

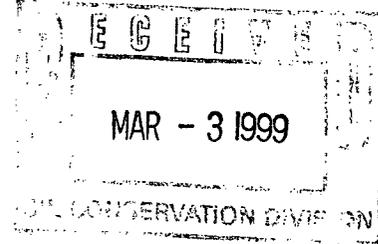
NSL 3/23/99

RODDY PRODUCTION COMPANY, INC
3100 NORTHRIDGE DRIVE
P.O. BOX 2221
FARMINGTON, NEW MEXICO 87499
(505) 325-5750 Fax (505) 326-6814

Ms. Lori Wrotenbery
New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

February 26, 1999

Re: Administrative Approval Request for Unorthodox Location
Roddy Production Company
Yockey No. 6
Basin Fruitland Coal Well
1495' FSL & 1060' FEL
Sec 20, T27N, R11W, NMPM
San Juan County, New Mexico



Dear Ms. Wrotenbery:

Roddy Production Company respectfully requests that a non-standard location be administratively approved for the proposed Yockey No. 6.

Roddy Production Company seeks to drill the Yockey No. 6 in the Basin Fruitland Coal Gas Pool at an unorthodox location in the SE/4 being 1495' FSL and 1060' FEL of Section 20, T27N, R11W, NMPM, San Juan County, New Mexico and is to be dedicated to a 320 acre standard spacing unit consisting of the S/2 of Section 20.

This proposed location is standard as to the footage requirements but is unorthodox in that it is "off-pattern" for the Basin-Fruitland Coal Gas Pool being the first well drilled in this standard unit; it is located in the SE/4 of the section rather than the SW/4 of the section.

Due to a localized production trend and the proximity of offset operator's Basin Fruitland Coal wells present in the NE/NE Sec 29, SW/SW Sec 21 and SW/NE Sec 20 (See Exhibit 5), the proposed unorthodox location in the SE/4 is necessary for the applicant operator to economically exercise correlative rights to practicably obtain recoverable gas reserves under S/2 of Section 20 by avoiding the augmentation of risk and prevent possible economic loss from the drilling of an unnecessary well. For without approval of this application, the applicant operator, in order to protect his correlative rights to gas from under the S/2 of Section 20 - a portion of which is probably being produced by others, would first have to drill a well of substantially higher risk in the SW/4 of Section 20, then if non-commercial, either plug the well or shut the well in as a pressure observation well, then drill a second well - one in the SE/4 of Section 20, in order to recover Basin Fruitland Coal Gas Pool reserves that are present under the S/2 of Section 20.

The proposed unorthodox location is located within the "NAPI" Irrigation Project and has received preliminary approval from all necessary surface regulatory agencies including an on-site inspection conducted on February 17, 1999 with BLM and NAPI and an on-site inspection conducted on February 22, 1999 with BIA. The Bureau of Indian Affairs, Navajo Indian Irrigation Project has given Archeological and Historical Clearance for the location; BIA Case File #: N48-99-03; Date Reviewed: February 18, 1999.

To comply with New Mexico Oil Conservation Rules, Roddy Production Co is submitting the following data for your approval of the proposed unorthodox location.

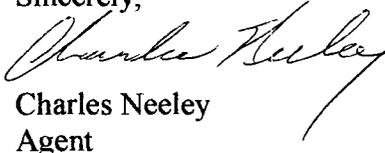
1. Copy of Notice of Staking to BLM.
2. Copy of C-102
3. Land plat showing offset operators and offsetting wells producing from the Basin Fruitland Coal Gas Pool.
4. Copy of Topographic Map with NAPI Farm Circles
5. Production Trend Map with 320 acre drainage circles for active wells producing from the Basin Fruitland Coal Gas Pool.

In accordance to New Mexico Conservation Division Rules, all offset operators are being notified of this application.

If additional information is needed, please feel free to contact me at 505-325-5220.

Your consideration of this application is appreciated.

Sincerely,



Charles Neeley
Agent

CC: NMOCD-Aztec, Offset Operators & BLM

Ms. Lori Wrotenbery
New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, New Mexico 87505

Re: Written Waiver for:
Administrative Approval Request for Unorthodox Location:
Roddy Production Company, Inc
Yockey No. 6
Basin Fruitland Coal Well
1495' FSL and 1060' FEL
Section 20, T27N, R11W, NMPM
San Juan County, New Mexico

Dear Ms. Wrotenbery:

_____ hereby waives any objections to the above referenced
Company Name
well location in San Juan County, New Mexico.

Signed: _____, _____, _____
Printed Name Title

Date: _____

PROPERTY MANAGEMENT & CONSULTING, INC.

