

DELHI OIL CORPORATION
1311 Wood Street
Dallas, Texas

May 26, 1952

Subject: Plan of Development for 1952
Blanco Area, San Juan County,
New Mexico.

THE OIL AND GAS SUPERVISOR
U. S. GEOLOGICAL SURVEY
ROSWELL, NEW MEXICO

STANOLIND OIL AND GAS COMPANY
OIL AND GAS BUILDING
FORT WORTH, TEXAS

COMMISSIONER OF PUBLIC LANDS
STATE OF NEW MEXICO
SANTA FE, NEW MEXICO

SAN JUAN PRODUCTION COMPANY
BASSETT TOWER
EL PASO, TEXAS

OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO
SANTA FE, NEW MEXICO

Gentlemen:

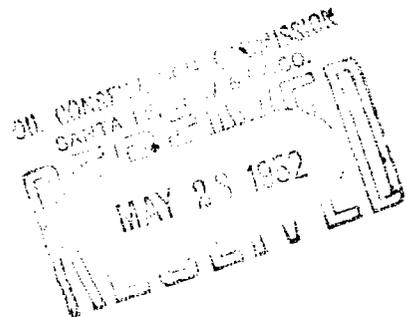
Pursuant to Section 2 of the Development Contract for the Blanco Area approved on March 17, 1952, by the Assistant Secretary of the Interior, we transmit herewith Delhi Oil Corporation's Plan of Development for the calendar year 1952.

Yours very truly

DELHI OIL CORPORATION

R. G. Carlin

RCC/ab
Attach.



PLAN OF DEVELOPMENT FOR THE CALENDAR YEAR 1952
BLANCO FIELD, SAN JUAN COUNTY, NEW MEXICO

TO: THE OIL AND GAS SUPERVISOR
U. S. GEOLOGICAL SURVEY
ROSWELL, NEW MEXICO

STANCLIND OIL AND GAS COMPANY
OIL AND GAS BUILDING
FORT WORTH, TEXAS

COMMISSIONER OF PUBLIC LANDS
STATE OF NEW MEXICO
SANTA FE, NEW MEXICO

SAN JUAN PRODUCTION COMPANY
BASSETT TOWER
EL PASO, TEXAS

OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO
SANTA FE, NEW MEXICO

In compliance with Paragraph 2 of the Development Contract for the Blanco Area of the San Juan Basin, New Mexico, approved by the Secretary of the Interior of the United States on March 17, 1952, Delhi Oil Corporation, as an owner of oil and gas leases or of operating rights under oil and gas leases covering lands subject to said Development Contract, does hereby submit for your information an outline of its proposed development program for the calendar year 1952.

1. Past Development History

Three wells have been completed in the Mesaverde Series by Delhi Oil Corporation at the locations listed below:

NE/4	Section 20-T29N-R9W
NE/4	Section 23-T29N-R9W
NE/4	Section 35-T30N-R8W

2. Proposed Additional Wells

It is the plan of Delhi Oil Corporation to complete five additional wells during the remainder of the calendar year 1952.

At present Delhi Oil Corporation is drilling at the following locations and, under normal conditions, these wells should be completed within the next sixty to ninety days:

NE/4	Section 34-T29N-R9W
NE/4	Section 6-T-30N-R8W
SW/4	Section 14-30N-R8W

Additional locations which have been authorized for drilling are, as follows:

SW/4	Section 11-T30N-R9W
NE/4	Section 3-T30N-R9W

It is contemplated that all wells covered in this plan of development will penetrate all or a portion of the Point Lookout formation of the Mesaverde Series.

3. Spacing of Wells

The spacing of wells drilled in all formations down to the base of the Point Lookout in the Mesaverde Series shall conform to the applicable field rules relating to the Blanco Pool as promulgated by the Oil Conservation Commission of the State of New Mexico.

4. Well Casing Program

The well casing program shall conform to the applicable field rules relating to the Blanco Pool, as promulgated by the Oil Conservation Commission of the State of New Mexico, and shall include such other casing as may be required by the Supervisor, the Commission, and the Commissioner.

5. Further Development

This plan of development shall constitute the future drilling obligations of the Delhi Oil Corporation pursuant to the provisions of the Blanco Development Contract for all zones down to and including the Mesaverde Section for the period ending December 31, 1952. It is further agreed that prior to the expiration of this plan of development, another plan of development shall be submitted to the above named addressees for further development of the Blanco Area.

6. Effective Date

This plan of development shall be effective May 24, 1952.

7. Modifications

This plan of development may be modified from time to time with the approval of the Supervisor, the Commissioner, and the Commission to meet changing conditions.

