

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

NMOCD – ACOI- 143

IN THE MATTER OF MOUNTAIN STATES PETROLEUM CORPORATION,

Respondent.

AGREED COMPLIANCE ORDER

Pursuant to the New Mexico Oil and Gas Act, NMSA 1978, Sections 70-2-1 through 70-2-38, as amended ("Act"), the Director of the Oil Conservation Division ("OCD") and Mountain States Petroleum Corporation ("Operator") enter into this Agreed Compliance Order ("Order") under which Operator agrees to bring wells identified herein into compliance with the Act and OCD Rule 201 [19.15.4.201 NMAC] in accordance with the following agreed schedule and procedures, and agrees to pay penalties as set out below if it fails to meet the schedule set out in this Order.

FINDINGS

1. The OCD is the state division charged with administration and enforcement of the Act, and rules and orders adopted pursuant to the Act.
2. Operator is a corporation doing business in the state of New Mexico.
3. Operator is the operator of record under OGRID 15346 for the wells identified in Exhibit "A," attached.
4. The wells identified in Exhibit "A":
 - a. have been continuously inactive for a period of several months;
 - b. are not properly plugged and abandoned under OCD Rule 202 [19.15.4.202 NMAC]; and
 - c. have not been placed on approved temporary abandonment status under OCD Rule 203 [19.15.4.203 NMAC].
5. OCD Rule 201 [19.15.4.201 NMAC] states, in relevant part:
 - "A. The operator of any well drilled for oil, gas or injection; for seismic, core or other exploration, or for a service well, whether cased or uncased, shall be responsible for the plugging thereof.
 - B. A well shall be either properly plugged and abandoned or temporarily abandoned in accordance with these rules within ninety (90) days after:

....
....
(3) a period of one (1) year in which a well has been continuously inactive."

6. NMSA 1978, Section 70-2-31(A) authorizes the assessment of civil penalties of up to one thousand dollars per day per violation against any person who knowingly or willfully violates any provision of the Oil and Gas Act or any rule or order adopted pursuant to the Act.
7. NMSA 1978, Section 70-2-3(A) defines "person" in relevant part as

"any individual, estate, trust, receiver, cooperative association, club, corporation, company, firm, partnership, joint venture, syndicate or other entity..."

CONCLUSIONS

1. The OCD has jurisdiction over the parties and subject matter in this proceeding.
2. The wells identified in Exhibit "A" are either out of compliance with Rule 201 or will fall out of compliance with Rule 201 in the next several months if they are not returned to production or other beneficial use, plugged and abandoned, or placed on approved temporary abandonment status.
3. As operator of the wells identified in Exhibit "A," Operator is responsible for bringing those wells into compliance with Rule 201.
4. Operator is a "person" as defined by OCD Rule 7.P(2) and may be subject to civil penalties for knowing and willful violations of the Oil and Gas Act or rules or orders adopted pursuant to the Act.

ORDER

1. Operator agrees to bring at least 15 of the wells identified in Exhibit "A" into compliance with OCD Rule 201 by February 28, 2007 by
 - (a) restoring the well to production or other OCD-approved beneficial use and filing a C-115 documenting such production or use;
 - (b) causing the wellbore to be plugged in accordance with OCD Rule 202 and filing a C-103 describing the completed work;
 - (c) placing the well on approved temporary abandonment status pursuant to OCD Rule 203.

Transfer of a well identified on Exhibit "A" to another operator does not constitute bringing the well into compliance.

2. Operator shall file a compliance report by February 28, 2007 using the OCD's web-based on-line application, identifying each well from Exhibit A returned to compliance.
3. When the OCD receives a timely compliance report indicating that Operator has returned at least 15 wells to compliance and verifies the accuracy of that report, the OCD shall issue an amendment to this Order extending its terms for an additional six-month period. OCD shall provide a copy of that amendment to Operator at Operator's address of record provided pursuant to OCD Rule 100.C. If, in any six-month period, Operator returns more than 15 wells to compliance, the wells in excess of the number required will count towards the Operator's requirements for the next six-month period.
4. If Operator continues to return wells to compliance at a rate of at least 15 wells each six-month period, OCD shall continue to issue amendments to this Order extending its term for an additional six-month period. The total length of this Agreed Compliance Order, including the initial six-month period and any amendments, shall not exceed two years. At the end of two years, Operator and the OCD may negotiate a new agreed compliance order.
5. If Operator fails to bring at least 15 wells into compliance in any six-month period covered by this Order or amendments issued to this Order, Operator agrees to pay a penalty of \$1000 times the number of wells it failed to bring into compliance under its schedule during the applicable six month period. In the event the Operator encounters unanticipated circumstances that prevent it from meeting its 15-well goal, Operator may file an application for hearing with the division examiner and seek a waiver or reduction of the penalty. Once Operator pays the penalty or files an application for hearing to waive or reduce the penalty, the OCD may, in its discretion, issue an amendment to this Order extending its terms for an additional six-month period.

Example A: Operator X enters into an agreed compliance order under which it agrees to bring 5 wells into compliance in each six-month period. At the end of the first six-month period, Operator X has brought only 3 wells into compliance. Operator X pays the \$2000 penalty. The OCD exercises its discretion to issue an amendment extending the term of the agreed compliance order for a second six-month period, again requiring Operator X to bring at least 5 wells into compliance. During this additional six-month period, Operator brings only one well into compliance. Operator X pays a \$4000 penalty. Although Operator X pays the \$4000 penalty, the OCD exercises its discretion and declines to issue an amendment to extend the terms of the agreed compliance order for a third six-month period.

