



Texaco Exploration and Production Inc

3300 N Butler
Farmington NM 87401

August 19, 1994

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
PO BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504

Attention: David Catanach

RE: **Application for exception to NMOCD Rule 303-A: Downhole Commingle of
H.J. Loe Federal B No. 2E 1700' FNL & 1050' FWL, Unit E, Sec. 23-T29N-
R12W, NMPM, San Juan County, New Mexico**

Dear Mr. Catanach:

Texaco Exploration and Production Inc. respectfully requests administrative approval to downhole commingle the Fulcher Kutz Pictured Cliffs Gas Pool and the Basin Dakota Gas Pool within the referenced well. Approval of this application would require an exception to NMOCD Rule 303-a. Please accept the attached information in your consideration of this matter. All offset operators were notified of this request by certified mail and were sent a copy of the supporting information (copy of return receipt cards attached).

Production methods are limited due to the 4-1/2" production casing the well is completed with. This size of casing does not offer sufficient room to run adequately sized tubing strings to each formation. The downhole commingling of these zones will offer an economic method of production without reservoir damage, waste reserves, or violation of correlative rights.

If you have and questions concerning this matter please contact Mr. Robert Schaffitzel at (505) 325-4397, ext. 27. Your attention to this matter is greatly appreciated.

Sincerely,

Ted A. Tipton
Area Manager

BEFORE THE
OIL CONSERVATION DIVISION
Santa Fe, New Mexico

RFS/s

Case No. 11100 Exhibit No. 1

Attachments
NMOCD-Aztec
file

Submitted by: Texaco Exploration and
Production Inc.
Hearing Date: October 13, 1994

Application for Exception to Rule 303-Segregation of Production From Pools

- (1) **Name and address of the operator:** Texaco Exploration and Production
3300 N. Butler Suite 100
Farmington, NM 87401
- (2) **Lease name, well number, well location, name of the pools to be commingled.**

Lease Name: H.J. Loe Federal B
Well Number: 2E
Well Location: 1700' FNL & 1050' FWL, Unit E, Sec. 23
T29N-R12W, NMPM
San Juan County, New Mexico

Pools to Commingle: Fulcher Kutz, Pictured Cliffs
Basin, Dakota

- (3) **A plat of the area showing the acreage dedicated to the well and the ownership of all offsetting leases.**

Attached (Attachment I, II, III, IV)

- (4) **A current (within 30 days) 24-hour productivity test on Division C-116 showing the amount of oil, gas and water produced from each zone.**

The C-115 for H.J. Loe Federal B 2E Basin Dakota and Fulcher Kutz Pictured Cliffs are attached (Attachment V, VI).

- (5) **A production decline curve for both zones showing that for a period of at least one year a steady rate of decline has been established for each zone for statistical purposes. (This requirement may be dispensed with in the case of a newly completed or recently completed well which has little or no production history. However, a complete resume of the well's completion history including description of treating, testing, etc., of each zone, and a prognostication of future production from each zone shall be submitted.)**

Dakota completion: Decline curve attached (Attachment VII), well has effective annual decline of 5.13 % and a calculated GOR of 188,732 SCF/STB.

P.C. completion: Decline curve attached (Attachment VIII), formation was perforated at 1636'-1734' and stimulated on November 4, 1992 with 29,300 GALs of X-linked gel with 125,220 LBS of 20/40 sand followed with 10,000 LBS of Resin coated sand. The well was cleaned. The well is currently shut-in and both zones are logged off awaiting final production equipment and regulatory approvals.

Currently both zones are logged off due to insufficient bottom hole pressure on the PC formation therefore limiting production from the well. The Dakota zone has a 1.060 I.D. tubing string that causes too much friction loss to produce the well (Attachment IX, current completion).

Application for Exception to Rule 303-Segregation of Production From Pools Requirements Continued.

- (6) Estimated bottomhole pressure for each artificially lifted zone. A current (within 30 days) measured bottomhole pressure for each zone capable of flowing.

Dakota completion: 450 psig (Attachment X)
Fulcher Kutz completion: 249 psig (Attachment XI)

The Fulcher Kutz pressure was a 72 hour shut-in pressure obtained from a State of NM packer leakage test conducted 12-20-93. The Dakota P_{BH} was calculated using a seven day shut-in pressure, read at the surface. The pressure was taken from a State of NM packer leakage test dated 11-23-92. The pressure differential between the zones will not present a crossflow problem. The proposed method of production is to run a 2-3/8" tubing string to the bottom of the Dakota perforations and run rods and install a pumping unit to pump both zones this will keep all fluids off the Dakota formation.

- (7) A description of the fluid characteristics of each zone showing that the fluids will not be incompatible in the well-bore.

The fluids have no abnormal components that would prohibit commingling, or promote the creation of emulsions or scale (see attachment XII-A,B, produced water analysis).

- (8) A computation showing that the value of the commingled production will not be less than the sum of the individual streams.

<u>Dakota Production</u>		<u>Fulcher Kutz PC Production</u>	
Oil, BOPD	1	Oil, BOPD	0
Gas, MCFD	138	Gas, MCFD	168
Water, BWPD	1.5	Water, BWPD	12

The combined production from the PC and Dakota formations will be approximately 362 MCFD, 1 BOPD, and 18 BWPD. The increase in production will occur due to the pressure drop on both formations because the fluid will be pumped out through the 2 3/8" tubing and the gas will flow free of fluid up the 4.5" casing.

- (9) A formula for the allocation of production to each of the commingled zones and a description of the factors or data used in determining such formula.

Using our anticipated rates as shown in item #8 as an example, allocation will be calculated as follows:

	<u>Gas</u>	<u>Oil</u>	<u>Water</u>
Pictured Cliffs	168/306=55%	0/1=0%	12/13.5=89%
Dakota	138/306=45%	1/1=100%	1.5/13.5=11%

- (10) A statement that all offset operators and, in the case of a well on federal land, the United States Bureau of Land Management, have been notified in writing of the proposed commingling.

All offset operators and the BLM have been notified. Please find attached, signed return receipt cards from each operator.

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088
RECEIVED
BLM

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

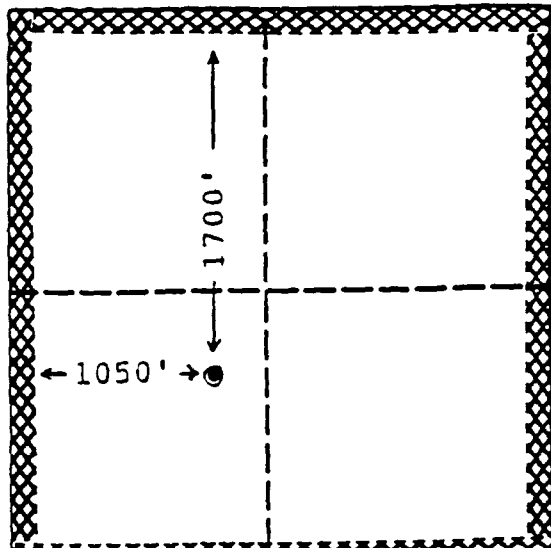
All Distances must be from the outer boundaries of the section

02 DEC 15 PM 1:09
018 FARMINGTON, N.M.

RECEIVED
BLM
15

Operator Texaco E & P Inc.			Lease H.J. Loe Federal B			Well No. 2E		
Unit Letter E	Section 23	Township 29N	Range 12W	County NMPM	San Juan			
Actual Footage Location of Well: 1700' feet from the North line and 1050' feet from the West line								
Ground level Elev. 5659'		Producing Formation Pictured Cliffs		Pool Fulcher Kutz		Dedicated Acreage: 160 Acres		

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc?
☐ Yes ☐ No If answer is "yes" type of consolidation _____
If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary).
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.

			
SEC.			
		Attachment I OPERATOR	

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Printed Name

Ted A. Tipton

Position

Area Manager

Company

Texaco Inc.