Submitted this 26 day of May, 1952.

DELHI OIL CORPORATION
UNIT OPERATOR

BY 
Vice-President

May 29, 1952

THE OIL AND GAS SUPERVISOR
U. S. GEOLOGICAL SURVEY
ROSWELL, NEW MEXICO

STANLISH OIL AND GAS COMPANY
OIL AND GAS BUILDING
FORT WORTH, TEXAS

COMMISSIONER OF PUBLIC LANDS
STATE OF NEW MEXICO
SANTA FE, NEW MEXICO

DELHI OIL CORPORATION
1314 WOOD STREET
DALLAS, TEXAS

OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO
SANTA FE, NEW MEXICO

Subject: Plan of development for 1952
Blanco Area, San Juan County,
New Mexico.

Gentlemen:

Pursuant to Section 2 of the Development Contract for the Blanco Area approved on March 17, 1952, by the Assistant Secretary of the Interior, we transmit herewith El Paso Natural Gas Company's Plan of Development for the calendar year 1952.

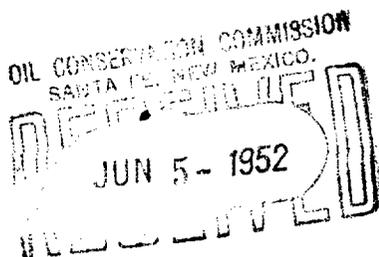
Yours very truly,

EL PASO NATURAL GAS COMPANY

By R. L. Hamelin
Chief Clerk, Lease Record Section

RLH:lg

encl.



PLAN OF DEVELOPMENT FOR THE CALENDAR YEAR 1952
BLANCO FIELD, SAN JUAN COUNTY, NEW MEXICO

TO: THE OIL AND GAS SUPERVISOR
U. S. GEOLOGICAL SURVEY
ROSWELL, NEW MEXICO

DELHI OIL CORPORATION
1314 WOOD STREET
DALLAS, TEXAS

COMMISSIONER OF PUBLIC LANDS
STATE OF NEW MEXICO
SANTA FE, NEW MEXICO

STANOLIND OIL AND GAS COMPANY
FAIR BUILDING
FORT WORTH, TEXAS

OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO
SANTA FE, NEW MEXICO

In compliance with Paragraph 2 of the Development Contract for the Blanco Area of the San Juan Basin, New Mexico, approved by the Secretary of the Interior of the United States on March 17, 1942, El Paso Natural Gas Company, as an owner of oil and gas leases or of operating rights under oil and gas leases covering lands subject to said Development Contract, does hereby submit for your information an outline of its proposed development program for the calendar year 1952.

1. Past Development History

Eight wells have been completed already within the calendar year 1952 in the Mesaverde Series by El Paso Natural Gas Company at the locations listed below:

Howell #2-F	W/2	Section 6 - T27N - R7W
Howell #1-F	S/2	" 1 - T27N - R8W
Vandewart #1	W/2	" 12 - T29N - R8W
Riddle #2-A	E/2	" 1 - T29N - R9W
Howell #1-J	W/2	" 3 - T30N - R8W
Howell #3-L	E/2	" 35 - T30N - R8W
Howell #4-L	E/2	" 34 - T30N - R8W
Grambling #1-C	E/2	" 14 - T30N - R10W

2. Proposed Additional Wells

A. It is the plan of El Paso Natural Gas Company to complete 35 additional wells during the remainder of the calendar year 1952.

At present, El Paso Natural Gas Company is drilling at the following locations and, under normal conditions, these should be completed within the next sixty to ninety days.

Howell #3-F	NE/4	Section 7	- T27N - R7W
Michener #1	SW/4	"	15 - T28N - R9W
McCulley Johnston #1	NE/4	"	15 - T28N - R9W
Neudecker #1	NE/4	"	14 - T29N - R10W
Lackey #3-A	SW/4	"	11 - T29N - R10W
Lackey #2-A	SW/4	"	12 - T29N - R10W
Lackey #1-A	NE/4	"	12 - T29N - R10W
Mansfield #1	SW/4	"	29 - T30N - R9W
Shaw #1	NE/4	"	13 - T30N - R9W
Kelly #1	NE/4	"	35 - T30N - R10W
Riddle #2-B	NE/4	"	23 - T30N - R10W
Grambling #2-C	SW/4	"	14 - T30N - R10W
Grambling #3-C	NE/4	"	12 - T30N - R10W

