexico

Location

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Please contact us if anything further is required to complete this application.

Respectfully submitted,


Patrick Hegarty, Agent
Elm Ridge Resources, Inc.

PH/mac
Attachments

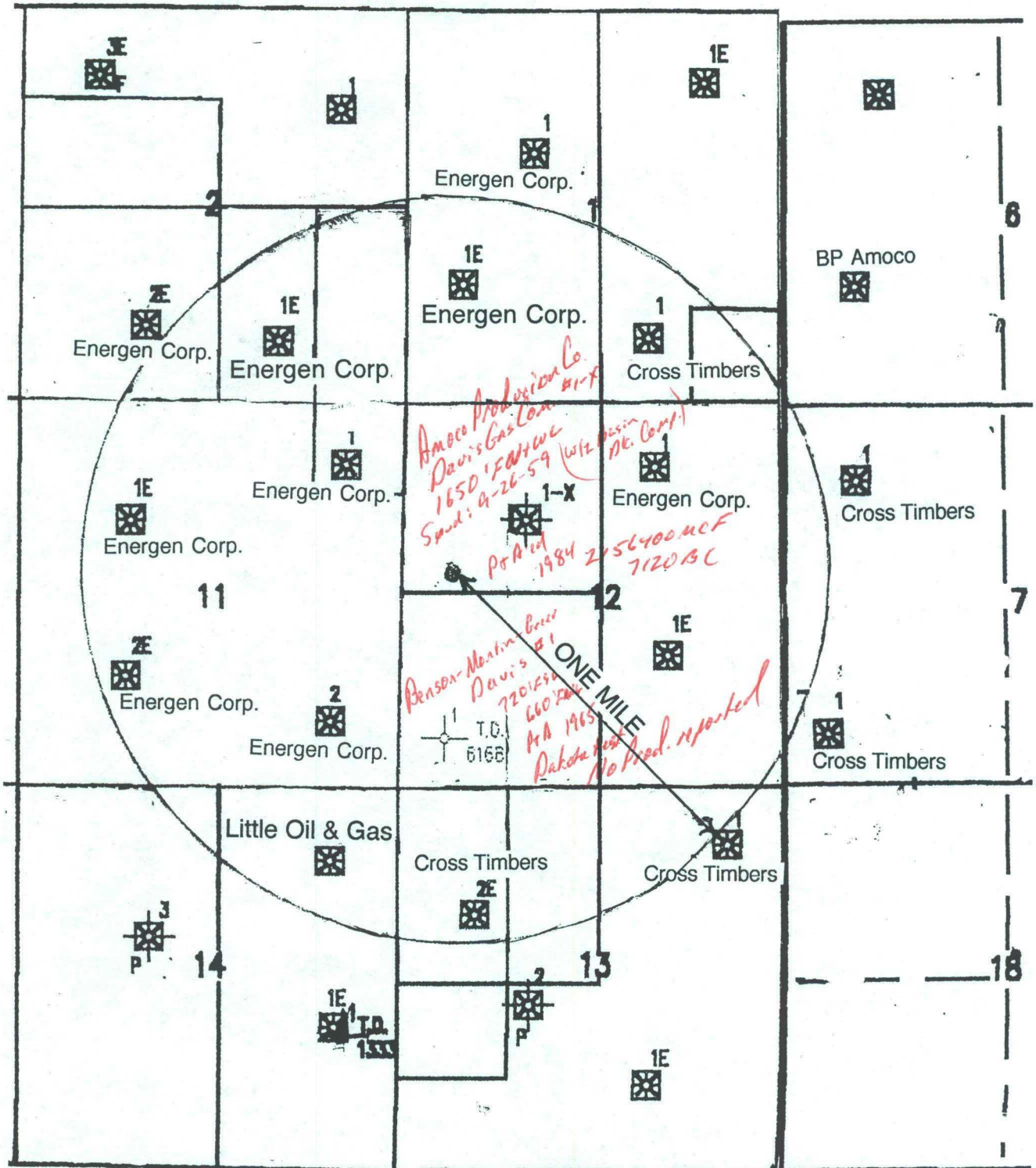
XC: Steve Hayden, NMOCD, NM
Cross Timbers Operating Company,
Energen Corp.,
Rocanville Corp.
BP Amoco Exploration
Curtis Little Oil & Gas,