Date

11-09-92

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

Signature & Seal of
Professional Surveyor

ACCEPTED FOR RECORD

DEC 16 1992

OFFSET OPERATORS
H.J. LOE FEDERAL 'B' LEASE
SEC. 23 T29N / R12W
BASIN DAKOTA FIELD

15 AMOCO PROD. CO	AMOCO PROD. CO	SOUTHLAND ROYALTY CO.
	14 MERIDIAN OIL, INC	13 CONOCO INC.
UNOCAL	TEXACO E&P, INC	CONOCO INC.
22 AMOCO PROD. CO	23	24 AMOCO PROD. CO
AMOCO PROD. CO	AMOCO PROD. CO	AMOCO PROD. CO
27	26	25

OFFSET OPERATORS
H.J. LOE FEDERAL 'B' LEASE
SEC. 23 T29N / R12W
FULCHER KUTZ PICTURED CLIFFS

15	14	PRODUCING ROYALTIES INC. SOUTHLAND ROYALTY CO. 13
22	R & G DRILLING CO. TEXACO E&P, INC 23	ALPINE OIL & GAS RODDY PROD. CO. INC. 24
27	26	25

**OFFSET OPERATORS
H.J. LOE FEDERAL B-2
T29N/R12W**

Alpine Oil & Gas Corporation
Box 2567
Durango, CO 81302
(303)247-5386

R & G Drilling Company, Inc.
204 N. Auburn Ave.
Farmington, NM 87401

Amoco Production Company
200 Amoco Court
Farmington, NM 87401
(505)326-9200

Roddy Production Company Inc.
3001 Northridge Dr.
Farmington, NM 87401
(505)325-5750

Conoco Inc.
Petroleum Center Bldg. Ste. 115
501 Airport Dr.
Farmington, NM 87401
(505)327-9557

Southland Royalty Company
Box 4239
2919 Allen Pkwy.
Houston, TX 77210
(713)831-1600

Meridian Oil Inc.
3535 E. 30
Farmington, NM 87401
(505)326-9700

Unocal Corporation
Box 850
Bloomfield, NM 87413
(505)632-1811

Producing Royalties Inc.
Box 1071
4433 Brownfield Hwy.
Lubbock, TX 79408
(806)791-1133

State of New Mexico
Energy, Minerals, and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. BOX 2088
Santa Fe, New Mexico 87504-2088

Brazos Rd., Aztec, NM 87410

For
Month,
Year

08 1993 Page 39 of 125

TEXACO EXPLORATION & PRODUCTION INC.

3300 NORTH BUTLER
FARMINGTON, NM 87401

Zip

NAME (Underline)		INJECTION		PRODUCTION			DISPOSITION OF GAS				DISPOSITION OF OIL						
WELL STATUS	VOLUME	PRESS.	BARRELS OIL/COND. PRODUCED	BARRELS OF WATER PRODUCED	GAS PRODUCED (MCF)	DAYS PROD	SOLD	TRANS. PUR-TER	OTHER	CON	OIL ON HAND AT BEG. OF MONTH	BBLS TO TRANS-PORTER	TRANS. PUR-TER	OTHER	CON	OIL ON HAND AT END OF TH	
OTA (PRORATED GAS)																	
J. FEDERAL "B"																	
1554 2E	E 23 28N 12W	P	0	0	0	146 30											
1563 2R	G 23 28N 12W	P	0	38	0	12561 30											
1555 3	M 23 28N 12W	P	0	52	0	8128 30											
1555 3E	O 23 28N 12W	P	0	8	0	6323 30											
			0	100	0	28158	28159 TEP				210	0				310	
STATUS CODE							OTHER GAS DISPOSITION CODE				OTHER OIL DISPOSITION CODE				I HEREBY CERTIFY THAT THE INFORMATION GIVEN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE		
F FLOWING P PUMPING G GAS LIFT S SHUT IN T TEMP. ABANDONED I INJECTION							X USED OFF LEASE D USED FOR DRILLING G GAS LIFT L LOST (MCF ESTIMATED) E EXPLANATION ATTACHED R REPRESSURING OR				C CIRCULATING OIL L LOST S SEDIMENTATION (BS & W) E EXPLANATION ATTACHED T THEFT				T. A. TIPTON (TYPED NAME) AREA MANAGER (POSITION)		

501
(PHONE NUMBER)

T. A. TIPTON

AREA MANAGER

(POSITION)

Santa Fe
Dist. Office
lease is located
Transporter (s)

50

OPERATOR'S MONTHLY REPORT

Form C-115 - Revised 1-1-93
See Distribution and Code
Information Bottom of Page

State of New Mexico
Energy, Minerals, and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. BOX 2088
Santa Fe, New Mexico 87504-2088

For Month, Year: 06 1994 Page 108 of 126

3300 NORTH BUTLER
FARMINGTON, NM 87401

TEXACO EXPLORATION & PRODUCTION INC.

NAME (Underline)		WELL STATUS	INJECTION		PRODUCTION				DISPOSITION OF GAS				DISPOSITION OF OIL						
Lease Name			VOLUME	PRESS.	BARRELS OIL COND PRODUCED	BARRELS OF WATER PRODUCED	GAS PRODUCED (MCF)	PROD. SAVE	SOLV	TRANS. PORTER	OTHER	CODE	OIL ON HAND AT BEG. OF MONTH	BBLS TO TRANS-PORTER	TRANS. PORTER	OTHER	CODE	OIL ON H' AT J/ MONTH	
UTZ PICTURED CLIFF (GAS)																			
J. FEDERAL "B"																			
554	2E	23 29N 12W	P	0	0	0	199	698 30											0
955	3	23 29N 12W	P	0	0	0	0	8691 30											
555	3E	23 29N 12W	P	0	0	0	792	7494 30											
				0		0	991	16883	16883 TEP			0	0	0	0	0			0

I HEREBY CERTIFY THAT THE INFORMATION GIVEN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE

T. A. TIPTON
(TYPED NAME)

AREA MANAGER
(POSITION)

505 325-4347
(PHONE NUMBER)

STATUS CODE
F FLOWING
P PUMPING
G GAS LIFT
S SHUT IN
T TEMP. ABANDONED
I INJECTION

OTHER GAS DISPOSITION CODE
X USED OFF LEASE
D USED FOR DRILLING
C GAS LIFT
L LOST (MCF ESTIMATED)
E EXPLANATION ATTACHED
R REPRESSURING OR

