

3/7/08 DATE IN	SUSPENSE	Brooks ENGINEER	3/7/08 LOGGED IN	NSL TYPE	PKVR0806752398 APP NO.
-------------------	----------	--------------------	---------------------	-------------	---------------------------

ABOVE THIS LINE FOR DIVISION USE ONLY

ADMINISTRATIVE APPLICATION CHECKLIST

DJ Simmons IN
Blanco Wash#26-1

5807

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

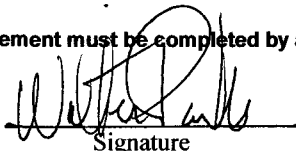
RECEIVED
2008 MAR 7 PM 1:24

[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.

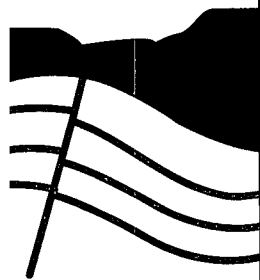
Walter Parks
Print or Type Name


Signature

Landman
Title

Feb 14, 2008
Date

wparks@djsimmons.com
e-mail Address



DJ SIMMONS, INC.

1009 Ridgeway Place
Suite 200
Farmington,
New Mexico 87401

505-326-3753
505-327-4659 FAX
info@djsimmonsinc.com
www.djsimmonsinc.com

CERTIFIED MAIL – RECEIPT REQUESTED
NO. 7004 2890 0004 1768 5832

February 12, 2008

New Mexico Oil Conservation Division
1220 So. St. Francis Dr.
Santa Fe, New Mexico 87505

RE: Application for Administrative Approval
Unorthodox Well Location
Blanco Wash 26-1
Lybrook Gallup
NESW/4, Section 26, T24N, R8W
San Juan County, NM

Gentlemen:

DJ Simmons, Inc. requests administrative approval of this non-standard footage location pursuant to Rule 104. B (1). Affected parties would be 3 lessees of record and operating rights owners located in the N/2 of Section 26. See Federal Indian Minerals Office letter dated January 14, 2008 regarding adjacent landowners of the non standard location. The affected parcels are as follows:

N/2 Sec 26, T24N, R8W

N2 Section 33, T24N, R8W
E/2 Section 27, T24N, R8W
SE/4 Section 26, T24N, R8W
NE/4 Section 34, T24N, R8W

The Blanco Wash 26-1 well was originally permitted and drilled as a Lybrook Gallup Gallup pool. Several attempts were made to position this well site in a standard drilling window. However existing topographic drainage features and biological habit features precluded moving the well site. See attached exhibit A-1

Attached map A-1 shows biological sites identified by Mr. Jake Tanner of Nelson Consultants and drainage concerns identified by James Miles of Federal Indians Mineral Office, Farmington New Mexico District Office.

This well was spudded on September 9, 2007; drilling and completion operations were completed on November 11, 2008. The proposed pipeline and gathering systems was constructed and completed January 2, 2008.

As required by Rule 104.F (3) the following items are attached:

- C-102 Showing the well location and proposed spacing unit.
- A plat showing offset mineral owners.
- A list of the operators or lessee of record for the offsetting proration unit with their addresses.

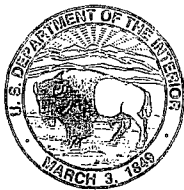
In accordance with Rule 104. F (3) and Rule 1207. A (2), a complete copy of this application was sent by certified mail-return receipt, on the same date as this application to the operators/lessees on the attached list. A copy of the cover letter is attached.

Sincerely

A handwritten signature in black ink, appearing to read 'Walter Parks', with a large, stylized loop at the end.

Walter Parks
Senior Landman

Enclosures



FEDERAL INDIAN MINERALS OFFICE

1235 La Plata Highway Suite B
Farmington, New Mexico 87401-1805

DJ Simmons, Inc
1009 Ridgeway Place, Ste. 200
Farmington NM 87401

January 14, 2008

Mr. Craig Starkey:

By letter dated, January 12, 2007, you advised this office of a non standard well location for the Blanco 26-1, Navajo Allotment 011389, SW/4 Sec 26, 24N, 8W, San Juan County.

