

DATE IN 4/14/03	SIGNATURE <i>5</i> 5/17/03	ENGINEER MS	LOGGED IN MV	TYPE NSL	APP NO. AKRV0310654642
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [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]

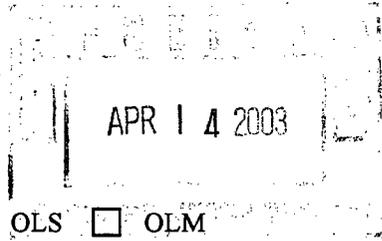
- [A] Location - Spacing Unit - Simultaneous Dedication
 NSL NSP SD

Check One Only for [B] or [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

- [D] Other: Specify _____



[2] **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
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] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

<u>PAUL C. THOMPSON</u> Print or Type Name	<u><i>Paul C. Thompson</i></u> Signature	<u>AGENT</u> Title	<u>4/10/03</u> Date
<u>WALSH@CYBERPORT.COM</u> e-mail Address			



WALSH

ENGINEERING & PRODUCTION CORP.

Petroleum Engineering Consulting
Lease Management
Contract Pumping

7415 East Main
Farmington, New Mexico 87402
(505) 327-4892 • Fax: (505) 327-9834

April 10, 2003

Ms. Lori Wrotenbery
New Mexico Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87504

Re: Non-Standard Location Application
Cordillera Energy, Inc.
Huron #4R
1390' FSL & 2190' FEL, Section 2, T26N R4W
Rio Arriba County, New Mexico
Blanco Mesa Verde and Basin Dakota

Dear Ms. Wrotenbery,

This is a request for administrative approval for a non-standard location in the Blanco Mesa Verde and Basin Dakota pool. The non-standard location is the result of topographical constraints. There is a large drainage, which is not obvious on the topo map, just to the east of the proposed location. Please refer to the cut and fill diagram prepared by Jason Edwards of NCE Surveyors. A location that was located 1980' from the east line (660' from the center of the section) would be located in this drainage. If the well was moved to the east side of the drainage then the Huron #4R would only be approximately 500'- 600' from the existing Huron #4 (Dakota) and the #3A (Mesa Verde) wells. Cordillera Energy, Inc. owns the mineral rights in the SW/4 of Section 2, which is the area that is being encroached upon by the Huron #4R.

The Huron #4R will be drilled and completed as a downhole commingled Dakota and Mesa Verde well. The Huron #4R was located to maximize the ultimate recovery from the Mesa Verde and Dakota pools according to the spacing rules which were adopted in Order R-10987A for the Mesa Verde and Order R-10987-B for the Dakota. Considerable testimony was presented at both of those hearings to justify the necessity of drilling additional wells and the location of the 80 acre infill wells.



I have attached for your review, a C-102 for both the Mesa Verde and Dakota formations, outlining the dedicated acreage. I have also prepared a scale drawing, identifying the existing and proposed Mesa Verde and Dakota wells in the area and the offset operators.

The offset operators of the Mesa Verde and Dakota pools are being notified of this application by certified return receipt mail. Copies of these letters are enclosed.

Thank you for your consideration and approval of this application. If you have any questions please do not hesitate to call upon me.

Sincerely,

A handwritten signature in black ink that reads "Paul C. Thompson" with a horizontal line extending from the end of the name.

Paul C. Thompson, P.E.
Agent for
Cordillera Energy, Inc.

District I
PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised February 21, 1994

District II
PO Drawer DD, Artesia, NM 88211-0719

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

District III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number		*Pool Code		*Pool Name	
		72319 \ 71599		BLANCO MESAVERDE \ BASIN DAKOTA	
*Property Code		*Property Name			*Well Number
		HURON			4R
*GRID No.		*Operator Name			*Elevation
		CORDILLERA ENERGY, INC.			7147'

