ABOVE THIS LINE FOR DIVISION USE ONLY

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
[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]
TYPE OF APPLICATION - Check Those Which Apply for [A]
[A] Location - Spacing Unit - Directional Drilling Sinst Sinsp DD DSD JUN 2 0 2000
Check One Only for [B] and [C] [B] Commingling - Storage - Measurement DHC DCTB PLC DC DOLS DOLM
[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery WFX PMX SWD PIPI EOR PPR
NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply
[A] Working, Royalty or Overriding Royalty Interest Owners
[B] Offset Operators, Leaseholders or Surface Owner
[C] Application is One Which Requires Published Legal Notice
[D] Notification and/or Concurrent Approval by BLM or SLO
[E] For all of the above, Proof of Notification or Publication is Attached, and/or,
[F]
INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding
hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and tegulations 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, ORBI) is common. I understand that any emission of data information or notification is cause to have the

•	I understand that any omission of data, i	nformation or notification is o	cause to have the
application package retu	rned with no action taken.	•	
	Note: Statement must be completed by an individual v	uith augus isan sa na ih.	
homas L. Fithian	Note: Statement must be completely by an individual of		June 19, 2000
Print or Type Name	Signature	Title	Date



15375 Memorial Drive Houston Texas 77079 281 584-6000

June 19, 2000

Lori Wrontenbery, Director Oil Conservation Division New Mexico Department of Energy, Minerals and Natural Resources 2040 South Pacheco Street Santa Fe, New Mexico 87505

Re: Application of Vastar Resources, Inc. for Administrative Approval of an Unorthodox Well Location for its Carracas 2 A Well No. 11, to be located 2,405 feet from the South line and 1,880 feet from the West line of Section 2, Township 31 North, Range 5 West, N.M.P.M., in a non-standard 368.6-acre spacing unit comprising the entirety of Fractional Section 2 necessitated by a variation in the legal subdivision of the U.S. Public Land Surveys, Rio Arriba County, New Mexico

Dear Ms. Wrotenbery:

Vastar Resources, Inc. hereby seeks administrative approval pursuant to the provisions of Rule 8 of the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool adopted on October 17, 1988, of an unorthodox well location for its 2 A Well No. 11, to be drilled in the Fruitland Coal formation at an unorthodox well location 2,405 feet from the South line and 1,880 feet from the West line of Section 19, Township 32 North, Range 4 West, N.M.P.M., Rio Arriba County, New Mexico. A non-standard 368.6-acre spacing unit comprising the entirety of Fractional Section 2 will be dedicated to the well. This is necessitated by a variation in the legal subdivision of the U.S. Public Land Surveys in Section 2.

The well will be drilled to a depth of approximately 3,230 feet to test the Fruitland Coal formation, Basin-Fruitland Coal Gas Pool.

This location in the Fruitland Coal formation is unorthodox because Rule 7 of the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool (Order No. R8768, as amended) provides for wells to be located in the NE/4 or SW/4 of a single governmental section and located no closer than 660 feet to any outer boundary of the proration unit nor closer than 10 feet to any interior quarter-quarter section line or subdivision inner boundary.

Lori Wrontenbery, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
Carracas 2 A #11 Well
June 19, 2000
Page 2

This unorthodox location is required by topographic conditions and Carson National Forest requirements. When Vastar field personnel met at the well site with representatives of the Forest Service, the Forest Service requested the well pad be built at end of the existing road and to not extend the road as previously planned across a large drainage wash to gain access to the central portion of the section. This drainage wash is highly eroded with unstable banks as it carries the waters of Orcones Canyon into Bancos Canyon.

Attached hereto as Exhibit A is a topographical map showing no standard location is available for the well on this spacing unit. Attached as Exhibit B and C are the C-102 Plat and the APD as filed with the Aztec District Office reflecting request of approval of a non-standard 368.6-acre Fruitland Coal spacing unit. These exhibits show that the unorthodox location is supported by the surface topography of the area.

Attached hereto as Exhibit D is a plat as required by Rule 104.F(3) showing the subject spacing unit, the proposed unorthodox well location, the offsetting wells and the diagonal and adjoining spacing units. Exhibit F lists parties affected by this application. A copy of this application, including a copy of the plat described above has been sent to these affected parties by certified mail-return receipt requested in accordance with Rule 1206(A)(5) advising them that if they have an objection to this application it must be filed in writing within twenty days from the date this notice was sent.

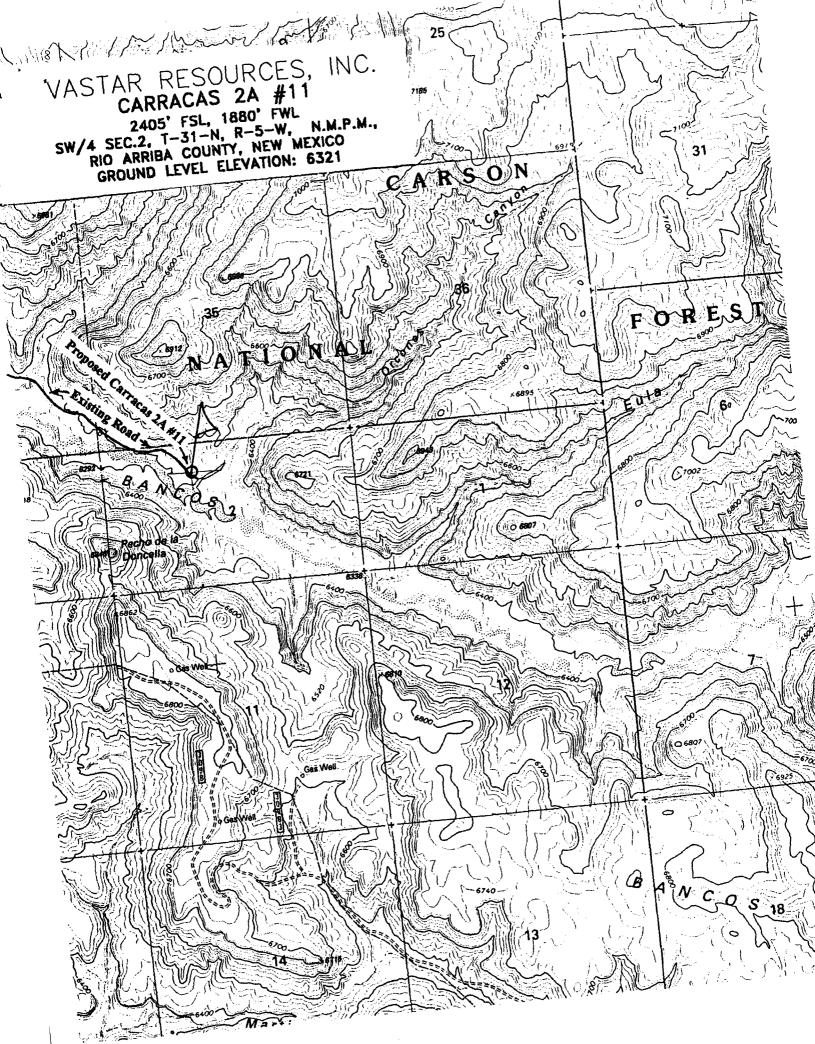
Copy of this request have also been provided to the Aztec Office and the Bureau of Land Management, Farmington District Office.

