

BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO ENERGY, MINERALS AND
NATURAL RESOURCES DEPARTMENT

APPLICATION OF FOUR STAR OIL & GAS COMPANY
FOR AN UNORTHODOX WELL LOCATION, SAN
JUAN COUNTY, NEW MEXICO.

CASE NO. 12884

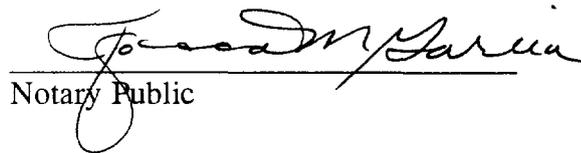
AFFIDAVIT

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

William F. Carr, attorney in fact and authorized representative of Four Star Oil & Gas Company, the Applicant herein, being first duly sworn, upon oath, states that notice has been given to all interested persons entitled to receive notice of this application under Oil Conservation Division rules, and that notice has been given at the addresses shown on Exhibit "A" attached hereto.


William F. Carr

SUBSCRIBED AND SWORN to before me this 5th day of June 2002.


Notary Public

My Commission Expires:

Aug 23, 2005

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Case No. 12884 Exhibit No. 5
Submitted by:
FOUR STAR OIL & GAS COMPANY
Hearing Date: June 27, 2002

EXHIBIT A

NOTICE LIST

**APPLICATION OF FOUR STAR OIL & GAS COMPANY
FOR AN UNORTHODOX GAS WELL LOCATION
W/2 SECTION 32, TOWNSHIP 30 NORTH, RANGE 11 WEST, NMPM
SAN JUAN COUNTY, NEW MEXICO**

Burlington Resources Oil & Gas Co. LP
Post Office Box 4289
Farmington, NM 87499

Conoco, Inc.
600 N. Dairy Ashford
Houston, Texas 77079

Dominion Oklahoma Texas Exploration
& Production, Inc.
14000 Quail Spring Pkwy
Suite 600
Oklahoma City, OK 73134

Frank C. Davis III
3219 Bryn Mawr Drive
Dallas, Texas 75225

Energen Resources Corporation
2198 Bloomfield Highway
Farmington, New Mexico 87402

Marathon Oil Company
Post Office Box 552
Midland, Texas 79702-0552

Morris Oil & Gas Company
8150 North Central Expressway
Suite 850, Lockbox 15
Dallas, Texas 75206

SG Interests I, Ltd.
Post Office Box 2677
Durango, Colorado 81302

XTO Energy
2700 Farmington Avenue
Building K, Suite 1
Farmington, New Mexico 87401

HOLLAND & HART^{LLP}
ATTORNEYS AT LAW

DENVER • ASPEN
BOULDER • COLORADO SPRINGS
DENVER TECH CENTER
BILLINGS • BOISE
CHEYENNE • JACKSON HOLE
SALT LAKE CITY • SANTA FE
WASHINGTON, D.C.

P.O. BOX 2208
SANTA FE, NEW MEXICO 87504-2208
110 NORTH GUADALUPE, SUITE 1
SANTA FE, NEW MEXICO 87501-6525

TELEPHONE (505) 988-4421
FACSIMILE (505) 983-6043

William F. Carr

wcarr@hollandhart.com

June 6, 2002

CERTIFIED MAIL/RETURN RECEIPT REQUESTED

TO: ALL AFFECTED INTEREST OWNERS

Re: Application of Four Star Oil & Gas Company for an unorthodox gas well location, San Juan County, New Mexico.

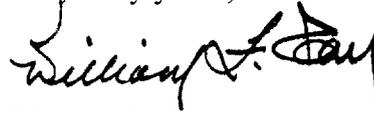
Ladies and Gentlemen:

This letter is to advise you that Four Star Oil & Gas Company has filed the enclosed application with the New Mexico Oil Conservation Division seeking approval of an unorthodox gas well location for its New Mexico State 32 Well No 2 located 905 feet from the North line and 1830 feet from the West line of Section 32, Township 30 North, Range 11 West, N.M.P.M., San Juan County, New Mexico. The well is at an unorthodox off pattern location in the Basin-Fruitland Coal Gas Pool and Four Star Oil & Gas Company has dedicated the W/2 of Section 32 to the well.