¹⁰ Surface Location

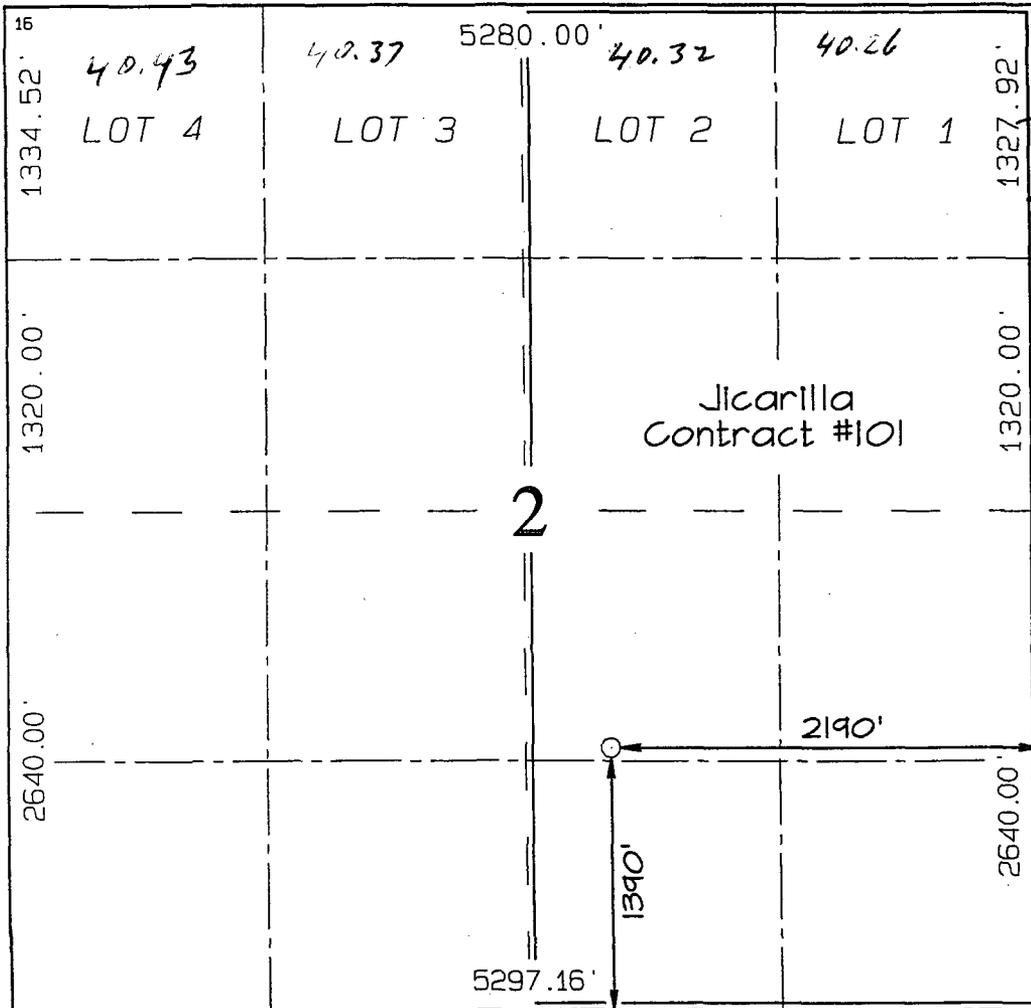
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	2	26N	4W		1390	SOUTH	2190	EAST	RIO ARRIBA

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

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
320.58 Acres - (E/2)	Y		

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



¹⁷ OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Paul C. Thompson
Signature