3100 NORTHRIDGE DRIVE

P.O. BOX 2596

FARMINGTON, NEW MEXICO 87499-2596

(505) 325-5220 FAX (505) 325-6090

RECEIVED
FEB 16 PM 3:38

070 FARMINGTON, NM

February 15, 1999

Bureau of Land Management
Farmington District Office
1235 La Plata Highway, Suite A
Farmington, New Mexico 87401

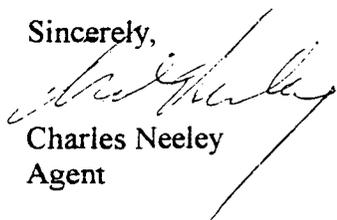
RE: Notice of Staking (NOS) – Roddy Production Company – Yockey No. 6

To Whom It May Concern:

As part of their 1999 development program, Roddy Production Company has staked their Yockey No. 6, Basin Fruitland Coal well. The staked location is 1495' from the south section line and 1060' from the east section line in Section 20 of Township 27 North and Range 11 West, NMPM in San Juan County, New Mexico.

This well was staked in the NE/SE as a non-standard or an unorthodox location for geological reasons. Application is being made to the NMOCD for administrative approval of this unorthodox location.

Sincerely,



Charles Neeley
Agent

Exhibit 1: Notice of Staking

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

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

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

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

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 14240		5 Property Name YOCKEY			6 Well Number 6
7 OGRID No. 36845		8 Operator Name RODDY PRODUCTION INC.			9 Elevation 6241

10 Surface Location

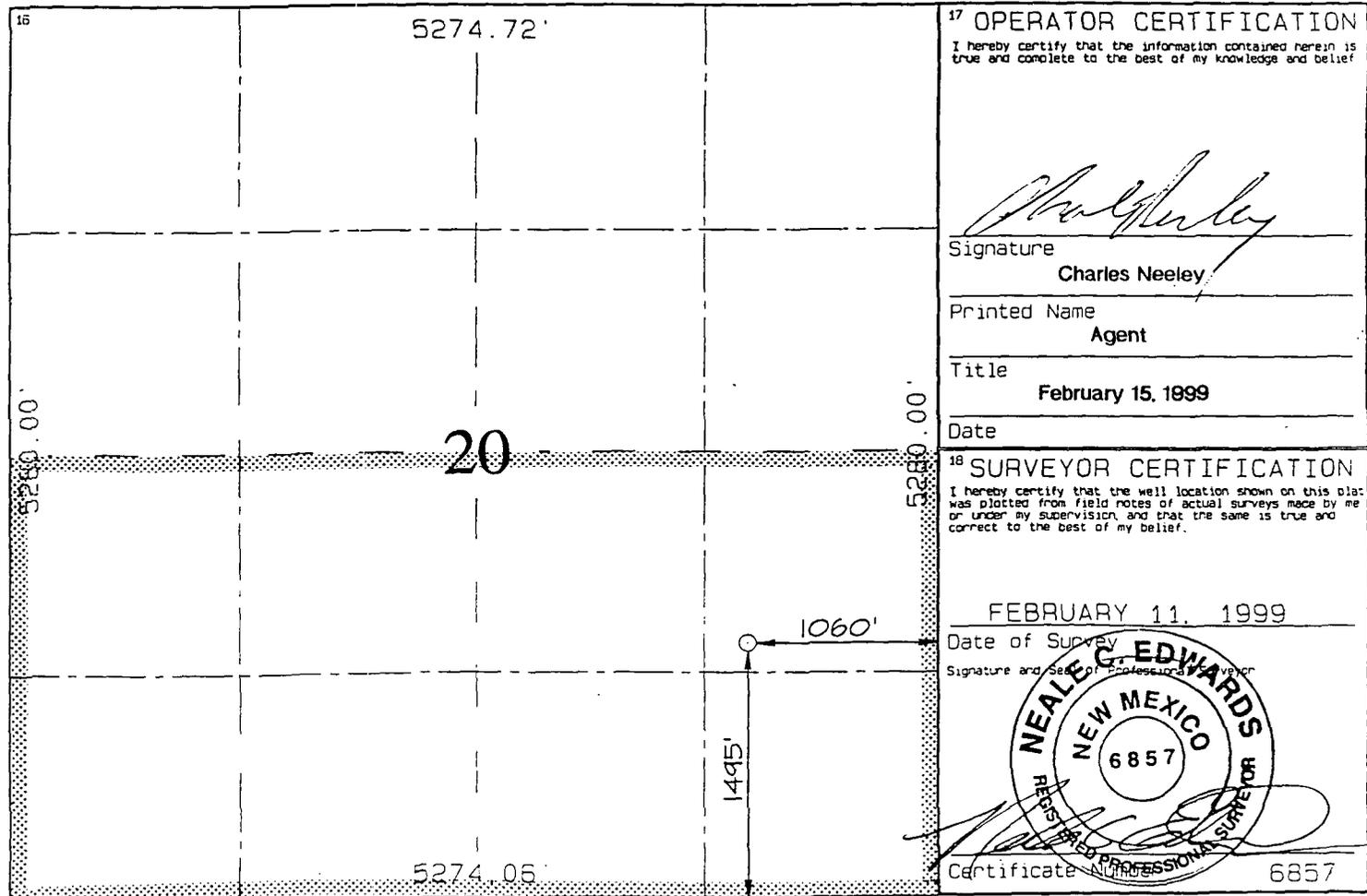
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	20	27N	11W		1495	SOUTH	1060	EAST	SAN JUAN