This application has been set for hearing before a Division Examiner on June 27, 2002. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 1208.B to file a Prehearing Statement three days in advance of a scheduled hearing at the Division's Santa Fe office located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. This statement must include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

Very truly yours,



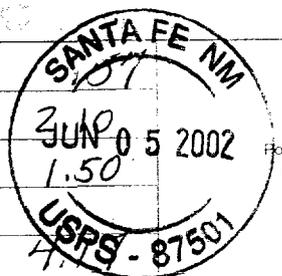
William F. Carr
ATTORNEY FOR FOUR STAR OIL &
GAS COMPANY

cc: J. T. Schmid
Four Star Oil & Gas Company

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

Cherion

| | | |
|--|----|------|
| Postage | \$ | 1.50 |
| Certified Fee | | 1.50 |
| Return Receipt Fee (Endorsement Required) | | |
| Restricted Delivery Fee (Endorsement Required) | | |
| Total Postage & Fees | \$ | 4.17 |



Sent To: Burlington Resources Oil & Gas Co. LP
 Post Office Box 4289
 Farmington, NM 87499

PS Form 3800, July 1999

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
 Burlington Resources Oil & Gas Co. LP
 Post Office Box 4289
 Farmington, NM 87499

2. Article Number (Copy from mailpiece): 7001 1140 0002 5600 5318

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly): *Bob Williams*
 B. Date of Delivery: 6-10-02

C. Signature: *Bob Williams*
 Agent
 Addressee

D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

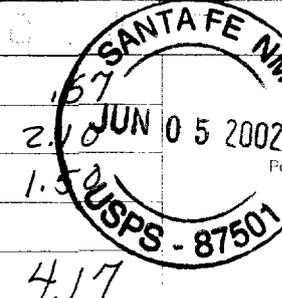
3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

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

Cherion

| | | |
|--|----|------|
| Postage | \$ | 1.57 |
| Certified Fee | | 2.10 |
| Return Receipt Fee (Endorsement Required) | | 1.50 |
| Restricted Delivery Fee (Endorsement Required) | | |
| Total Postage & Fees | \$ | 4.17 |



Sent To: Conoco, Inc.
 600 N. Dairy Ashford
 Houston, Texas 77079

PS Form 3800, July 1999

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
 Frank C. Davis III
 3219 Bryn Mawr Drive
 Dallas, Texas 75225

2. Article Number: 7001 1140 0002 5600 5363

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly):
 B. Date of Delivery:

C. Signature: *Frank C Davis III*
 Agent
 Addressee

D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

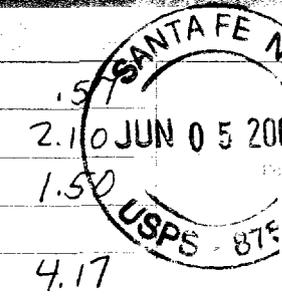
3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

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

Cherion

| | | |
|--|----|------|
| Postage | \$ | 1.57 |
| Certified Fee | | 2.10 |
| Return Receipt Fee (Endorsement Required) | | 1.50 |
| Restricted Delivery Fee (Endorsement Required) | | |
| Total Postage & Fees | \$ | 4.17 |



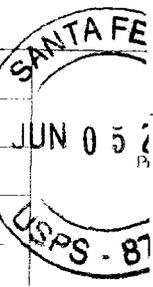
Sent To: Frank C. Davis III
 3219 Bryn Mawr Drive
 Dallas, Texas 75225