B. Additional locations which have been authorized for drilling are as follows:

SW/4	Section 17	- T28N - R8W
NE/4	"	19 - T28N - R8W
SW/4	"	21 - T28N - R8W
NE/4	"	36 - T28N - R8W
NE/4	"	11 - T29N - R10W
NE/4	"	26 - T30N - R8W
SW/4	"	26 - T30N - R8W
NE/4	"	27 - T30N - R8W
SW/4	"	27 - T30N - R8W
NE/4	"	33 - T30N - R8W
SW/4	"	33 - T30N - R8W
SW/4	"	24 - T30N - R9W
NE/4	"	10 - T30N - R9W
SW/4	"	3 - T30N - R9W
SW/4	"	20 - T30N - R9W
NE/4	"	25 - T30N - R10W
NE/4	"	23 - T30N - R10W
SW/4	"	23 - T30N - R10W
SW/4	"	33 - T31N - R8W

NE/4 Section 28 - T31N - R8W

NE/4 " 29 - T31N - R8W

NE/4 " 30 - T31N - R8W

It is contemplated that all wells covered in this plan of development will penetrate all or a portion of the Point Lookout formation of the Mesaverde Series.

3. Spacing of Wells

The spacing of wells drilled in all formations down to the base of the Point Lookout in the Mesaverde Series shall conform to the applicable field rules relating to the Blanco Pool as promulgated by the Oil Conservation Commission of the State of New Mexico.

4. Well Casing Program

The well casing program shall conform to the applicable field rules relating to the Blanco Pool, as promulgated by the Oil Conservation Commission of the State of New Mexico, and shall include such other casing as may be required by the Supervisor, the Commission, and the Commissioner.

5. Further Development

This plan of development shall constitute the future drilling obligations of the El Paso Natural Gas Company pursuant to the provisions of the Blanco Development Contract for all zones down to and including the Mesaverde Section for the period ending December 31, 1952. It is further agreed that prior to the expiration of this plan of development, another plan of development shall be submitted to the above named addressees for further development of the Blanco Area.

6. Effective Date

This plan of development shall be effective May 29, 1952.

7. Modifications

This plan of development may be modified from time to time with the approval of the Supervisor, the Commissioner, and the Commission to meet changing conditions.

SUBMITTED THIS 29TH DAY OF MAY, 1952.

EL PASO NATURAL GAS COMPANY

By: _____

W. L. Perkins
Vice President

DEVELOPMENT CONTRACT

THIS AGREEMENT, entered into as of the _____ day of _____, 1952, by and between the parties subscribing hereto, and herein referred to as the "parties hereto",

W I T N E S S E T H:

WHEREAS, the parties hereto own, or may hereafter acquire certain leasehold or operating rights in oil and gas leases covering the lands made subject hereto; and

WHEREAS, timely and adequate development of these leased lands is necessary to secure a firm and sufficient supply of gas for the pipelines that have or may be constructed to furnish a market outlet for natural gas production in the Blanco Area of the San Juan Basin, New Mexico; and

WHEREAS, orderly development and ratable production as among such leases on a coordinated basis as herein provided will serve to conserve a valuable natural resource and will provide a more equitable basis of sharing such resource than would prevail in the absence of this agreement; and

WHEREAS, the Secretary of the Interior, pursuant to Section 17(b) of the Act of February 25, 1920, as amended by Act of August 8, 1946, 60 Stat. 950, 30 U.S.C. Sec. 181 et seq., is authorized, on such conditions as he may prescribe, to approve operating, drilling, or development contracts made by one or more lessees of oil or gas leases, with one or more persons, associations, or corporations, whenever, in his discretion and regardless of acreage limitations provided for in said Act the conservation of natural products or the public convenience or necessity may require it or the interests of the United States may be best subserved thereby; and

WHEREAS, the contracts under which operating rights were or will be acquired with the approval of the Secretary of the Interior as to the Government leases made subject hereto, together with this agreement, constitute an operating, drilling or development contract within the meaning of the above-cited statute.

NOW THEREFORE, the parties hereto agree as follows:

1. Each party agrees that the leasehold or operating rights it holds or owns in the general area covered by this agreement as of the date of its execution hereof, are made subject hereto and are shown on Exhibit "A" hereof, and that any such rights thereafter acquired in such area will be made subject to this agreement in the manner provided in Section 8 hereof. Also, that any and all, Government leases embracing any such lands are listed by serial number on Exhibit "B" hereof.

