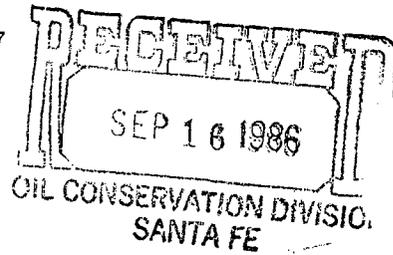


LEONARD MINERALS COMPANY

3202 CANDELARIA N. E.  
ALBUQUERQUE, NEW MEXICO 87107  
505 - 884-2780



September 8, 1986

*1511-2372*

Oil Conservation Division  
New Mexico Energy and Minerals Department  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Re: Amended Location  
of Leonard Minerals Company  
No. 1 Taos Trough Unit

Gentlemen:

We respectfully request your consideration of approval of the unorthodox location of our amended location of Leonard Minerals Company No. 1 Taos Trough Unit well as shown on attached OCD Form C-102 of September 5, 1986 and federal Sundry Notice and Report Form of September 8, 1986.

Very truly yours,

A handwritten signature in cursive script that reads "Ben Donegan".

Ben Donegan  
Regional Manager

BD/sn

Encls.

Release Immediately

By DCC



LEONARD MINERALS COMPANY  
3202 CANDELARIA N. E.  
ALBUQUERQUE, NEW MEXICO 87107  
505 - 884-2780

MSL-2272  
RULE-104 (I)

2395 FNL & 1784 FEL  
Section 35, T-2 North, Range 4 East  
Taos County, New Mexico  
Wildcat Sandstone 40 acres  
SW 1/4 NE 1/4

June 24, 1986

New Mexico Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Gentlemen:

Enclosed are copies of our federal Form 9-331 C and OCD Form C-102 for the Leonard Minerals Company No. 1 Taos Trough Unit well which was filed with the Bureau of Land Management at Farmington June 9, 1986. We request your consideration of approval of this unorthodox location and your so advising the Bureau of Land Management.

Very truly yours,  
*Ben Donegan*  
Ben Donegan  
Regional Manager

BD/sn

Encls.

Copy: John S. McKee  
Acting Area Manager  
Bureau of Land Management  
Caller Service 4104  
Farmington, New Mexico 87499