Very truly yours,

Michael Rodgers, CPL

Direct Line: (281) 584-3230 Fax: (281) 584-6370 E-mail: mrodger@vastar.com

Enclosures



District | 1 PO Box 1980, Hobbs, NM 88241-1980 District II 811 South First, Artesia, NM 88210 District III 1080 Rio Brazos Rd., Aztec, NM 87410 District IV 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico Energy, Minerala & 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

		V	VELL LO	CATION	N AND AC	REAGE DEDI	CA'	TION PL	AT		CHOCO KEPOKI
17	All Numbe			1 Pool Cod 71629				Pool No in Fruit	une	al	·
⁴ Property (Code				1 Property	y Name					Well Number
'ogrid 3661				VAST	Operator	r Name CES, INC.					' Elevation 6321
		٠			10 Surface	Location					
UL or lut no.	Section 2	Townsh 31N	ip Runge 5W	Lot Ida	Feet from the	North/South line	Fo	rt from the	East/West	line	County
K		1 214		tom Hol		SOUTH If Different Fro	m		WEST		RIO ARRIBA
UL or lot no.	Section	Townshi		Lot Ida	Feet from the	North/South line	_	et from the	East/West	line	County
12 Dedicated Acr	es '' Joint	or Infill	14 Consolidation	on Code 14 C	I Order No.		L		l		<u></u>
NO ALLOWA	ABLE WI	LL BE				N UNTIL ALL INT				CONSC	LIDATED OR A
	7 1		NON-STAN	IDARD UI	NIT HAS BEE	N APPROVED BY	TH				
16								I hereby certij	fy that the inf	ormation	TIFICATION contained herein is knowledge and belief
		. ,						•	Λ \		\cap 1
		-/		+-/		 	_	Signature	leste). إلى	vzhah.
	i i							Printed Nam	<u> </u>		night, Jr.
		/				/		Title	Engi		
			Wes	t 5280	0.00'			Date	June	9, 20	00
			+	tion 2			\dashv	18211R1	/EYOR	CER	TIFICATION
H	1880'							'I hereby certi	fy that the we	il location	n shown on this plat
9.30							.60	or under my : correct to the	supervision, a	end that t	il surveys made by me he same is true and
3039			2405				3042		06	5/06/	00
			7	_				Date of Surve	-	ADAMO	ojeveyer:
<u> </u>								3	ALL SUN N	NEXIC	
S00°01'W			·.				South	有	1 Ch		The roll
S		N89	°58'W	528	1.32'			Certificator	Walter Town		/ <i>\$</i> /
			-						77000	£85(V)	

Vastar Resources, Inc.



1816 E. Mojave St Farmington, New Mexico 87401 505 599-4300 505 599-4328 Fax

June 10, 2000

Bureau of Land Management Farmington District Office 1235 La Plata Highway Farmington, New Mexico 87401

Re: APD - Carracas 2 A #11

Attached please find an APD package for the proposed Carracas 2 A #11 well located in the Carson National Forest in Rio Arriba County, New Mexico. Included are the following items:

APD form 3160-3
Surveyors plat with well location and elevation
USGS Topographic Orientation Map
Eight part Drilling Plan
Thirteen part Surface Use Plan
Drill site location/rig layout and site crossection
Offset well identifier map showing wells within a one mile radius
BOP stack diagram
Choke manifold diagram
Surface production facilities diagram

A notice of staking was filed with your office on May 19, 2000 and an onsite review was performed with Cam Hooley of the Forest Service and Charlie Knight representing Vastar. The Forest Service requested a change in location of the well (to avoid crossing Orcones Canyon). The new site was arch surveyed with no findings and an arch report will be available within the next few days. Please note the attached plat and support materials are for the new location and not for the site referenced with the NOS.

Please contact Charlie Knight at Vastar in Farmington at (505) 599-4308 or Dave Reid at Vastar in Houston at (281) 584-3702 if further information is needed to process the attached application.

Charles W. Knight, Jr.

Engineer

Form 3160-3 (July 1992)

SUBMIT IN TRIPLICATE.

(Other instructions on reverse side)

FORM APPROVED OMB NO. 1004-0136 Expires: February 28, 1995

UNITED STATES DEPARTMENT OF THE INTERIOR

1

	DEPARTMENT					5. LEASE DESIGNATION AND SERIAL NO.
		LAND MANAG				NM 68762
	CATION FOR PE	ERMIT TO D	RIL	L OR DEEPEN		6. IF INDIAN, ALLOTTER OR TRIBE NAME
a. TYPE OF WORK DRI b. TYPE OF WELL	LL X	DEEPEN [7. UNIT AGREEMENT NAME
OIL O. WELL W	S OTHER			NGLE X MULTIP	'LE	8. FARM OR LEASE NAME, WELL NO.
VASTAR RESOUF	RCES, INC.					CARRACAS 2A #11
ADDRESS AND TELEPHONE NO.	T FARMINCTON N	M 07401	/) F00 4200		
	E, FARMINGTON N		•) 599-4300 state requirements.*)		10. FIELD AND POOL, OR WILDCAT BASIN FRUITLAND COAL
At surface 240	5' FSL & 1880'	FWL				11. SEC., T., R., M., OR SLK. AND SURVEY OR AREA
At proposed prod. zon SAM						SEC. 2, T-31N, R-5W
	AND DIRECTION FROM NEAR					12. COUNTY OR PARISH 13. STATE
39 MILES E	AST-NORTHEAST O	F BLOOMFIEL		O. OF ACRES IN LEASE	1 17 NO 0	RIO ARRIBA NM FACRES ASSIGNED
LOCATION TO NEAREST PROPERTY OR LEASE I (Also to nearest drip	r INE, FT. r. unit line, if any)	634'		368.6	TO TE	368.6
S. DISTANCE FROM PROF TO NEAREST WELL, D OR APPLIED FOR, ON TH	RILLING, COMPLETED,	NONE	19. PH	3230 '	ROTA	ARY
1. ELEVATIONS (Show wh	ether DF. RT, GR. etc.)					JULY, 2000
3.		PROPOSED CASI	NG ANI	CEMENTING PROGRA	.м	
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FO	OT	SETTING DEPTH		QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#		400'	300	
7-7/8"	5-1/2"	15.5#		3230'	900	sx (1730 cf)Circ to Surf
N ABOVE SPACE DESCRIE	BE PROPOSED PROGRAM: If inent data on subsurface location	proposal is to deepen, ns and measured and tr	give dati	a on present productive zone al depths. Give blowout prev	and proposec enter program,	I new productive zone. If proposal is to drill o
SIGNED CHARLES	W. KNIGHT SR		1.ε <u>ΕΝ</u>	IGINEER (505) 5	99-4308	DATE 6/12/00
(This space for Fede	eral or State office use)					
PERMIT NO.		alimat holds less as as		APPROVAL DATE	lanca which	could entitle the applicant to conduct operations the
Application approval does CONDITIONS OF APPROVA		pricaint noids legal or eq	purable ti	uue co unose ngrus in the subjec	I ICIDE MUICU M	ould entitle the applicant to conduct operations the
APPROVED BY						DATE