PAUL C. THOMPSON
Printed Name

AGENT
Title

4/8/03
Date

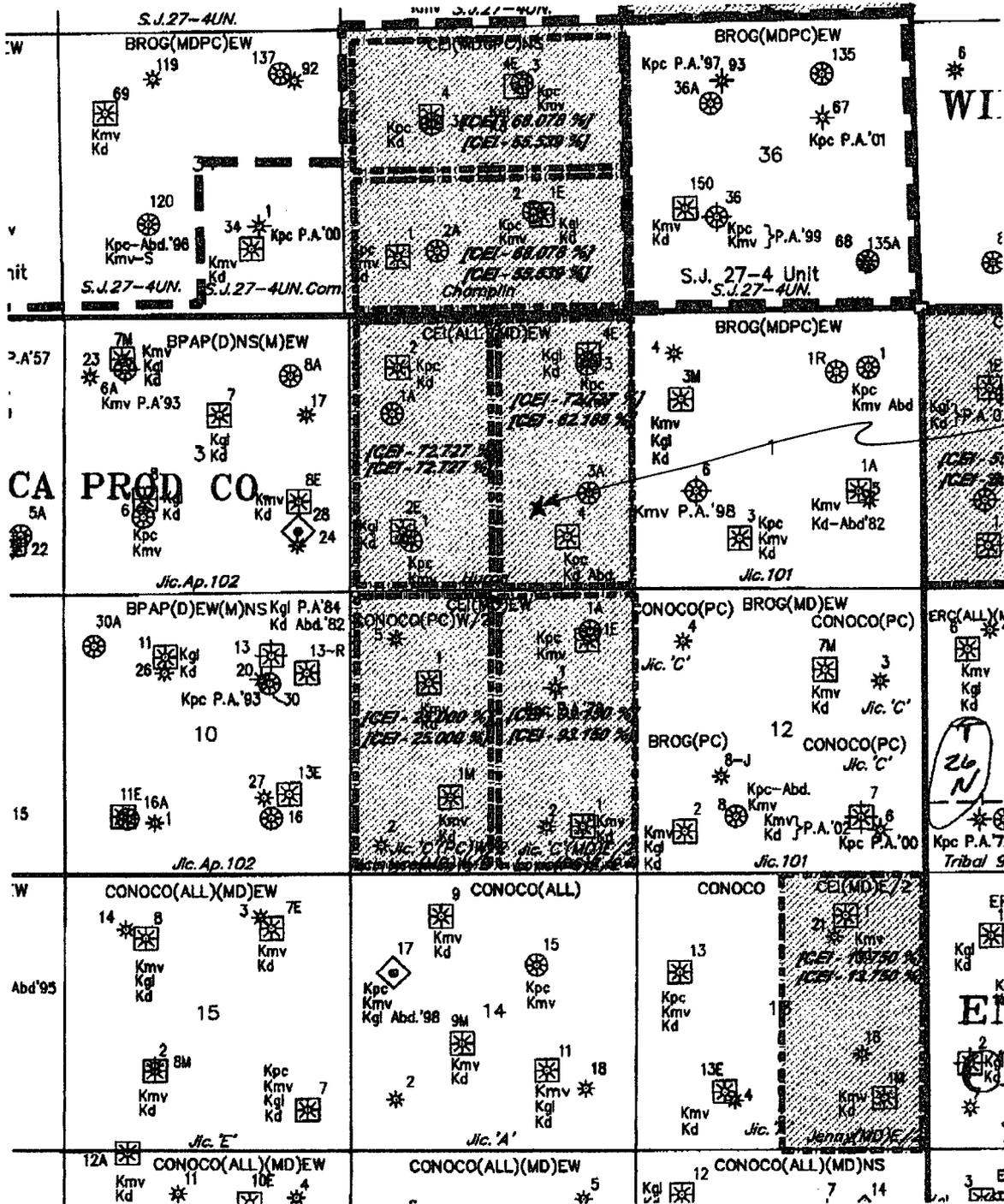
¹⁸ SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey: MAY 24, 2002

