

5/7/07

6/7/07

BROOKS

NSL

APP NO. PDKB0715847321

ABOVE THE LINE FOR DIVISION USE ONLY

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



West Largo Corp
Federal 15 #1
5634

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

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

CERTIFICATION: I hereby certify that the information submitted with this application for administrative review 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.

Robert E. Fielder
Property Mgmt & Consulting
Box 2596
Farmington 87499

Signature _____ Title _____
Address _____

PROPERTY MANAGEMENT & CONSULTING, INC.

P. O. BOX 2596

FARMINGTON, NEW MEXICO 87499-2596

(505) 325-5220

2007 MAY 7 AM 11 38

May 2, 2007

New Mexico Energy, Minerals and Natural Resources Dept.
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505
Attn: Mr. David Brooks

Re: Unorthodox Location, Administrative Approval Request
West Largo Corp.
Federal 15 No. 1
Basin Fruitland Coal
1985' FNL and 2385' FWL, Sec 15, T28N, R9W, NMPM
San Juan County, New Mexico

Dear Mr. Brooks:

West Largo Corp. respectfully requests that an unorthodox location be administratively approved for the Federal 15 No. 1 well in accordance with the terms of Rule 104.F(2). Attachments included with this letter include a C-102 showing the proposed unorthodox location and all the Basin Fruitland Coal wells and spacing units in Section 15, a topographic map of the section, a list of the working interest owners in the affected spacing unit in the east half of Section 15 and a letter from West Largo Corp. certifying the working interest ownership is the same in both the east half and west half spacing units.

The proposed location is unorthodox to the interior half section line of Section 15. The east half of Section 15 has two existing Fruitland Coal wells operated by West Largo Corp. The proposed location is situated in the bottom of an unnamed drainage at the base of the north slope of Harris Mesa. This proposed site was picked due to topographic and archeology problems associated with three other legal sites extensively investigated. These sites are referenced on the attached topographic map. Site No. 1 is located in a major runoff drainage of Harris Mesa and would be a perpetual hazard due to falling rocks and flooding. Site No. 2 is located in the bottom of the canyon but is bisected by several drainages of Harris Mesa and would be subject to flooding issues also. Site No. 3 (under Proposed Location wording on map) will have some flooding issues and the access would have to pass archeological sites (rock art) coming from existing access roads. All other potential sites in the staking window are located on the slope of Harris Mesa and would present topographical problems with both the road and location. Site No. 4 was picked at the spot where there was enough distance between an existing pipeline right of way and road to layout a location.

Working interest ownership in the Basin Fruitland Coal wells in both spacing units in this section is identical. It is our understanding that Rule 1210.A(2)(b) does not require any notification when this condition exists. The operator of both spacing units, West Largo Corp., was involved in the decision to locate this well at the proposed spot. The closest Fruitland Coal well is approximately 1440 feet away from the proposed location.

Please contact me at 505.320.1435 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert E. Fielder". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Robert E. Fielder

Agent for West Largo Corp.

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

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-1
Revised February 21, 19

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

Instructions on ba
Submit to Appropriate District Offi

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

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

State Lease - 4 Copi
Fee Lease - 3 Copi

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code 71629		³ Pool Name BASIN FRUITLAND COAL	
⁴ Property Code 14165		⁵ Property Name FEDERAL 15		⁶ Well Number 1	
⁷ GRID No. 37197		⁸ Operator Name WEST LARGO CORPORATION		⁹ Elevation 5973'	

¹⁰ Surface Location

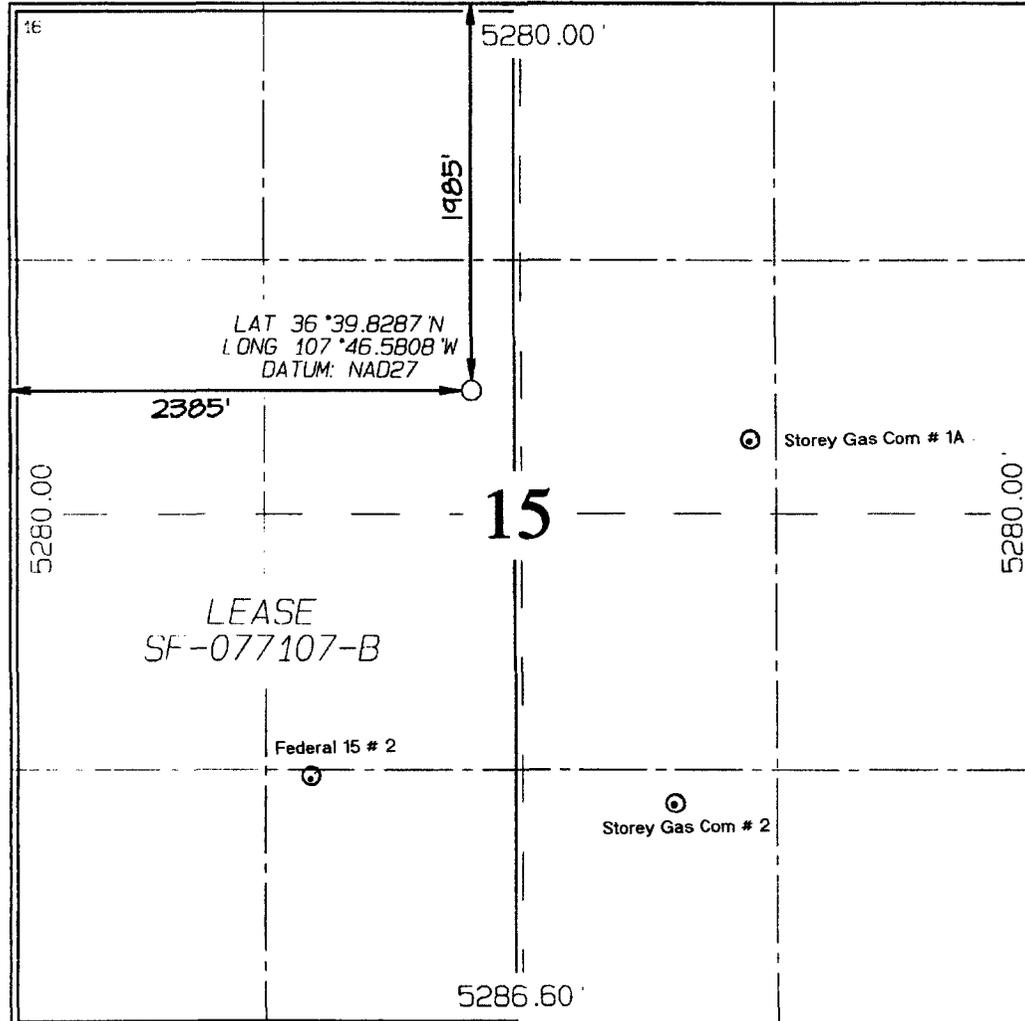
U or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	15	28N	9W		1985	NORTH	2385	WEST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