OTHER OIL DISPOSITION CODE
C CIRCULATING OIL
L LOST
S SEDIMENTATION (BS & W)
E EXPLANATION ATTACHED
T THEFT

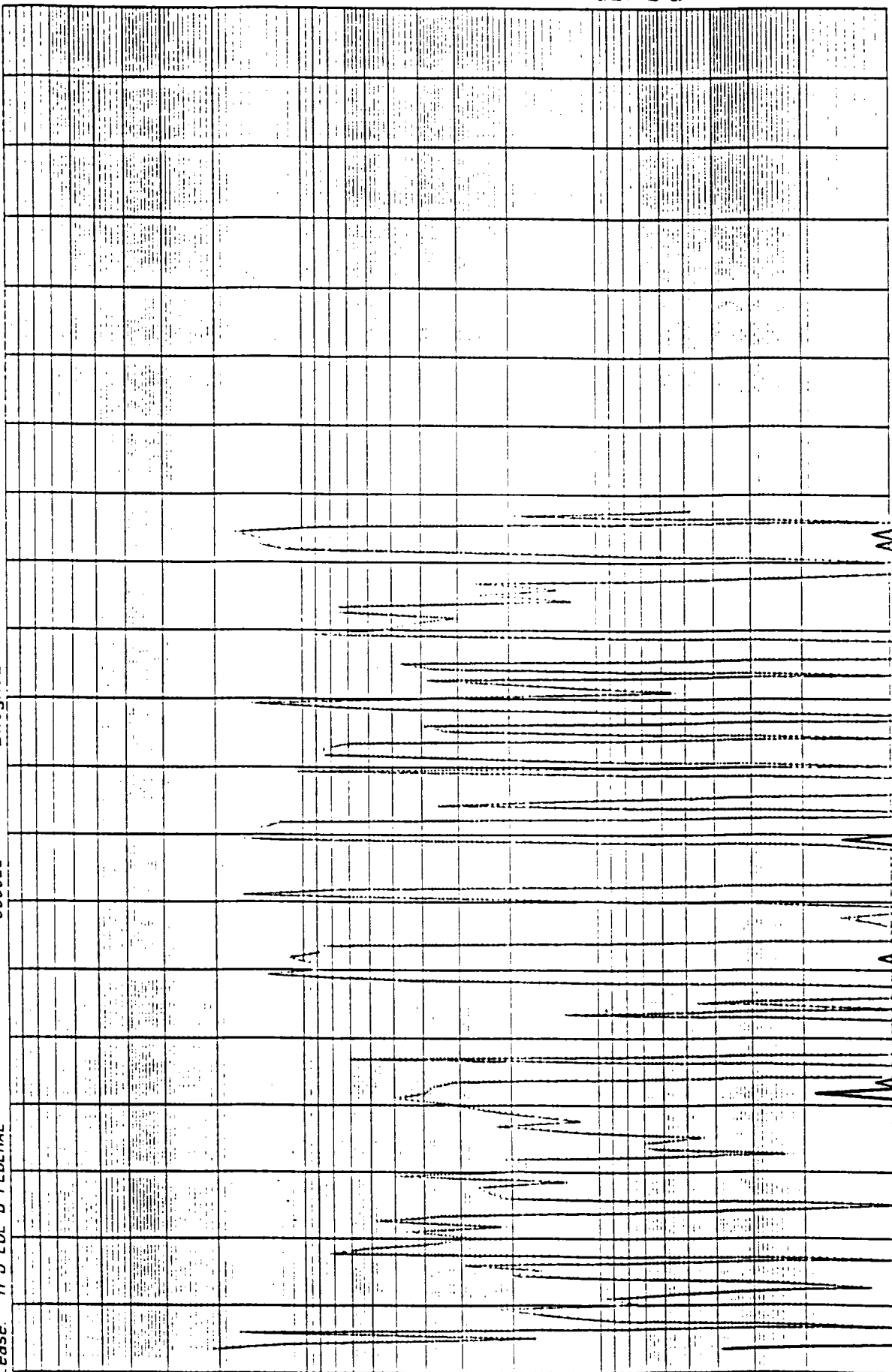
1000
1000

Lease: H J LOE B FEDERAL

00002E

Dwights

Retrieval Code: 251, 045, 29N12W23E00DK



State: NM

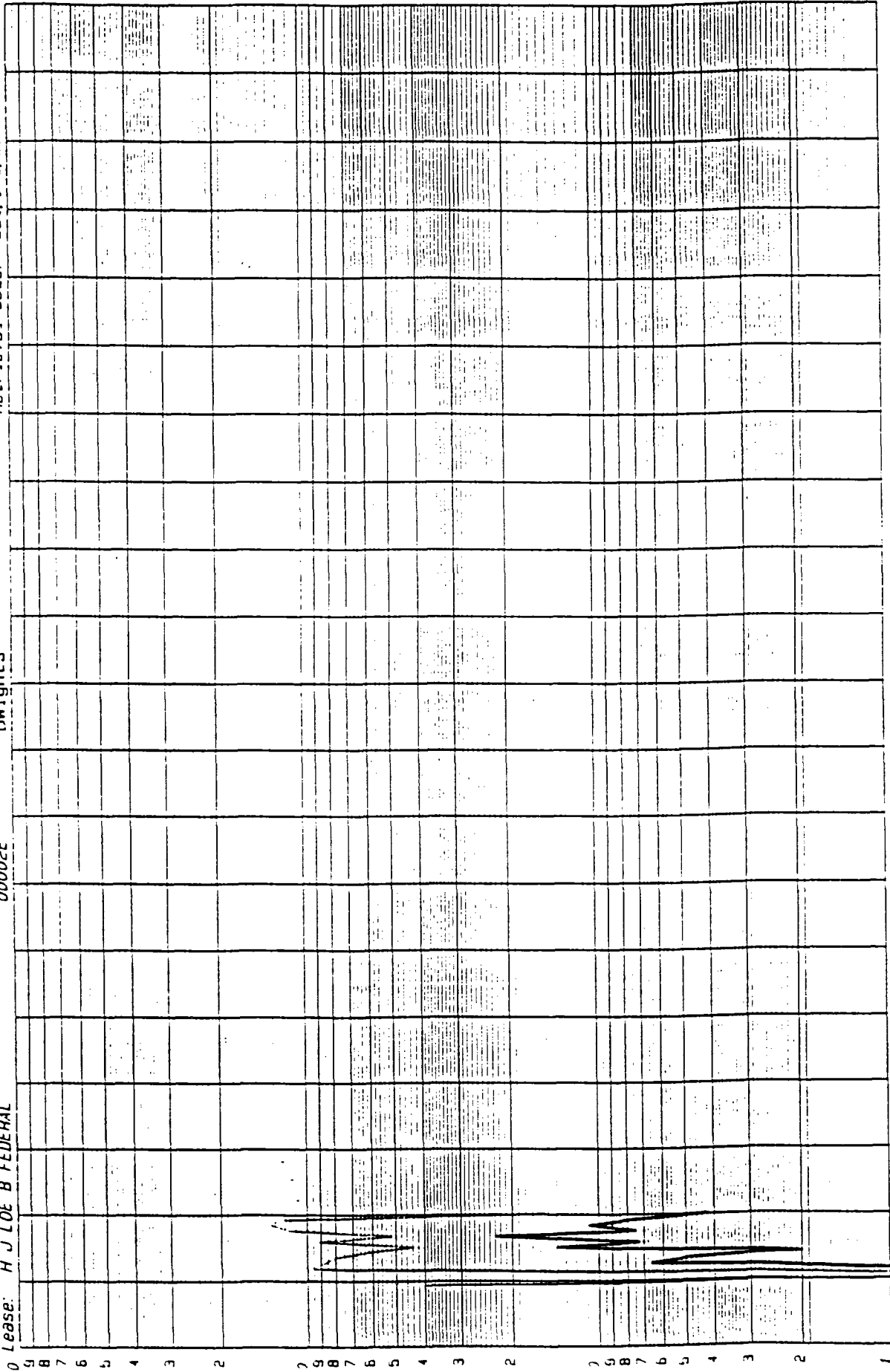
County: SAN JUAN

Field: BASIN (DAKOTA) DK

Reservoir: DAKOTA

Operator: TEXACO EXPL & PROD INC

Lease: H J LOE B FEDERAL 00002E Retrieval Code: 251, 045, 29N12W23E00PC 1000



WATER (BBL/DAY) 01
GAS (MCF/DAY) 01
1000

County: SAN JUAN State: NM
Field: FULCIEH KUTZ (PICTURED CLIFFS) PC
Reservoir: PICTURED CLIFFS
Operator: TEXACO EXPL & PROD INC

11/25/92



H. J. LOE FEDERAL B No. 2E CURRENT COMPLETION

WELL:

H. J. Loe Federal B No. 2E

LOCATION:

Unit E, 1700' FNL & 1050' FWL
SW/4, NW/4, Sec. 23, T29N, R12W
San Juan County

SPUD DATE:

10-18-80

COMPL. DATE:

12-31-80

PICTURED CLIFFS PERFORATIONS:

1638'-1734'