Signature and Seal of Professional Surveyor

JASON C. EDWARDS
Certificate Number 15269

R-4-w



Huron #4R

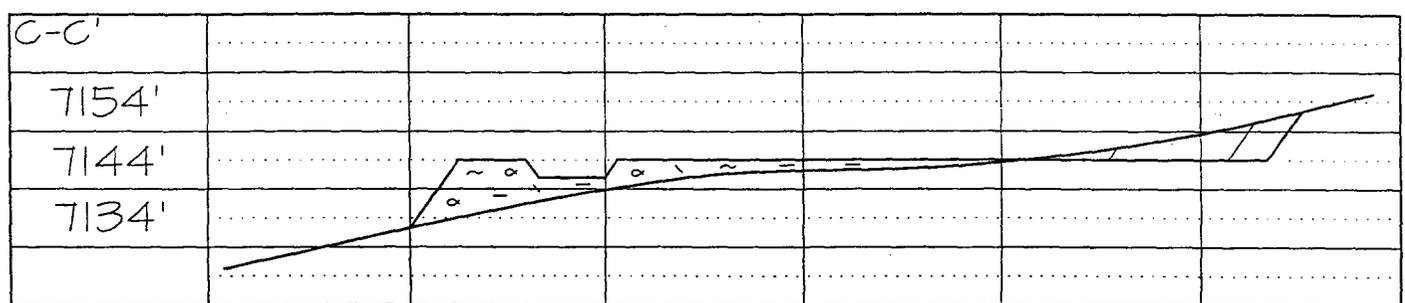
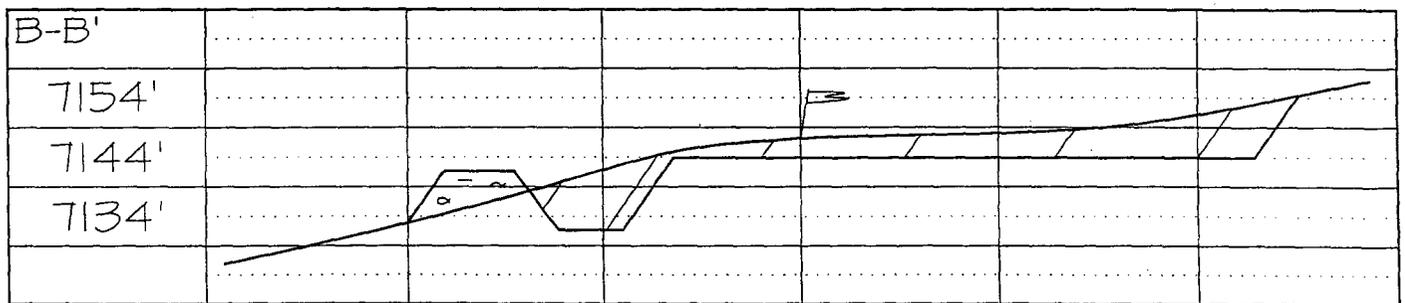
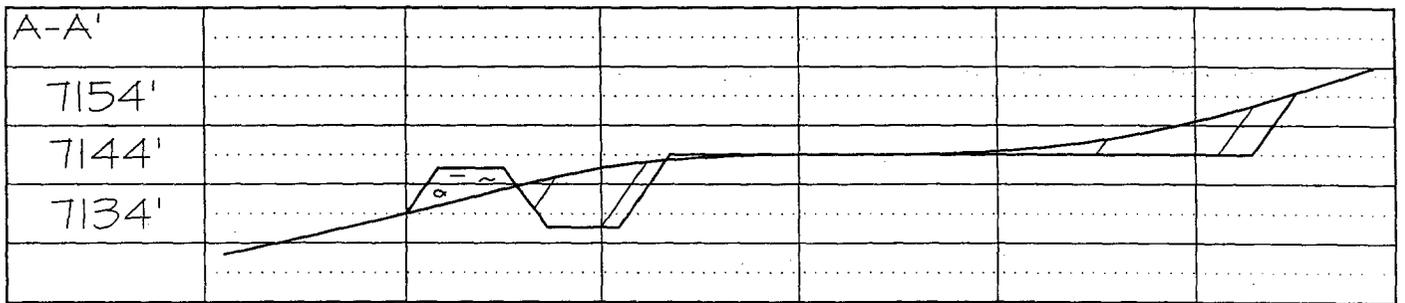
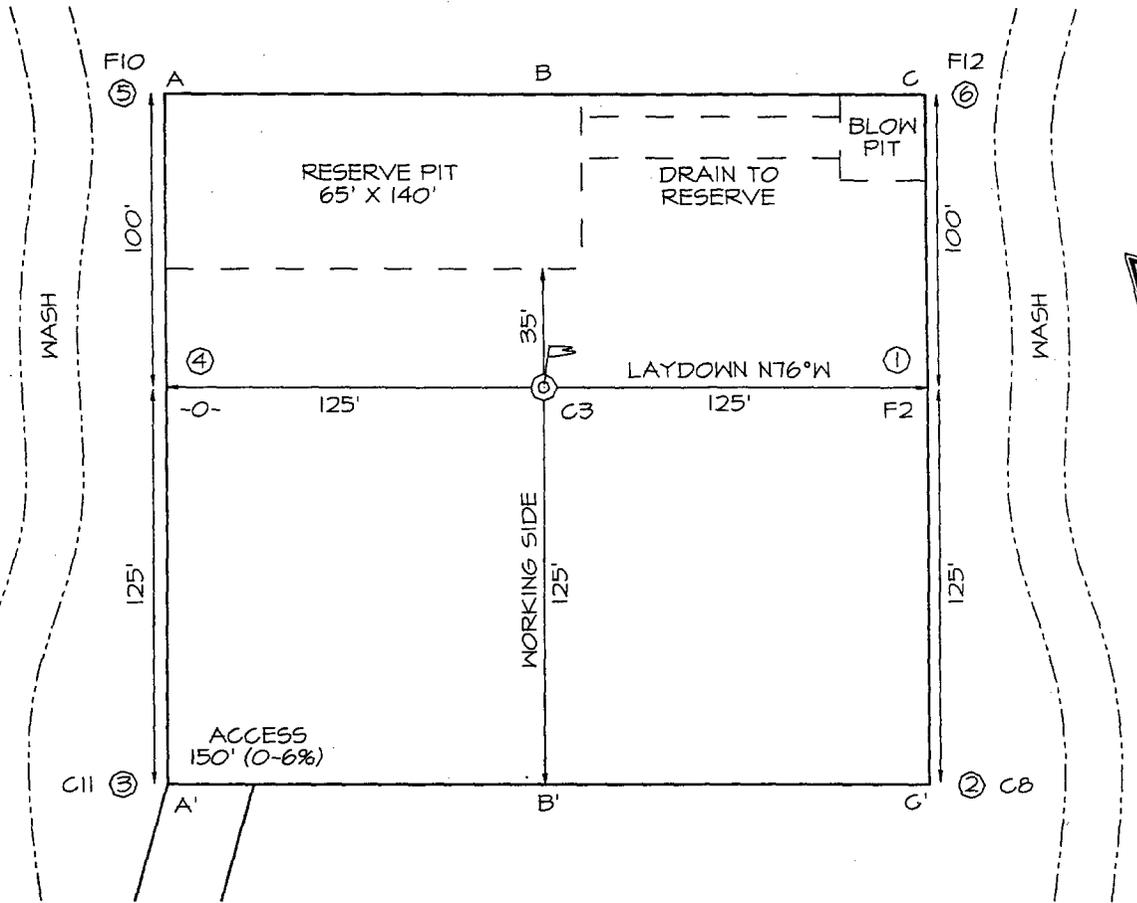
WI