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

SENDER: COMPLETE THIS SECTION

COMPLETE THIS SECTION ON DELIVERY

Chevron
 Postage \$.57
 Certified Fee 2.10
 Return Receipt Fee (Endorsement Required) 1.50
 Restricted Delivery Fee (Endorsement Required)
 Total Postage & Fees \$ 4.17



- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
 Dominion Oklahoma Texas
 Exploration & Production, Inc.
 14000 Quail Spring Pkwy
 Suite 600
 Oklahoma City, OK 73134

A. Received by (Please Print Clearly) B. Date of Delivery
 6-8

C. Signature
 X *Jerry W. Pearson* Agent Addressee

D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.
4. Restricted Delivery? (Extra Fee) Yes

Sent To
 Dominion Oklahoma Texa
 Exploration & Production,
 14000 Quail Spring Pkwy
 Suite 600
 Oklahoma City, OK 73134

2. Article Number (7001 1140 0002 5600 5356

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

PS Form 3811, July 1999 Domestic Return Receipt 102595-00-M-0952

Chevron
 Postage \$.57
 Certified Fee 2.10
 Return Receipt Fee (Endorsement Required) 1.50
 Restricted Delivery Fee (Endorsement Required)
 Total Postage & Fees \$ 4.17



- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
 Energen Resources Corporation
 2198 Bloomfield Highway
 Farmington, New Mexico 87402

A. Received by (Please Print Clearly) B. Date of Delivery
 6/7/02

C. Signature
 X *A. Case* Agent Addressee

D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.
4. Restricted Delivery? (Extra Fee) Yes

Sent To
 Energen Resources Corpor
 2198 Bloomfield Highway
 Farmington, New Mexico

2. Article Number 7001 1140 0002 5600 5370

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

PS Form 3811, July 1999 Domestic Return Receipt 102595-00-M-0952

Chevron
 Postage \$.57
 Certified Fee 2.10
 Return Receipt Fee (Endorsement Required) 1.50
 Restricted Delivery Fee (Endorsement Required)
 Total Postage & Fees \$ 4.17



- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:
 Marathon Oil Company
 Post Office Box 552
 Midland, Texas 79702-0552

A. Received by (Please Print Clearly) B. Date of Delivery
 Rudy Garcia JUN 10 2002

C. Signature
 X *Rudy Garcia* Agent Addressee

D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.
4. Restricted Delivery? (Extra Fee) Yes

Sent To
 Marathon Oil Company
 Post Office Box 552
 Midland, Texas 79702-0552

2. Article Number (7001 1140 0002 5600 5400

PS Form 3811, July 1999 Domestic Return Receipt 102595-00-M-0952

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

SENDER: COMPLETE THIS SECTION

COMPLETE THIS SECTION ON DELIVERY

Chevron

| | |
|--|----------------|
| Postage | \$.57 |
| Certified Fee | 2.10 |
| Return Receipt Fee (Endorsement Required) | 1.50 |
| Restricted Delivery Fee (Endorsement Required) | |
| Total Postage & Fees | \$ 4.17 |

SANTA FE
JUN 05
USPS - 8

Sent To: Morris Oil & Gas Comp
 8150 North Central Exp
 Suite 850, Lockbox 15
 Dallas, Texas 75206

PS Form 3800, Jan 1999

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Morris Oil & Gas Company
 8150 North Central Expressway
 Suite 850, Lockbox 15
 Dallas, Texas 75206

A. Received by (Please Print Clearly)

B. Date of Delivery
 07-02

C. Signature

X *[Signature]* Agent Addressee

D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

2. Article Number: 7001 1140 0002 5600 5387

PS Form 3811, July 1999 Domestic Return Receipt 102595-00-M-0952

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

Chevron

| | |
|--|----------------|
| Postage | \$.57 |
| Certified Fee | 2.10 |
| Return Receipt Fee (Endorsement Required) | 1.50 |
| Restricted Delivery Fee (Endorsement Required) | |
| Total Postage & Fees | \$ 4.17 |