2. Upon execution of this agreement, each party shall notify each of the other parties and the Supervisor of the United States Geological Survey of its development program for the calendar year 1951 specifying the wells it contemplates drilling on its lands subject hereto for the purpose of obtaining natural gas production in formations from the surface down to the base of the Point Lookout formations of the Mesaverde Series. Thereafter, each party will similarly notify the other parties and said Supervisor on or before the first day of each year of its proposed development program for the next ensuing twelve months period.

3. Each party agrees that any and all wells which may be drilled by it on any of its lands subject to this agreement shall be in conformity with Order No. 799 of the New Mexico Oil Conservation Commission dated February 25, 1949, as the same may be amended from time to time, or in conformity with any order of said Commission which may be issued in substitution for said Order No. 799, and in conformity with any orders of the Supervisor as to Federal lands based on lease terms and applicable regulations.

4. Each party agrees, that so far as is practicable, wells on lands subject hereto, which are connected to a pipeline and capable of delivering gas thereto shall be produced ratably on the basis of an annual calendar year, (January 1 to December 31) or aliquot part thereof for wells connected to a pipeline less than a full year, in proportion to the deliverability of each well determined by the capacity of each such well to produce against a uniform back pressure, such pressure to be that mutually agreed to; provided that

each party shall have a period of twelve months following the calendar year in which production occurs to adjust any overages or underages as between its different properties; provided further, each party shall have the right over a like period to make up any deficiency in its ratable share of production as compared to that of each of the other parties hereto, such plan to afford such priority and such share of the total available market of production from lands subject hereto as will permit the deficiency to be made up within the time allowed; and provided further, that notwithstanding anything herein, production on the lands committed hereto shall not exceed such quantity or rate of production as may be fixed pursuant to any applicable state or Federal law or regulation.

5. Each party agrees to exchange with each of the other parties hereto such well and production data as it may have covering operations under this agreement and to prepare as soon as such information is available a summary of the production on its leased lands for each calendar year including a segregation of any production constituting an adjustment or the make-up of a deficiency pursuant to Section 4, hereof. A copy of such summary shall be furnished the Oil and Gas Supervisor and each of the other parties hereto.

6. Except as may otherwise be expressly provided herein the terms and conditions of the leases made subject hereto shall remain in full force and effect.

7. Each party agrees to dispose of its leasehold or operating rights by January 1, 1960, as to any Federal lease committed hereto to the extent that any such lease embraces undeveloped acreage not within the limits of a known geologic structure of a producing oil or gas field on such date.

8. It is mutually agreed that any lease not committed hereto as of the effective date hereof, but which is located within the general area covered by this agreement, may be included under this agreement by appropriate joinder and, as to Federal lands, upon a determination by the Secretary of the Interior that such inclusion would be in the public interest. Such joinder shall be accompanied by appropriate supplemental Exhibits "A" and "B" hereof and copies thereof

furnished to each of the parties hereto and to the Oil and Gas Supervisor of the Geological Survey.

9. This agreement shall become effective upon approval by the Secretary of the Interior and shall continue in full force and effect throughout the term of each lease committed hereto and, as to each such lease, so long thereafter as gas in paying quantities is produced from any formation between the surface and the base of the Point Lookout formation of the Mesaverde Series, or such production is allocated thereto pursuant to a communitization agreement.

In witness whereof El Paso Natural Gas Company has executed this instrument in counterpart this _____ day of _____, 1952.

Date: _____

EL PASO NATURAL GAS COMPANY

ATTEST:

Assistant Secretary

By: _____
Vice President

APPROVAL CERTIFICATE

Pursuant to the Act of February 25, 1920, Section 17(b), as amended by Act of August 8, 1946, 60 Stat. 950, 30 U.S.C. Sec. 181 et seq., I do hereby:

A. Approve the attached agreement covering the development of certain natural gas deposits in the Blanco area of the San Juan Basin, New Mexico.

B. Determine that such agreement is in the interest of conservation and that the interests of the United States may be best subserved thereby.

C. Determine that operating agreements with the owners of the Government leases listed in Exhibit "B" of said attached agreement, now or hereafter made and approved, and pursuant to which operations shall be carried on in conformity with the provisions of said attached agreement, may be held without regard to the acreage limitations prescribed by said Act and the acreage of such leases is exempted in the computation of chargeable acreage to the holders of such operating agreements under this Act.