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 320	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



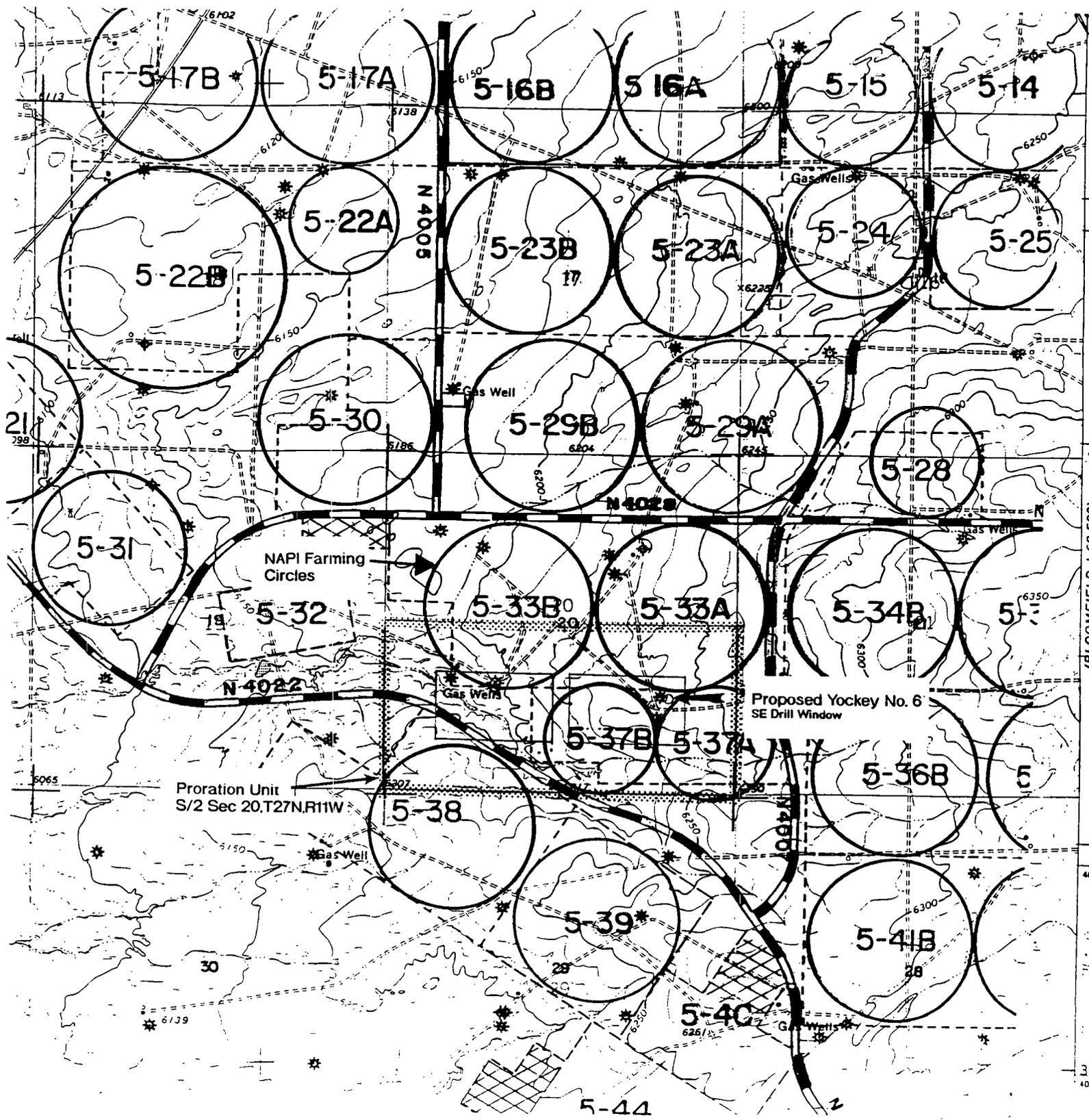
12	7			9		
079116	SF 078895	SF 080382	SF 080382 A	SF 078872-A	SF 07	
13	Louis Dreyfus ☼	Burlington ☼ P&A	Marathon ☼ SI	Marathon	Marathon ☼	
079115	18 ZA-SWF ☼ SF C78895	17 ☼ NM 02988	16 ☼ SF 080382-A	16 ☼ SF 080382-A	SF 078872-A	SF 078872 A
24	Dugan Prod NM 046568	Roddy Prod ☼ NM 029145	20	Marathon	Marathon ☼	2
035634	19 ☼ Texaco for Four Star O&G 149-Ind-9109	20 Roddy Prod 60% Burlington 40% Proposed Yockey No.6 ☼	21	☼ SF 080382 A	SF 078872 A	SF 07
21	Louis Dreyfus	Louis Dreyfus ☼	Louis Dreyfus ☼	Marathon	P.R.O. Mgmt	
25	30 SF 078896 Louis Dreyfus ☼ SI-SWF N.M. 0359211	29 ☼ SF 078896	28 Marathon ☼	SF 080382	SF 078872 A	2
079114 A				SF 080382 A	SF 078872 A	SF 07