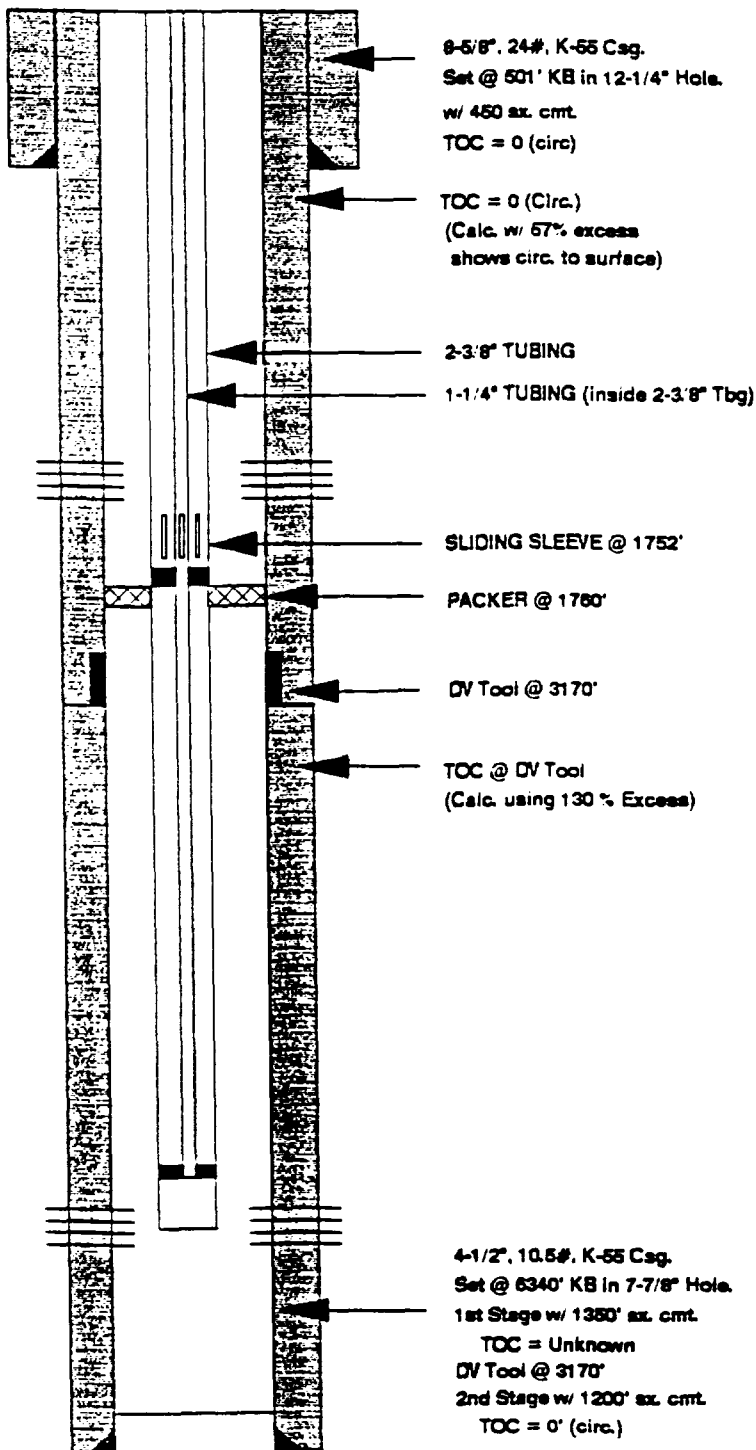
FORMATION TOPS:

Fruitland 1382'
Pictured Cliffs 1632'
Chaco 2881'
Cliffhouse 3224'
Menefee 3388'
Pl. Lookout 4088'
Menaca 4404'
Gallup 5326'
Greenhorn 6086'
Graneros 6142'
Dakota 6186'

DAKOTA PERFS:

6188' - 6290'

PSTD - 6312'
TD - 6340'



NORTHWEST NEW MEXICO PACKER-LEAKAGE TEST

Operator TEXACO E & P INC. Lease H.J.LOE B FEDERAL Well No. 2ELocation of Well: Unit: E Sec. 23 Twp. 29N Rge. 12W County SAN JUAN

	NAME OF RESERVOIR OR POOL	TYPE OF PROD. (OIL OR GAS)	METHOD OF PROD. (Flow or Art. Lift)	PROD. MEDIUM (Tbg. or Csg.)
Upper Completion	FULCHER KUTZ PICTURED CLIFFS	GAS	FLOW	TBG
Lower Completion	BASIN DAKOTA	GAS	FLOW	TBG.

PRE-FLOW SHUT-IN PRESSURE DATA

Upper Completion	Hour, Date shut-in 1:30 PM 11-6-92	Length of time shut-in NINE DAYS	Si press. psig 386	Stablized (Yes or No) YES
Lower Completion	Hour, Date shut-in 2:30 PM 11-9-92	Length of time shut-in SEVEN DAYS	Si press. psig 460	Stablized (Yes or No) YES

FLOW TEST NO. 1

Commenced at (hour, date)* 10:00 AM 11-16-92				Zone producing (Upper or Lower) UPPER	
TIME (hour, date)	LAPSED TIME SINCE*	PRESSURE		PROD. ZONE TEMP.	REMARKS
		Upper Completion	Lower completion		
11-17-92	24 HRS.	332	460		
11-18-92	48 HRS.	345	460		COMPRESSOR DOWN
11-19-92	72 HRS.	355	460		COMPRESSOR DOWN
11-20-92	96 HRS.	339	460		
11-21-92	120 HRS.	338	460		
11-22-92	144 HRS.	340	460		
11-23-92	168 HRS.	342	460		COMPRESSOR DOWN

Production rate during test

Oil 0 BOPD based on 0 Bbls. in 24 Hours 0 Grav 0 GOR 0
Gas 124 MCFPD; Tested thru (Orifice or Meter): METER

MID-FLOW SHUT-IN PRESSURE DATA

Upper Completion	Hour, Date shut-in 11:00 AM 11-30-92	Length of time shut-in 3 DAYS	Si press. psig 359	Stablized (Yes or No) YES
Lower Completion	Hour, Date shut-in 3:00 PM 1-14-93	Length of time shut-in 43 DAYS	Si press. psig 460	Stablized (Yes or No) YES

NORTHWEST NEW MEXICO PACKER-LEAKAGE TEST

Operator TEXACO E & P INC. Lease H.J.LOE B FEDERAL Well No. 2E

Location of Well: Unit E Sec. 23 Twp. 29N Rge. 12W County SAN JUAN

	NAME OF RESERVOIR OR POOL	TYPE OF PROD. (OIL OR GAS)	METHOD OF PROD. (Flow or Art. Lift)	PROD. MEDIUM (Tbg. or Csg.)
Upper Completion	FULCHER KUTZ PICTURED CLIFFS	GAS	FLOW	TBG
Lower Completion	BASIN DAKOTA	GAS	FLOW	TBG.

PRE-FLOW SHUT-IN PRESSURE DATA

Upper Completion	Hour, Date shut-in	Length of time shut-in	Si press. psig	Stabilized (Yes or No)
Lower Completion	Hour, Date shut-in	Length of time shut-in	Si press. psig	Stabilized (Yes or No)

FLOW TEST NO. 1

Commenced at (hour, date) *				Zone producing (Upper or Lower)	
TIME (hour, date)	LAPSED TIME SINCE*	PRESSURE		PROD. ZONE TEMP.	REMARKS
		Upper Completion	Lower completion		
12-17-93		187	0		LOWER ZONE LOGGED OFF BOTH ZONES SHUTIN
12-18-93	24 HRS.	222	0		. . .
12-19-93	48 HRS.	236	0		. . .
12-20-93	72 HRS.	249	0		. . .
12-21-93	96 HRS.	84	0		LOWER SHUTIN; UPPER FLOW 24 HRS.
12-22-93	120 HRS.	72	0		LOWER SHUTIN ;UPPER FLOW 24 HRS.

