



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION



BRUCE KING
GOVERNOR

ANITA LOCKWOOD
CABINET SECRETARY

November 2, 1993

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Marks & Garner
P.O. Box 70
Lovington, NM 88260

Attention: Link Marks

RE: Request for administrative approval for a 40-acre non-standard gas proration unit, North San Simon-Yates Associated Pool, SE/4 NE/4 of Section 19, Township 21 South, Range 35 East, NMPM, Lea County, New Mexico.

Dear Mr. Marks:

Subsequent to my initial review of the subject application I find that more information will be required. Please submit a plat clearly showing the offset operators to the proposed non-standard unit. Also, were all of the interest owners in the W/2 NE/4 and SE/4 NE/4 of said Section 19 notified of this application (see Rule 4(b)(3) of the General Rules and Regulations for the Associated Oil and Gas Pools of Northwest and Southeast New Mexico, as promulgated by Division Order No. R-5353, as amended).

I understand my request is somewhat unusual, however I feel it is necessary considering the fact that Collins & Ware, Inc. operates the State "19" Well No. 1 in Unit A as an oil well in which the NE/4 NE/4 is already dedicated, and Rule 5(b) does not allow simultaneous dedication of any acreage to an oil well and a gas well. Further, said rule requires the Division to protect all interest owners in the remaining 120 acres contained in the NE/4.

Thank you for your cooperation and understanding.

Sincerely,

A handwritten signature in dark ink, appearing to read "Michael E. Stogner".

Michael E. Stogner
Chief Hearing Officer/Engineer

cc: Oil Conservation Division - Hobbs
NM State Land Office - Santa Fe

MARKS & GARNER
P O Box 70
Lovington, NM 88260

6 December 1993

OIL CONSERVATION DIVISION
RECEIVED
'93 DE ' 8 AM 9 '36

New Mexico Oil Conservation Division
P O Box 2088
Santa Fe, NM 87504

Attn: Michael E Stogner

Re: Request for Administrative Approval of
Non-Standard Gas Proration Unit,
North San Simon - Yates Associated Pool,
SE/4 NE/4 Section 19-T21S-R35E, Lea County.

Gentlemen:

Pursuant to your letter of 2 November 93, the following additional information is submitted in support of the captioned application:

- 1.) A take-off prepared by Lea County Abstract Company identifying the working interest and overriding royalty interest owners in the remaining 120 acres of the NE/4.
- 2.) Receipts of Certified Mail to each of those owners furnishing them with a copy of the application.
- 3.) A schematic plat showing the offset operators to the proposed Non-Standard unit.

I trust that the above information will satisfy your requirements and put us in compliance for approval of the application upon the expiration of the waiver period. Please notify us if anything further is required.

Respectfully submitted,

MARKS & GARNER



R M Williams, Agent

No. 37494

Compiled for: Quality Production Company
P. O. Box 250
Hobbs, New Mexico 88240

TAKE-OFF OF WORKING INTEREST AND OVERRIDING ROYALTY INTEREST UNDER THE
FOLLOWING DESCRIBED LANDS:

N/2 NE/4 and SW/4 NE/4 of Section 19, Township 21 South, Range 35 East,
N.M.P.M., Lea County, New Mexico.

Insofar as such rights were created under Oil & Gas Lease executed by
the State of New Mexico, dated December 19, 1949 in favor of Wilson
Oil Company.

WORKING INTEREST OWNER	INTEREST	OVERRIDING ROYALTY INTEREST OWNER AND INTEREST
NE/4 NE/4 from the surface to a depth of 5,200 feet		
Collins & Ware, Inc. 600 West Illinois - Suite 701 Midland, Tex. 79701	45.0%	None of Record
Wm. Scott Ramsey wife: Ellen K. 1302 Lawson Ave. Midland, Tex. 79701	7.50%	
RJR Resources 310 West Wall - Suite 906 Midland, Tex. 79701	22.50%	
Lucille T. Ellis 500 North Big Spring Midland, Tex. 79701	22.50%	
Glen J. Ellis, Jr. 500 North Big Spring Midland, Tex. 79701	2.50%	
NW/4 NE/4 & SW/4 NE/4 from the surface to a depth of 5,200 feet		
Kaiser-Francis Oil Co. 6733 South Yale P. O. Box 21468 Tulsa, Okla. 74121-1468	100.0%	None of Record

PLEASE TAKE NOTE

This report was prepared at the request of the entity set forth hereinabove, and done so with the distinct understanding that it was done so for informational purposes only. Any other use hereof is done so without the consent of this Company and is done so at the sole risk of the entity hereinabove set forth.