NMOCD

PRODUCERS PLAT

TOWNSHIPS 26 & 27 NORTH, RANGE 13 WEST
R 13W

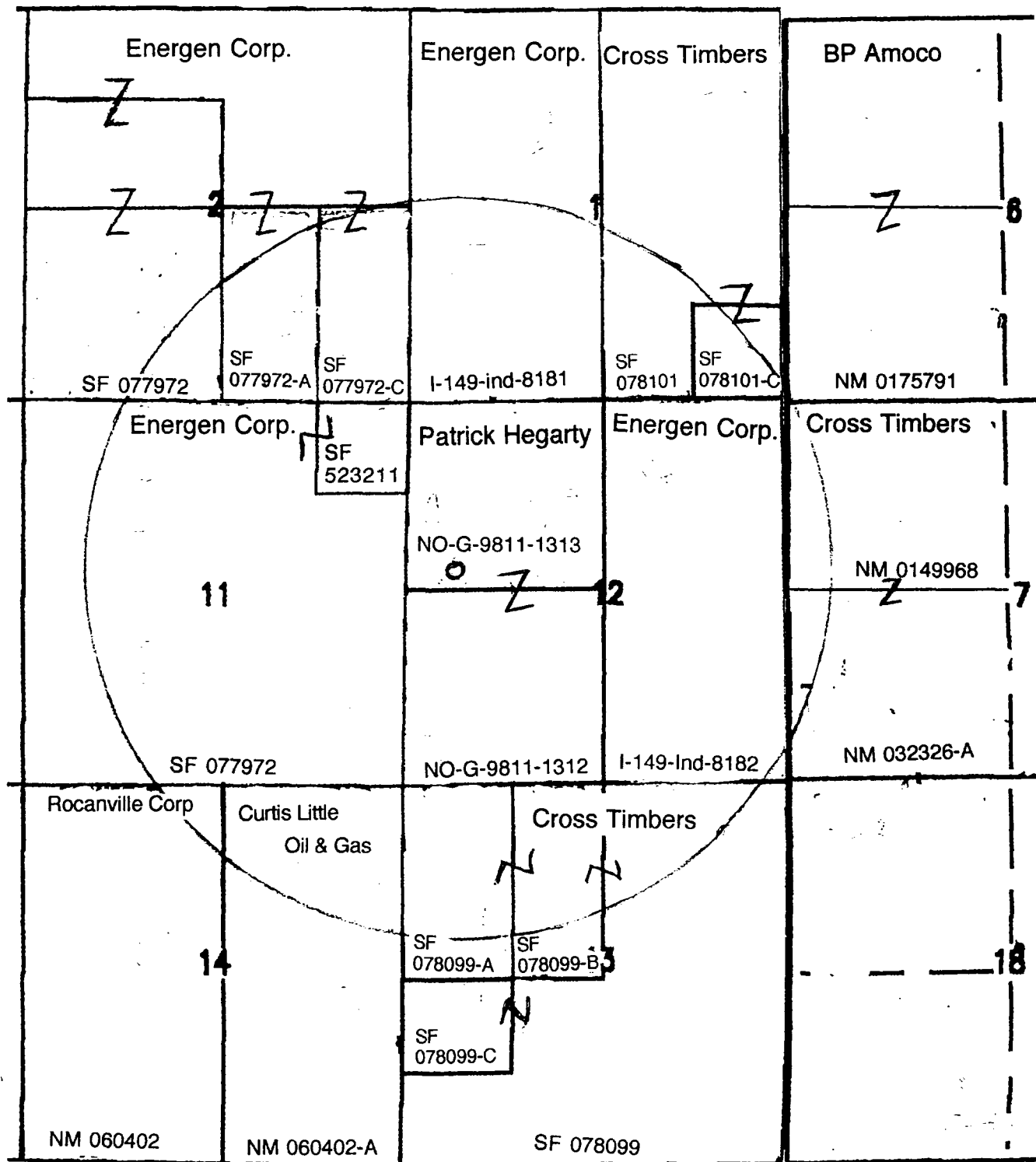
R12W



Appl. for Unorthodox Location
Elm Ridge Resources, Inc.
Kelly IND. 1E -
660' FWL - 2480' FNL
Section 12, T27N, R13W
San Juan County, N. M.

