

ABOVE THIS LINE FOR DIVISION USE ONLY

**RECEIVED NEW MEXICO OIL CONSERVATION DIVISION**

2009 MAY 14 PM 1:23

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



API: 30-045-  
WELL NAME: Federal  
Com 31 No. 2  
CO: West Largo Corp.  
OGRID 37197

**ADMINISTRATIVE APPLICATION CHECKLIST**

6038

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

[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.

*Robert E. Fielder*

**PROPERTY MANAGEMENT & CONSULTING, INC.**

P. O. BOX 2596  
FARMINGTON, NEW MEXICO 87499-2596  
(505) 325-5220

May 13, 2009

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 Com 31 No. 2  
Basin Fruitland Coal  
533' FNL and 435' FWL, Sec 31, T29N, R8W, NMPM  
San Juan County, New Mexico

Dear Mr. Brooks:

West Largo Corp. respectfully requests that an unorthodox location be administratively approved for the Federal Com 31 No. 2 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, a vicinity map showing the Basin Fruitland Coal wells and spacing units in the sections contiguous to the west boundary of section 31, a topographic map of the section, a list of the operators in the affected spacing units to the west and an expanded scale topographic map.

The proposed location is unorthodox to the west section line of Section 31. West Largo Corp proposed to locate this well in the center (on a N-S line) of the undrilled portion of this NSPU to effectively drain the remainder of the spacing unit. The original well that established the spacing unit is located in the SW/4 of Section 31. The approximate legal location window is shown as the blue outlined rectangle on both topo maps. To accommodate their request to center the well in the spacing unit would require location either slightly south or north of the 30/31 section boundary. This area is entirely occupied by the cliffs of Manzanares Mesa. The alternative of a co-locate on the BP-Jones Com # 4M was looked at but not considered due to size constraints and potential liability for damage to their wellbore. An alternative site, marked A on the expanded scale topo, was also considered but it would have erosional issues due to its location in the catchment area where runoff from the cliffs gathers. We then moved south to get out of the drainage and ended at this proposed location just north of the existing access road. The proposed location could be moved up to 100 feet closer to the legal location window but this would take away the safety buffer for possible rock fall from the talus slopes above.

The closest offset Fruitland Coal well is approximately 1600 feet west and slightly south of this proposed location. The closest Fruitland coal well in the spacing unit northwest of this proposed location is approximately 2100 feet northwest.

Operators of the Basin Fruitland Coal wells to the west have been provided notice of this application by certified mail.

Please contact me at 505.320.1435 if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Robert E. Fielder". The signature is written in black ink and includes a long, sweeping horizontal line at the end.

Robert E. Fielder

Agent for West Largo Corp.

**List of West offset Operators  
of Basin Fruitland Coal wells**

**Section 25, T29N, R9W: E/2, Koch Exploration Company, LLC**

**Section 36, T29N, R9W: N/2, Burlington Resources Oil & Gas Company, LP  
S/2, Burlington Resources Oil & Gas Company, LP**

District I

1623 N. French Dr. Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, N.M. 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number	<sup>2</sup> Pool Code 71629	<sup>3</sup> Pool Name Basin Fruitland Coal
<sup>4</sup> Property Code 14167	<sup>5</sup> Property Name FEDERAL COM 31	<sup>6</sup> Well Number 2
<sup>7</sup> OGRID No. 37197	<sup>8</sup> Operator Name WEST LARGO CORP.	<sup>9</sup> Elevation 5976

<sup>10</sup> Surface Location

UL or Lot No.	Section	Township	Range	Lot Idn.	Feet from the	North/South Line	Feet from the	East/West Line	County
6	31	29 N	8 W		533	North	435	West	San Juan