Any and all liability hereunder is limited to that between this Company and the entity for whom it was prepared. Liability is further limited to refund of a portion, up to and including the full purchase price of this report. Any use by a party other than as stated herein is done so at the sole risk of such other party.

NOTE: You are cautioned not to use the information set forth herein as evidence of title.

This report completed as of November 12, 1993 at 7:00 o'clock A.M.

Compiled by
SECURITY TITLE-LEA COUNTY ABSTRACT COMPANY
115 East Washington
Lovington, N.M. 88260

Refer to no. 37494

P 567 655 796

Z 004 848 705

Z 004 848 704

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(See Reverse)Receipt for
Certified MailNo Insurance Coverage Provided
Do not use for International Mail
(See Reverse)Receipt for
Certified MailNo Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

U.S.G.P.O. 1989-234-555

PS Form 3800, June 1985

Sent to <i>Collins & Warr</i>	
Street and No. <i>608 W. Illinois - Suite 701</i>	
P.O., State and ZIP Code <i>Midland, TX 79701</i>	
Postage	\$ <i>29</i>
Certified Fee	<i>1.00</i>
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	
Return Receipt showing to whom, Date, and Addressee's Address	
TOTAL Postage and Fees	\$ <i>1.29</i>
Postmark or Date	

PS Form 3800, March 1993

Sent to <i>Wm. Scott Ramsey</i>	
Street and No. <i>1302 Lawson Ave</i>	
P.O., State and ZIP Code <i>Midland, TX 79701</i>	
Postage	\$ <i>29</i>
Certified Fee	<i>1.00</i>
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	\$ <i>1.29</i>
Postmark or Date	

PS Form 3800, March 1993

Sent to <i>RJR Resources</i>	
Street and No. <i>310 W. Wall - Suite 906</i>	
P.O., State and ZIP Code <i>Midland, TX 79701</i>	
Postage	\$ <i>29</i>
Certified Fee	<i>1.00</i>
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	\$ <i>1.29</i>
Postmark or Date	

Z 004 848 703

Z 004 848 702

Z 004 848 701

Receipt for
Certified MailNo Insurance Coverage Provided
Do not use for International Mail
(See Reverse)Receipt for
Certified MailNo Insurance Coverage Provided
Do not use for International Mail
(See Reverse)Receipt for
Certified MailNo Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

PS Form 3800, March 1993

Sent to <i>Lucille T. Ellis</i>	
Street and No. <i>500 N. Big Spring</i>	
P.O., State and ZIP Code <i>Midland, TX 79701</i>	
Postage	\$ <i>29</i>
Certified Fee	<i>1.00</i>
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	\$ <i>1.29</i>
Postmark or Date	

PS Form 3800, March 1993

Sent to <i>Glenn T. Ellis, Jr.</i>	
Street and No. <i>500 N. Big Spring</i>	
P.O., State and ZIP Code <i>Midland, TX 79701</i>	
Postage	\$ <i>29</i>
Certified Fee	<i>1.00</i>
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	\$ <i>1.29</i>
Postmark or Date	

PS Form 3800, March 1993

Sent to <i>Kaiser-Francis Oil</i>	
Street and No. <i>Box 21468</i>	
P.O., State and ZIP Code <i>Tulsa, OK 74121</i>	
Postage	\$ <i>29</i>
Certified Fee	<i>1.00</i>
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	\$ <i>1.29</i>
Postmark or Date	

MASTER

Sec. 17

Ultramar

Sr	Fe	Energy
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Marks &
Gerner

Sec. 20

B56w 0:1

Sec. 29

7215-R35E