*See Instructions On Reverse Side

District I

19) Box 1980, Hobbs, NM 88241-1980
District II

811 South First, Artesia, NM 88210
District III
1080 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fc. NM 87505

State of New Mexico Energy, Minerals & Natural Resourcess Department

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505 Form C-102
Revised October 18, 1994
Instructions on back
nit to Appropriate District Office

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

AMENDED REPORT

2040 South Pache	co, Santa P								<u> </u>	- AME	ENDÉD REPORT
,,	API Numbe		LL LOC	CATION 1 Pool Code 71629		REAGE DEDI		rion PL Pool Na in Fruit	une		·
* Property	Cude			71022	1 Property	y Name	1543	in riuit.	and C		Well Number
'OGRID 3661	Nu. 9			VAST	Operator AR RESOUR	r Name					'Elevation 6321
	·	· · · · · · · · · · · · · · · · · · ·				Location					
UL or lot no.	Section 2	Township 31N	Runge 5W	Lot Idn	Feet from the	North/South line SOUTH	Fee	t from the	East/West WEST	l line	County RIO ARRIBA
			11 Botte	om Hol	e Location	If Different Fro	om S	Surface			
UL or lut no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Fee	d from the	East/West	line	County
13 Dedicated Acr			Consolidation		rder No.						
NO ALLOWA	ABLE WI					N UNTIL ALL INT N APPROVED BY				CONSO	LIDATED OR A
16		./						I hereby certification in the complete	ly that the inj plete to the b	formation est of my i	PIFICATION contained herein is incompledge and belief
								Printed Nam	Engi	ineer	night, Jr.
	'	634'	West	5280	0.00'			Date	June	9, 20	00
3039.30	1880'	2405,) Sect	ion 2			3042.60'	'I hereby certi was plotted fi or under my : correct to the	fy that the wor rom field note supervision, best of my b	ell location es of actua and that ti elief.	PIFICATION Is shown on this plat Is surveys made by me he same is true and
M, 10°00S		N89°5	8'W	528	.32'		South	Signature and		MEXICO PARTIES OF THE	The same of the sa

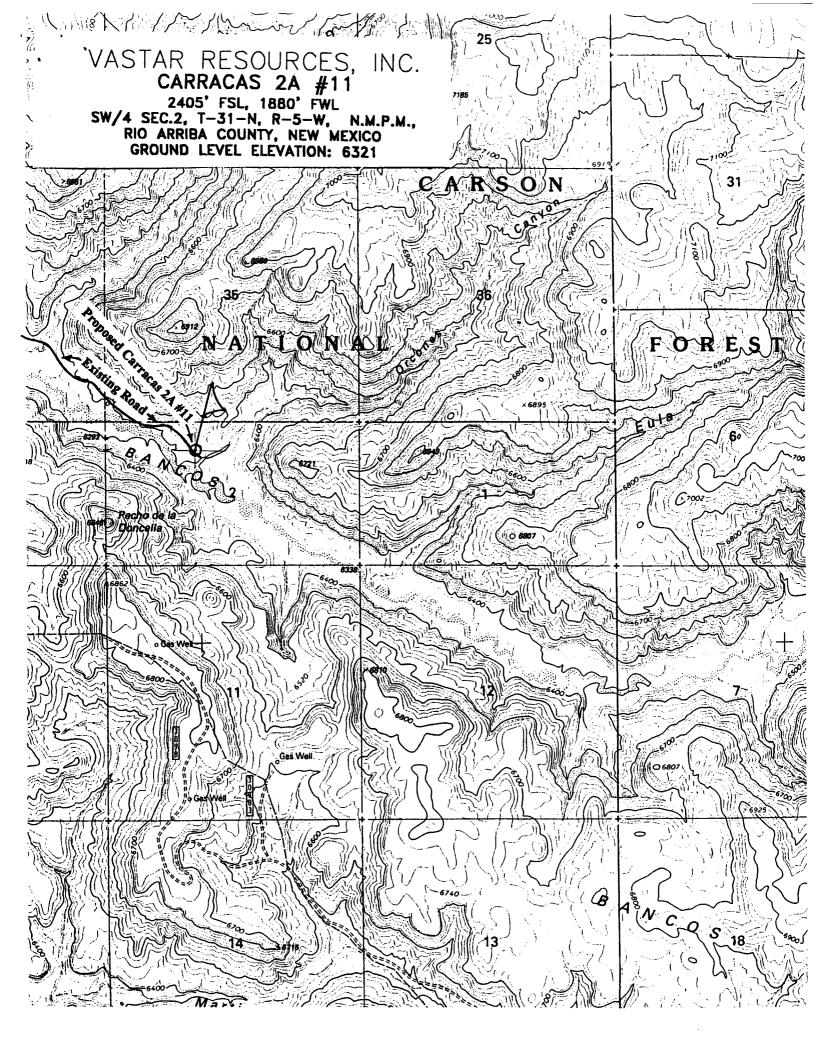


TABLE OF CONTENTS

Carracas 2 A #11

DRILLING PLAN	PAGE
1. Formation Tops	1
2. Anticipated Depth of Oil, Gas, and Water	1
3. Blow Out Preventor Requirements	1
4. Casing and Cement Program	2
5. Mud Program	2 3 3
6. Testing, Logging, and Coring	3
7. Abnormal Pressures and H ₂ S Gas	
8. Other Information and Notification Requirements	3
SURFACE USE PLAN	
1. Existing Roads	4
2. Access Roads to be Constructed or Reconstructed	4
3. Location of Wells within One Mile	5
4. Proposed Production Facilities	6
5. Water Supply	6
6. Construction Materials	6
7. Waste Disposal	6
8. Ancillary Facilities	7
9. Wellsite Layout	7
10. Reclamation	. 7
11. Surface/Mineral Ownership	8
12. Other Information	8
13. Certification	9

Vastar Resources, Inc. Carracas 2 A #11 2405' FSL, 1880' FWL Sec 2, T31N, R5W Rio Arriba County, New Mexico

Page 1

DRILLING PLAN

1. **FORMATION TOPS:** The estimated tops of geologic markers as follows:

Ojo Alamo

2468'

Kirkland

2564' 2920'

Fruitland

2. ANTICIPATED DEPTHS OF OIL, GAS, AND WATER:

Ojo Alamo

2468' - Water

Fruitland

2920' - Gas

All zones capable of oil, gas, or water production will be protected with 8.5/8" or 5 1/2" casing and cemented to surface.

3. **BLOWOUT PREVENTOR REQUIREMENTS:**

Interval

Pressure Control Equipment

Surface - 400'

No equipment necessary

400' - TD

10" 2000 psi Double Ram preventor, rotating head and choke manifold.