Example B: Operator Y enters into an agreed compliance order under which it agrees to bring 10 wells into compliance in each six-month period. Although Y

has made arrangements for plugging the 10 wells, due to adverse weather conditions and mechanical difficulties with the available plugging rig, Y is able to plug only 3 wells in the first period. Y files an application for hearing seeking an amendment extending the terms of the order for a second six-month period, and a waiver \$7000 penalty. The OCD exercises its discretion and issues an amendment to extend the terms of the agreed compliance order for an additional six-month period. The OCD does not agree to waive the entire \$7,000 penalty. Operator Y's request for waiver of the penalty is set for hearing.

6. Thirty days after the expiration of the term of this Order and any amendments to this Order issued pursuant to Ordering Paragraphs 3 or 5, any wells on Exhibit "A" not in compliance with OCD Rule 201 will appear on the inactive well list kept pursuant to OCD Rule 40.F.
7. By signing this Order, Operator expressly:
 - (a) acknowledges the correctness of the Findings and Conclusions set forth in this Order;
 - (b) agrees to return to compliance 15 of the wells identified in Exhibit "A" by February 28, 2007, and agrees to comply with the compliance deadlines set by any amendments to this Order;
 - (c) agrees to submit a compliance report as required in Ordering Paragraph 2 and the deadline set by any amendments to this Order;
 - (d) agrees to pay penalties as set out in Ordering Paragraphs 5 if it fails to return 15 wells to compliance under the deadlines set by this Order or any amendments to this Order issued pursuant to Ordering Paragraphs 3 or 5;
 - (e) waives any right, pursuant to the Oil and Gas Act or otherwise, to a hearing either prior or subsequent to the entry of this Order or to an appeal from this Order; and
 - (f) agrees that the Order and amendments to the Order issued pursuant to Ordering Paragraphs 3 or 5 may be enforced by Division or Oil Conservation Commission Order, by suit or otherwise to the same extent and with the same effect as a final Order of the Division or Oil Conservation Commission entered after notice and hearing in accordance with all terms and provisions of the Oil and Gas Act.
8. This Order applies only to those wells identified in Exhibit "A." Other wells operated by Operator out of compliance with Rule 201 may be subject to immediate enforcement action under the Oil and Gas Act.
9. The Oil Conservation Division reserves the right to file an application for hearing to obtain authority to plug any well identified in Exhibit "A" and forfeit the applicable financial assurance if the well poses an immediate environmental threat.

Done at Santa Fe, New Mexico this 31st day of August, 2006

By: 
for Mark Fesmire, P.E.
Director, Oil Conservation Division

ACCEPTANCE

Mountain States Petroleum Corporation hereby accepts the foregoing Order, and agrees to all of the terms and provisions set forth in that Order.

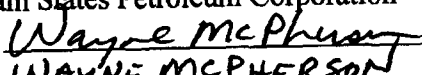
Mountain States Petroleum Corporation
By: 
WAYNE MCPHERSON
Title: CHIEF OPERATING OFFICER
Date: 8-28-06

Exhibit A Mountain States Petroleum

HANSON #001X	F	K-6 -17N-08W	K	30-031-05522	O	33070	HOSPAH LOWER SAND, SOUTH	12/2004	493510	493530
HANSON #003	F	N-6 -17N-08W	N	30-031-05528	O	33070	HOSPAH LOWER SAND, SOUTH	7/2004	493510	493530
HANSON #004	F	6-6 -17N-08W	L	30-031-05527	O	33070	HOSPAH LOWER SAND, SOUTH	12/2004	493510	493530
HANSON #006	F	6-6 -17N-08W	L	30-031-20042	O	33070	HOSPAH LOWER SAND, SOUTH	7/2004	493510	493530
HANSON #007	F	7-6 -17N-08W	M	30-031-20043	O	33070	HOSPAH LOWER SAND, SOUTH	12/2004	493510	493530
HANSON #008	F	7-6 -17N-08W	M	30-031-20044	O	33070	HOSPAH LOWER SAND, SOUTH	12/2004	493510	493530
HANSON #009	F	6-6 -17N-08W	L	30-031-20045	O	33070	HOSPAH LOWER SAND, SOUTH	7/2004	493510	493530
HANSON #010	F	7-6 -17N-08W	M	30-031-20046	O	33070	HOSPAH LOWER SAND, SOUTH	12/2004	493510	493530
HANSON #011	F	K-6 -17N-08W	K	30-031-20049	O	33070	HOSPAH LOWER SAND, SOUTH	7/2004	493510	493530
HANSON #012	F	K-6 -17N-08W	K	30-031-20047	O	33070	HOSPAH LOWER SAND, SOUTH	7/2004	493510	493530
HANSON #013	F	N-6 -17N-08W	N	30-031-20048	O	33070	HOSPAH LOWER SAND, SOUTH	12/2004	493510	493530
HANSON #014	F	6-6 -17N-08W	L	30-031-20142	O	33080	HOSPAH UPPER SAND, SOUTH	12/2004	493510	493530
HANSON #015	F	7-6 -17N-08W	M	30-031-20143	O	33080	HOSPAH UPPER SAND, SOUTH	12/2004	493510	493530
HANSON #016	F	N-6 -17N-08W	N	30-031-20144	O	33050	HOSPAH DAKOTA	6/2005		
HANSON #017	F	K-6 -17N-08W	K	30-031-20145	O	33080	HOSPAH UPPER SAND, SOUTH	12/2004	493510	493530
HANSON #021	F	K-6 -17N-08W	K	30-031-20159	O	33070	HOSPAH LOWER SAND, SOUTH	7/2004	493510	493530
HANSON #021	F	K-6 -17N-08W	K	30-031-20159	O	33080	HOSPAH UPPER SAND, SOUTH	7/2004	493510	493530
HANSON #026	F	D-8 -17N-08W	D	30-031-20419	O	33080	HOSPAH UPPER SAND, SOUTH	10/2004	493510	493530
HANSON #029	F	7-6 -17N-08W	M	30-031-20438	O	33070	HOSPAH LOWER SAND, SOUTH	7/2004	493510	493530