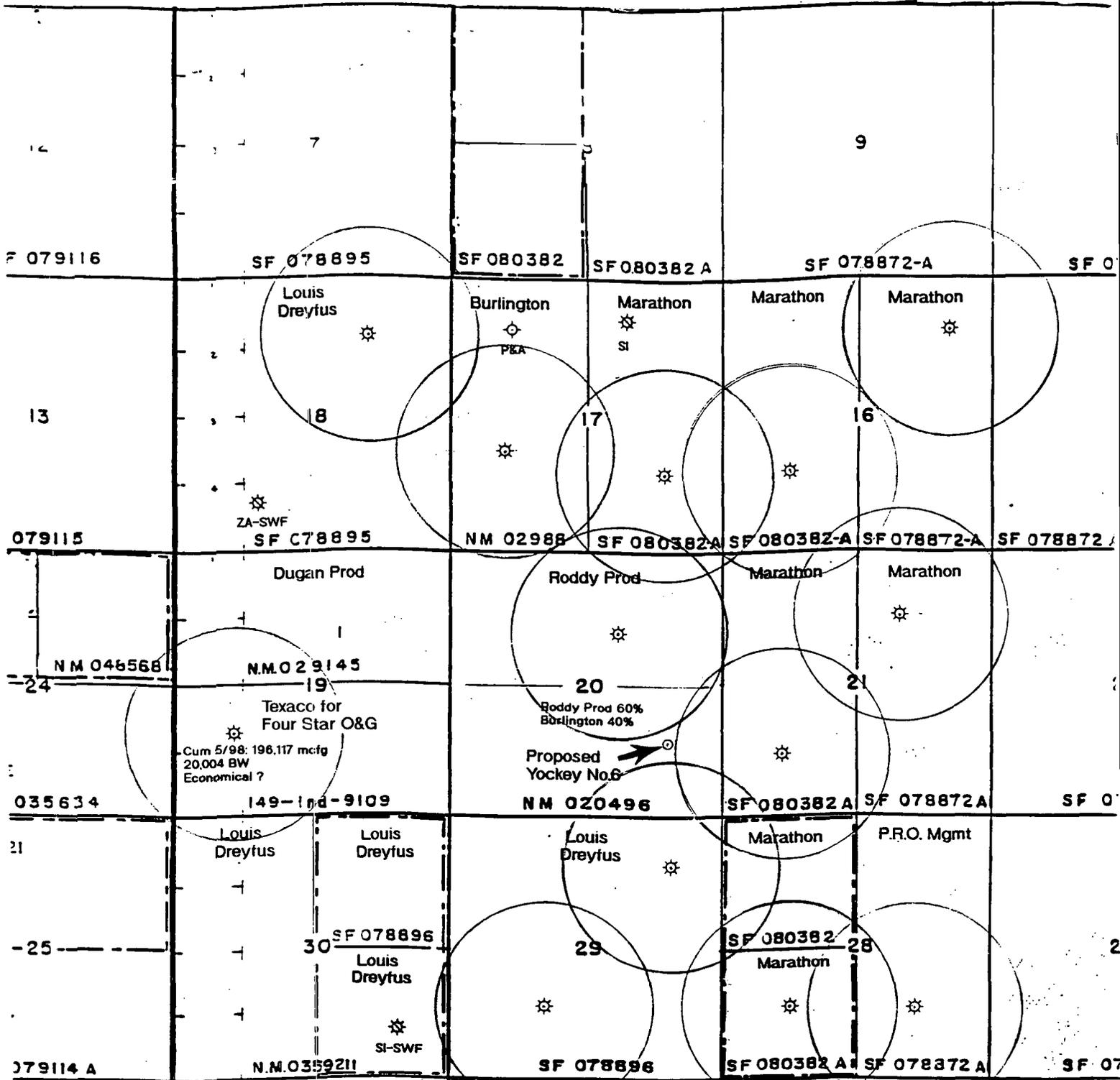
Roddy Production Company
Exhibit 3: Land Plat of Basin Fruitland Coal Operators
Sec 16, 17, 18, 19, 20, 21, 28, 29 & 30, T27N, R11W, NMPM
San Juan County, New Mexico