According to New Mexico Oil Conservation Division (NMOCD) Rules 104 B(1) Oil Well Acreage and Location Requirements, 104 F Unorthodox Locations, and Rule 1207 A (2) Notification Requirements for Specific Adjudications, Unorthodox Well Locations, you are required to notify adjacent landowners of the non standard location.

The affected parcels are as follows:

Blanco 26-1 T24, R8W, NMPM:

- Section 33 N/2
- Section 27 E/2
- Section 26 SE/4
- Section 34 NE/4

As the fiduciary representative of the allottees for matters related to oil and gas development, your notification to this office will constitute sufficient notification to the landowners of the nonstandard location.

If you have any questions regarding this notification, please contact me @ 505-599-8960

Sincerely Yours

James R. Stockbridge
Director

DISTRICT I
P.O. Box 1000, Bldg. 100, Santa Fe, NM 87504-1000

DISTRICT II
P.O. Box 100, Bldg. 100, Santa Fe, NM 87504-0100

DISTRICT III
1000 P.O. Box 100, Bldg. 100, Santa Fe, NM 87504-1000

DISTRICT IV
P.O. Box 2000, Santa Fe, NM 87504-2000

State of New Mexico
Department of Natural Resources

Form O-100
Revised February 21, 1992
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
P.O. Box 2000
Santa Fe, NM 87504-2000

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-34119		² Pool Code 42289	³ Pool Name LYBROOK GALLUP OIL
⁴ Property Code	⁵ Property Name BLANCO WASH		⁶ Well Number 26-1
⁷ GRID No. 5578	⁸ Operator Name D. J. SIMMONS INC.		⁹ Elevation 6787.75'

¹⁰ Surface Location

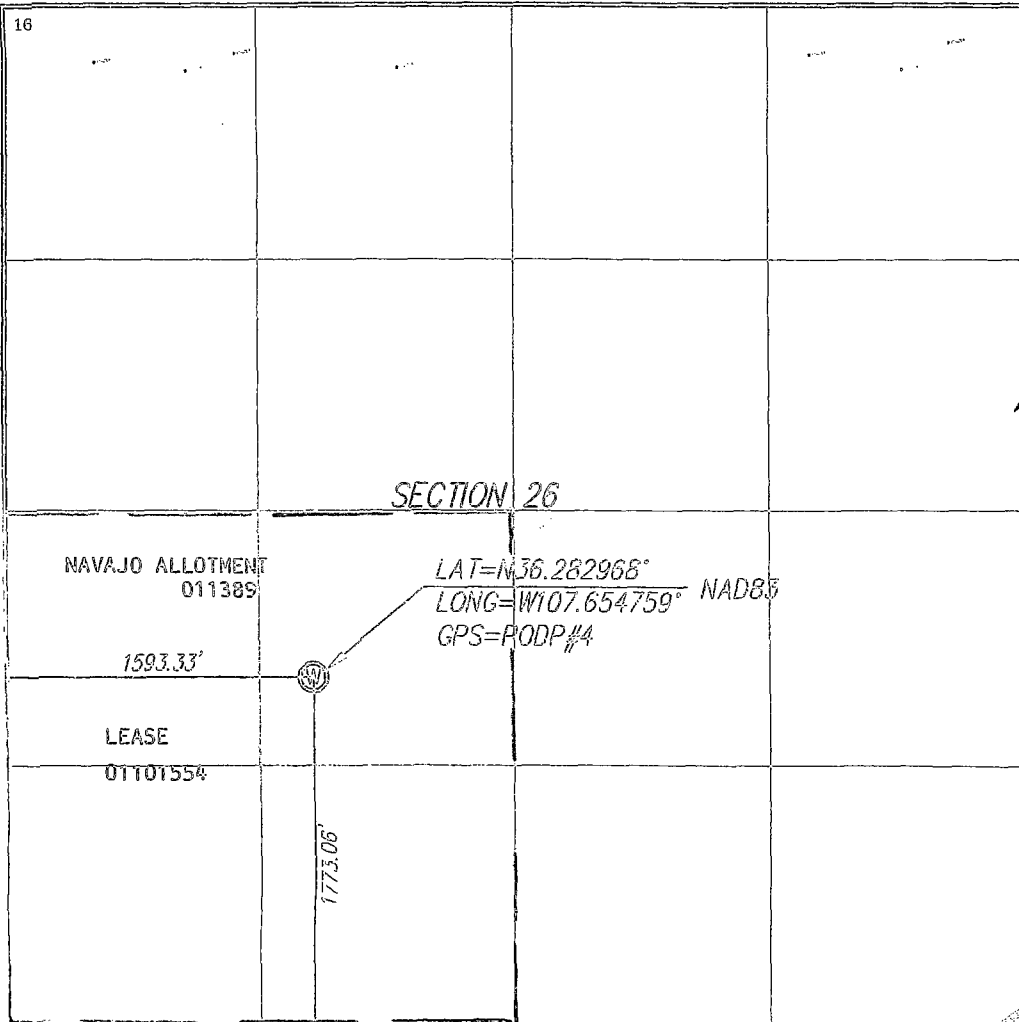
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	26	24N	8W		1773.06	SOUTH	1593.33	WEST	SAN JUAN