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	HANSON #030	F	K-6 -17N-08W	K	30-031-20447	O	33070	HOSPAH LOWER SAND, SOUTH	12/2004	493510	493530	
	HANSON #031	F	K-6 -17N-08W	K	30-031-20448	O	33070	HOSPAH LOWER SAND, SOUTH	12/2004	493510	493530	
	HANSON #035	F	6-6 -17N-08W	L	30-031-20599	O	33070	HOSPAH LOWER SAND, SOUTH	7/2004	493510	493530	
	HANSON #036	F	N-6 -17N-08W	N	30-031-20720	O	33070	HOSPAH LOWER SAND, SOUTH	7/2004	493510	493530	
	HANSON #038	F	O-6 -17N-08W	O	30-031-20725	O	33050	HOSPAH DAKOTA	6/2005	497410	497430	
	HANSON #039	N	K-6 -17N-08W	K	30-031-20810	O	33070	HOSPAH LOWER SAND, SOUTH	7/2004	493510	493530	
	HANSON #040	F	N-6 -17N-08W	N	30-031-20809	O	33070	HOSPAH LOWER SAND, SOUTH	12/2004	493510	493530	
	HANSON #041	N	7-6 -17N-08W	M	30-031-20850	O	33070	HOSPAH LOWER SAND, SOUTH	12/2004	493510	493530	
	HANSON #042	N	6-6 -17N-08W	L	30-031-20851	O	33070	HOSPAH LOWER SAND, SOUTH	7/2004	493510	493530	
302178	HOSPAH SAND UNIT #001Y	P	2-1 -17N-09W	A	30-031-20338	O	33075	HOSPAH UPPER SAND	11/2004	494610	494630	12/1/2006
	HOSPAH SAND UNIT #002	P	L-1 -17N-09W	L	30-031-05185	O	33075	HOSPAH UPPER SAND	11/2004	494610	494630	12/1/2006
	HOSPAH SAND UNIT #003	S	N-36-18N-09W	N	30-031-05205	O	33075	HOSPAH UPPER SAND	7/2004	494610	494630	8/1/2006
	HOSPAH SAND UNIT #004Y	P	4-1 -17N-09W	C	30-031-20339	O	33075	HOSPAH UPPER SAND	12/2005	494610	494630	1/1/2008
	HOSPAH SAND UNIT #005	P	4-1 -17N-09W	C	30-031-05158	O	33075	HOSPAH UPPER SAND	12/2005	494610	494630	1/1/2008
	HOSPAH SAND UNIT #006	P	4-1 -17N-09W	C	30-031-05190	O	33075	HOSPAH UPPER SAND	2/2005	494610	494630	3/1/2007
	HOSPAH SAND UNIT #007	S	N-36-18N-09W	N	30-031-05204	O	33075	HOSPAH UPPER SAND	11/2004	494610	494630	12/1/2006
	HOSPAH SAND UNIT #009	P	J-1 -17N-09W	J	30-031-05176	O	33075	HOSPAH UPPER SAND	2/2005	494610	494630	3/1/2007
	HOSPAH SAND UNIT #010	S	N-36-18N-09W	N	30-031-05208	O	33075	HOSPAH UPPER SAND	11/2004	494610	494630	12/1/2006
	HOSPAH SAND UNIT #011Y	P	F-1 -17N-09W	F	30-031-20340	O	33075	HOSPAH UPPER SAND	11/2004	494610	494630	12/1/2006
	HOSPAH SAND UNIT #012	P	3-1 -17N-09W	B	30-031-05189	O	33075	HOSPAH UPPER SAND	11/2004	494610	494630	12/1/2006
	HOSPAH SAND UNIT #013	P	F-1 -17N-09W	F	30-031-05178	O	33075	HOSPAH UPPER SAND	11/2004	494610	494630	12/1/2006