Production rate during test

Oil BOPD based on Bbls. in Hours Grav GOR

Gas MCFPD; Tested thru (Orifice or Meter):

MID-FLOW SHUT-IN PRESSURE DATA

Upper Completion	Hour, Date shut-in	Length of time shut-in	Si press. psig	Stabilized (Yes or No)
Lower Completion	Hour, Date shut-in	Length of time shut-in	Si press. psig	Stabilized (Yes or No)

UNICHEM INTERNATIONAL
P.O. BOX 61427 4312 County Road 1298 S.
Midland, Texas 79711

Texaco

Report Date: March 8, 1994
Lab In Date: March 8, 1994
Sample Date: March 4, 1994

Listed below please find our water analysis report from H J Lowe - 2E , DK :

Specific Gravity: 1.025
Total Dissolved Solids: 35126
PH: 7.72
Ionic Strength: .602

CATIONS:

		mg/liter
Calcium:	(Ca++)	144
Magnesium:	(Mg++)	136
Sodium:	(Na+)	13176
Iron (Total)	(Fe++)	.60
Barium	(Ba++)	49.50
Manganese:	(Mn++)	0.00
Resistivity:		

ANIONS:

Bicarbonate:	(HCO3-)	1659
Carbonate:	(CO3--)	0
Hydroxide:	(OH-)	0
Sulfate:	(SO4--)	10
Chloride:	(Cl-)	20000

GASES:

Carbon Dioxide:	(CO2)	*****
Oxygen:	(O2)	*****
Hydrogen Sulfide:	(H2S)	*****

SCALE INDEX (Positive Value Indicates Scale Tendency) * indicates tests were not run.

Temperature		CaCO3 SI	CaSO4 SI
86F	30.0C	.57	-66.53
104F	40.0C	.79	-66.81
122F	50.0C	1.03	-66.53
140F	60.0C	1.37	-65.95
168F	70.0C	1.67	-65.09
176F	80.0C	2.01	-63.02

If you have any questions or require further information, please contact us.

Sincerely,

Jeanie McMurkey

Laboratory Technician

cc:

bc: Jerry Woodward

UNICHEM INTERNATIONAL
P.O. BOX 61427 4312 County Road 1298 S.
Midland, Texas 79711

Texaco

Report Date: March 8, 1994
Lab In Date: March 8, 1994
Sample Date: March 4, 1994

Listed below please find our water analysis report from H J Lowe - 2E , PC :

Specific Gravity: 1.000
Total Dissolved Solids: 268
PH: 6.51
Ionic Strength: .004

CATIONS:

		mg/liter
Calcium:	(Ca++)	2
Magnesium:	(Mg++)	0
Sodium:	(Na+)	91
Iron (Total)	(Fe++)	19.60
Barium	(Ba++)	1.20
Manganese:	(Mn++)	0.00
Resistivity:		

ANIONS:

Bicarbonate:	(HCO3-)	73
Carbonate:	(CO3--)	0
Hydroxide:	(OH-)	0
Sulfate:	(SO4--)	2
Chloride:	(Cl-)	100

GASES:

Carbon Dioxide:	(CO2)	*****
Oxygen:	(O2)	*****
Hydrogen Sulfide:	(H2S)	*****

SCALE INDEX (Positive Value Indicates Scale Tendency) * indicates tests were not run.

Temperature		CaCO3 SI	CaSO4 SI
86F	30.0C	-2.73	-21.84
104F	40.0C	-2.45	-21.84
122F	50.0C	-2.33	-21.84
140F	60.0C	-2.13	-21.84
168F	70.0C	-2.01	-20.91
176F	80.0C	-1.85	-19.94

If you have any questions or require further information, please contact us.

Sincerely,

Jane McMurry

Laboratory Technician

cc:

bc: Jerry Woodward

H.J. Loe Federal E. No. 2E
Commingle Workover Procedure

1. MIRUSU, NDWH, NUBOP
2. POOH w/ 1-1/4" coiled tubing, POOH w/ 2-3/8" tubing and 4-1/2" Guiberson PKR @ 1760'.
3. RIH w/ rods, pump and 2-3/8" production tubing. NDBOP, NUWH, RDMOSU. Put well on downhole commingled production (PC and DK).

PS Form 3811, December 1991 *U.S. GPO: 1993-352-714 DOMESTIC RETURN RECEIPT

Article Addressed to:
315 Bloomfield Hwy
Farmington, NM 87401

4a. Article Number
Z 743 378 587

4b. Service Type
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☒ Return Receipt for Merchandise

7. Date of Delivery
8/15/94

8. Addressee's Address (Only if requested and fee is paid)

Thank you for using Return Receipt Service.

Article Addressed to:
B & G Drilling Company Inc.
204 N. Auburn Ave
Farmington, NM 87401

4a. Article Number
Z 743 378 590

4b. Service Type
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☒ Return Receipt for Merchandise

7. Date of Delivery
8/15/94

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 *U.S. GPO: 1993-352-714 DOMESTIC RETURN RECEIPT

1. ☐ Addressee's Address
2. ☐ Restricted Delivery
Consult postmaster for fee.

3. Article Addressed to:
Alpine Oil & Gas Corporation
Box 2567
Durango, CO 81302

4a. Article Number
Z 743 378 585

4b. Service Type
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☒ Return Receipt for Merchandise

7. Date of Delivery

8. Addressee's Address (Only if requested and fee is paid)

5. Signature (Addressee)
6. Signature (Agent)

PS Form 3811, December 1991 *U.S. GPO: 1993-352-714 DOMESTIC RETURN RECEIPT

1. ☐ Addressee's Address
2. ☐ Restricted Delivery
Consult postmaster for fee.

3. Article Addressed to:
Producing Royalties Inc.
Box 1071
4433 Brownfield Hwy
Lubbock, TX 79408

4a. Article Number
Z 743 378 589

4b. Service Type
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☒ Return Receipt for Merchandise

7. Date of Delivery
8-15-94

8. Addressee's Address (Only if requested and fee is paid)

5. Signature (Addressee)
6. Signature (Agent)

PS Form 3811, December 1991 *U.S. GPO: 1993-352-714 DOMESTIC RETURN RECEIPT

1. ☐ Addressee's Address
2. ☐ Restricted Delivery
Consult postmaster for fee.

3. Article Addressed to:
Southland Royalty Company
Box 4239
2919 Allen Pkwy
Houston, TX 77210

4a. Article Number
Z 743 378 592

4b. Service Type
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☒ Return Receipt for Merchandise

7. Date of Delivery
AUG 15 1994

8. Addressee's Address (Only if requested and fee is paid)

5. Signature (Addressee)
6. Signature (Agent)

• Complete items 1 and/or 2 for additional services.
 • Complete items 3, and 4a & b.
 • Print your name and address on the reverse of this form so that we can return this card to you.
 • Attach this form to the front of the mailpiece, or on the back if space does not permit.
 • Write "Return Receipt Requested" on the mailpiece below the article number.
 • The Return Receipt will show to whom the article was delivered and the date delivered.

1. ☐ Addressee's Address
 2. ☐ Restricted Delivery
 Consult postmaster for fee

3. Article Addressed to:
 Unocal Corporation
 Box 850
 Bloomfield, NM 87413

4a. Article Number
 Z 743 378 593

4b. Service Type
☒ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☒ Return Receipt Merchandise

7. Date of Delivery
 AUG 11 1994
 U.S.

5. Signature (Addressee)
Melissa Ortega

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 *U.S. GPO: 1993-352-714 DOMESTIC RETURN RECEIPT

Is your RETURN ADDRESS completed on the reverse side?

3. Article Addressed to:
 Roddy Production Company Inc.
 3001 Northridge Dr.
 Farmington, NM 87401

4a. Article Number
 Z 743 378 591

4b. Service Type
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☒ Return Receipt Merchandise

7. Date of Delivery
 8/11/94

5. Signature (Addressee)

6. Signature (Agent)
Steve Ratone

8. Addressee's Address (Only if requested and fee is paid)

Is your RETURN ADDRESS completed on the reverse side?