CA PROD CO

26 N

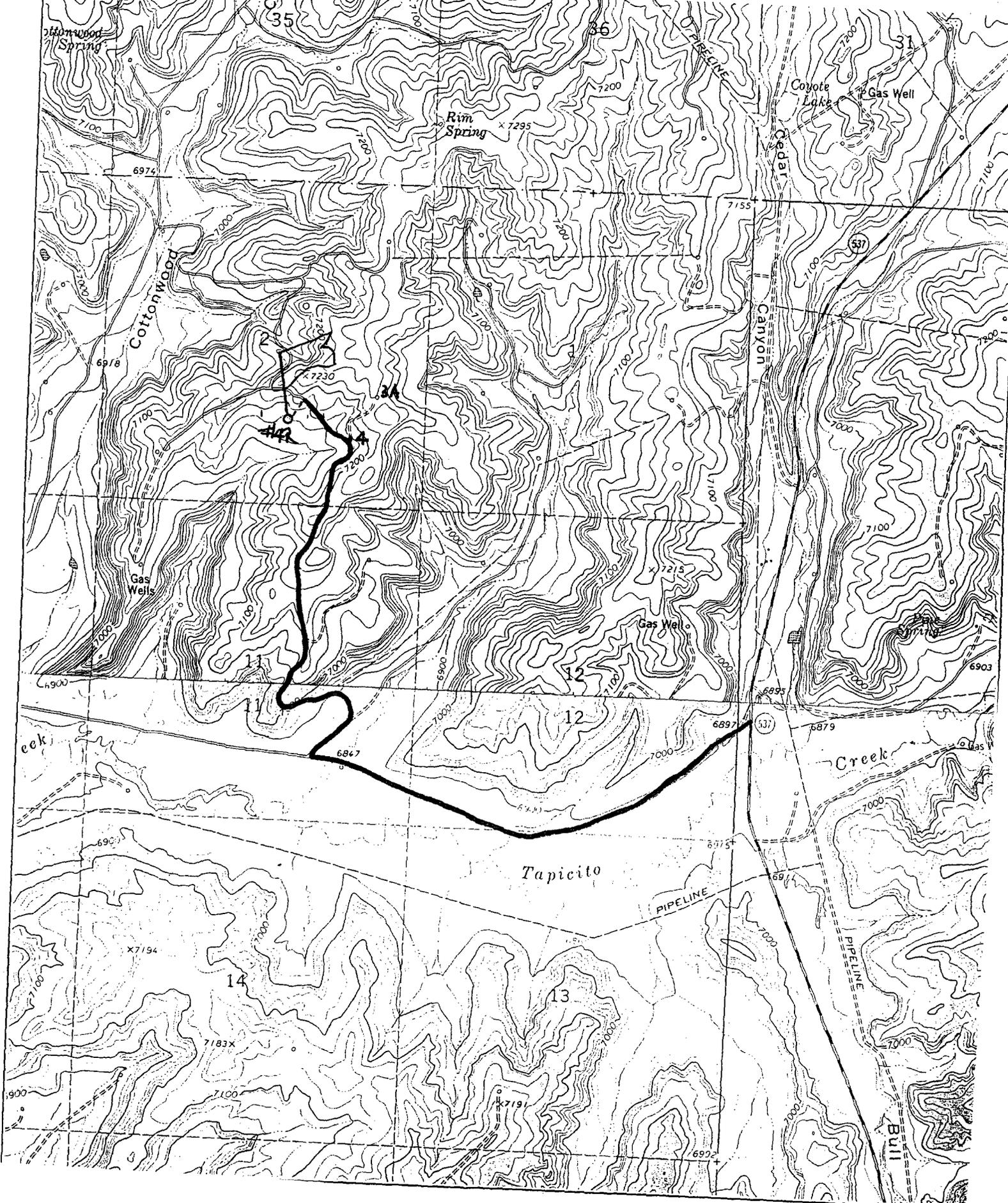
ARDILLERA ENERGY, INC. HULL #4R
1390' FSE & 2190' FEL, SECTION 2, T26N, R14W, NMPM
RIO ARriba COUNTY, NEW MEXICO GROUND ELEVATION: 7147'