LEASE PLAT
TOWNSHIP 27 NORTH, RANGES 12 & 13 WEST
R 13W

R12W

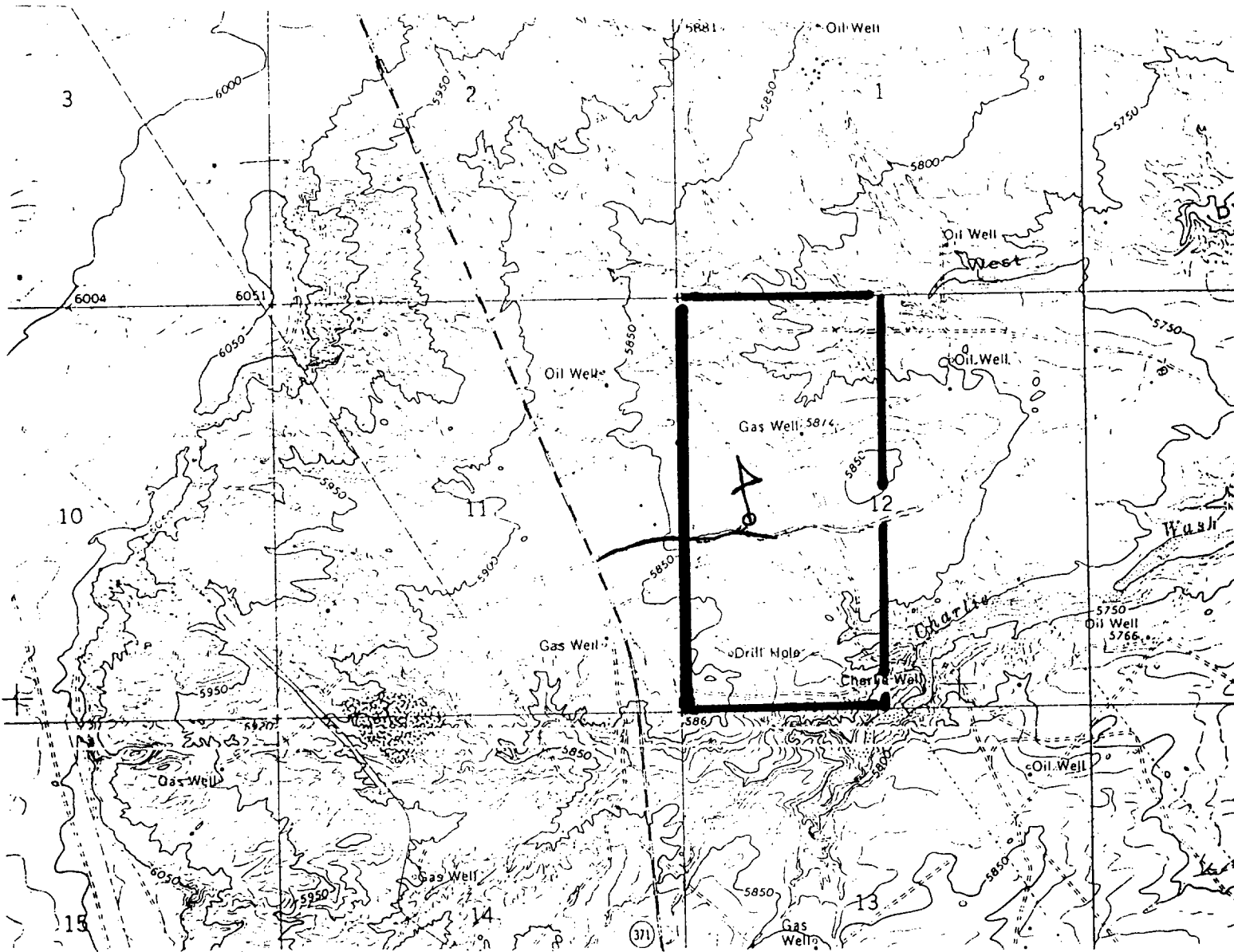


OFFSETTING OPERATORS:

Cross Timbers Operating Company,
Energen Corp.,
Rocanville Corp.
BP Amoco Exploration
Curtis Little Oil & Gas,

Appl. for Unorthodox Location
Elm Ridge Resources, Inc.
Kelly IND. 1E -
660' FWL - 2480' FNL
Section 12, T27N, R13W
San Juan County, N. M.

TOPO PLAT



QUADRANGLE LOCATION

1:24 000

HUGH LAKE, N. MEX.
N3630—W10807.5/7.5

1965
PHOTOREVISED 1979
DMA 4357 II SW—SERIES V881

ROAD CLASSIFICATION

Medium-duty ——— Light-duty ———
Unimproved dirt - - - - -

○ State Route

Appl. for Unorthodox Location
Elm Ridge Resources, Inc.
Kelly IND. 1E -
660' FWL - 2480' FNL
Section 12, T27N, R13W

District I
 191 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
 2040 South Pacheco, Santa Fe, NM 87505

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 API Number		2 Pool Code 71599		3 Pool Name BASIN DAKOTA	
4 Property Code		5 Property Name KELLY IND			6 Well Number 1E
7 OGRID No.		8 Operator Name DELHI-TRADING INCORPORATED			9 Elevation 5824'

10 Surface Location

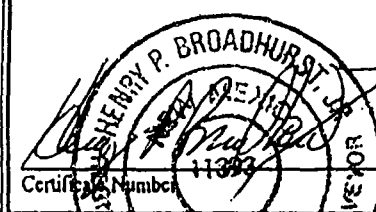
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	12	27N	13W		2480'	NORTH	660'	WEST	SAN JUAN

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
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12 Dedicated Acres 320	13 Joint or Infill	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