All BOPE will be hydraulically pressure tested when nippled up, after well control use and every thirty days. Pressure tests will be to the lesser of 2000 psi or to 70% of the minimum internal yield pressure of the casing.

Blind rams will be functioned on each trip out of the hole. All BOPE checks will be noted on the daily drilling reports.

Additional BOPE equipment includes a kelly cock, FO safety valve and an inside BOP.

SEE ATTACHED BOP DIAGRAM

Vastar Resources, Inc. Carracas 2 A #11 2405' FSL, 1880' FWL Sec 2, T31N, R5W Rio Arriba County, New Mexico

4. CASING AND CEMENTING PROGRAM:

The proposed casing program will be as follows:

Hole Section	Hole Size	<u>Interval</u>	Casing Size	Casing Specs	
Surface Production	12-1/4" 7-7/8"	Surface to 400' 400' to 3230'	8-5/8" 5-1/2"	24# J-55 STC 17# J-55 LTC	
Hole S	Section	Slurries			
Surfac	e 300 sa	Class B with 3% ((354 cu. ft., 1.18)	CF		
Produ	ction Lead	800 sx 35:65 Class B:poz + 5#/sx Gilsonite			
	eld) onite				

+ 0.4% FLA + 1/4 lb/sk CF (138 cu. ft., 1.38 yield)

5. <u>MUD PROGRAM</u>: The proposed circulating mediums to be employed in drilling are as follows:

Depth	Mud Type	Density	Funnel Vis	Fluid Loss
Surface to 400'	Spud Mud	8.3 to 9.5 ppg	30 to 60	No Control
400' to 2600'	Water	8.3 to 8.7 ppg	28 to 35	No Control
2600' to TD	LSND	8.7 to 9.2 ppg	35 to 45	≤ 20 cc

Page 3

- **TESTING, LOGGING, AND CORING:** The anticipated type and amount of testing, logging, and coring are as follows:
 - a. Drill stem tests are not anticipated.
 - b. The electric wireline logging program will be as follows:

Temperature survey if cement does not circulate. Cased hole GR/CCL/CNL

- c. Mud logging: 2600' to TD.
- d. Coring program: No cores are anticipated.

7. ABNORMAL PRESSURES AND H₂S GAS:

No abnormal conditions are anticipated during the drilling and completion of this well. Standard well control practices and equipment will be used for the duration of this well.

8. <u>OTHER INFORMATION & NOTIFICATION:</u>

- a. Vastar Resources, Inc. is operating under our United Pacific national bond on file with the BLM. That BLM bond number is ES 0309.
- b. Construction operations are planned to start pending approval of the APD. Location preparation is estimated to take 2 to 3 days. The drilling activity should take 6 days. The drilling rig may be used for the completion portion of the well. The completion activities are anticipated to take 9 days. Total duration of activities preparing this well to produce should take an estimated 23 days.
- c. In the event of an emergency, contact the following:

Charlie Knight Project Engineer (505) 599-4308 (office) (281) 599-4338 (fax) Dave Reid Project Engineer (281) 584-3702 (office) (281) 584-6810 (fax) Carracas 2 A #11 2405' FSL, 1880' FWL Sec 2, T31N, R5W Rio Arriba County, New Mexico

SURFACE USE PLAN

Entry permission was obtained & the surface location was staked by Henry Broadhorst, Jr. Registered Professional Surveyor with United Field Services, Inc. located in Farmington, N.M. at (505) 344-0408.

1. **EXISTING ROADS**:

- a. The proposed well site is located about 39 miles east-northeast of Bloomfield, New Mexico (this distance is direct and not by road). See attached USGS Topographic orientation map and offset well map for reference.
- b. Road Directions to the location are as follows: From Bloomfield, NM: Go east on Hwy 64 about 48 miles to the 114-1/2 mile marker and turn left on Forest Road 310. Go north on FR 310 for 18.7 miles at which point the road becomes FR 218. Continue northward for another 7.6 miles to a Y in the road at Carracas 18 B #13. Take the left fork which will be FR 2188 and go southwest about 6-1/4 miles to fork in the road near Williams compressor station. Turn left off main road onto Carracas 2 A #11 access road and go southeast about 1-3/4 mile along Bancos Canyon to pad location for the proposed Carracas 2 A #11.
- c. For location of existing access roads within a 2 mile radius, see attached maps.
- d. Improvement to the existing access will not be necessary.
- e. All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.
- f. Existing roads and newly constructed roads on surface under the jurisdiction of any Surface Managing Agency shall be maintained in accordance with the standards of the SMA.

2. ACCESS ROADS TO BE CONSTRUCTED OR RECONSTRUCTED:

A new lease road will not be required since well location is located at the end of an existing road.

Vastar Resources, Inc.

Page 5

Carracas 2 A #11 2405' FSL, 1880' FWL Sec 2, T31N, R5W Rio Arriba County, New Mexico

3. <u>LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS</u> <u>OF THE PROPOSED LOCATION:</u>

Reference attached maps for the location of offsetting wells below:

a. Producing wells -

T31N, R5W

Well #

Producing Formation

Section 11

Rosa #40

Dakota

- b. Drilling Wells none
- c. Plugged Wells & Dry Holes

T31N, R5W

Well #

Section 2

Schalk 58 #1

T32N, R5W

Well #

Section 35

San Juan 32-5 Unit #2

Vastar Resources, Inc. Carracas 2 A #11 2405' FSL, 1880' FWL Sec 2, T31N, R5W Rio Arriba County, New Mexico

4. <u>LOCATION OF TANK BATTERIES AND PRODUCTION</u> FACILITIES:

Production facilities will be installed as per the attached facilities diagram. The production equipment to be utilized will be a separator, water tank, and a gas meter run.

5. <u>LOCATION AND TYPE OF WATER SUPPLY</u>:

- a. All water needed for drilling purposes will be fresh water purchased from commercial sources and treated with Biocide as needed.
- b. No water well is to be drilled on this lease.

6. SOURCE OF CONSTRUCTION MATERIAL:

- a. Surface and subsoil materials will be hauled in from the immediate area.
- b. Any gravel used will be obtained from a commercial source and transported in on the designated access route.

7. METHODS OF HANDLING WASTE DISPOSAL:

- a. Drill Cuttings will be handled in the reserve pit and buried during reclamation operations. The pit will be fenced on three sides during drilling and the fourth side fenced upon removal of the drilling rig.
- b. Garbage and nonflammable waste produced during the drilling or testing will be handled in a trash bin.
- c. Toilet facilities will be provided for human waste.
- d. Drilling fluids will be handled in the reserve pit.

Carracas 2 A #11 2405' FSL, 1880' FWL Sec 2, T31N, R5W Rio Arriba County, New Mexico

e. Any fluids produced during drilling or production tests will be collected in a test tank. If a test tank is not available during drilling, fluids will be handled in the reserve pit. Any spills of oil, gas, salt water, or other noxious fluids will be cleaned-up and removed. If the well is productive, produced water will be disposed of on site for 90 days. After that time, application will be made for approval of permanent disposal methods.

8. <u>ANCILLARY FACILITIES:</u>

There are no airstrips, camps, or other facilities planned during the drilling of the proposed well.