LATITUDE: 36°30'43"
 LONGITUDE: 107°13'08"
 DATUM: NAD1927



COROLLERA ENERGY, INC. HUROI 4R

1390' FSL & 2190' FEL, SECTION 2, T26N, R4W, N.M.P.M.
RIO ARRIBA COUNTY, NEW MEXICO





CERTIFIED- RETURN RECEIPT

April 10, 2003

Land Manager
ConocoPhillips
5525 U. S. Hwy. 64
Farmington, NM 87401

Re: Non-Standard Location Application
Cordillera Energy, Inc.
Huron #4R
1390' FSL, 2190' FEL, Section 2, T26N R4W
Rio Arriba, New Mexico
Blanco Mesa Verde and Basin Dakota

Dear Land Manager,

Enclosed you will find a copy of the above referred to application that has been submitted to the New Mexico Oil Conservation Division for administrative approval. As an offset operator you are being notified of this application pursuant to NMOCD rules.

If you desire to submit remarks concerning the application, please send them to Ms. Lori Wrottenbery, Director, New Mexico Oil Conservation Division, 1220 S. St Francis Dr., Santa Fe, New Mexico 87504, within 20 days from the receipt of this notice. If you have no objection to the proposal, no action is required on your part.

Thank you for your consideration in this matter and if you have any questions, please do not hesitate to call upon me.

Sincerely,

Paul C. Thompson, P.E.



WALSH ENGINEERING & PRODUCTION CORP.

Petroleum Engineering Consulting
Lease Management
Contract Pumping

7415 East Main
Farmington, New Mexico 87402
(505) 327-4892 • Fax: (505) 327-9834

CERTIFIED- RETURN RECEIPT

April 10, 2003

Land Manager
Burlington Resources Oil and Gas
3401 E. 30th
Farmington, NM 87401

Re: Non-Standard Location Application
Cordillera Energy, Inc.
Huron #4R
1390' FSL, 2190' FEL, Section 2, T26N R4W
Rio Arriba, New Mexico
Blanco Mesa Verde and Basin Dakota

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Thank you for your consideration in this matter and if you have any questions, please do not hesitate to call upon me.

Sincerely,

Paul C. Thompson, P.E.

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:

LAMB MANAGER
BARRINGTON RESOURCES OF CA
3401 E. 38TH
FARMINGTON, N.H.
87401

COMPLETE THIS SECTION ON DELIVERY

- A. Signature Agent
 Addressee
- B. Received by (Printed Name) Agent
 Addressee
- C. Date of Delivery

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

2. Article Number

(Transfer from service label)

7001 1940 0002 5028 7811

PS Form 3811, August 2001

Domestic Return Receipt

102595-02-M-1035

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:

LAMB MANAGER
CONOCO PHILLIPS
5525 U.S. Hwy 64
FARMINGTON, N.H.
87401

COMPLETE THIS SECTION ON DELIVERY

- A. Signature Agent
 Addressee
- B. Received by (Printed Name) Agent
 Addressee
- C. Date of Delivery

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

2. Article Number

(Transfer from service label)

7001 1940 0002 5028 7828

PS Form 3811, August 2001

Domestic Return Receipt

102595-02-M-1035