To the best of my knowledge, this information is current and correct.

Signed: *Barbara Hickey*, agent.

Roddy Production Company, Inc.
Exhibit 4: Topographic Map with NAPI Farm Circles
Yockey No. 6
1495' FSL & 1060' FEL
Section 20, T27N, R11W, NMPM
San Juan County, New Mexico





Roddy Production Company
Exhibit 5: Production Trend with Active Well 320 Acre Drainage Circles
Basin Fruitland Coal Gas Pool
Sec 16, 17, 18, 19, 20, 21, 28, 29 & 30, T27N, R11W, NMPM
San Juan County, New Mexico

P 863 184 118

Receipt for Certified Mail
No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

PS Form 3800, JUNE 1991

Sent to: *Howe Stac Oil & Gas Co.*
Street and No.
P.O., State and ZIP Code

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

Fold at line over top of envelope to the right of the return address

CERTIFIED

P 863 184 118

MAIL

P 863 184 115

Receipt for Certified Mail
No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

PS Form 3800, JUNE 1991

Sent to: *W.P. Shannon Hickok*
Street and No.
P.O., State and ZIP Code

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

Fold at line over top of envelope to the right of the return address

CERTIFIED

P 863 184 115

MAIL

P 863 184 114

Receipt for Certified Mail
No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

PS Form 3800, JUNE 1991

Sent to: *W. Matlock Co*
Street and No.
P.O., State and ZIP Code

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

Fold at line over top of envelope to the right of the return address

CERTIFIED

P 863 184 114

MAIL

P 863 184 117

Receipt for Certified Mail
No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

PS Form 3800, JUNE 1991

Sent to: *David Baylun Natural Products*
Street and No.
P.O., State and ZIP Code

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

Fold at line over top of envelope to the right of the return address

CERTIFIED

P 863 184 117

MAIL

P 863 184 116



Receipt for Certified Mail
No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

Sent to: *Wigan Production Corp*
Street and No.
P.O., State and ZIP Code

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	

Fold at line over top of envelope to the right of the return address

CERTIFIED

P 863 184 116

MAIL

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

03/04/99 14:01:50
OGOMES -TP0F
PAGE NO: 1

Sec : 20 Twp : 27N Rng : 11W Section Type : NORMAL

D 40.00 Federal owned A	C 40.00 Federal owned	B 40.00 Federal owned	A 40.00 Federal owned
E 40.00 Federal owned	F 40.00 Federal owned A	G 40.00 Federal owned A A	H 40.00 Federal owned

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

03/04/99 14:01:57
OGOMES -TPOH
PAGE NO: 2

Sec : 20 Twp : 27N Rng : 11W Section Type : NORMAL

L 40.00	K 40.00	J 40.00	I 40.00
Federal owned	Federal owned	Federal owned	Federal owned
A	A A		A
M 40.00	N 40.00	O 40.00	P 40.00
Federal owned	Federal owned	Federal owned	Federal owned
			A

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12