HOSPAH SAND UNIT #015	S	N-36-18N-09W	N	30-031-05207	O	33075 HOSPAH UPPER SAND	11/2004	494610	494630	12/1/2006
HOSPAH SAND UNIT #016	S	O-36-18N-09W	O	30-031-05211	O	33075 HOSPAH UPPER SAND	7/2004	494610	494630	8/1/2006
HOSPAH SAND UNIT #017	S	N-36-18N-09W	N	30-031-05213	O	33075 HOSPAH UPPER SAND	7/2004	494610	494630	8/1/2006
HOSPAH SAND UNIT #019	S	O-36-18N-09W	O	30-031-05203	O	33075 HOSPAH UPPER SAND	7/2004	494610	494630	8/1/2006
HOSPAH SAND UNIT #020	P	5-1 -17N-09W	D	30-031-05198	O	33075 HOSPAH UPPER SAND	4/2005	494610	494630	5/1/2007
HOSPAH SAND UNIT #021	P	F-1 -17N-09W	F	30-031-05184	O	33075 HOSPAH UPPER SAND	11/2004	494610	494630	12/1/2006
HOSPAH SAND UNIT #022	P	2-1 -17N-09W	A	30-031-05195	O	33075 HOSPAH UPPER SAND	12/2005	494610	494630	1/1/2008
HOSPAH SAND UNIT #023	P	5-1 -17N-09W	D	30-031-05192	O	33075 HOSPAH UPPER SAND	7/2004	494610	494630	8/1/2006
HOSPAH SAND UNIT #024	P	G-1 -17N-09W	G	30-031-05186	O	33075 HOSPAH UPPER SAND	7/2004	494610	494630	8/1/2006
HOSPAH SAND UNIT #025	S	O-36-18N-09W	O	30-031-05212	O	33075 HOSPAH UPPER SAND	11/2004	494610	494630	12/1/2006
HOSPAH SAND UNIT #027	S	P-36-18N-09W	P	30-031-05214	O	33075 HOSPAH UPPER SAND	7/2004	494610	494630	8/1/2006
HOSPAH SAND UNIT #028	S	J-36-18N-09W	J	30-031-05216	O	33075 HOSPAH UPPER SAND	11/2004	494610	494630	12/1/2006
HOSPAH SAND UNIT #029	S	G-36-18N-09W	G	30-031-05225	O	33075 HOSPAH UPPER SAND	7/2004	494610	494630	8/1/2006
HOSPAH SAND UNIT #032	S	I-36-18N-09W	I	30-031-05224	O	33075 HOSPAH UPPER SAND	7/2004	494610	494630	8/1/2006
HOSPAH SAND UNIT #034	S	J-36-18N-09W	J	30-031-05223	O	33075 HOSPAH UPPER SAND	11/2004	494610	494630	12/1/2006
HOSPAH SAND UNIT #035	S	K-36-18N-09W	K	30-031-05222	O	33075 HOSPAH UPPER SAND	7/2004	494610	494630	8/1/2006
HOSPAH SAND UNIT #036	S	J-36-18N-09W	J	30-031-05217	O	33075 HOSPAH UPPER SAND	11/2004	494610	494630	12/1/2006
HOSPAH SAND UNIT #037	S	I-36-18N-09W	I	30-031-05219	O	33075 HOSPAH UPPER SAND	7/2004	494610	494630	8/1/2006
HOSPAH SAND UNIT #038	P	F-1 -17N-09W	F	30-031-05179	O	33075 HOSPAH UPPER SAND	7/2004	494610	494630	8/1/2006
HOSPAH SAND UNIT #039	P	K-1 -17N-09W	K	30-031-05171	O	33075 HOSPAH UPPER SAND	7/2004	494610	494630	8/1/2006
HOSPAH SAND UNIT #048Y	S	O-36-18N-09W	O	30-031-20269	O	33075 HOSPAH UPPER SAND	11/2004	494610	494630	12/1/2006
HOSPAH SAND UNIT #050	S	P-36-18N-09W	P	30-031-05201	O	33075 HOSPAH UPPER SAND	11/2004	494610	494630	12/1/2006
HOSPAH SAND UNIT #051	P	3-1 -17N-09W	B	30-031-05194	O	33075 HOSPAH UPPER SAND	11/2004	494610	494630	12/1/2006
HOSPAH	P	G-1 -17N-09W	G	30-031-05182	O	33075 HOSPAH	7/2004	494610	494630	8/1/2006

SAND UNIT #052							UPPER SAND					
HOSPAH SAND UNIT #053	S	O-36-18N-09W	O	30-031-60022	O	33075	HOSPAH UPPER SAND	7/2004	494610	494630	8/1/2006	
HOSPAH SAND UNIT #054	P	3-31-18N-08W	L	30-031-05220	O	33075	HOSPAH UPPER SAND	11/2004			12/1/2006	
HOSPAH SAND UNIT #055	P	G-1 -17N-09W	G	30-031-05594	O							
HOSPAH SAND UNIT #056	P	G-1 -17N-09W	G	30-031-20104	O	33075	HOSPAH UPPER SAND	11/2004	494610	494630	12/1/2006	
HOSPAH SAND UNIT #058	P	O-36-18N-09W	O	30-031-20115	I	33075	HOSPAH UPPER SAND	12/2005			1/1/2008	
HOSPAH SAND UNIT #059	P	J-36-18N-09W	J	30-031-20116	O	33075	HOSPAH UPPER SAND	11/2004	494610	494630	12/1/2006	
HOSPAH SAND UNIT #061	P	E-1 -17N-09W	E	30-031-07025	I	33075	HOSPAH UPPER SAND	12/2005			1/1/2008	
HOSPAH SAND UNIT #063	S	F-36-18N-09W	F	30-031-05559	I	33075	HOSPAH UPPER SAND	4/2005			5/1/2007	
HOSPAH SAND UNIT #066	P	I-1 -17N-09W	A	30-031-05577	I	33075	HOSPAH UPPER SAND	5/2002			6/1/2004	
HOSPAH SAND UNIT #070	S	N-36-18N-09W	N	30-031-20247	I	33075	HOSPAH UPPER SAND	4/2005			5/1/2007	
HOSPAH SAND UNIT #071	S	N-36-18N-09W	N	30-031-07030	I			12/1992			1/1/1995	
HOSPAH SAND UNIT #084	P	F-1 -17N-09W	F	30-031-20248	I	33075	HOSPAH UPPER SAND	12/2005			1/1/2008	
HOSPAH SAND UNIT #085	P	G-1 -17N-09W	G	30-031-20371	O	33075	HOSPAH UPPER SAND	11/2004	494610	494630	12/1/2006	
HOSPAH SAND UNIT #088	P	O-36-18N-09W	O	30-031-20596	O	33075	HOSPAH UPPER SAND	11/2004	494610	494630	12/1/2006	
HOSPAH SAND UNIT #089	P	3-1 -17N-09W	B	30-031-05193	O	33075	HOSPAH UPPER SAND	11/2004	494610	494630	12/1/2006	
HOSPAH SAND UNIT #092	P	O-36-18N-09W	O	30-031-20613	I	33075	HOSPAH UPPER SAND	12/2005			1/1/2008	
HOSPAH SAND UNIT #093	P	4-1 -17N-09W	C	30-031-20611	I	33075	HOSPAH UPPER SAND	12/2005			1/1/2008	
HOSPAH SAND UNIT #095	P	3-1 -17N-09W	B	30-031-20608	O	33075	HOSPAH UPPER SAND	11/2004			12/1/2006	
HOSPAH SAND UNIT #096	P	K-36-18N-09W	K	30-031-20717	O	33075	HOSPAH UPPER SAND	11/2004	494610	494630	12/1/2006	
HOSPAH SAND UNIT #098	P	2-1 -17N-09W	A	30-031-20798	O	33075	HOSPAH UPPER SAND	4/2005	494610	494630	5/1/2007	
HOSPAH SAND UNIT #100	S	H-36-18N-09W	H	30-031-20831	I	33075	HOSPAH UPPER SAND	12/2005			1/1/2008	
HOSPAH SAND UNIT #102	S	I-36-18N-09W	I	30-031-20833	O	33075	HOSPAH UPPER SAND	10/2005	494610	494630	11/1/2007	

