District I PO Box 1980, Hobbs, NM 88241-1980

District II 811 South First, Artesia, NM 88210

District III

OIL CONSERVATION DIVISION 2040 South Pacheco

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-104 Revised October 18, 1994 Instructions on back Submit to Appropriate District Office 5 Copies

District IV		E NB4 07/	, ,	Sa	inta Fe,	NM 87	505] AM	ENDED REPOR	
2040 South Pac	heco, Sa			LLOWA	ABLE A	ND AU	J THO I	RIZAT	ION TO TI	RANSI			
Operator name and Address									² OGRID Number				
BILLCO ENERGY IV									002369 3 Reason for Filing Code				
FARMINGTON NM 87499									CH CH				
1 A 30 - 0 452	API Numi 24261	ber		' Pool Name Meadows Gallup						Pool Code			
	roperty C	ode	Property Name						* Well Number				
	161	155	Neilson								1		
		e Locatio						-		J			
	P 3 29N							outh Line	Feet from the		East/West line Co		
		n Hole Location		<u> </u>	240		South		330 Eas		τ	San Juan	
UL or lot no.				Lot Idn Fee		om the	North/South line		Feet from the	East/We	st line	County	
F		lucing Method		Connection 1	Date 15	C-129 Perm	it Number	1	C-129 Effective I)ate	" C-1	129 Expiration Date	
III. Oil and Gas Transporters													
"Transporter OGRID		19 Transporter Name and Address				²⁶ POD ²¹ O/O		²¹ O/G	²² POD ULSTR Location and Description				
008471		Gary Williams 370 E. 17th Street #5300 Denver CO 80202-5653					0						
007057		El Paso Natural Gas						G					
		P O Box 1492 E1 Paso TX 79978								- maren (4)	- n n r		
									一向官CEIVEIN				
									NOV 1 7 1994				
							OIL CON. DIV.						
V. Produ	iced V	Vater								פומומו	<u>ড</u>		
15	POD					¹⁴ POD UL	STR Locat	tion and D	escription		· · · ·	, , , , , , , , , , , , , , , , , , ,	
V. Well (a • Ready Date										
¹¹ Spud Date		Í		" TD		" PBTD		2º Perforations		³⁴ DHC, DC,MC			
:	31 Hole S	ize	32 Casing & Tubing Size			33 Depth Set			34 Sacks Ce		Cement		
····				· · · · · · · · · · · · · · · · · · ·									
												· · · · · · · · · · · · · · · · · · ·	
			- 		·····							······································	
/I. Well	Test I	Data Data	1									·	
33 Date New Oil		36 Gas Delivery Date		37 Test Date		T	34 Test Length		38 Tbg. Pressure		4 Csg. Pressure		
41 Choke Size		⁴² Oil		43 Water			44 Gas		45 AOI	7		** Test Method	
Thereby certify that the rules of the Oil Conservation Division have been complied with and that the information after above is true and complete to the best of my knowledge and belief. Signature:						OIL CONSERVATION DIVISION Approved by: Original Staned by FRANK T. CHAVEZ							
I like fent							THE CHOCKNEON DICTORY !! OR CO.						
David Tentler							Titl-SUPERVISOR DISTRICT # 3DEC 0 1 1994 Approval Date:						
President Pate: 11-17-94 Phone: 505-325-3404													
			the OGRID nun	ber and nam	e of the prev		or						
	ttach		avit of N					<u> 5</u>	YIE.	10	<u>'C.</u>		
	r revious	operator Sigi	atuic			l' inted	Name			Title		Date	

TULLY & JOLLEY

ATTORNEYS AT LAW

RICHARD T.C. TULLY, P.A.
RICHARD T.C. TULLY
MICHAEL W. CUNNINGHAM

111 NORTH ORCHARD AVENUE POST OFFICE BOX 268 FARMINGTON, NEW MEXICO 87499-0268 (505) 327-3388 • FAX: (505) 325-8232 VAL R. JOLLEY, P.A.

November 15, 1994

Evelyn B. Nielsen and Gordon P. Nielsen P. O. Box 1014 Springfield, VA 22151

RE: Affidavit of Non-Development, Non-Production, and Non-

Payment of Royalties

Dear Mr. and Mrs. Nielsen:

Enclosed is the original of the above-captioned Affidavit which was filed in Book 1192, Page 84 of the records of San Juan County, New Mexico on November 9, 1994.

By copy of this letter we are sending copies of this Affidavit to the New Mexico Oil Conservation Division and Billco Energy.

Please advise if you need further information or assistance.

Sincerely,

RICHARD T.C. TULLY

ENC.

cc w/enc:

Frank Chavez, District Supervisor New Mexico Oil Conservation Division 1000 Rio Brazos Aztec, NM 87410

David Tentler
Billco Energy
P. O. Box 3038
Farmington, NM 87499

REC DOC 2.00

AFFIDAVIT OF NON-DEVELOPMENT, NON-PRODUCTION, AND NON-PAYMENT OF ROYALTIES

STATE OF VIRGINIA) ss COUNTY OF Fairfay)

EVELYN B. NIELSEN and GORDON P. NIELSEN, her spouse, whose address is P. O. Box 1014, Springfield, VA 22151, of lawful age, an upon being first duly sworn on their oath, state as follows:

That they are familiar with the lands described in the Oil and Gas Lease dated June 28, 1980 between Evelyn Brimhall Nielsen, "Lessor", and S & I Oil Company, "Lessee", which Lease was filed in Book 899, Page 127 of the records of San Juan County, State of New Mexico on January 27, 1981, and covers the following described lands and formations located in San Juan County, New Mexico:

Township 29 North, Range 15 West, N.M.P.M. Section 3: SE/4 SE/4
Containing 40 acres, more or less
Limited from the surface down to a depth of 6,500 feet and no deeper

That Affiants see the lands frequently and they know of their own personal knowledge, information, and observation that since January, 1991 no oil, gas, and associated hydrocarbons have been produced nor is there any shut-in well located on any part of these lands; and that no development nor drilling operations for oil, gas, and

associated hydrocarbons have been or are being prosecuted upon these lands since January, 1991.

Affiants state that no royalty payments have been paid, tendered, or received by them since August 11, 1991. This last royalty payment covered the production months of July through December, 1990. Affiants also state they have not at any time executed any extensions of the above-described Oil and Gas Lease.

The Affiants state that, based upon their own personal knowledge, information, and observation, any and all oil and gas leases covering these lands are now expired, forfeited, cancelled, or terminated; and that no conditions, circumstances or events exist or have occurred which would have allowed any prior oil and gas leases to continue to be in force and effect at this time. Affiants state they will not by acceptance of any royalty payment or in any other manner recognize any oil and gas leases as valid or existing leases.

FURTHER Affiants sayeth naught.

Evelyn B. Nielsen

Gordon P. Nielsen, her spouse

of November, 1994 by EVELYN B. NIELSEN and GORDON P. NIELSEN, her spouse.

My commission expires:

/

FILED OR RECORDED

SOOK 7/92 PAGE 3 7 SAN IIIAN COUNTY NEW MEXIC

NOV 0 9 1994

11:15 octoor A

COUNTY CLERK)

EPUTY

SEC 8 C 0 98874 FFES \$ 9 000

2