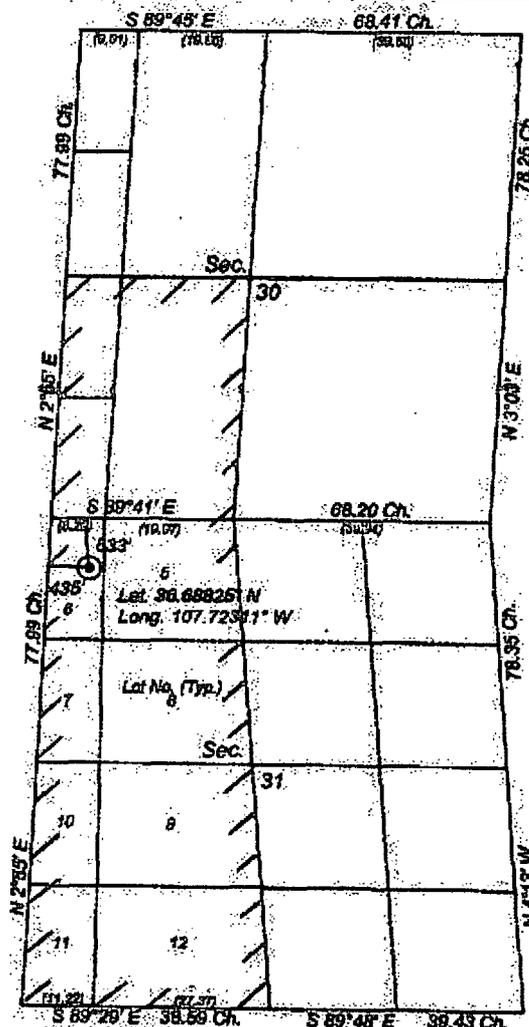
<sup>11</sup> Bottom Hole Location If Different From Surface

UL or Lot No.	Section	Township	Range	Lot Idn.	Feet from the	North/South Line	Feet from the	East/West Line	County

<sup>12</sup> Dedicated Acres 375.09	<sup>13</sup> Joint or Infill Y	<sup>14</sup> Consolidation Code C	<sup>15</sup> Order No. NSP-1662
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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.

Lease Numbers:  
SW/4 Sec. 30-SF079938  
W/2 Sec. 31-SF078487-A



<sup>17</sup> OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or otherwise retains an interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the state.

Signature \_\_\_\_\_ Date \_\_\_\_\_

Printed Name \_\_\_\_\_

<sup>18</sup> 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 \_\_\_\_\_

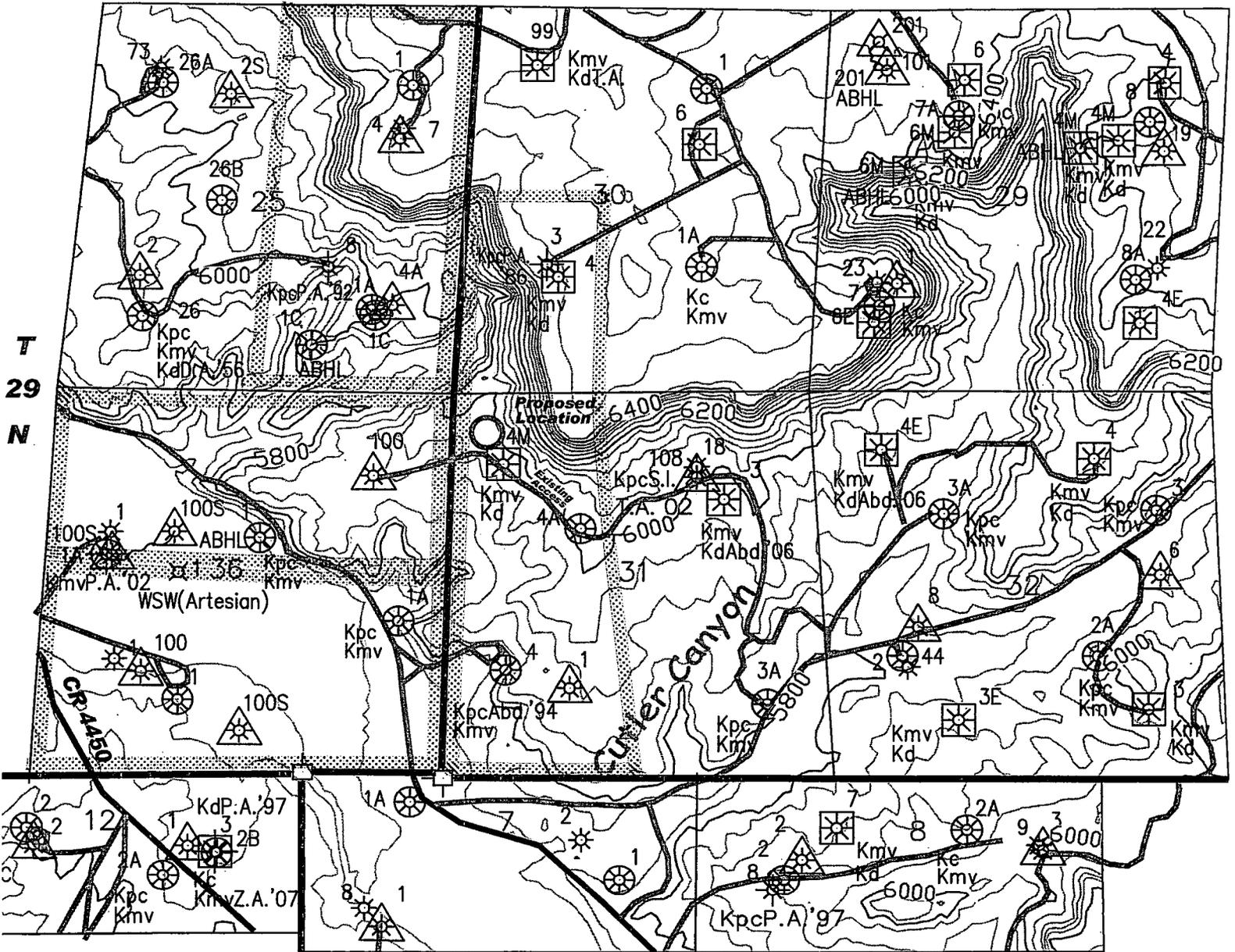
Signature and Seal of Professional Surveyor \_\_\_\_\_