SENDER:
 • Complete items 1 and/or 2 for additional services.
 • Complete items 3, and 4a & b.
 • Print your name and address on the reverse of this form so that we can return this card to you.
 • Attach this form to the front of the mailpiece, or on the back if space does not permit.
 • Write "Return Receipt Requested" on the mailpiece below the article number.
 • The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive following services (for a fee):
 1. ☐ Addressee's Address
 2. ☐ Restricted Delivery
 Consult postmaster for fee

3. Article Addressed to:
 Amoco Production
 200 Amoco Court
 Farmington, NM 87401

4a. Article Number
 Z 743 378 586

4b. Service Type
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☒ Return Receipt Merchandise

7. Date of Delivery

5. Signature (Addressee)

6. Signature (Agent)
Steve Ratone

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 *U.S. GPO: 1993-352-714 DOMESTIC RETURN RECEIPT

SENDER:
 • Complete items 1 and/or 2 for additional services.
 • Complete items 3, and 4a & b.
 • Print your name and address on the reverse of this form so that we can return this card to you.
 • Attach this form to the front of the mailpiece, or on the back if space does not permit.
 • Write "Return Receipt Requested" on the mailpiece below the article number.
 • The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive following services (for a fee):
 1. ☐ Addressee's Address
 2. ☐ Restricted Delivery
 Consult postmaster for fee

3. Article Addressed to:
 Meridian Oil Inc.
 3535 E. 30th
 Farmington, NM 87401

4a. Article Number
 Z 743 378 588

4b. Service Type
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☒ Return Receipt Merchandise

7. Date of Delivery
 8-12-94

5. Signature (Addressee)
Carolyn Curry

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

3. Article Addressed to:
 Meridian Oil Inc.
 3535 E. 30th
 Farmington, NM 87401

4a. Article Number
 Z 743 378 588

4b. Service Type
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☒ Return Receipt Merchandise

7. Date of Delivery
 8-12-94

5. Signature (Addressee)
Carolyn Curry

6. Signature (Agent)

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991 *U.S. GPO: 1993-352-714 DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service

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

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

IN THE MATTER OF THE APPLICATION OF
TEXACO EXPLORATION AND PRODUCTION INC.
FOR DOWNHOLE COMMINGLING,
SAN JUAN COUNTY, NEW MEXICO.

CASE NO. 11100

AFFIDAVIT

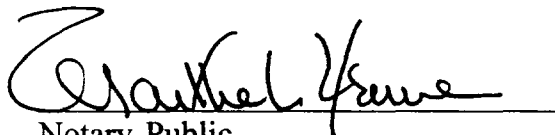
STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

William F. Carr, attorney in fact and authorized representative of Texaco Exploration and Production Inc., the Applicant herein, being first duly sworn, upon oath, states that in accordance with the notice provisions of Rule 1207 of the New Mexico Oil Conservation Division the Applicant has attempted to find the correct addresses of all interested persons entitled to receive notice of this application and that notice has been given at the addresses shown on Exhibit "A" attached hereto as provided in Rule 1207.



William F. Carr

SUBSCRIBED AND SWORN to before me this 12th day of October, 1994.



Notary Public

My Commission Expires:

August 19, 1995

EXHIBIT A

Alpine Oil & Gas Corporation
Post Office Box 2567
Durango, CO 81302
Attn: Thomas B. Grandin, Jr., President

Amoco Production Company
200 Amoco Court
Farmington, NM 87401

Conoco Inc.
Petroleum Center Building, Suite 115
501 Airport Drive
Farmington, NM 87401

Meridian Oil Inc.
3535 E. 30th
Farmington, NM 87401

Producing Royalties Inc.
Box 1071
4433 Brownfield Hwy.
Lubbock, TX 79408

R & G Drilling Company, Inc.
204 N. Auburn Avenue
Farmington, NM 87401

Roddy Production Company Inc.
3001 Northridge Dr.
Farmington, NM 87401

Southland Royalty Company
Box 4239
2919 Allen Parkway
Houston, TX 77210

Unocal Corporation
Box 850
Bloomfield, NM 87413

**BEFORE THE
OIL CONSERVATION DIVISION**
Santa Fe, New Mexico

Case No. 11100 Exhibit No. 2

Submitted by: Texaco Exploration and
Production Inc.

Hearing Date: October 13, 1994

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN

MICHAEL H. FELDEWERT
TANYA M. TRUJILLO

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

September 16, 1994

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Alpine Oil & Gas Corporation
Post Office Box 2567
Durango, CO 81302

Attn: Thomas B. Grandin, Jr., President

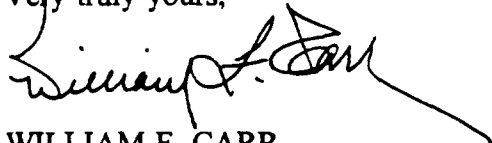
Re: Application of Texaco Exploration and Production Inc. for downhole
commingling, San Juan County, New Mexico

Dear Mr. Grandin:

Texaco Exploration and Production Inc. filed an application with the New Mexico Oil Conservation Division seeking administrative approval to downhole commingle production from the Fulcher Kutz-Pictured Cliffs Gas Pool and the Basin-Dakota Gas Pool in its H.J. Loe Federal B No. 2E Well located 1700 feet from the North line and 1050 feet from the West line of Section 23, Township 29 North Range 12 West (Unit E), N.M.P.M. San Juan County, New Mexico. Because of the objection of Alpine Oil & Gas Corporation, this application has been set for hearing before an Examiner of the Oil Conservation Division on October 13, 1994 in Santa Fe, New Mexico. You may appear at that hearing and present evidence. Failure to appear at that time and become a party of record will preclude you from challenging this matter at a later date.

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Pre-hearing Statement substantially in the form prescribed by the Division. Pre-hearing statements should be filed by 4:00 o'clock p.m., on the Friday before a scheduled hearing.

Very truly yours,



WILLIAM F. CARR
ATTORNEY FOR TEXACO EXPLORATION AND PRODUCTION INC.
WFC:mlh

cc: Rached Hindi
Texaco Exploration and Production Inc.
3300 North Butler
Farmington, NM 87401



P 111 332 998

Receipt for Certified Mail

No Insurance Coverage Provided

Alpine Oil & Gas Corporation
Post Office Box 2567
Durango, CO 81302

Attn: Thomas B. Grandin, Jr.
President

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	\$ 2.29
Postmark or Date	SEP 16 1994

PS Form 3800, June 1991

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt for this mail will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check boxes for additional service(s) requested.

1. ☐ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:
Alpine Oil & Gas Corporation
Post Office Box 2567
Durango, CO 81302
Attn: Thomas B. Grandin, Jr.
President

4. Article Number
P 111 332 998

Type of Service:
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Addressee
X *Thomas B. Grandin, Jr.*

6. Signature - Agent
X *[Signature]*

7. Date of Delivery
X *SEP 16 1994*

8. Addressee's Address (ONLY if requested and fee paid)

DURANGO CO 81301
SEP 19 1994
USPS

PS Form 3811, Mar. 1988 * U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
—
MICHAEL H. FELDEWERT
TANYA M. TRUJILLO
—
JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 968-4421
TELECOPIER: (505) 963-6043

September 16, 1994

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Amoco Production Company
200 Amoco Court
Farmington, NM 87401

Re: Application of Texaco Exploration and Production Inc. for downhole
commingling, San Juan County, New Mexico

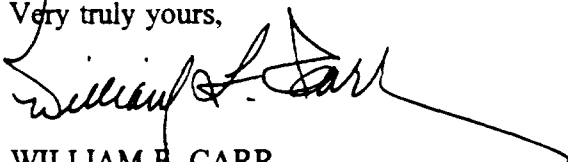
Gentlemen:

This letter is to advise you that a hearing has been set on October 13, 1994 before an Examiner of the Oil Conservation Division in Santa Fe, New Mexico on the application of Texaco Exploration and Production Inc., for downhole commingling of production from the Fulcher Kutz-Pictured Cliffs Gas Pool and the Basin-Dakota Gas Pool in its H.J. Loe Federal B No. 2E Well located 1700 feet from the North line and 1050 feet from the West line of Section 23, Township 29 North Range 12 West (Unit E), N.M.P.M. San Juan County, New Mexico. A copy of Texaco's application was previously provided to you.

You are not required to attend this hearing, but as the owner of an interest that may be affected by this application you may appear at that hearing and present evidence. Failure to appear at that time and become a party of record will preclude you from challenging this matter at a later date.

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Pre-hearing Statement substantially in the form prescribed by the Division. Pre-hearing statements should be filed by 4:00 o'clock p.m., on the Friday before a scheduled hearing.

