New Mexico Oil Conservation Commission

1000 RIO BRAZOS ROAD

March 14, 1960

Devonian Gas & Oil Cempony 2003 Commonwealth Building Pitteburgh 22, Penn.

Attn: Mr. J. B. Hurley, President

Ret Federal Well #1, NEiNWi Section 4-29N-12V, San Juan County, New Mexico

Dear Mr. Burleys

Reference is made to recent correspondence between this office, your company and the Texas Eastern Transmission Corporation regarding communitization of the above acreage.

Since my original letter to Texas Eastern on March 7, 1960 I have received a reply from Mr. William G. Berry, their division landman, I understand from his letter that they acknowledge the fact that this acreage was properly assigned to the Devonian Gas and Oil Company and that the only difficulty seems to be that a unitisation agreement has not been signed.

As both of your companies seem to be in agreement that the lease is owned by Devonian Gas and Oil Company and due to the fact that you also seem to both be in agreement that the unitisation will be signed, I do not believe that it is incumbent upon the Oil Conservation Commission to take any further action at this time. We will continue to assign the well an allowable and presume that the problem of the communitisation will be negotiated and resolved between your two companies.

Yours very truly

BCA1 ks

Emery C. Arnold Supervisor, District #3

oc: Kr. Oliver Payne
OCC, Santa Pe, N.M.

Texas Eastern Transmission Corp. Houston, Texas

New Mexico Oil Conservation Commission

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