William E. Mahrke II

Certificate Number 0466

R - 9 - W

R - 8 - W



# West Largo Corp.

## VICINITY MAP

Federal Com 31 #2

533' FNL, 435' FWL

SECTION 31, T29N / R8W

SAN JUAN COUNTY, NEW MEXICO

POSTED TO: 10-10-08 C.I. = 40' SCALE: 1"=2000'

Prepared by: **HOPKINS MAP SERVICE**  
P. O. BOX 536 FARMINGTON, N.M. 87499



Koch - A B Geren # 4  
64200

Koch - A B Geren # 4A  
64100

Proposed location  
5931

BRO&G - Koch State Com 100  
Jones Com # 4M

CANYON

WLC Fed1 31 # 1  
5758

West Largo Corp.  
Topographic Map  
Federal Com 31 # 2  
Scale: 1 inch = 2000 ft.

Cutter Canyon

CANYON

INDIAN IRRIGATION CANAL



West Largo Corp.  
Topographic Map  
Federal Com 31 # 2  
Scale: 1 inch = 1000 ft.

BRO&G - Koch State Com 100

BP-Jones Com # 4M

Proposed location

Koch - A B Geren # 4A

Koch - A B Geren # 4

36

x 5931

5989

22

6481

5188

GW

6570 x

6493

30

6447

6013

5998

6494

6433

**PROPERTY MANAGEMENT & CONSULTING, INC.**

P. O. BOX 2596

FARMINGTON, NEW MEXICO 87499-2596

(505) 325-5220

May 13, 2009

Burlington Resources Oil & Gas Company, LP  
P. O. Box 4289  
Farmington, NM 87499  
Attn: Sharon Zubrod

Re: Notice of Request for Administrative Approval of Unorthodox Location  
West Largo Corp.  
Federal Com 31 No. 2  
Basin Fruitland Coal  
533' FNL – 435' FWL, Section 31, T29N, R8W, NMPM  
San Juan Co., New Mexico

To Whom It May Concern:

West Largo Corp. is applying to the NMOCD for administrative approval of the unorthodox location for the subject well. A copy of the application is attached for your reference.

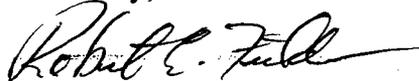
As operator in the Basin Fruitland Coal formation in the north and south half of Section 36, T29N, R9W you have the right to object to this approval by filing a written objection within twenty (20) days of the receipt of this application by the NMOCD. You may file this objection at the following address:

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

If you have no objection to the proposed approval, no action is required on your part.