SANTA FE
JUN 04
USPS -

Sent To: SG Interests I, Ltd.
 Post Office Box 2677
 Durango, Colorado 81306

PS Form 3800, Jan 1999

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

SG Interests I, Ltd.
 Post Office Box 2677
 Durango, Colorado 81302

A. Received by (Please Print Clearly)

B. Date of Delivery

C. Signature

X *[Signature]* Agent Addressee

D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

2. Article Number: 7001 1140 0002 5600 5394

PS Form 3811, July 1999 Domestic Return Receipt 102595-00-M-0952

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

Chevron

| | |
|--|----------------|
| Postage | \$.57 |
| Certified Fee | 2.10 |
| Return Receipt Fee (Endorsement Required) | 1.50 |
| Restricted Delivery Fee (Endorsement Required) | |
| Total Postage & Fees | \$ 4.17 |

SANTA FE N
JUN 05 200
USPS - 8750

Sent To: XTO Energy
 2700 Farmington Avenue
 Building K, Suite 1
 Farmington, New Mexico 87401

PS Form 3800, Jan 1999

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

XTO Energy
 2700 Farmington Avenue
 Building K, Suite 1
 Farmington, New Mexico 87401

A. Received by (Please Print Clearly)

B. Date of Delivery
 6-7-02

C. Signature

X *[Signature]* Agent Addressee

D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

2. Article Number: 7001 1140 0002 5600 5417

PS Form 3811, July 1999 Domestic Return Receipt 102595-00-M-0952

WALTER S. PARKS, CPL
 San Juan Basin Land Services
 P. O. Box 2435
 Durango, CO 81302
 (970) 259-5242

OWNERSHIP REPORT

T29N, R11W, NMPM
 Section 6: Lots 1 (34.76 ac), 2 (35.62 ac),
 3 (36.46 ac), 4 (29.16 ac), 5 (32.18 ac);
 S/2 of NE/4; SE/4; & SE/4 of NW/4
 Containing 448.18 acres, more or less
 San Juan County, New Mexico

| | | | |
|----------|----------|----------|----------|
| 2 | 2 | 1 | 1 |
| 2 | 2 | 1 | 1 |
| | | 2 | 2 |
| | | 2 | 2 |

TRACT #

WORKING INTERST OWNER

% INT

Tract No. 1

T29N, R11W, NMPM
 Section 6: Lots 1 & 2;
 S/2 of NE/4
 Containing 150.38+- ac.
All Depths

Conoco, Inc.
 600 N. Dairy Ashford
 Houston, TX 77079

100%

Oil & Gas Lease: BLM NM-020504
Royalty: 12.5% to 25 % for oil & 12.5% to 16.67% for gas
 depending on the production rates as set forth on Schedule B of
 the lease.

TRACT #

WORKING INTEREST OWNER

% INT

Tract No. 2

T29N, R11W, NMPM
 Section 6: Lots 3, 4, & 5;

Burlington Resources Oil & Gas Co. LP
 P. O. Box 4289

100%

NE/4 of NW/4; & SE/4
 Containing 297.80+- ac.
All Depths

Farmington, NM 87499

Oil & Gas Lease: BLM SF-078813

Royalty: 12.5%

Overriding royalty interest of .5% (1% until \$25/ac is received)

Paul S. and Laura Z. Albright, trustees of the Albright Living Trust

5205 Rexton

Dallas, TX 75214

Page 1

T30N, R11W, NMPM
 Section 29: S/2
 Containing 320 acres, more or less
 San Juan County, New Mexico

| | | | |
|----------|----------|----------|----------|
| | | | |
| | | | |
| 5 | 5 | 2 | 4 |
| 1 | 1 | 2 | 3 |

TRACT #

WORKING INTEREST OWNER

% INT

Tract No. 1

T30N, R11W, NMPM
 Section 29: S/2 of SW/4
 Containing 80+- ac.
**From the Surface to the
 Top of the Dakota Formation**