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 160 40'	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
John A. Byron
Printed Name
President
Title
Dec. 4, 2006
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.

OCTOBER 9, 2006
Date of Revision
SEPTEMBER 1, 2006
Date of Survey
Signature and Seal of Professional Surveyor

Certificate Number **N.M. 19673**

List of Operators Or Lessee of Record and Land Owners
for

Blanco Wash 26-1 Unorthodox Well Application
Section 26, T24N, R8W. San Juan County, New Mexico

Operators or Lessee of Record

Elm Ridge Exploration Company Ltd.
12225 Greenville Ave, 950
Dallas, TX 75243

Certified Mail – Receipt # 7004 2890 0004 1768 5849

Bolack Minerals Company Ltd.
C/O Richard T.C. Tully
3901 Bloomfield Highway
Farmington, NM. 87401

Certified Mail – Receipt # 7004 2890 0004 1768 5856

SFF Royalty, LLC
P.O. Box 2080
Midland, TX 79702

Certified Mail – Receipt # 7004 2890 0004 1768 5818

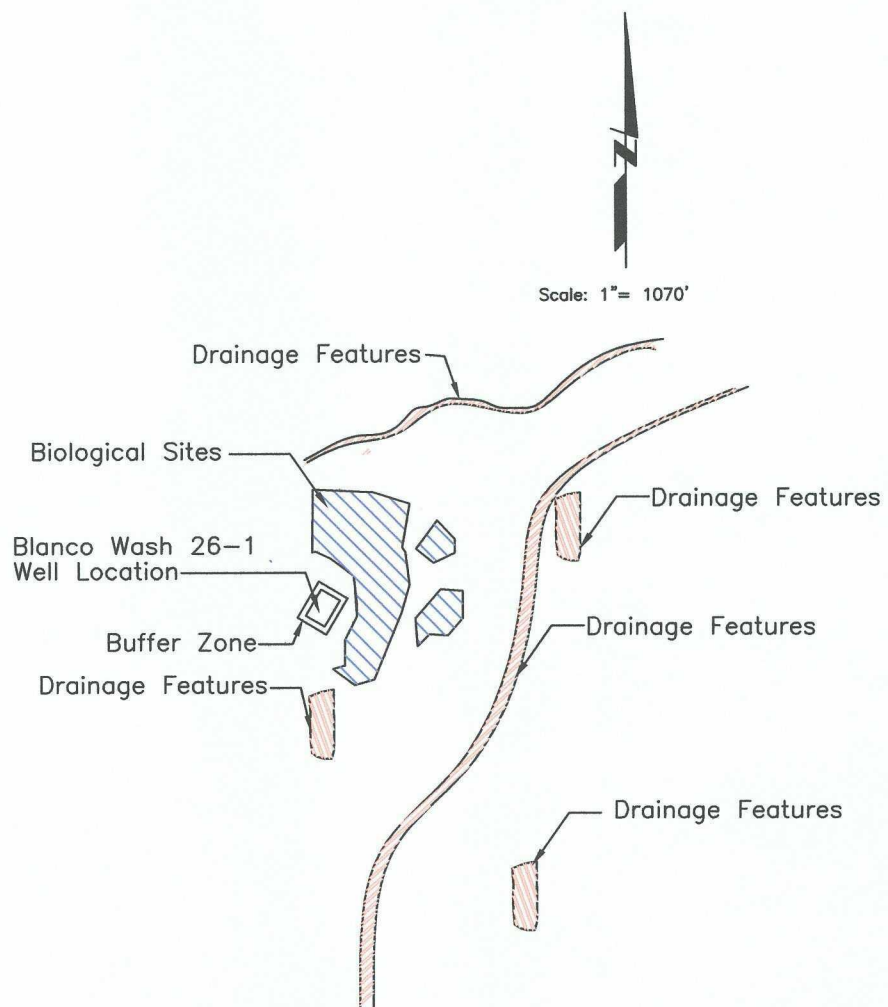
SFF Production Company, L.P
P.O. Box 2080
Midland, TX 79702

Certified Mail – Receipt # 7004 2890 0004 1768 5801

MAP 2004-OK an General Partnership ("MAP")
C/O: Minerals Acquisition Partners, Inc.
101 North Robinson , Suite 1000
Oklahoma City, OK 73102
Certified Mail –# 7004 2890 0004 1768 5825

Land Owners Navajo Allottees
Note: See Letter Federal Indians Minerals Office
Dated January 14, 2008

N2 Section 33, T24N, R8W
E/2 Section 27, T24N, R8W
SE/4 Section 26, T24N, R8W
NE/4 Section 34, T24N, R8W



MAP A -1

1009 Ridgeway Place
Suite 200
Farmington, NM. 87401

PH. (505) 326-3753
FAX (505) 327-4659

www.djsimmonsinc.com

APPROVED: R.R.G.

DRWN BY: C.D.S.