	HOSPAH SAND UNIT #105	P	N-36-18N-09W	N	30-031-20944	O	33075	HOSPAH UPPER SAND	11/2004	494610	494630	12/1/2006
302179	LONE PINE DAKOTA D UNIT #012	P	B-13-17N-09W	B	30-031-20183	G	80480	LONE PINE DAKOTA A (GAS)	12/1992		746930	1/1/1995
	LONE PINE DAKOTA D UNIT #012	P	B-13-17N-09W	B	30-031-20183	G	40285	LONE PINE DAKOTA D	12/1992			1/1/1995
	LONE PINE DAKOTA D UNIT #014	P	3-13-17N-09W	H	30-031-20174	I	40285	LONE PINE DAKOTA D	12/1992			1/1/1995
	LONE PINE DAKOTA D UNIT #023	P	K-13-17N-09W	K	30-031-20201	O	40285	LONE PINE DAKOTA D	6/2005			7/1/2007
302180	SANTA FE #002	P	A-7 -17N-08W	A	30-031-05148	O						
	SANTA FE #016	P	C-7 -17N-08W	C	30-031-20086	O	33050	HOSPAH DAKOTA	6/2005	495910	495930	7/1/2007
	SANTA FE #017	P	F-7 -17N-08W	F	30-031-20102	O	33050	HOSPAH DAKOTA	6/2005	495910	495930	7/1/2007
	SANTA FE #029	P	B-7 -17N-08W	B	30-031-20341	O	33050	HOSPAH DAKOTA	6/2005	495910	495930	7/1/2007
302181	SANTA FE PACIFIC RAILROAD #002	P	L-13-17N-09W	L	30-031-20165	G	80480	LONE PINE DAKOTA A (GAS)	9/1994			10/1/1996
	SANTA FE PACIFIC RAILROAD #008	P	D-24-17N-09W	D	30-031-20181	G	80480	LONE PINE DAKOTA A (GAS)	8/1987			9/1/1989
	SANTA FE PACIFIC RAILROAD #009	P	F-13-17N-09W	F	30-031-20182	G	80480	LONE PINE DAKOTA A (GAS)	6/2005	747010	747030	7/1/2007
	SANTA FE PACIFIC RAILROAD #009	P	F-13-17N-09W	F	30-031-20182	G	40285	LONE PINE DAKOTA D	6/2005	746810	746830	7/1/2007
302182	SANTA FE RAILROAD #003	P	1-7 -17N-08W	D	30-031-05147	O	33070	HOSPAH LOWER SAND, SOUTH	11/2004	493610	493630	12/1/2006
	SANTA FE RAILROAD #004	P	C-7 -17N-08W	C	30-031-05151	O	33070	HOSPAH LOWER SAND, SOUTH	2/2005	493610	493630	3/1/2007
	SANTA FE RAILROAD #007	P	2-7 -17N-08W	E	30-031-05141	O	33070	HOSPAH LOWER SAND, SOUTH	7/2004	493610	493630	8/1/2006
	SANTA FE RAILROAD #008	P	3-7 -17N-08W	L	30-031-05496	O	33070	HOSPAH LOWER SAND, SOUTH	5/2005	493610	493630	6/1/2007
	SANTA FE	P	F-7 -17N-08W	F	30-031-05531	O	33080	HOSPAH	7/2004	493610	493630	8/1/2006

