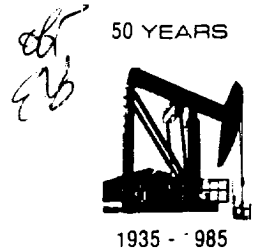




TONY ANAYA
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

August 21, 1986



POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-3800

Mesa Grande Resources Inc.
P. O. Box 274
Farmington, New Mexico 87499-0274

Attention: David M. Blandford

Administrative Order NSL-2283

Gentlemen:

Reference is made to your application for a non-standard location for your Phantom Federal No. 1 well to be located 1035 feet from the South line and 1125 feet from the West line of Section 16, Township 25 North, Range 2 West, NMPM, Gavilan Mancos Pool, Rio Arriba County, New Mexico. The W/2 of said Section 16 shall be dedicated to the well.

By authority granted me under the provisions of Rule 104 F(I), the above-described unorthodox location is hereby approved.

Sincerely,

R. L. STAMETS, DIRECTOR

RLS/DC/dr

cc: Oil Conservation Division - Aztec
Bureau of Land Management - Farmington

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DIST. 3

JICARILLA
ARCHAEOLOGICAL
SERVICES



David Catanach
New Mexico Oil & Gas Commission
P.O.Box 2088
Santa Fe, New Mexico 87501

Dear Sir,

July 15, 1986

On behalf of Mesa Grande Resources, we hereby request an exception to Rule 104F for the proposed location of Mesa Grande Resources well Phantom Federal #1 (C-102 att.). This well has been relocated to the footages indicated on the attached plat (from 990'FSL & 990'FWL) to avoid the many archaeological remains found in the vicinity (refer to attached archaeological report excerpt).

Please notify the following parties, of your decision in this matter. Thank you for your consideration.

Greg Phillips
Mesa Grande Resources
1200 Philtower Bldg.
Tulsa, Oklahoma 74103

David Blandford
Mesa Grande Resources
P.O.Box 274
Farmington, New Mexico 87499

Sincerely,

Andrew R. Gomolak
Archaeologist for
Mesa Grande Resources

xc: Aztec Office, NMO&GC
Phillips
Blandford
File

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OIL CON. DIV.
DST. 3

All distances must be from the outer boundaries of the Section.

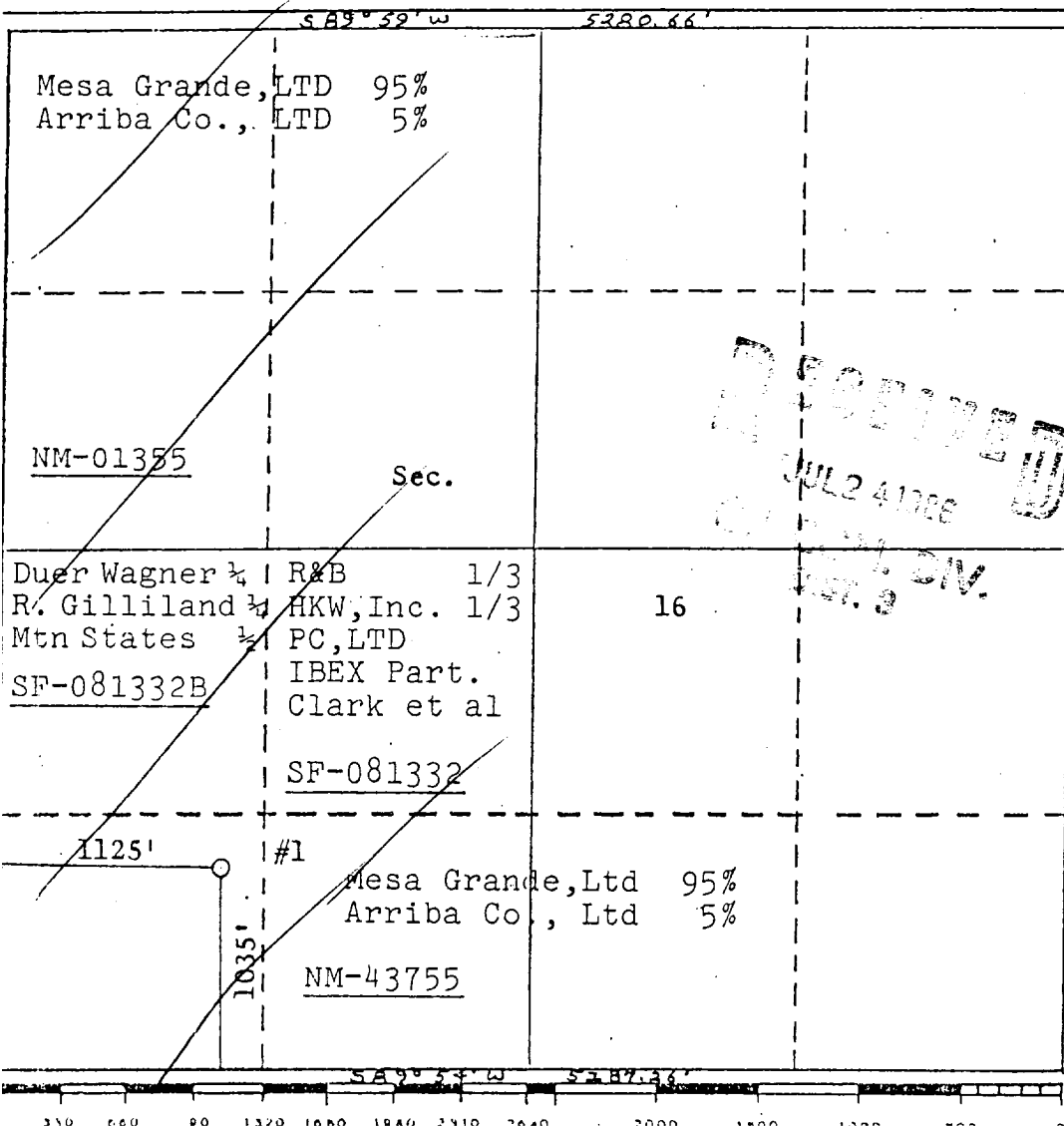
Operator MESA GRANDE RESOURCES			Lease Phantom Federal		Well No. 1
Unit Letter M	Section 16	Township 25 North	Range 2 West	County Rio Arriba	
Actual Postage Location of Well: (cardinal) 1035 feet from the South line and 1125 feet from the West line					
Ground Level Elev. 7245'	Producing Formation Gallup	Pool Gavilan Mancos	Dedicated Acreage: 320 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