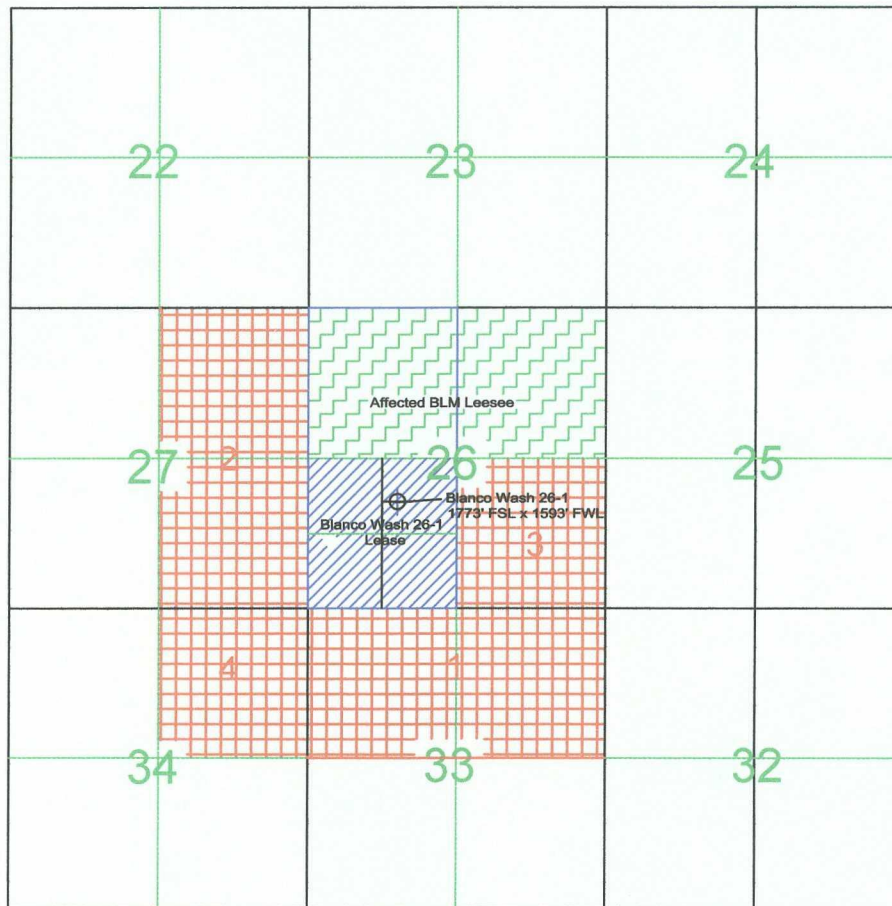
May 2003

PROJECT : Byrne Fed 24-1

SCALE: As Shown

UNORTHODOX Well Pad Map
Blanco wash 26-1
NESW/4, Section 24, T24N, R8W
San Juan County, NM.

Blanco Wash 26-1
1773' FSL x 1593' FWL , Section 26, T24N, R8W
San Juan County, New Mexico



LEGEND



Blanco Wash 26-1 Lease



Affected BLM Lessee

Elm Ridge Exploration Company Ltd, 12225 Greenville Ave.950, Dallas,Texas 75243
 Bolack Minerals Company Ltd. 3901 Bloomfield Highway, Farmington, New Mexico 87401
 SFF Production Company,L.P., PO Box 2080 Midland,Texas 79702
 SFF Royalty,LLC., PO Box 2080 Midland,Texas,79702
 MAP2004-OK, an Oklahoma general partnership ("MAP")
 c/o Mineral Acquisition Partners, Inc., 101 North Robinsion, Suite1000
 Oklahoma City, Oklahoma, 73102



Affected Navajo Allottees Lessee

N/2 Section 33, T24N, R8W
 E/2 Section 27, T24N,R8W
 SE/4 Section 26, T24N, R8W
 NE/4 Section 34, T24N, R8W

See Attached Federal Indians Minerals Office Letter Dated January 14, 2008

1009 Ridgeway Place
Suite 200
Farmington, NM. 87401

PH. (505) 326-3753
FAX (505) 327-4659

www. djsimmonsinc.com

APPROVED: W.P

DRWN BY: C.D.S.

January 2008

PROJECT: Blanco Wash 26-1

SCALE: NTS

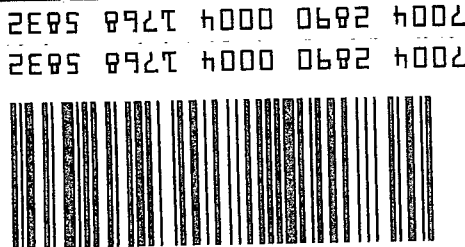
UNORTHODOX LOCATION

Blanco Wash 26-1
NESW/4, Section 26, T24N, R8W
San Juan County, NM.

U.S. Postal ServiceTM
CERTIFIED MAILTM RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE



Postage \$ 1.20

Certified Fee

Return Receipt Fee
(Endorsement Required)

Restricted Delivery Fee
(Endorsement Required)

Total Postage & Fees \$ 6.00

2/19/08

Postmark
Here

Sent

Street
or P.O.