Date: _____

KS

STANOLIND OIL AND GAS COMPANY

OIL AND GAS BUILDING

FORT WORTH, TEXAS

C. F. BEDFORD
DIVISION PRODUCTION SUPERINTENDENT

May 14, 1952

File: RWH-6223-216.79

Subject: Plan of Development for 1952
Blanco Area, San Juan County,
New Mexico

THE OIL AND GAS SUPERVISOR
U. S. GEOLOGICAL SURVEY
ROSWELL, NEW MEXICO

DELHI OIL CORPORATION
1314 WOOD STREET
DALLAS, TEXAS

COMMISSIONER OF PUBLIC LANDS
STATE OF NEW MEXICO
SANTA FE, NEW MEXICO

SAN JUAN PRODUCTION COMPANY
BASSETT TOWER
EL PASO, TEXAS

OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO
SANTA FE, NEW MEXICO

Gentlemen:

Pursuant to Section 2 of the Development Contract for the Blanco Area approved on March 17, 1952 by the Assistant Secretary of the Interior, we transmit herewith Stanolind Oil and Gas Company's Plan of Development for the calendar year 1952.

Yours very truly,

RWH/mc
Attach.

RECEIVED
MAY 15 1952
U. S. GEOLOGICAL SURVEY

PLAN OF DEVELOPMENT FOR THE CALENDAR YEAR 1952
BLANCO FIELD, SAN JUAN COUNTY, NEW MEXICO

TO: THE OIL AND GAS SUPERVISOR
U. S. GEOLOGICAL SURVEY
ROSWELL, NEW MEXICO

DELHI OIL CORPORATION
1314 WOOD STREET
DALLAS, TEXAS

COMMISSIONER OF PUBLIC LANDS
STATE OF NEW MEXICO
SANTA FE, NEW MEXICO

SAN JUAN PRODUCTION COMPANY
BASSETT TOWER
EL PASO, TEXAS

OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO
SANTA FE, NEW MEXICO

In compliance with Paragraph 2 of the Development Contract for the Blanco Area of the San Juan Basin, New Mexico, approved by the Secretary of the Interior of the United States on March 17, 1952, the Stanolind Oil and Gas Company, as an owner of oil and gas leases or of operating rights under oil and gas leases covering lands subject to said Development Contract, does hereby submit for your information an outline of its proposed development program for the calendar year 1952.

1. Past Development History

Seven wells have been completed in the Mesaverde Series by Stanolind Oil and Gas Company at the locations listed below:

NW/4	Section 14-T29N-R9W
NE/4	" 15-T29N-R9W
NE/4	" 11-T29N-R9W
NE/4	" 5-T29N-R9W
SW/4	" 4-T29N-R9W
NE/4	" 3-T29N-R9W
SW/4	" 34-T30N-R9W

2. Proposed Additional Wells

It is the plan of the Stanolind Oil and Gas Company to keep two rigs in continuous operation for the remainder of the calendar year 1952, and under normal operating conditions, this should provide for the drilling of approximately twelve (12) additional wells during this period. Although we contemplate no unusual difficulty or delay, the full realization of this program must be made contingent

upon the final execution of the appropriate attendant instruments, i.e., Communitization Agreement, Operating Agreement, or Declaration of Operator, as required.

At present, Stanolind has two rigs in operation drilling wells at the following locations:

SW/4 Section 9-T29N-R9W
SW/4 " 15-T30N-R9W

Additional locations which have been authorized for drilling are as follows:

NE/4 Section 14-T30N-R9W
SW/4 " 14-T29N-R9W
SW/4 " 27-T30N-R9W

It is contemplated that all wells covered in this plan of development will penetrate all or a portion of the Point Lookout formation of the Mesaverde Series.

3. Spacing of Wells

The spacing of wells drilled in all formations down to the base of the Point Lookout in the Mesaverde Series shall conform to the applicable field rules relating to the Blanco Pool as promulgated by the Oil Conservation Commission of the State of New Mexico.

4. Well Casing Program

The well casing program shall conform to the applicable field rules relating to the Blanco Pool, as promulgated by the Oil Conservation Commission of the State of New Mexico, and shall include such other casing as may be required by the Supervisor, the Commission, and the Commissioner.

5. Further Development

This plan of development shall constitute the future drilling obligations of the Stanolind Oil and Gas Company pursuant to the provisions of the Blanco Development Contract for all zones

down to and including the Mesaverde Section for the period ending December 31, 1952. It is further agreed that prior to the expiration of this plan of development, another plan of development shall be submitted to the above named addressees for further development of the Blanco Area.

6. Effective Date

This plan of development shall be effective April 1, 1952.

7. Modifications

This plan of development may be modified from time to time with the approval of the Supervisor, the Commissioner, and the Commission to meet changing conditions.

Submitted this 15 day of May, 1952.

STANOLIND OIL AND GAS COMPANY
UNIT OPERATOR

BY


ITS ATTORNEY-IN-FACT