RAILROAD #009							UPPER SAND, SOUTH				
SANTA FE RAILROAD #012	P	1-7 -17N-08W	D	30-031-20032	O	33070	HOSPAH LOWER SAND, SOUTH	2/2005	493610	493630	3/1/2007
SANTA FE RAILROAD #013	P	1-7 -17N-08W	D	30-031-20038	O	33070	HOSPAH LOWER SAND, SOUTH	7/2004	493610	493630	8/1/2006
SANTA FE RAILROAD #014	P	1-7 -17N-08W	D	30-031-20037	O	33070	HOSPAH LOWER SAND, SOUTH	7/2004	493610	493630	8/1/2006
SANTA FE RAILROAD #015	P	2-7 -17N-08W	E	30-031-20036	O	33070	HOSPAH LOWER SAND, SOUTH	7/2004	493610	493630	8/1/2006
SANTA FE RAILROAD #018	P	1-7 -17N-08W	D	30-031-20138	O	33080	HOSPAH UPPER SAND, SOUTH	7/2004	493610	493630	8/1/2006
SANTA FE RAILROAD #019	P	2-7 -17N-08W	E	30-031-20139	O	33080	HOSPAH UPPER SAND, SOUTH	2/2005	493610	493630	3/1/2007
SANTA FE RAILROAD #020	P	F-7 -17N-08W	F	30-031-20140	O	33070	HOSPAH LOWER SAND, SOUTH	2/2005	493610	493630	3/1/2007
SANTA FE RAILROAD #020	P	F-7 -17N-08W	F	30-031-20140	O	33080	HOSPAH UPPER SAND, SOUTH	2/2005	493610	493630	3/1/2007
SANTA FE RAILROAD #021	P	C-7 -17N-08W	C	30-031-20141	O	33080	HOSPAH UPPER SAND, SOUTH	5/2005	493610	493630	6/1/2007
SANTA FE RAILROAD #023	P	C-7 -17N-08W	C	30-031-20150	I	33070	HOSPAH LOWER SAND, SOUTH	5/2005			6/1/2007
SANTA FE RAILROAD #023	P	C-7 -17N-08W	C	30-031-20150	I	33080	HOSPAH UPPER SAND, SOUTH	5/2005			6/1/2007
SANTA FE RAILROAD #039	P	1-7 -17N-08W	D	30-031-20452	O	33070	HOSPAH LOWER SAND, SOUTH	7/2004	493610	493630	8/1/2006
SANTA FE RAILROAD #040	P	2-7 -17N-08W	E	30-031-20451	O	33070	HOSPAH LOWER SAND, SOUTH	7/2004	493610	493630	8/1/2006
SANTA FE RAILROAD #041	P	1-7 -17N-08W	D	30-031-20594	O	33070	HOSPAH LOWER SAND, SOUTH	7/2004	493610	493630	8/1/2006
SANTA FE RAILROAD #042	P	F-7 -17N-08W	F	30-031-20745	O	33070	HOSPAH LOWER SAND, SOUTH	11/2004	493610	493630	12/1/2006
SANTA FE RAILROAD #043	P	C-7 -17N-08W	C	30-031-20712	O	33070	HOSPAH LOWER SAND, SOUTH	11/2004	493610	493630	12/1/2006
SANTA FE RAILROAD #044	P	C-7 -17N-08W	C	30-031-20713	O	33080	HOSPAH UPPER SAND, SOUTH	7/2004	493610	493630	8/1/2006
SANTA FE RAILROAD #045	P	F-7 -17N-08W	F	30-031-20804	O	33070	HOSPAH LOWER SAND,	11/2004	493610	493630	12/1/2006

							SOUTH						
	SANTA FE RAILROAD #047	P	1-7 -17N-08W	D	30-031-20836	O	33070 HOSPAH LOWER SAND, SOUTH	7/2004	493610	493630	8/1/2006		
	SANTA FE RAILROAD #048	P	2-7 -17N-08W	E	30-031-20837	O	33070 HOSPAH LOWER SAND, SOUTH	7/2004	493610	493630	8/1/2006		
	SANTA FE RAILROAD #049	P	2-7 -17N-08W	E	30-031-20838	O	33070 HOSPAH LOWER SAND, SOUTH	11/2004	493610	493630	12/1/2006		
	SANTA FE RAILROAD #050	P	2-7 -17N-08W	E	30-031-20854	O	33070 HOSPAH LOWER SAND, SOUTH	11/2004	493610	493630	12/1/2006		
	SANTA FE RAILROAD #051	P	C-7 -17N-08W	C	30-031-20853	I	33070 HOSPAH LOWER SAND, SOUTH	5/2005			6/1/2007		
302183	SANTA FE RAILROAD A #072	P	11-1 -17N-09W	P	30-031-05570	O	33070 HOSPAH LOWER SAND, SOUTH	7/2004	493710	493730	8/1/2006		
	SANTA FE RAILROAD A #074	P	9-1 -17N-09W	I	30-031-20021	O	33070 HOSPAH LOWER SAND, SOUTH	7/2004	493710	493730	8/1/2006		
	SANTA FE RAILROAD A #075	P	10-1 -17N-09W	P	30-031-20072	O	33070 HOSPAH LOWER SAND, SOUTH	7/2004	493710	493730	8/1/2006		
	SANTA FE RAILROAD A #080	P	11-1 -17N-09W	P	30-031-20133	O	33070 HOSPAH LOWER SAND, SOUTH	2/2005	493710	493730	3/1/2007		
	SANTA FE RAILROAD A #082	P	11-1 -17N-09W	P	30-031-20137	O	33080 HOSPAH UPPER SAND, SOUTH	3/2005	493710	493730	4/1/2007		
	SANTA FE RAILROAD A #083	P	8-1 -17N-09W	I	30-031-20147	I	33080 HOSPAH UPPER SAND, SOUTH	3/2005			4/1/2007		
	SANTA FE RAILROAD A #084	P	O-1 -17N-09W	O	30-031-20372	I	33070 HOSPAH LOWER SAND, SOUTH	3/2005			4/1/2007		
	SANTA FE RAILROAD A #087	P	P-1 -17N-09W	P	30-031-20413	I	33070 HOSPAH LOWER SAND, SOUTH	3/2005			4/1/2007		
	SANTA FE RAILROAD A #090	P	10-1 -17N-09W	P	30-031-20441	O	33070 HOSPAH LOWER SAND, SOUTH	7/2004	493710	493730	8/1/2006		
	SANTA FE	P	10-1 -17N-09W	I	30-031-20746	O	33070 HOSPAH	11/2004	493710	493730	12/1/2006		