Please feel free to call me at the above number if you have additional questions about this proposal.

Sincerely;



Robert E. Fielder  
Agent for West Largo Corp.

**PROPERTY MANAGEMENT & CONSULTING, INC.**

P. O. BOX 2596

FARMINGTON, NEW MEXICO 87499-2596

(505) 325-5220

May 13, 2009

Koch Exploration Company, LLC

P. O. Box 489

Aztec, NM 87410-00489

Attn: Don Johnson

Re: Notice of Request for Administrative Approval of Unorthodox Location

West Largo Corp.

Federal Com 31 No. 2

Basin Fruitland Coal

533' FNL – 435' FWL, Section 31, T29N, R8W, NMPM

San Juan Co., New Mexico

To Whom It May Concern:

West Largo Corp. is applying to the NMOCD for administrative approval of the unorthodox location for the subject well. A copy of the application is attached for your reference.

As operator in the Basin Fruitland Coal formation in the east half of Section 25, T29N, R9W you have the right to object to this approval by filing a written objection within twenty (20) days of the receipt of this application by the NMOCD. You may file this objection at the following address:

New Mexico Energy, Minerals and Natural Resources Dept.

Oil Conservation Division

1220 South St. Francis Dr.

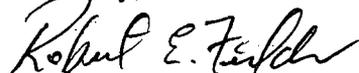
Santa Fe, NM 87505

Attn: Mr. David Brooks

If you have no objection to the proposed approval, no action is required on your part.

Please feel free to call me at the above number if you have additional questions about this proposal.

Sincerely;



Robert E. Fielder

Agent for West Largo Corp.

**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:

Koch Exploration Co. LLC  
 P.O. Box 489  
 Aztec, NM 87410-00489  
 Attn: Don Johnson

**COMPLETE THIS SECTION ON DELIVERY**

- A. Signature  Agent  Addressee
- X  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

2. Article Number (Transfer from service label)

7004 2890 0004 1771 3030

PS Form 3811, February 2004 Domestic Return Receipt

102595-02-M-1540

**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:

Burlington Resources Oil & Gas Company, LP  
 P.O. Box 4289  
 Farmington, NM 87499  
 Attn: Sharon Zubrod

**COMPLETE THIS SECTION ON DELIVERY**

- A. Signature  Agent  Addressee
- X  Received by (Printed Name)
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 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

2. Article Number (Transfer from service label)

7004 2890 0004 1771 3047

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

**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.

8 Records Found

Displaying Screen 1 of 1

- | <input type="radio"/> API Number                           | ULSTR   | Footages            |
|--|---|---------------------|
| <input type="radio"/> 3004507808                           | L -30-29N-8W                                  | 1750 FSL & 1090 FWL |
| <b>Well Name &amp; Number:</b> PRE-ONGARD WELL No. 003     |   |                     |
| <b>Operator:</b> PRE-ONGARD WELL OPERATOR                  |   |                     |
| <input type="radio"/> 3004507889                           | B -30-29N-8W                                  | 1090 FNL & 1550 FEL |
| <b>Well Name &amp; Number:</b> BOLIN No. 001               |   |                     |
| <b>Operator:</b> BURLINGTON RESOURCES OIL & GAS COMPANY LP |   |                     |
| <input type="radio"/> 3004521107                           | <input checked="" type="radio"/> G -30-29N-8W | 1850 FNL & 1600 FEL |
| <b>Well Name &amp; Number:</b> LIVELY No. 006              |   |                     |
| <b>Operator:</b> LIVELY EXPLORATION CO                     |   |                     |
| <input type="radio"/> 3004523373                           | J -30-29N-8W                                  | 1700 FSL & 1480 FEL |
| <b>Well Name &amp; Number:</b> BOLIN No. 001A              |   |                     |
| <b>Operator:</b> BURLINGTON RESOURCES OIL & GAS COMPANY LP |   |                     |
| <input type="radio"/> 3004524430                           | K -30-29N-8W                                  | 1580 FSL & 1250 FWL |
| <b>Well Name &amp; Number:</b> JONES COM No. 004           |   |                     |
| <b>Operator:</b> BP AMERICA PRODUCTION COMPANY             |   |                     |
| <input type="radio"/> 3004524648                           | C -30-29N-8W                                  | 800 FNL & 800 FWL   |
| <b>Well Name &amp; Number:</b> HUGHES LS No. 099           |   |                     |
| <b>Operator:</b> BP AMERICA PRODUCTION COMPANY             |   |                     |
| <input type="radio"/> 3004527050                           | B -30-29N-8W                                  | 1030 FNL & 1450 FEL |
| <b>Well Name &amp; Number:</b> PRE-ONGARD WELL No. 200     |   |                     |
| <b>Operator:</b> PRE-ONGARD WELL OPERATOR                  |   |                     |
| <input type="radio"/> 3004529015                           | C -30-29N-8W                                  | 1080 FNL & 900 FWL  |
| <b>Well Name &amp; Number:</b> PRE-ONGARD WELL No. 001B    |   |                     |
| <b>Operator:</b> PRE-ONGARD WELL OPERATOR                  |   |                     |