All distances must be from the outer boundaries of the Section. of May 30, 1986

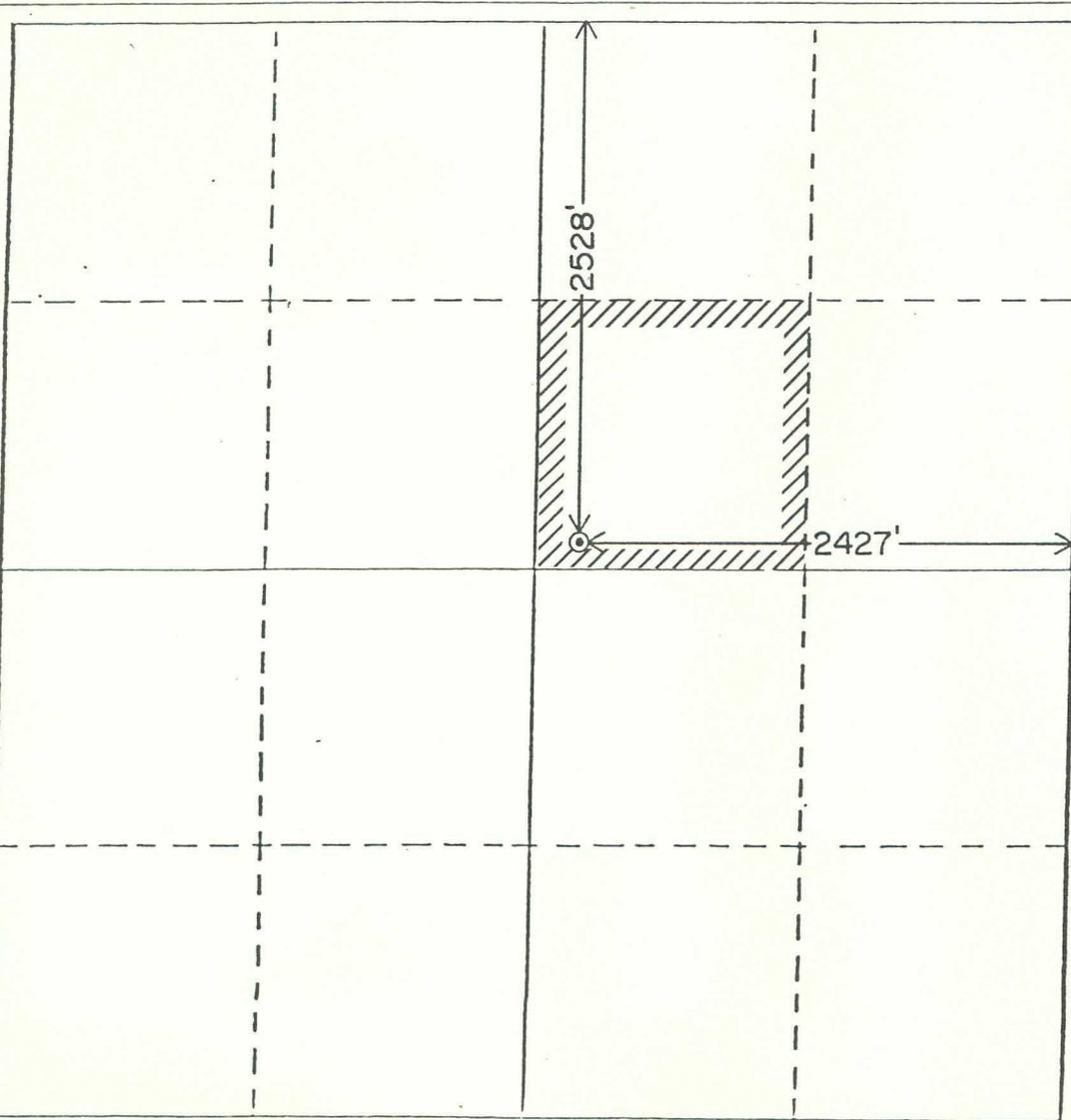
Operator LEONARD MINERALS COMPANY		Lease TAOS TROUGH UNIT		Well No. 1
Unit Letter G	Section 35	Township 24 North	Range 14 East	County Taos
Actual Footage Location of Well: 2528 feet from the North line and 2427 feet from the East line of Section 35				
Ground Level Elev. 9435	Producing Formation Sandia	Pool Wildcat	Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty). No
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes  No If answer is "yes," type of consolidation NA

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

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



CERTIFICATION

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

*Ben Donegan*

Name	Ben Donegan
Position	Regional Manager
Company	LEONARD MINERALS COMPANY
Date	September 5, 1986

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

Date Surveyed	July 18, 1986 and August 23, 1986
Registered Professional Engineer and/or Land Surveyor	<i>Herbert G. Koogle</i> Herbert G. Koogle
Certificate No.	1940



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPPLICATE\*  
(Other instructions on re-  
verse side)

Budget Bureau No. 1004-0135  
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NM 58014
2. NAME OF OPERATOR Leonard Minerals Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
3. ADDRESS OF OPERATOR 3224 Candelaria NE, Albuquerque, New Mexico 87107		7. UNIT AGREEMENT NAME Taos Trough Unit
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface and at proposed production zone:  Original location = 2395' FNL and 1784' FEL of Sec. 35 Amended location = 2528' FNL and 2427' FEL of Sec. 35		8. FARM OR LEASE NAME
14. PERMIT NO.	15. ELEVATIONS (Show whether DF, RT, GR, etc.) Original location = 9380 GL Amended location = 9435 GL	9. WELL NO. 1
		10. FIELD AND POOL, OR WILDCAT wildcat
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA 35, 24 N., 14 E., N.M.P.M.
		12. COUNTY OR PARISH Taos
		13. STATE NM

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input checked="" type="checkbox"/>	(Other) _____	(Other) _____

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

We propose to change the plans of our APD for this well of May 30, 1986 to amend the well location as shown in space 4 above and OCD Form C-102 attached in order to conform with requirements of the Forest Service.