	RAILROAD A #095						LOWER SAND, SOUTH					
	SANTA FE RAILROAD A #096	P	O-1 -17N-09W	O	30-031-20800	O	33070 HOSPAH LOWER SAND, SOUTH	11/2004	493710	493730	12/1/2006	
	SANTA FE RAILROAD A #097	P	O-1 -17N-09W	O	30-031-20855	I	33070 HOSPAH LOWER SAND, SOUTH	3/2005			4/1/2007	
302184	SANTA FE RR B #032	P	M-5 -17N-08W	M	30-031-20303	O	33050 HOSPAH DAKOTA	4/1980	496010	496030	5/1/1982	
	SANTA FE RR B #033	P	L-5 -17N-08W	L	30-031-20369	O	33080 HOSPAH UPPER SAND, SOUTH	2/1983	497010	497030	3/1/1985	
	SANTA FE RR B #034	P	M-5 -17N-08W	M	30-031-20390	O	33080 HOSPAH UPPER SAND, SOUTH	2/2004	497010	497030	3/1/2006	
	SANTA FE RR B #035	P	E-5 -17N-08W	E	30-031-20391	I	33080 HOSPAH UPPER SAND, SOUTH	7/2004			8/1/2006	
	SANTA FE RR B #036	P	L-5 -17N-08W	L	30-031-20416	O	33080 HOSPAH UPPER SAND, SOUTH	6/1989	497010	497030	7/1/1991	
	SANTA FE RR B #037	P	M-5 -17N-08W	M	30-031-20415	O	33080 HOSPAH UPPER SAND, SOUTH	6/1989	497010	497030	7/1/1991	
	SANTA FE RR B #039	P	M-5 -17N-08W	M	30-031-20749	I						
302185	SOUTH HOSPAH UNIT #001	F	G-12-17N-09W	G	30-031-05142	O	33080 HOSPAH UPPER SAND, SOUTH	6/2005	746510			
	SOUTH HOSPAH UNIT #002	F	F-12-17N-09W	F	30-031-05139	O	33080 HOSPAH UPPER SAND, SOUTH	3/2004	746510			
	SOUTH HOSPAH UNIT #003	F	3-12-17N-09W	H	30-031-05140	O	33070 HOSPAH LOWER SAND, SOUTH	6/2005	746510	746530		
	SOUTH HOSPAH UNIT #004	F	C-12-17N-09W	C	30-031-05145	O	33080 HOSPAH UPPER SAND, SOUTH	11/2004	746510			
	SOUTH HOSPAH UNIT #005	F	B-12-17N-09W	B	30-031-05146	I	33080 HOSPAH UPPER SAND, SOUTH	5/2005				
	SOUTH HOSPAH UNIT #006	F	I-12-17N-09W	A	30-031-20009	O	33070 HOSPAH LOWER SAND, SOUTH	3/2004	746510	746530		
	SOUTH HOSPAH UNIT #007	F	4-12-17N-09W	H	30-031-20012	O	33070 HOSPAH LOWER SAND, SOUTH	3/2004	746510	746530		
	SOUTH HOSPAH UNIT #008	F	G-12-17N-09W	G	30-031-20015	O	33070 HOSPAH LOWER SAND, SOUTH	3/2004	746510	746530		
	SOUTH HOSPAH UNIT #009	F	B-12-17N-09W	B	30-031-20013	O	33070 HOSPAH LOWER SAND, SOUTH	11/2004	746510	746530		
	SOUTH HOSPAH UNIT #010	F	C-12-17N-09W	C	30-031-60017	O	33050 HOSPAH DAKOTA	8/2004	746710			

SOUTH HOSPAH UNIT #010	F	C-12-17N-09W	C	30-031-60017	O	33070	HOSPAH LOWER SAND, SOUTH	8/2004	746510	746530
SOUTH HOSPAH UNIT #011	F	F-12-17N-09W	F	30-031-20016	O	33070	HOSPAH LOWER SAND, SOUTH	3/2004	746510	746530
SOUTH HOSPAH UNIT #012	F	E-12-17N-09W	E	30-031-20020	O	33070	HOSPAH LOWER SAND, SOUTH	3/2004	746510	746530
SOUTH HOSPAH UNIT #013	F	F-12-17N-09W	F	30-031-20054	O	33070	HOSPAH LOWER SAND, SOUTH	8/2004	746510	746530
SOUTH HOSPAH UNIT #014	F	E-12-17N-09W	E	30-031-20053	O	33070	HOSPAH LOWER SAND, SOUTH	11/2004	746510	746530
SOUTH HOSPAH UNIT #015	F	E-12-17N-09W	E	30-031-20055	O	33080	HOSPAH UPPER SAND, SOUTH	10/2005	746510	
SOUTH HOSPAH UNIT #016	F	F-12-17N-09W	F	30-031-20056	O	33080	HOSPAH UPPER SAND, SOUTH	11/2004	746510	
SOUTH HOSPAH UNIT #017	F	G-12-17N-09W	G	30-031-20057	I	33080	HOSPAH UPPER SAND, SOUTH	10/2005		
SOUTH HOSPAH UNIT #021	F	K-12-17N-09W	K	30-031-05134	O	33080	HOSPAH UPPER SAND, SOUTH	8/2004	746510	
SOUTH HOSPAH UNIT #022	F	L-12-17N-09W	L	30-031-05498	O	33080	HOSPAH UPPER SAND, SOUTH	3/2004	746610	
SOUTH HOSPAH UNIT #024	F	B-12-17N-09W	B	30-031-20091	O	33070	HOSPAH LOWER SAND, SOUTH	8/2004	746510	746530
SOUTH HOSPAH UNIT #025	F	2-12-17N-09W	A	30-031-20092	O	33070	HOSPAH LOWER SAND, SOUTH	11/2004	746510	746530
SOUTH HOSPAH UNIT #026	F	1-12-17N-09W	A	30-031-20093	O	33080	HOSPAH UPPER SAND, SOUTH	11/2004	746510	
SOUTH HOSPAH UNIT #027	F	4-12-17N-09W	H	30-031-20094	O	33080	HOSPAH UPPER SAND, SOUTH	3/2004	746510	
SOUTH HOSPAH UNIT #028	F	2-12-17N-09W	A	30-031-20095	O	33080	HOSPAH UPPER SAND, SOUTH	8/2004	746510	
SOUTH HOSPAH UNIT #029	F	B-12-17N-09W	B	30-031-20120	O	33070	HOSPAH LOWER SAND, SOUTH	8/2004	746510	746530
SOUTH HOSPAH UNIT #030	F	B-12-17N-09W	B	30-031-20121	O	33070	HOSPAH LOWER SAND, SOUTH	3/2005	746510	746530
SOUTH HOSPAH UNIT #030	F	B-12-17N-09W	B	30-031-20121	O	33080	HOSPAH UPPER SAND, SOUTH	3/2005	746510	
SOUTH HOSPAH	F	B-12-17N-09W	B	30-031-20122	O	33070	HOSPAH LOWER	10/2005	746510	746530