9. **WELL SITE LAYOUT:**

- a. The reserve pit will be located on the north side of the location.
- b. Access to the wellpad will be along an existing lease road.
- c. The location of mud tanks, reserve pit, flare pit, and pipe racks will be as shown on the wellpad layout plat.
- d. See pad cross-section plat for proposed cut and fill of the drill pad.

10. PLANS FOR RESTORATION OF SURFACE:

Producing Location

a. Immediately upon completion of drilling operations, the location and surrounding area will be cleared of all unused tubulars, equipment, debris, materials, trash and junk not required for production and "back dragged" in readiness for completion operations.

Vastar Resources, Inc.

Carracas 2 A #11 2405' FSL, 1880' FWL Sec 2, T31N, R5W

Rio Arriba County, New Mexico

- b. Immediately upon well completion, any stimulation fluids collected in the test tank will be disposed of. As this is a dry gas well, no production of liquid hydrocarbons is expected.
- c. Cuttings will be buried in the reserve pit. The pits and any portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours, fertilized, and seeded.

Plugged and Abandoned Well

a. Dry hole reclamation will be coordinated with the BLM at the time of abandonment as to the physical requirements and timing & weather issues.

11. SURFACE & MINERAL OWNERSHIP:

Access roads

All existing roads to the lease are maintained and owned by the County, State Highway Department, U.S. Forest Service, and/or the area operator road committee.

Wellsite & Road

The lease road and the wellpad are located on surface owned by:

U.S. Forest Service Jicarilla Ranger District 664 E. Broadway Bloomfield, NM 87413

LEASE INFORMATION:

BLM Lease Number: NM 68762

12. OTHER INFORMATION:

a. All vehicle traffic will be restricted to the access road, lease road, and well pad. Vastar will prohibit firearms & alcoholic beverages from the location and lease.

Page 8

Vastar Resources, Inc.

Page 9

Carracas 2 A #11 2405' FSL, 1880' FWL Sec 2, T31N, R5W Rio Arriba County, New Mexico

13. <u>LESSEE'S OR OPERATOR'S REPRESENTATIVE AND</u> CERTIFICATION:

Questions about this permit application or emergency notifications should be directed to:

Permit, Drilling, & Completion Matters

Vastar Resources, Inc. 1816 E. Mojave Farmington, NM 87401 (505) 599-4300

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; and that the work associated with operations proposed herein will be performed by Vastar Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

This statement is subject to the provisions of 18.U.S.C. 1001 for filing of a false statement.

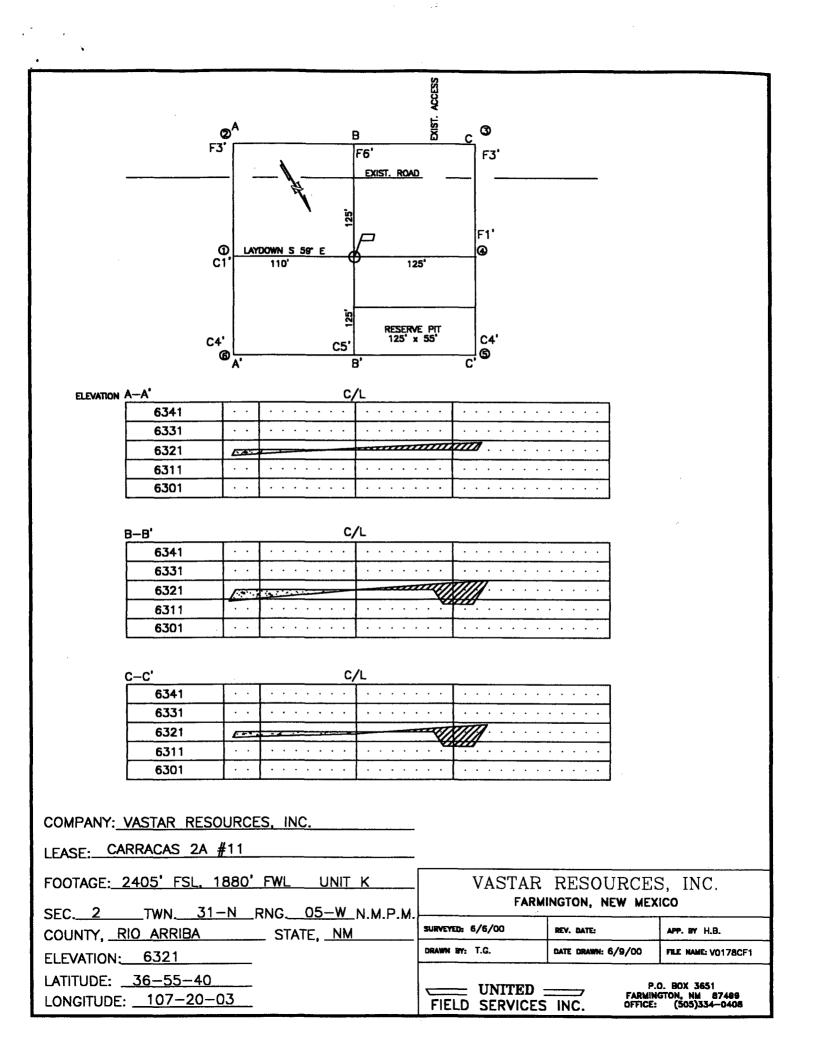
6/12/00

Date

Charles W. Knight, Jr.

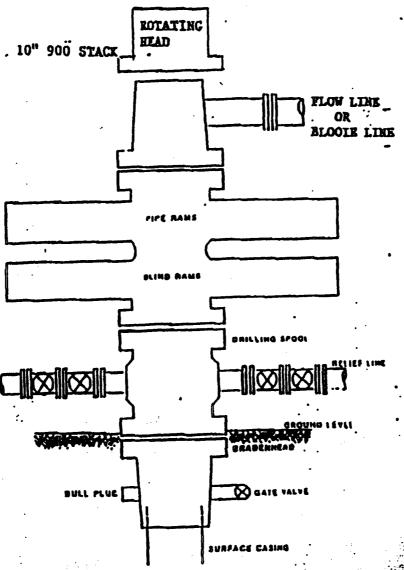
For: Joe Garcia

Vastar Resources, Inc.