We submit herewith the following:

- (1) Cut and fill profiles of the drill pad for this amended location.
- (2) A one inch = twenty feet topographic map showing the location of proposed drill pad and the location of the cut and fill profiles for this amended location.
- (3) Copy of application proposed for filing with the State Engineer for the drilling and use of a water well at a location in the cienega immediately northeast of this amended location.
- (4) A one inch = 2,000 feet topographic map showing sites along Forest Road 438 proposed for road work in accordance with requirements of the Forest Service.

18. I hereby certify that the foregoing is true and correct  
Leonard Minerals Company  
SIGNED By: Ben Donegan TITLE Regional Manager DATE September 8, 1986  
(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions on Reverse Side

APPLICATION TO APPROPRIATE UNDERGROUND WATERS IN ACCORDANCE WITH SECTION 72-12-1 NEW MEXICO STATUTES

1. Name and Address of Applicant:

File No. \_\_\_\_\_

LEONARD MINERALS COMPANY

3224 Candelaria NE

Albuquerque, New Mexico 87107

2. Describe well location under one of the following subheadings:

a. SW 1/4 SW 1/4 NE 1/4 of Sec. 35 Twp. 24 N. Rge. 14 E. N.M.P.M., in Taos County.

b. Tract No. \_\_\_\_\_ of Map No. \_\_\_\_\_ of the \_\_\_\_\_

c. Lot No. \_\_\_\_\_ of Block No. \_\_\_\_\_ of the \_\_\_\_\_ Subdivision, recorded in \_\_\_\_\_ County.

d. X = \_\_\_\_\_ feet. Y = \_\_\_\_\_ feet, N.M. Coordinate System \_\_\_\_\_ Zone in the \_\_\_\_\_ Grant.

e. Give street address or route and box No. of property upon which well is to be located, or location by direction and distance from known landmarks The route to the well location from Ranchos de Taos, New Mexico is south 6.8 miles on State Road 3 to the intersection with Forest Road 438, thence East on FR 438 approximately 10 miles to intersection with road to Bernardin Lake, thence East on FR 438 approximately 150 feet, thence Northwest approximately 10 to 200 feet to the well location.

3. Approximate depth (if known) not known feet; outside diameter of casing 7" inches.

Name of driller (if known) Ray L. Atchison Construction Co., Inc.

4. Use of water (check appropriate box or boxes):

- One household, non-commercial trees, lawn and garden not to exceed 1 acre.
- Livestock watering.
- More than one household, non-commercial trees, lawns and gardens not to exceed a total of 1 acre.
- Drinking and sanitary purposes and the irrigation of non-commercial trees, shrubs and lawns in conjunction with a commercial operation.
- Prospecting, mining or drilling operations to discover or develop natural resources.
- Construction of public works, highways and roads.

If any of the last four were marked, give name and nature of business under Remarks. (Item 5)

5. Remarks: The water well is proposed to be excavated using a backhoe at a location in the cienaga immediately northeast of the location of the proposed Leonard Minerals Company No. 1 Taos Trough Unit oil and gas test well location for use in the drilling of the oil and gas test well.

Ben Donegan, Regional Manager of Leonard Minerals Company, affirm that the foregoing statements are true to the best of my knowledge and belief and that development shall not commence until approval of the permit has been obtained. Leonard Minerals Company, a Texas general partnership consisting of Obie P. Leonard, Jr., and Robert W. Leonard as the sole general partners

\_\_\_\_\_, Applicant

By: Ben Donegan

Date: August 18, 1986

Ben Donegan, Regional Manager

ACTION OF STATE ENGINEER

This application is approved for the use indicated, subject to all general conditions and to the specific conditions numbered \_\_\_\_\_ on the reverse side hereof. This permit will automatically expire unless this well is drilled or driven and the well record filed on or before \_\_\_\_\_

S.E. Reynolds, State Engineer

By: \_\_\_\_\_

Date: \_\_\_\_\_