UNIT #031							SAND, SOUTH			
SOUTH HOSPAH UNIT #032	F	C-12-17N-09W	C	30-031-20125	O	33070	HOSPAH LOWER SAND, SOUTH	6/2005	746510	746530
SOUTH HOSPAH UNIT #032	F	C-12-17N-09W	C	30-031-20125	O	33080	HOSPAH UPPER SAND, SOUTH	6/2005	746510	
SOUTH HOSPAH UNIT #033	F	F-12-17N-09W	F	30-031-20124	I	33070	HOSPAH LOWER SAND, SOUTH	10/2005		
SOUTH HOSPAH UNIT #035	F	2-12-17N-09W	A	30-031-20119	O	33070	HOSPAH LOWER SAND, SOUTH	10/2005	746510	746530
SOUTH HOSPAH UNIT #036	F	B-12-17N-09W	B	30-031-20118	I	33070	HOSPAH LOWER SAND, SOUTH	10/2005		
SOUTH HOSPAH UNIT #037X	F	D-12-17N-09W	D	30-031-20135	O	33070	HOSPAH LOWER SAND, SOUTH	3/2004	746510	746530
SOUTH HOSPAH UNIT #038	F	2-12-17N-09W	A	30-031-20151	O	33070	HOSPAH LOWER SAND, SOUTH	3/2004	746510	746530
SOUTH HOSPAH UNIT #039	F	3-12-17N-09W	H	30-031-20152	I	33070	HOSPAH LOWER SAND, SOUTH	10/2005		
SOUTH HOSPAH UNIT #046	F	E-12-17N-09W	E	30-031-20360	O	33070	HOSPAH LOWER SAND, SOUTH	11/2004	746510	746530
SOUTH HOSPAH UNIT #047	F	3-12-17N-09W	C	30-031-20361	O	33070	HOSPAH LOWER SAND, SOUTH	11/2004	746510	746530
SOUTH HOSPAH UNIT #048	F	G-12-17N-09W	G	30-031-20362	O	33080	HOSPAH UPPER SAND, SOUTH	8/2004	746510	
SOUTH HOSPAH UNIT #049	F	B-12-17N-09W	B	30-031-20363	O	33070	HOSPAH LOWER SAND, SOUTH	11/2004	746510	746530
SOUTH HOSPAH UNIT #050	F	2-12-17N-09W	A	30-031-20364	O	33070	HOSPAH LOWER SAND, SOUTH	10/2005	746510	746530
SOUTH HOSPAH UNIT #051	F	E-12-17N-09W	E	30-031-20242	I	33080	HOSPAH UPPER SAND, SOUTH	5/2005		
SOUTH HOSPAH UNIT #052	F	C-12-17N-09W	C	30-031-20243	I	33080	HOSPAH UPPER SAND, SOUTH	5/2005		
SOUTH HOSPAH UNIT #053	F	1-12-17N-09W	A	30-031-20278	O	33070	HOSPAH LOWER SAND, SOUTH	11/2004	746510	746530
SOUTH HOSPAH UNIT #054	F	1-12-17N-09W	A	30-031-20407	I	33070	HOSPAH LOWER SAND, SOUTH	5/2005		
SOUTH HOSPAH UNIT #057	F	E-12-17N-09W	E	30-031-20408	I	33070	HOSPAH LOWER SAND, SOUTH	5/2005		

SOUTH HOSPAH UNIT #058	F	F-12-17N-09W	F	30-031-20409	I	33070	HOSPAH LOWER SAND, SOUTH	5/2005	
SOUTH HOSPAH UNIT #058	F	F-12-17N-09W	F	30- -20409	I	33080	HOSPAH UPPER SAND, SOUTH	5/2005	
SOUTH HOSPAH UNIT #059	F	G-12-17N-09W	G	30-031-20410	I	33070	HOSPAH LOWER SAND, SOUTH	10/2005	
SOUTH HOSPAH UNIT #059	F	G-12-17N-09W	G	30-031-20410	I	33080	HOSPAH UPPER SAND, SOUTH	10/2005	
SOUTH HOSPAH UNIT #060	F	8-12-17N-09W	H	30-031-20411	I	33070	HOSPAH LOWER SAND, SOUTH	10/2005	
SOUTH HOSPAH UNIT #061	F	B-12-17N-09W	B	30-031-20546	O	33070	HOSPAH LOWER SAND, SOUTH	11/2004	746510 746530
SOUTH HOSPAH UNIT #062	F	B-12-17N-09W	B	30-031-20545	O	33070	HOSPAH LOWER SAND, SOUTH	10/2005	746510 746530
SOUTH HOSPAH UNIT #063	F	1-12-17N-09W	A	30-031-20544	I	33070	HOSPAH LOWER SAND, SOUTH	10/2005	
SOUTH HOSPAH UNIT #064	F	3-12-17N-09W	H	30-031-20547	O	33070	HOSPAH LOWER SAND, SOUTH	12/2004	746510 746530

By: Wayne McPherson
Date: 9-13-06
Mountain States Petroleum Corporation