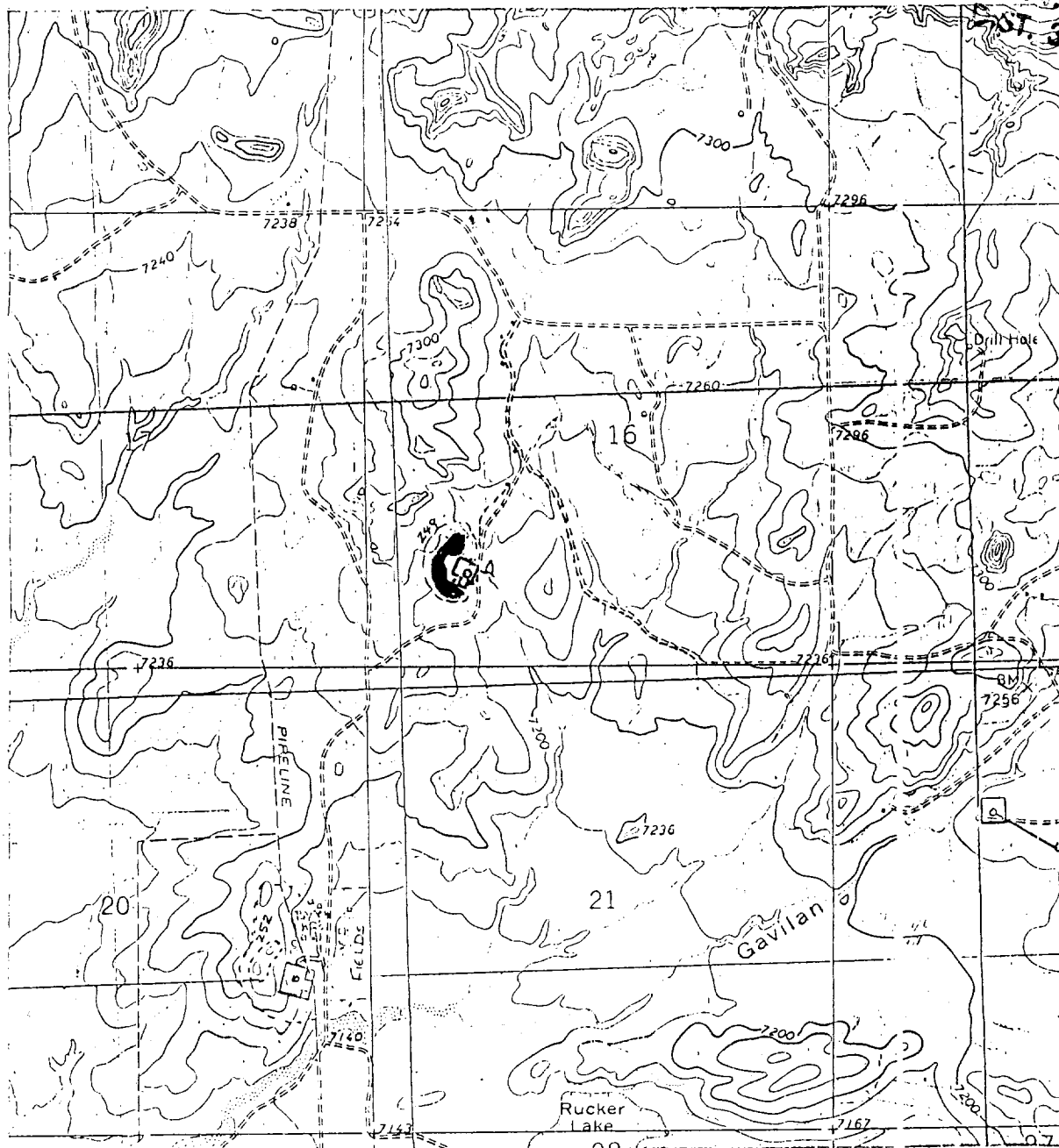
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.



CERTIFICATION	
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
<i>Gregory R. Phillips</i> Gregory R. Phillips Vice-President	
Position Mesa Grande Resources, Inc.	
Company	
Date July 7, 1986	
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 knowledge and belief.	
Date Surveyed June 24, 1986	
Registered Professional Engineer and/or Land Surveyor	
Certificate No. 2802	

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FIGURE 1
R2W



T25N

MESA GRANDE RESOURCES
WELL & ACCESS
PHANTOM FEDERAL #1
SCALE 1:24,000

JAS 01 249

USGS OJITO, NEW MEXICO
7.5 MINUTE QUADRANGLE
1963
UTM ZONE 13