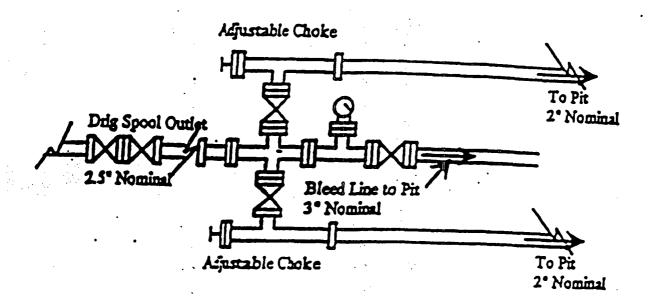
100.				1
	/	Belco Pet 1.24 -0-		
	27	D 26	25	
	21	20	23	
Pet	Lone Ster Ind Inc.	Caracas Vesa Pan Am		
,	3.0	35	36	
3 .	3.4	33	7 30	
が多か	ने के	2 M		
\$ 2	Lone Star Schat 63	2 M San Juan 32:5Unit • Schalk	•	
	Carracas 2	A #11 ®		•
•	\ 3	· 62	$\int 1$	
11	\	Lone StarSchalk 58 Shar Alan		
15 74	Shar Alan A-51	Shar Alan		Mitch
" *		****		
	10	Rosa	12	
		10.40	٨	
• • • •	C = m = = =		A	
Unit	Carson	Rosa	Amoco	Pa
		. \		
,			_	
	15	14	13	,
			3 _ 61	
<u>+</u>			Ross Unit	<i>Ro</i> St
				, St
		· ·		

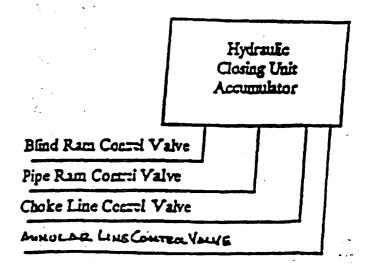
Figure #1 (BOP)



Series 800 double gale SOP

Choke Manifold and Accumulator Schematic





Facilities Layout Diagram

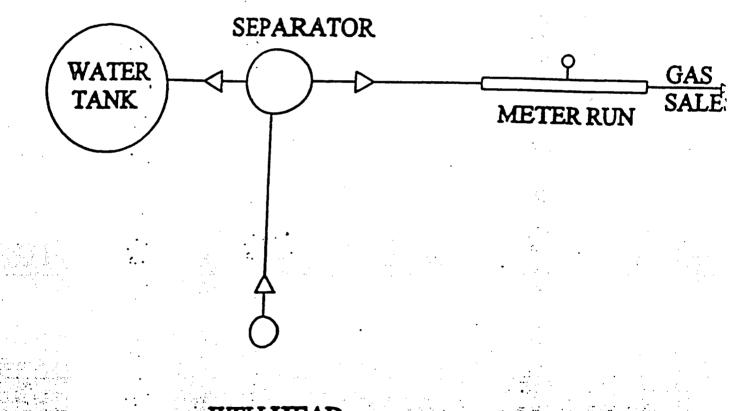


Exhibit D

Request for Administrative Approval of an Unorthodox Location for Vastar's Carracas 2 A #11 Well and a Non-Standard Fruitland Coal Spacing Unit in Fractional Section 2, T31N-R5W, NMPM, Rio Arriba County, New Mexico

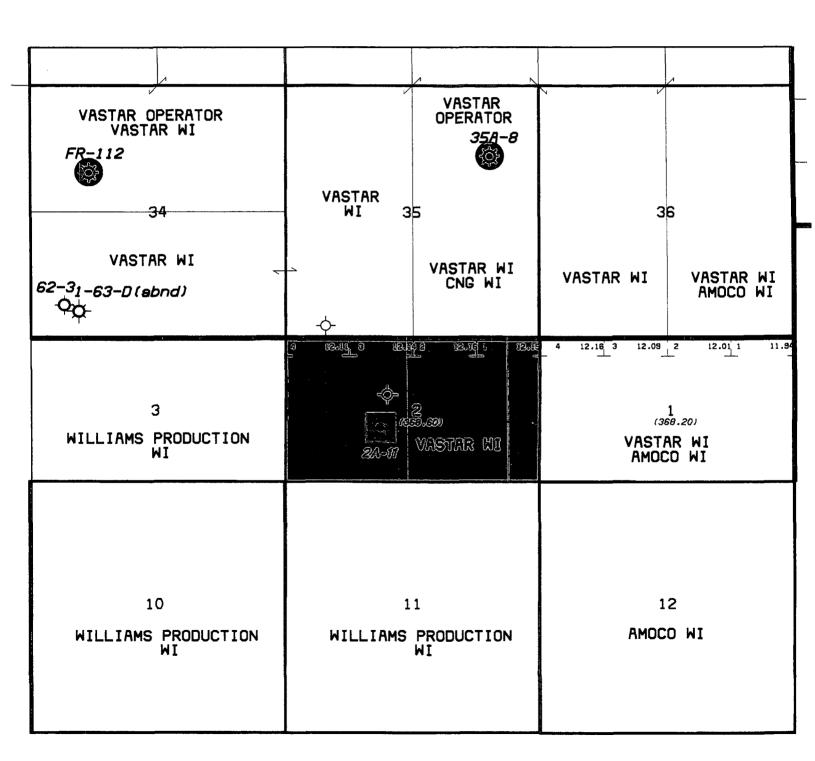


Exhibit E

Request for Administrative Approval of an Unorthodox Location for Vastar's Carracas 2 A #11 Well and Non-Standard Fruitland Coal Spacing Unit in Fractional Section 2, T31N-R5W, NMPM, Rio Arriba County, New Mexico

List of Affected Parties

CNG Producing Company Stephen E. Case, CPL 16945 Northchase Drive – Suite 1750 Houston, Texas 77060 (281) 873-1574

Williams Production Company Vern Hansen, Landman One Williams Center, Box 3102 Tulsa, OK 74101 (918) 573-6169

Amoco Production Company Max K. Eddington, CPL/ESA Post Office Box 3092 Houston, Texas 77253-3092 (281) 366-3430

Bureau of Land Management Farmington Resource Area Authorized Officer 1235 La Plata Highway – Suite A Farmington, New Mexico 87401

NMOCD – Aztec District Office 1000 Rio Brazos Road Aztec, New Mexico 87410

EEE 548 440 9

US Postal Service **Receipt for Certified Mail** No Insurance Coverage Provided.

Do not use for International Mail (See reverse) CNG Resources -Stephen Case Street & Number

16945 Northchase Dr - Suite 1750
Post Office, State, & ZIP Code
Houston TX 77060 Postage \$ Room 1400 Certified Fee Special Delivery Fee Restricted Delivery Fee Michael Rodgers, Return Receipt Showing to Whom & Date Delivered Return Receipt Showing to Whom Date, & Addressee's Address PS Form **3800**, TOTAL Postage & Fees Postmark or Date Fold at line over top of envelope to the right of the return address

JUN 1 9 2000

CERTIFIED

P 066 862 333

MAIL

.)			•	
on the reverse side?	SENDER: Complete items 1 and/or 2 for additional services. Complete items 3, 4a, and 4b. Print your name and address on the reverse of this form so that we card to you. Attach this form to the front of the mailpiece, or on the back if space permit. Write "Return Receipt Requested" on the mailpiece below the article The Return Receipt will show to whom the article was delivered and delivered.	e does not e number.	I also wish to receive the following services (for an extra fee): 1. Addressee's Address 2. Restricted Delivery Consult postmaster for fee.	eceipt Service.
ADDRESS completed	3. Article Addressed to:	4a. Article N P 06	umber 6 862 333	Œ
	CNG RESOURCES INC STEPHEN CASE, LANDMAN 16945 NORTHCHASE DR - SUITE 1750 HOUSTON TX 77060	- Expided i	ed XXXXCertified Mail □ Insured ceipt for Merchandise □ COD	Thank you for using Return
Is your BETURN	5. Received By: (Print Name) 6. Signature: (Addressee or Agent) X	Addressee's Address (Only if requested and fee is paid)		
=	PS Form 3811 , December 1994		Domestic Return Receipt	