City

New Mexico Oil Conservation Division
1220 So. St. Francis Dr.
Santa Fe, New Mexico 87505

PS Form 3811, June 2004 See Reverse for Instructions

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:

New Mexico Oil Conservation Division
1220 So. St. Francis Dr.
Santa Fe, New Mexico 87505

2. Article Number
(Transfer from service label)

7004 2890 0004 1768 5832

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

☒ Agent
☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1?
If YES, enter delivery address below:

☐ Yes
☐ No

3. Service Type

☒ Certified Mail
☐ Registered
☐ Insured Mail
☐ Express Mail
☒ Return Receipt for Merchandise
☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

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.

☒ Agent
☐ Addressee
B. Received by (Printed Name) C. Date of Delivery
D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

1. Article Addressed to:

SFF Production Company L.P.
P.O. Box 2080
Midland, TX. 79702

3. Service Type
☒ Certified Mail
☐ Registered
☐ Insured Mail
☐ Express Mail
☒ Return Receipt for Merchandise
☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number

(Transfer from service label)

7004 2890 0004 1768 5801

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

PLACE STICKER ON TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS (HOLD AT DOTTED LINE)

U.S. Postal Service
CERTIFIED MAILTM RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)
For delivery information, visit our website at www.usps.com

OFFICIAL USE

7004 2890 0004 1768 5801
7004 2890 0004 1768 5801

Postage	\$ 1.20
Certified Fee	2.65
Return Receipt Fee (Endorsement Required)	2.15
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 6.00

2/19/08

Postmark Here

Sent To

SFF Production Company L.P.
P.O. Box 2080
Midland, TX. 79702

Street, Apt. N
or PO Box Nc
City, State, Zi

PS Form 3800, June 2002 See Reverse for Instructions

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

CERTIFIED MAIL™

7004 2890 0004 1768 5825
7004 2890 0004 1768 5825

**U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT**
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage \$ 1.20
Certified Fee 2.65
Return Receipt Fee (Endorsement Required) 2.15
Restricted Delivery Fee (Endorsement Required)

Total Postage & Fees \$ 6.00

Postmark Here 2/19/08

See Reverse for Instructions

MAP 2004-OK an General Partnership ("MAP")
c/o: Minerals Acquisition Partners Inc.
101 North Robinson, Suite 1000
Oklahoma City, OK 73102

SENDER: COMPLETE THIS SECTION

1. Article Addressed to:
**MAP 2004-OK an General Partnership;
c/o: Minerals Acquisition Partners Inc.
101 North Robinson, Suite 1000
Oklahoma City, OK 73102**

2. Article Number (Transfer from service label) **7004 2890 0004 1768 5825**

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

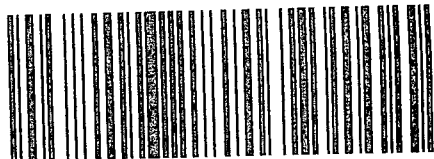
A. Signature ☒ Agent ☐ Addressee
B. Received by (Printed Name) C. Date of Delivery
D. Is delivery address different from item 1? ☐ Yes ☐ No
If YES, enter delivery address below:

3. Service Type
☒ Certified Mail ☐ Express Mail
☐ Registered ☒ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
OF THE RETURN ADDRESS, FOLD AT DOTTED LINE

CERTIFIED MAIL™



7004 2890 0004 1768 5818
7004 2890 0004 1768 5818

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only: No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

2/19/08

Postage	\$ 1.20
Certified Fee	2.65
Return Receipt Fee (Endorsement Required)	2.15
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 6.00

Postmark
Here

Sent To
SFF Royalty, LLC
P.O. Box 2080
Midland, TX. 79702
City, State, Zip+4

PS Form 3800, June 2002 See Reverse for Instructions

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:

SFF Royalty, LLC
P.O. Box 2080
Midland, TX. 79702

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☐ Agent
☒ Addressee

B. Received by (Printed Name) C. Date of Delivery

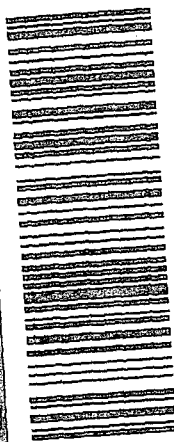
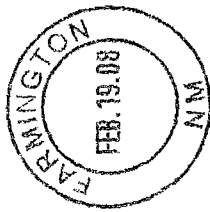
D. Is delivery address different from item 1? ☐ Yes
If YES, enter delivery address below: ☐ No

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) 7004 2890 0004 1768 5818

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540



7004 2890 0004 1768 5856
7004 2890 0004 1768 5856

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only, No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage	\$ 1.20
Certified Fee	2.65
Return Receipt Fee (Endorsement Required)	2.15
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 6.00

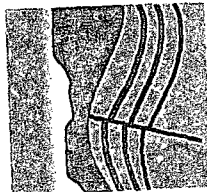
2/19/08
Postmark
Here

Sent To Bolack Minerals Company Ltd.
C/O Richard T.C. Tully
Street, Apt. No. or PO Box No. 3901 Bloomfield Highway
City, State, Zip Farmington, NM. 87401

PS Form 3800

See Reverse for Instructions

DJ SIMMONS, INC.
1009 Ridgeway Place, Ste. 200
Farmington, NM 87401





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:

Bolack Minerals Company Ltd.
C/O Richard T.C. Tully
3901 Bloomfield Highway
Farmington, NM. 87401

2. Article Number

(Transfer from service label)

7004 2890 0004 1768 5856

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent

☐ Addressee

B. Received by (Printed Name)

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

U.S. Postal Service™
CERTIFIED MAIL™ RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.com

OFFICIAL USE

Postage \$ 1.20

Certified Fee 2.65

Return Receipt Fee (Endorsement Required) 2.15

Restricted Delivery Fee (Endorsement Required)

Total Postage & Fees \$ 6.00

Postmark Here 2/19/08

Sent To Elm Ridge Exploration Company Ltd.

Street, or POE 12225 Green Ville Ave, 950

City, St Dallas TX 75243

PS Form 3811, June 2002 See Reverse for Instructions

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:

Elm Ridge Exploration Company Ltd.
12225 Green Ville Ave, 950
Dallas TX 75243

COMPLETE THIS SECTION ON DELIVERY

A. Signature ☒ Agent ☐ Addressee

B. Received by (Printed Name) ☐ 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)

7004 2890 0004 1768 5849

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Friday, April 04, 2008 9:37 AM
To: 'Craig Starkey'
Subject: RE: Blanco Wash 26-1 Unorthodox Well Application, Section 26, T24N, R8W San Juan County

Mr. Starkey

I am confused.

This application seeks a location for the Lybrook Gallup Oil Pool. For that pool, I am finding only Order R-2667-B, which says that the Special Pool Rules for that pool are abolished. If there are no special pool rules, this being an oil pool, spacing would be 40 acres with 330 foot setbacks. On this basis the location is non-standard because it is only 293 feet from the West unit line. However, it does not affect any of the units shown on your attached offset plat. The only affected unit would be the NW/4 SW/4 of Section 26, which, according to you plat, is on the same lease. If DJ Simmons owns 100% of the working interest in the NW/4 SW/4 of Section 26, or if ownership of that 40-acre tract is identical with ownership of the NE/4 NW/4, the location is approvable without reference to notice. If there is any difference in working interest ownership between these two quarter-quarter sections, then notice to the owners in the NW/4 SW/4 would be required.

If you were seeking a 160-acre gas unit for this well, then your plat would correctly identify the affected units. However, the location would not be non-standard, and no approval for Santa Fe would be required.

Please advise.