PC

MU

FC - Gallup

MU/Chacra

DK/MU

MU/OK

8 Records Found

Displaying Screen 1 of 1

### 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.

10 Records Found

Displaying Screen 1 of 1

API Number	ULSTR	Footages	
<input type="radio"/> 3004507643	L -31-29N-8W	1450 FSL & 790 FWL	MV/PC
<b>Well Name &amp; Number:</b> PRITCHARD No. 004			
<b>Operator:</b> BP AMERICA PRODUCTION COMPANY			
<input type="radio"/> 3004507702	H -31-29N-8W	1450 FNL & 1190 FEL	DK/MV
<b>Well Name &amp; Number:</b> PRITCHARD No. 003			
<b>Operator:</b> BP AMERICA PRODUCTION COMPANY			
<input type="radio"/> 3004522345	<u>P</u> -31-29N-8W	1000 FSL & 800 FEL	MV/PC/FC
<b>Well Name &amp; Number:</b> PRITCHARD No. 003A			
<b>Operator:</b> BP AMERICA PRODUCTION COMPANY			
<input type="radio"/> 3004522497	F -31-29N-8W	1830 FNL & 1705 FWL	MV
<b>Well Name &amp; Number:</b> PRITCHARD No. 004A			
<b>Operator:</b> BP AMERICA PRODUCTION COMPANY			
<input type="radio"/> 3004523420	B -31-29N-8W	1010 FNL & 1510 FEL	PC
<b>Well Name &amp; Number:</b> FLORANCE No. 108			
<b>Operator:</b> BP AMERICA PRODUCTION COMPANY			
<input type="radio"/> 3004524124	<del>F -31-29N-8W</del>	1750 FNL & 1610 FWL	
<b>Well Name &amp; Number:</b> <del>PRE-ONGARD WELL</del> No. 4			
<b>Operator:</b> <del>PRE-ONGARD WELL OPERATOR</del>			
<input type="radio"/> 3004528659	<u>B</u> -31-29N-8W	1149 FNL & 1519 FEL	FC
<b>Well Name &amp; Number:</b> LARGO 31B No. 018			
<b>Operator:</b> BP AMERICA PRODUCTION COMPANY			
<input type="radio"/> 3004528886	<u>N</u> -31-29N-8W	1210 FSL & 1630 FWL	FC
<b>Well Name &amp; Number:</b> FEDERAL COM 31 No. 001			
<b>Operator:</b> WEST LARGO CORP			
<input type="radio"/> 3004532197	C -31-29N-8W	955 FNL & 670 FWL	MV/DF
<b>Well Name &amp; Number:</b> JONES COM No. 004M			
<b>Operator:</b> BP AMERICA PRODUCTION COMPANY			
<input type="radio"/> 3004533227	<u>J</u> -31-29N-8W	1700 FSL & 1605 FEL	FC
<b>Well Name &amp; Number:</b> LARGO 31B No. 018S			
<b>Operator:</b> BP AMERICA PRODUCTION COMPANY			

10 Records Found

Displaying Screen 1 of 1