16 N89°59'W reissued to show revised location * Non-standard due to Powerlines and access to existing roads 5280.00' 2480' 660' Section 12 5280.01' N00°01'W S89°59'W	5282.64' 5280.00' North 5281.32'	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature: <u>Patrick Henry</u> Printed Name: <u>PATRICK HENRY</u> Title: <u>PRESIDENT</u> Date: <u>10-24-00</u>
	18 SURVEYOR CERTIFICATION 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. Date of Survey: <u>10/06/00</u> Signature and Seal of Professional Surveyer: 	



United States Department of the Interior

FARMINGTON INDIAN MINERALS OFFICE

1235 La Plata Highway Suite B
Farmington, New Mexico 87401-1805

December 18, 2000

Elm Ridge Resources
C/O Patrick Hegarty, President
DELHI-Trading Incorporated
P.O. Box 1317
Aztec, New Mexico 87410

Re: UNORTHODOX LOCATION
Kelly Ind. Well (SW/4 NW/4)
W/2 of Section 12 -T27N, R13W
Indian Allotted Leases:
NW/4 - BIA # No-G-9811-1313
SW4 - BIA # No-G-9811-1312
San Juan County, New Mexico

Gentlemen:

It was brought to our attention that you will be needing to apply for an unorthodox location for the captioned Dakota well in the 320 acre proration Unit, being the W/2 of section 12 T27N, R13W which involve the following two Indian Allotted Leases: NW/4 - BIA # No-G-9811-1313, and in the SW4 - BIA # No-G-9811-1312.

The need for moving the location of the well located in the NW/4 to the new site is based upon interference with a high voltage electric power line. Also key to this request for moving the location is the need to reduce Off-Road-Vehicle traffic on Indian Allotted lands. This restriction will limit off-road-vehicle travel in order to avoid an adverse grazing impact by unnecessary road construction.

A well site of 660' From West Line and 2480' from North Line in the W/2 of section 12 will assist in placing the location much closer to an existing road. This unorthodox location will minimize off-road-vehicle travel which is consistent with our supervisory role set forth for Indian Allotted lands.

It is hoped that this unorthodox location will receive administrative approval by the governing officer.

Sincerely,
Farmington Indian Minerals Office


Kevin Gambrell - Director

KG/mac

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

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Certified Fee

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Postmark
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Return Receipt Fee
(Endorsement Required)

1.50

Restricted Delivery Fee
(Endorsement Required)

Total Postage & Fees

\$ 3.95

Recipient's Name (Please Print Clearly) (To be completed by mailer)

Rich Corcoran - Energen

Street, Apt. No.; or PO Box No.

2190 Bloomfield Hwy

City, State, ZIP+4

Farminaton, NM 87401

PS Form 3800, February 2000

See Reverse for Instructions

U.S. Postal Service
CERTIFIED MAIL RECEIPT
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\$ 3.95

Recipient's Name (Please Print Clearly) (To be completed by mailer)

Sylvia Little - Little Oil & Gas

Street, Apt. No.; or PO Box No.

2346 E. 20th Ave.

City, State, ZIP+4

Farminaton, NM 87401

PS Form 3800, February 2000

See Reverse for Instructions

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\$ 3.95

Recipient's Name (Please Print Clearly) (To be completed by mailer)

Steve Hayden NM ACD

Street, Apt. No.; or PO Box No.

1000 Rio Brazos rd.

City, State, ZIP+4

Aztec, NM 87410

PS Form 3800, February 2000

See Reverse for Instructions

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Recipient's Name (Please Print Clearly) (To be completed by mailer)

J.B. Avavnt - Rocanville Corp.

Street, Apt. No.; or PO Box No.

P.O. Box 191108

City, State, ZIP+4

Dallas, TX 75219-1108

PS Form 3800, February 2000

See Reverse for Instructions

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Recipient's Name (Please Print Clearly) (To be completed by mailer)

Steve Reinert - LAND BP Amoco

Street, Apt. No.; or PO Box No.

P.O. Box 3092

City, State, ZIP+4

Houston TX 77253-3092

U.S. Postal Service
CERTIFIED MAIL RECEIPT
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Postage

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Cross Timbers Oper. Co.

Street, Apt. No.; or PO Box No.

810 Houston st.

City, State, ZIP+4

Fort Worth, TX. 76102



JAN 17 REC'D

January 11, 2001

New Mexico Oil Conservation Division
Attn: Michael E. Stogner
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

RE: ADMINISTRATIVE APPROVAL OF UNORTHODOX LOCATION
KELLY 1E
660' FWL AND 2480' FNL
SECTION 12-T27N-R13W
SAN JUAN COUNTY, NEW MEXICO

Dear Mr. Stogner:

Reference is made to Hegarty and Associates application for administrative approval relative to the subject well.

Energen Resources Corporation has no objection to their request and hereby waives opposition to this application.

Thank you for your attention to this matter.

Sincerely,

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

Richard Corcoran
District Landman

cc: Patrick Hegarty