Very truly yours,



WILLIAM F. CARR
ATTORNEY FOR TEXACO EXPLORATION AND PRODUCTION INC.
WFC:mlh



Amoco Production Company
200 Amoco Court
Farmington, NM 87401

PS Form 3800, June 1991

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt with Mailing and Date Delivered	
Return Receipt with Mailing Date and Addressee's Address	
Insurance	\$ 2.29
Postmark or Date SEP 16 1994	

PS Form 3811, Mar. 1988 * U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.
Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent the card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.
1. ☐ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:
Amoco Production Company
200 Amoco Court
Farmington, NM 87401

4. Article Number
P 111 332 990

Type of Service:
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Address
X

6. Signature - Agent
X *[Signature]*

7. Date of Delivery
9/13/94 *[Signature]*

8. Addressee's Address (ONLY if requested and fee paid)

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN

MICHAEL H. FELDEWERT
TANYA M. TRUJILLO

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

September 16, 1994

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Conoco Inc.
Petroleum Center Building, Suite 115
501 Airport Drive
Farmington, NM 87401

Re: Application of Texaco Exploration and Production Inc. for downhole
commingling, San Juan County, New Mexico

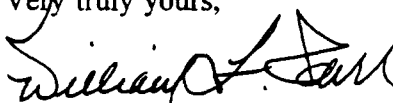
Gentlemen:

This letter is to advise you that a hearing has been set on October 13, 1994 before an Examiner of the Oil Conservation Division in Santa Fe, New Mexico on the application of Texaco Exploration and Production Inc., for downhole commingling of production from the Fulcher Kutz-Pictured Cliffs Gas Pool and the Basin-Dakota Gas Pool in its H.J. Loe Federal B No. 2E Well located 1700 feet from the North line and 1050 feet from the West line of Section 23, Township 29 North Range 12 West (Unit E), N.M.P.M. San Juan County, New Mexico. A copy of Texaco's application was previously provided to you.

You are not required to attend this hearing, but as the owner of an interest that may be affected by this application you may appear at that hearing and present evidence. Failure to appear at that time and become a party of record will preclude you from challenging this matter at a later date.

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Pre-hearing Statement substantially in the form prescribed by the Division. Pre-hearing statements should be filed by 4:00 o'clock p.m., on the Friday before a scheduled hearing.

Very truly yours,



WILLIAM F. CARR
ATTORNEY FOR TEXACO EXPLORATION AND PRODUCTION INC.
WFC:mlh

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208

1st Notice SEP 26 1994

2nd Notice

Return



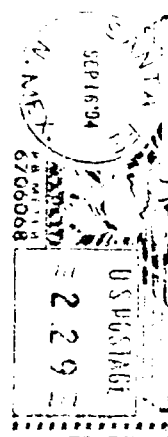
CERTIFIED

P 111 332 991

MAIL

Conoco Inc.
Petroleum Center Building, Suite 115
501 Airport Drive
Farmington, NM 87401

☐ ATTEMPTED, NOT KNOWN
☐ NO SUCH NUMBER
☐ NO MAIL RECEIPTABLE
☐ REFUSED
☐ INSUFFICIENT ADDRESS
☐ MOVED, LEFT NO ADDRESS
☒ FORWARDING ORDER EXPIRED
 EMPLOYEE: *[Signature]*



P 111 332 991



Receipt for
Certified Mail

No Insurance Coverage Provided

Conoco Inc.
Petroleum Center Building, Suite 115
501 Airport Drive
Farmington, NM 87401

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt or Label for Return & Date Delivered	
Return Receipt or Label to Whom Delivered and Addressee's Address	
Total Charge & Fee	\$ 2.29
Postmark or Date SEP 16 1994	

PS Form 3800, June 1991

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN

MICHAEL H. FELDEWERT
TANYA M. TRUJILLO

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

September 16, 1994

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Meridian Oil Inc.
3535 E. 30th
Farmington, NM 87401

Re: Application of Texaco Exploration and Production Inc. for downhole
commingling, San Juan County, New Mexico

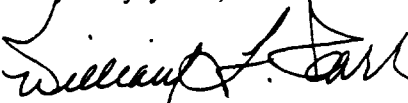
Gentlemen:

This letter is to advise you that a hearing has been set on October 13, 1994 before an Examiner of the Oil Conservation Division in Santa Fe, New Mexico on the application of Texaco Exploration and Production Inc., for downhole commingling of production from the Fulcher Kutz-Pictured Cliffs Gas Pool and the Basin-Dakota Gas Pool in its H.J. Loe Federal B No. 2E Well located 1700 feet from the North line and 1050 feet from the West line of Section 23, Township 29 North Range 12 West (Unit E), N.M.P.M. San Juan County, New Mexico. A copy of Texaco's application was previously provided to you.

You are not required to attend this hearing, but as the owner of an interest that may be affected by this application you may appear at that hearing and present evidence. Failure to appear at that time and become a party of record will preclude you from challenging this matter at a later date.

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Pre-hearing Statement substantially in the form prescribed by the Division. Pre-hearing statements should be filed by 4:00 o'clock p.m., on the Friday before a scheduled hearing.

Very truly yours,



WILLIAM F. CARR
ATTORNEY FOR TEXACO EXPLORATION AND PRODUCTION INC.
WFC:mlh



Meridian Oil Inc.
 3535 E. 30th
 Farmington, NM 87401

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	\$ 2.29
Postmark or Date SEP 16 1994	

PS Form 3800, June 1991

PS Form 3811, Mar. 1988 * U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

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 1. ☐ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to: Meridian Oil Inc.
 3535 E. 30th
 Farmington, NM 87401

4. Article Number: P 111 332 992

Type of Service:
☐ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail ☐ Return Receipt for Merchandise

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Addressee's Address (ONLY if requested and fee paid)

6. Signature - Address: ☒ Signature Agent *Christina Curry*

7. Date of Delivery: 9 21 94

CAMPBELL, CARR, BERGE

& SHERIDAN, P.A.

LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN

MICHAEL H. FELDEWERT
TANYA M. TRUJILLO

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE

SUITE 1 - 110 NORTH GUADALUPE

POST OFFICE BOX 2208

SANTA FE, NEW MEXICO 87504-2208

TELEPHONE: (505) 988-4421

TELECOPIER: (505) 983-6043

September 16, 1994

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Producing Royalties Inc.
Box 1071
4433 Brownfield Hwy.
Lubbock, TX 79408

Re: Application of Texaco Exploration and Production Inc. for downhole
commingling, San Juan County, New Mexico

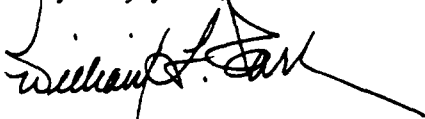
Gentlemen:

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You are not required to attend this hearing, but as the owner of an interest that may be affected by this application you may appear at that hearing and present evidence. Failure to appear at that time and become a party of record will preclude you from challenging this matter at a later date.

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Pre-hearing Statement substantially in the form prescribed by the Division. Pre-hearing statements should be filed by 4:00 o'clock p.m., on the Friday before a scheduled hearing.

Very truly yours,



WILLIAM F. CARR
ATTORNEY FOR TEXACO EXPLORATION AND PRODUCTION INC.
WFC:mlh



Producing Royalties Inc.
Box 1071
4433 Brownfield Hwy.
Lubbock, TX 79408

Postage	\$
Certified Fee	
Special Services Fee	
Registration - Delivery Fee	
Return Receipt Showing to Whom's Date Delivered	
Return Receipt Showing to Whom's Date and Addressee's Address	
TOTAL Postage & Fees	\$ 2.29
Postmark or Date SEP 16 1994	

PS Form 3800, June 1991

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.
Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check boxes for additional service(s) requested.

1. ☐ Show to whom delivered, date, and addressee's address. (Extra charge)
2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:
Producing Royalties Inc.
Box 1071
4433 Brownfield Hwy.
Lubbock, TX 79408

4. Article Number
P 111 332 993

Type of Service:
☐ Registered
☒ Certified
☐ Express Mail
☐ Insured
☐ COD
☐ Return Receipt for Merchandise
 Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature Address
X *[Signature]*

6. Signature - Agent
X *[Signature]*

7. Date of Delivery

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Mar. 1988 * U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

CAMPBELL, CARR, BERGE

& SHERIDAN, P.A.

LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN

MICHAEL H. FELDEWERT
TANYA M. TRUJILLO

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

September 16, 1994

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

R & G Drilling Company, Inc.
204 N. Auburn Avenue
Farmington, NM 87401

Re: Application of Texaco Exploration and Production Inc. for downhole
commingling, San Juan County, New Mexico

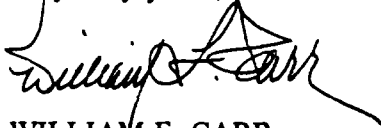
Gentlemen:

This letter is to advise you that a hearing has been set on October 13, 1994 before an Examiner of the Oil Conservation Division in Santa Fe, New Mexico on the application of Texaco Exploration and Production Inc., for downhole commingling of production from the Fulcher Kutz-Pictured Cliffs Gas Pool and the Basin-Dakota Gas Pool in its H.J. Loe Federal B No. 2E Well located 1700 feet from the North line and 1050 feet from the West line of Section 23, Township 29 North Range 12 West (Unit E), N.M.P.M. San Juan County, New Mexico. A copy of Texaco's application was previously provided to you.

You are not required to attend this hearing, but as the owner of an interest that may be affected by this application you may appear at that hearing and present evidence. Failure to appear at that time and become a party of record will preclude you from challenging this matter at a later date.

Parties appearing in cases have been requested by the Division (Memorandum 2-90) to file a Pre-hearing Statement substantially in the form prescribed by the Division. Pre-hearing statements should be filed by 4:00 o'clock p.m., on the Friday before a scheduled hearing.

Very truly yours,



WILLIAM F. CARR
ATTORNEY FOR TEXACO EXPLORATION AND PRODUCTION INC.
WFC:mlh

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208



CERTIFIED

P 111 332 994

MAIL

P 111 332 994



**Receipt for
Certified Mail**

No Insurance Coverage Provided

R & G Drilling Company, Inc.
204 N. Auburn Avenue
Farmington, NM 87401

R & G Drilling Company, Inc.
204 N. Auburn Avenue
Farmington, NM 87401

Postage	\$
Postage 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	\$ 2.29
Postmark or Date	
SEP 16 1994	

PS Form 3800, June 1991

RG-204 874012017 IN 09/16/94
RETURN TO SENDER
NO FORWARD ORDER ON FILE
UNABLE TO FORWARD
RETURN TO SENDER
18 15-00 9125
204 N. Auburn Ave
Farmington, NM 87401

- ☐ ATTEMPTED-NOT KNOWN
- ☐ NO SUCH NUMBER
- ☐ NO MAIL RECEIPTABLE
- ☐ REFUSED
- ☐ INSUFFICIENT ADDRESS
- ☒ MOVED-LEFT NO
- ☐ FORWARDING ORDER BY EMPLOYEE

SEP 16 1994
U.S. POSTAGE
2.29
6700008

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

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WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN

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OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 986-4421
TELECOPIER: (505) 983-6043

September 16, 1994

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Roddy Production Company Inc.
3001 Northridge Dr.
Farmington, NM 87401

Re: Application of Texaco Exploration and Production Inc. for downhole
commingling, San Juan County, New Mexico

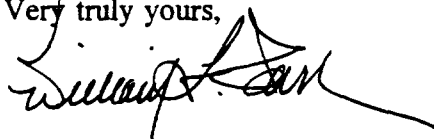
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Very truly yours,



WILLIAM F. CARR
ATTORNEY FOR TEXACO EXPLORATION AND PRODUCTION INC.
WFC:mlh



Roddy Production Company Inc.
3001 Northridge Dr.
Farmington, NM 87401

PS Form 3800, June 1991

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt (mailing to Whom & Date of Delivery)	
Return Receipt (mailing to Whom, Date, and Addressee's Address)	
TOTAL Postage & Fees	\$ 2.29
Postmark or Date SEP 16 1994	

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to, and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.
1. ☐ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:
Roddy Production Company Inc.
3001 Northridge Dr.
Farmington, NM 87401

4. Article Number
P 111 332 995

Type of Service:
☐ Registered
☒ Certified
☐ Express Mail
☐ Insured
☐ COD
☐ Return Receipt for Merchandise
 Always obtain signature of addressee or agent and DATE DELIVERED.
5. Addressee's Address (ONLY if requested and fee paid)

6. Signature - Addressee
X *[Signature]*

6. Signature - Agent
X

7. Date of Delivery
9.19.94 *MB*

PS Form 3811, Mar. 1988 * U.S.G.P.O. 1988-212-665 DOMESTIC RETURN RECEIPT

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

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JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

September 16, 1994

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Southland Royalty Company
Box 4239
2919 Allen Parkway
Houston, TX 77210

Re: Application of Texaco Exploration and Production Inc. for downhole
commingling, San Juan County, New Mexico

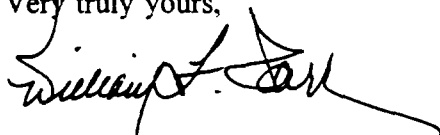
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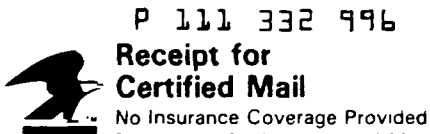
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Very truly yours,



WILLIAM F. CARR
ATTORNEY FOR TEXACO EXPLORATION AND PRODUCTION INC.
WFC:mlh



Southland Royalty Company
Box 4239
2919 Allen Parkway
Houston, TX 77210

Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt (if provided)	
Return Receipt (if provided)	
Return Receipt (if provided)	
Postage	\$2.29
SEP 16 1994	

PS Form 3800, June 1991

GENERAL: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.
Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent the card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check boxes for additional service(s) requested.

1. ☐ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to: Southland Royalty Company
Box 4239
2919 Allen Parkway
Houston, TX 77210

4. Article Number: P 111 332 996

Type of Service:
☐ Registered
☒ Certified
☐ Express Mail
☐ Insured
☐ COD
☐ Return Receipt for Merchandise
 Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Address: X

6. Signature - Agent: X *[Signature]*

7. Date: SEP 20 1994

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Mar. 1988 * U.S.G.P.O. 1988-212-665 DOMESTIC RETURN RECEIPT

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& SHERIDAN, P.A.
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SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

September 16, 1994

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Unocal Corporation
Box 850
Bloomfield, NM 87413

Re: Application of Texaco Exploration and Production Inc. for downhole
commingling, San Juan County, New Mexico

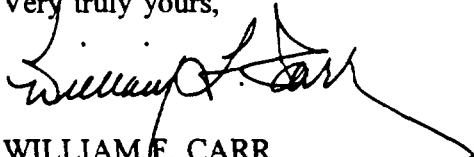
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Very truly yours,



WILLIAM F. CARR
ATTORNEY FOR TEXACO EXPLORATION AND PRODUCTION INC.
WFC:mlh



Unocal Corporation
Box 850
Bloomfield, NM 87413

Postage	\$
Insurance	
Registered Service Fee	
Registered Service Fee	
Return Receipt Fee	
Postage and Insurance	\$ 2.29
SEP 16 1994	

1561 avnf, 0086 form 3 Sd

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check boxes for additional service(s) requested.

1. ☐ Show to whom delivered, date, and addressee's address. 2. ☐ Restricted Delivery (Extra charge)

3. Article Addressed to:
Unocal Corporation
Box 850
Bloomfield, NM 87413

4. Article Number
P 111.332 997

Type of Service:
☐ Registered
☒ Certified
☐ Express Mail
☐ Insured
☐ COD
☐ Return Receipt for Merchandise
 Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature -- Address
X

6. Signature -- Agent
X *[Signature]*

7. Date of Delivery
9/19/94 *[Signature]*

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Mar. 1988 * U.S.G.P.O. 1988-212-665 DOMESTIC RETURN RECEIPT