U or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 320.0 Acres - (W/2)	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
--	-------------------------------	----------------------------------	-------------------------

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

Signature _____
Printed Name _____
Title _____
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 3, 2004
Signature and Seal of Professional Surveyor



JASON C. EDWARDS
Certificate Number 15269

**West Largo Corp.
Working Interest Owner List**

**Storey Gas Com "A"
Federal 15**

E/2 Sec.15 T28N-R9W
W/2 Sec.15 T28N-R9W

Owner Name/ Address	Working Interest
ConocoPhillips Company P.O. Box 2197 Houston, TX 77252-2197 Attn: Brad A. Baker	30.0000000%
San Juan Properties, Inc. P.O. Box 4304 Horseshoe Bay, TX 78657-4304 Attn: William Wines	30.7125000%
Garrett Petroleum, Inc. 8801 S. Yale, Suite 240 Tulsa, OK 74137-3535 Attn: J.P. Garrett	23.0125000%
Jerry D. McElroy Living Trust Jerry D. McElroy, Trustee 3209 S. Topeka Ave. Topeka, KS 66611 Attn: Bruce Anderson	6.2125000%
Amanda Jane Partners, L.P. P.O. Box 465 Norton, KS 67654 Attn: Amanda J. Kelling	3.1500000%
Belinda McPherson 3501 SW Fairlawn Road, Suite 100 Topeka, KS 66614-3928	1.7062500%
Bruce M. McPherson 3501 SW Fairlawn Road, Suite 100 Topeka, KS 66614-3928	0.8531250%
Duane L. Fager Trust 3320 SW Spring Creek Place Topeka, KS 66614	0.8531250%
GMO 253 Corporation 5301 Lincolnshire Circle Topeka, KS 66610 Attn: Greg Owen	3.0625000%
Laura Owen 7032 W. Arlington Drive Littleton, CO 80123	0.4375000%
Total Working Interest	100.0000000%

WEST LARGO CORP.

May 3, 2007

Re: Application for Permit to Drill:
Federal 15 #1 – SENW Sec. 15-T28N-R9W
Non Standard Location

West Largo Corp., by the terms of the U.S. Department of the Interior Bureau of Land Management Transfer of Operating Rights in a Lease for Oil & Gas dated September 1, 1991 (and other subsequent documents) is the designated Operator for Federal Leases NMSF-077107-B and NM-86301 in Section 15-T28N-R9W, NMPM, in San Juan County, New Mexico. These operating rights apply from the surface to the base of the Fruitland Coal.

As President of West Largo Corp., I hereby certify that the Working Interest Ownership in the Federal 15 lease (W/2 15-28N-9W) and the adjacent Storey Gas Com "A" lease (E/2 15-28N-9W) is completely consistent and identical. A list of the Working Interest Owners in these leases are attached.

Sincerely,

J.P. Garrett
President, West Largo Corp.

attachment

Well File Search - Select API Number to View

Please select the API Number you wish to view from the list below by clicking the radio button next to the API Number. Then click the "Continue" button to see the thumbnails for the API you selected. The search results are broken out by groups of 25 on each page. Switching pages can be done by clicking the "Next 25" or "Previous 25" links.

2 Records found

Displaying Screen 1 of 1

- | API Number | ULSTR | Footages |
|---|--------------|---------------------|
| <input type="radio"/> 3004507493 | F-15-28N-9W | 1453 FNL & 1850 FWL |
| Well Name & Number: MICHENER LS No. 002 | | |
| Operator: CONOCOPHILLIPS COMPANY | | |
| <input type="radio"/> 3004529339 | F-15-28N-9W | 1390 FNL & 1840 FWL |
| Well Name & Number: MICHENER LS No. 003A | | |
| Operator: CONOCOPHILLIPS COMPANY | | |

[Continue](#)[Go Back](#)