15375 Memorial Drive Houston Texas 77079 281 584-6000

June 19, 2000

By USPS Certified Mail With Return Receipt P 066 862 333

CNG Resources, Inc.
Stephen Case, Landman
16945 Northchase Drive – Suite 1750
Houston, Texas 77060

Re: Application of Vastar Resources, Inc. for Administrative Approval of an Unorthodox Well Location for its Carracas 2 A Well No. 11, to be located 2,405 feet from the South line and 1,880 feet from the West line of Section 2, Township 31 North, Range 5 West, N.M.P.M., in a non-standard 368.6-acre spacing unit comprising the entirety of Fractional Section 2 necessitated by a variation in the legal subdivision of the U.S. Public Land Surveys, Rio Arriba County, New Mexico

Gentlemen:

Notice is hereby given of Vastar Resources, Inc.'s application to the NMOCD for an Unorthodox Fruitland Coal Well Location for the captioned well. A copy of Vastar's application is enclosed. In accordance with NMOCD Rule 1206(A)(5) an objection to this application must be filed in writing within twenty days from the date this notice was sent.

By the enclosed Waiver, Vastar requests your company's waiver of its right to protest the application and the twenty-day period during which it might file a written protest.

Very truly yours,

Michael Rodgers, CPL

Direct Line: (281) 584-3230 Fax: (281) 584-6370 E-mail: mrodger@vastar.com

Enclosure





Joint Ventures and Land

15375 Memorial Drive Houston Texas 77079 281 584-6000

June 19, 2000

CNG Resources, Inc. Stephen Case, Landman 16945 Northchase Drive – Suite 1750 Houston, Texas 77060

Re: Application of Vastar Resources, Inc. for Administrative Approval of an Unorthodox Well Location for its Carracas 2 A Well No. 11, to be located 2,405 feet from the South line and 1,880 feet from the West line of Section 2, Township 31 North, Range 5 West, N.M.P.M., in a non-standard 368.6-acre spacing unit comprising the entirety of Fractional Section 2 necessitated by a variation in the legal subdivision of the U.S. Public Land Surveys, Rio Arriba County, New Mexico

Gentlemen:

Notice has been given of Vastar Resources, Inc.'s application to the NMOCD for an Unorthodox Fruitland Coal Well Location for the captioned well. In order to facilitate the application and drilling of this well, Vastar requests your company's waiver of its right to protest the application and the twenty-day period during which it might file a written protest.

If CNG Resources, Inc. is willing to waive its right to protest the application, please so indicate by completing the waiver below and forwarding the signed original of this request to the Oil Conservation, Division of the New Mexico Department of Energy, Attention: Mr. Michael Stogner, 2040 South Pacheco Street, Santa Fe, New Mexico 87505. Please forward a copy of this signed waiver to the undersigned at the letterhead address.

Michael Rodg	•	· ·	1.
-	281) 584-3230		• .
Fax: (2	281) 584-6370		j. ;
This Vastar's a	day of June, 2000, CNG Reson		

P 066 862 334

US Postal Service Receipt for Certified Mail No Insurance Coverage Provided. Do not use for International Mail (See reverse) Sent to AMOCO PROD CO - MAX EDDINGTON Street & Number PO BOX 3092 Post Office State, \$ ZIP Code 77253-3092 1400 \$ Postage Certified Fee Room Special Delivery Fee Restricted Delivery Fee Rodgers, Return Receipt Showing to Whom & Date Delivered Return Receipt Showing to Whom Date, & Addressee's Address PS Form 3800, TOTAL Postage & Fees \$ Michael Postmark or Date Fold at line over top of envelope to the right of the return address **CERTIFIED** P 066 862 334

JUN 1 9 2000

MAIL

on the reverse side?	SENDER: Complete items 1 and/or 2 for additional services. Complete items 3, 4a, and 4b. Print your name and address on the reverse of this form so that we card to you. Attach this form to the front of the mailpiece, or on the back if space permit. Write "Return Receipt Requested" on the mailpiece below the article. The Return Receipt will show to whom the article was delivered and delivered.	I also wish to receive the following services (for an extra fee): 1. Addressee's Address 2. Restricted Delivery Consult postmaster for fee.	Receipt Service.	
N ADDRESS completed on the	3. Article Addressed to: AMOCO PRODUCTION COMPANY MAX K EDDINGTON POST OFFICE BOX 3092 HOUSTON TX 77253-3092	4a. Article Number P 066 862 334 4b. Service Type Registered XXX Certified Insured XXXRetum Receipt for Merchandise COD 7. Date of Delivery		
Is your RETURN ADDRE	5. Received By: (Print Name) 6. Signature: (Addressee or Agent) X	8. Addressee's Address (Only if requested and fee is paid)		
	PS Form 3811, December 1994		Domestic Return Receipt	

Vastar Resources, Inc.



Joint Ventures and Land

15375 Memorial Drive Houston Texas 77079 281 584-6000

June 19, 2000

By USPS Certified Mail With Return Receipt P 066 862 334

Amoco Production Company Max K. Eddington, CPL/ESA Post Office Box 3092 Houston, Texas 77253-3092

Re: Application of Vastar Resources, Inc. for Administrative Approval of an Unorthodox Well Location for its Carracas 2 A Well No. 11, to be located 2,405 feet from the South line and 1,880 feet from the West line of Section 2, Township 31 North, Range 5 West, N.M.P.M., in a non-standard 368.6-acre spacing unit comprising the entirety of Fractional Section 2 necessitated by a variation in the legal subdivision of the U.S. Public Land Surveys, Rio Arriba County, New Mexico

Gentlemen:

Notice is hereby given of Vastar Resources, Inc.'s application to the NMOCD for an Unorthodox Fruitland Coal Well Location for the captioned well. A copy of Vastar's application is enclosed. In accordance with NMOCD Rule 1206(A)(5) an objection to this application must be filed in writing within twenty days from the date this notice was sent.

By the enclosed Waiver, Vastar requests your company's waiver of its right to protest the application and the twenty-day period during which it might file a written protest.

Very truly yours,

Michael Rodgers, CPL

Direct Line: (281) 584-3230 Fax: (281) 584-6370 E-mail: mrodger@vastar.com

when Kalzus

Enclosure





Joint Ventures and Land

15375 Memorial Drive Houston Texas 77079 281 584-6000

June 19, 2000

Amoco Production Company Max K. Eddington, CPL/ESA Post Office Box 3092 Houston, Texas 77253-3092

Re: Application of Vastar Resources, Inc. for Administrative Approval of an Unorthodox Well Location for its Carracas 2 A Well No. 11, to be located 2,405 feet from the South line and 1,880 feet from the West line of Section 2, Township 31 North, Range 5 West, N.M.P.M., in a non-standard 368.6-acre spacing unit comprising the entirety of Fractional Section 2 necessitated by a variation in the legal subdivision of the U.S. Public Land Surveys, Rio Arriba County, New Mexico

Gentlemen:

Notice has been given of Vastar Resources, Inc.'s application to the NMOCD for an Unorthodox Fruitland Coal Well Location for the captioned well. In order to facilitate the application and drilling of this well, Vastar requests your company's waiver of its right to protest the application and the twenty-day period during which it might file a written protest.