David K. Brooks
Legal Examiner

From: Craig Starkey [mailto:cstarkey@djsimmons.com]
Sent: Monday, March 31, 2008 9:35 AM
To: Brooks, David K., EMNRD
Cc: Walter Parks
Subject: Blanco Wash 26-1 Unorthodox Well Application, Section 26, T24N, R8W San Juan County

Mr Brooks

DJ Simmon, Inc. is requesting status of the Blanco Wash 26-1 Unorthodox Well Application, Section 26, T24N, R8W San Juan County. Pending approval the Blanco Wash 26-1 well is ready to flow.

Please contact me at 505 326 3753 ext 14 if you have any questions.. Thank you

Craig D. Starkey

This inbound email has been scanned by the MessageLabs Email Security System.

4/4/2008

Brooks, David K., EMNRD

From: Walter Parks [wparks@djsimmons.com]
Sent: Monday, April 07, 2008 10:02 AM
To: Brooks, David K., EMNRD
Cc: Craig Starkey
Subject: FW: Blanco Wash 26-1 Unorthodox Well Application, Section 26, T24N, R8W San Juan County

David:

Good to hear you are still on the job in Santa Fe. You have been there over 5 years - I guess the town suits you well - It certainly has more culture than Durango.

I have read your E-Mails to Craig Starkey concerning the non standard location of our Blanco Wash 26-1 well and yes D.J. Simmons owns 100% of the lease covering the SW/4 of Section 26, T24N-R8W - All Depths and D.J. Simmons has properly notified all of the operating rights owners of the BLM lease covering the N/2 of Section 26, T24N-R8W.

As you might well imagine we want to connect this well as soon as possible. Is it possible to transmit your approval letter via E-Mail or FAX and follow in mail later?

Thanks for your attention to this matter.

Very truly yours,

Walter S. Parks
Senior Landman
D.J. Simmons, Inc.
Phone (505) 326-3753 Ext 16
FAX: (505) 327-4659
Cell: (970) 749-9482

From: Craig Starkey
Sent: Monday, April 07, 2008 10:43 AM
To: Walter Parks
Subject: FW: Blanco Wash 26-1 Unorthodox Well Application, Section 26, T24N, R8W San Juan County

Walter

This info you requested

Craig

From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]
Sent: Monday, April 07, 2008 9:05 AM
To: Craig Starkey
Subject: RE: Blanco Wash 26-1 Unorthodox Well Application, Section 26, T24N, R8W San Juan County

Mr. Starkey

4/7/2008

I still have not gotten the email I requested confirming that DJ Simmons is 100% working interest owner of the SW/4 of Section 26. I have the administrative approval for that well written, and it is ready for release as soon as I receive the requested confirmation.

Thanks

David Brooks

From: Craig Starkey [mailto:cstarkey@djsimmons.com]
Sent: Monday, March 31, 2008 9:35 AM
To: Brooks, David K., EMNRD
Cc: Walter Parks
Subject: Blanco Wash 26-1 Unorthodox Well Application, Section 26, T24N, R8W San Juan County

Mr Brooks

DJ Simmon, Inc. is requesting status of the Blanco Wash 26-1 Unorthodox Well Application, Section 26, T24N, R8W San Juan County. Pending approval the Blanco Wash 26-1 well is ready to flow.

Please contact me at 505 326 3753 ext 14 if you have any questions.. Thank you

Craig D. Starkey

This inbound email has been scanned by the MessageLabs Email Security System.

Confidentiality Notice: This e-mail, including all attachments is for the sole use of the intended recipient (s) and may contain confidential and privileged information. Any unauthorized review, use, disclosure or distribution is prohibited unless specifically provided under the New Mexico Inspection of Public Records Act. If you are not the intended recipient, please contact the sender and destroy all copies of this message. -- This email has been scanned by the Sybari - Antigen Email System.

This inbound email has been scanned by the MessageLabs Email Security System.

4/7/2008