Burlington Resources Oil & Gas Co. LP 100%
 P. O. Box 4289
 Farmington, NM 87499

Oil & Gas Lease: BLM NM-01445
Royalty: 12.5%
Overriding royalty interest of 12.5%
 Rose Stanton
 31091 Carrara Road
 Laguna Nigel, CA 92677

TRACT #

WORKING INTEREST OWNER

% INT

Tract No. 2

T30N, R11W, NMPM
 Section 29: W/2 of SE/4
 Containing 80+- ac.
**From the Surface to the
 Top of the Mesaverde Formation**

Burlington Resources Oil & Gas Co. LP 100% (gas) 6.25% (oil)
 P. O. Box 4289
 Farmington, NM 87499

Conoco Inc. 50% (oil)
 600 N. Dairy Ashford

Houston, TX 77079

Morris Oil & Gas Company, Inc. 43.75% (oil)
8150 North Central Expressway
Suite 850, Lockbox 15
Dallas, TX 75206

Oil & Gas Lease: BLM SF-078138
Royalty: 12.5%

TRACT #

WORKING INTEREST OWNER

% INT

Tract No. 3

T30N, R11W, NMPM
Section 29: SE/4 of SE/4
Containing 40+- ac.
*From the Surface to the
Top of the Mesaverde Formation*

Burlington Resources Oil & Gas Co. LP 100% (gas) 6.25% (oil)
P. O. Box 4289
Farmington, NM 87499

Conoco Inc. 50% (oil)
600 N. Dairy Ashford
Houston, TX 77079

Morris Oil & Gas Company, Inc. 43.75% (oil)
8150 North Central Expressway
Suite 850, Lockbox 15
Dallas, TX 75206

Oil & Gas Lease: BLM SF-079962
Royalty: 12.5%

Page 2

CONTINUE: T30N, R11W, NMPM
Section 29: S/2

TRACT #

WORKING INTEREST OWNER

% INT

Tract No. 4

T30N, R11W, NMPM
Section 29: NE/4 of SE/4
Containing 40+- ac.
*From the Surface to the
Top of the Mesaverde Formation*

Marathon Oil Company 50%
P. O. Box 552
Midland, TX 79792-0552

Oil & Gas Lease: Bryon F. Boyce, et ux
Royalty: 12.5%
Oil & Gas Lease: Mary Alta Vasaly
Royalty: 12.5%
Oil & Gas Lease: Sylvia A. Peterson, et vir
Royalty: 12.5%
Oil & Gas Lease: Grover C. Kratzke
Royalty: 12.5%
Oil & Gas Lease: Alva Lindstrom
Royalty: 12.5%

Oil & Gas Lease: Charlotte M. Gates, et vir

Royalty: 12.5%

Oil & Gas Lease: Elmer B. Clark, et ux

Royalty: 12.5%

Oil & Gas Lease: Virginia Maybelle Clark Robison, et vir

Royalty: 12.5%

Dominion Oklahoma Texas 50%

Exploration & Production, Inc.

14000 Quail Springs Pkwy, Suite 600

Oklahoma City, OK 73134

TRACT #

WORKING INTEREST OWNER

% INT

Tract No. 3

T30N, R11W, NMPM

Section 29: N/2 of SW/4

Containing 80+- ac.

*From the Surface to the
Top of the Mesaverde Formation*

Burlington Resources Oil & Gas Co. LP

25%

P. O. Box 4289

Farmington, NM 87499

Conoco Inc.

25%

600 N. Dairy Ashford

Houston, TX 77079

Morris Oil & Gas Company, Inc.

43.75%

8150 North Central Expressway

Suite 850, Lockbox 15

Dallas, TX 75206

Oil & Gas Lease: George F. Bruington, et ux

Royalty: 12.5%

END OF REPORT