If Amoco Production Company is willing to waive its right to protest the application, please so indicate by completing the waiver below and forwarding the signed original of this request to the Oil Conservation, Division of the New Mexico Department of Energy, Attention: Mr. Michael Stogner, 2040 South Pacheco Street, Santa Fe, New Mexico 87505. Please forward a copy of this signed waiver to the undersigned at the letterhead address.

Very truly Michael F	yours, Rodgers, CPL	fun		
Direct Lin Fax:	ne: (281) 584-3230 (281) 584-6370			en e
This protes	st Vastar's application		Production Com odox location for	 •
			Title:	

P 066 862 335

	Receipt for Certified Mail No Insurance Coverage Provided. Do not use for International Mail (See reverse) Sent to WILLIAMS PROD -VERN HANSEN Street & Number ONE WILLIAMS CENTER BOX 310				
	Post Office, State, & ZIP Code TULSA OK 74101 Postage \$				
	Certified Fee Special Delivery Fee		Michael Rodgers, Room 1400		
	Restricted Delivery Fee Return Receipt Showing to				
	Whom & Date Delivered Return Receipt Showing to Whom, Date, & Addressee's Address				
PS Form 380	TOTAL Postage & Fees \$ Postmark or Date				
	Fold at line over to the right of the				

JUN 1 9 2000

P 066 862 335

MAIĻ

SENDER: Complete items 1 and/or 2 for additional services. Complete items 3, 4a, and 4b. Print your name and address on the reverse of this form so that we card to you.	e can return this	I also wish to receive the following services (for an extra fee):	
Print your name and address on the reverse of this form so that we can retucard to you. Attach this form to the front of the mailpiece, or on the back if space does not permit. Write "Return Receipt Requested" on the mailpiece below the article number. The Return Receipt will show to whom the article was delivered and the dated delivered.		 Addressee's Address Restricted Delivery Consult postmaster for fee. 	
3. Article Addressed to:	4a. Article N	umber	
WILLIAMS PRODUCTION COMPANY VERN HANSEN, LANDMAN ONE WILLIAMS CENTER, BOX 3102	P 066 862 335 4b. Service Type Registered XX XCertified Express Mail Insured XX Xeturn Receipt for Merchandise COD 7. Date of Delivery		
TULSA OK 74101			
5. Received By: (Print Name)	r: (Print Name) 8. Addressee's Address (Only if requested and fee is paid)		
6. Signature: (Addressee or Agent)			
PS Form 3811 , December 1994		Domestic Return Receipt	





15375 Memorial Drive Houston Texas 77079 281 584-6000

June 19, 2000

By USPS Certified Mail With Return Receipt P 066 862 335

Williams Production Company Vern Hansen, Landman One Williams Center, Box 3102 Tulsa, OK 74101

Re: Application of Vastar Resources, Inc. for Administrative Approval of an Unorthodox Well Location for its Carracas 2 A Well No. 11, to be located 2,405 feet from the South line and 1,880 feet from the West line of Section 2, Township 31 North, Range 5 West, N.M.P.M., in a non-standard 368.6-acre spacing unit comprising the entirety of Fractional Section 2 necessitated by a variation in the legal subdivision of the U.S. Public Land Surveys, Rio Arriba County, New Mexico

Gentlemen:

Notice is hereby given of Vastar Resources, Inc.'s application to the NMOCD for an Unorthodox Fruitland Coal Well Location for the captioned well. A copy of Vastar's application is enclosed. In accordance with NMOCD Rule 1206(A)(5) an objection to this application must be filed in writing within twenty days from the date this notice was sent.

By the enclosed Waiver, Vastar requests your company's waiver of its right to protest the application and the twenty-day period during which it might file a written protest.

Very truly yours,

Michael Rodgers, CPL

Direct Line: (281) 584-3230 Fax: (281) 584-6370 E-mail: mrodger@vastar.com

Enclosure





Joint Ventures and Land

15375 Memorial Drive Houston Texas 77079 281 584-6000

June 19, 2000

Williams Production Company Vern Hansen, Landman One Williams Center, Box 3102 Tulsa, OK 74101

Re: Application of Vastar Resources, Inc. for Administrative Approval of an Unorthodox Well Location for its Carracas 2 A Well No. 11, to be located 2,405 feet from the South line and 1,880 feet from the West line of Section 2, Township 31 North, Range 5 West, N.M.P.M., in a non-standard 368.6-acre spacing unit comprising the entirety of Fractional Section 2 necessitated by a variation in the legal subdivision of the U.S. Public Land Surveys, Rio Arriba County, New Mexico

Gentlemen:

Notice has been given of Vastar Resources, Inc.'s application to the NMOCD for an Unorthodox Fruitland Coal Well Location for the captioned well. In order to facilitate the application and drilling of this well, Vastar requests your company's waiver of its right to protest the application and the twenty-day period during which it might file a written protest.

If Williams Production Company is willing to waive its right to protest the application, please so indicate by completing the waiver below and forwarding the signed original of this request to the Oil Conservation, Division of the New Mexico Department of Energy, Attention: Mr. Michael Stogner, 2040 South Pacheco Street, Santa Fe, New Mexico 87505. Please forward a copy of this signed waiver to the undersigned at the letterhead address.

Wery truly yours, Michael Rodgers, CPL Direct Line: (281) 584-3230	
Michael Rodgers, CPL	
Direct Line: (281) 584-3230 Fax: (281) 584-6370	
	Production Company hereby waives its right to dox location for the above referenced Fruitland
	Title:





15375 Memorial Drive Houston Texas 77079 281 584-6000

June 19, 2000

Bureau of Land Management Farmington Resource Area Authorized Officer 1235 La Plata Highway – Suite A Farmington, New Mexico 87401 NMOCD – Aztec District Office 1000 Rio Brazos Road Aztec, New Mexico 87410

Re: Applications of Vastar Resources, Inc. for Administrative Approval of Unorthodox Fruitland Coal Well Locations in Carracas Canyon Area, Rio Arriba County, New Mexico

Gentlemen:

Enclosed for your records are copies of Vastar Resources, Inc.'s applications to the NMOCD in Santa Fe for Unorthodox Fruitland Coal Well Locations for the following wells.

Carracas 19 B Well No. 4
Carracas 25 A Well No. 16
Carracas 2 A Well No. 11 in a non-standard 368.6-acre spacing unit
Carracas 36 A Well No. 5

Very truly yours,

Michael Rodgers, CPL

Direct Line: (281) 584-3230 Fax: (281) 584-6370 E-mail: mrodger@vastar.com

Enclosures