

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

May 9, 1955

Mr. M. F. Taylor
Box 574
AMARILLO, TEXAS

Dear Mr. Taylor:

This is to acknowledge your letter of May 6, and to send you additional copies of Orders R-581 and R-583 issued by this Commission in Cases 817 and 818, respectively.

I regret that we were apparently in error as to your address. On February 10 we sent you copies of these orders, which were directed to Box 573, Amarillo, Texas, rather than to your correct Box 574. Apparently these did not reach you.

I believe that the terms of Order R-583, which involves the forced communitization, will be self-explanatory. Please let me know, however, if you have any question or need for interpretation, and I will be glad to help you in any way I can.

Very truly yours,

W. B. Macey
Secretary - Director

WBM:NR

cc: Mr. W. D. Girand, jr.
Box 1326
HOBBS, N M

OIL CONSERVATION COMMISSION

P. O. BOX 871

SANTA FE, NEW MEXICO

February 10, 1955

Mr. W. J. Girard, Attorney
Box 1326
Hemphill, New Mexico

Dear Sir:

In behalf of your client, Famarise Petroleum Corporation,
we attach copies of the following orders which were signed
by the Commission on February 9, 1955:

Order R-581 in Case 817
Order R-583 in Case 818

Copies of the order in Case 818, which was concerned with
Famarise Petroleum Corporation's application for an order
calling for the compulsory communitization of Lots 2, 7 and
10 of Section 4, Township 21 South, Range 37 East, NMPN, Lea
County, N. M., are also being sent to the individuals indi-
cated below.

Very truly yours,

W. B. Pacey, Secretary-Director

WBM:nr

cc: Mr. W. F. Taylor
Box 573
Amarillo, Texas

R. B. Glenn
1220 Kilam
Amarillo, Texas

L. H. Puckett
2700-B Westhaven Circle
Amarillo, Texas

COPY

December 22, 1954

New Mexico Oil Conservation Commission
P. O. Box 871
Santa Fe, New Mexico

Attention of Mr. W. B. Macey

- Re: A. Application for non-standard gas proration unit for the Famariss Petroleum Corporation Hill #1 well. The non-standard unit to be comprised of Lots 2, 7, and 10, of Section 4, T21S, R37E, N. M. P. M., Lea County, New Mexico.
- B. Application for recognition by the Commission of the above proposed non-standard unit as being a properly and legally communitized lease.

Gentlemen:

By this letter of application, the Famariss Petroleum Corporation wishes to state the following:

1. Reference is made to our application for nonstandard unit, dated October 13, 1954, which is on file with the Commission. The above application should be made a part hereto and a copy of such is attached.
2. Famariss Petroleum Corporation, et al, is the holder of the oil and gas lease covering Lot #10 on which lot the said Hill #1 well is located.
3. Effective December 13, 1954, the Monterey Oil Company assigned their 7/8 lease covering Lots 2, 7, to Famariss Petroleum Corporation, et al. A copy of this assignment is attached.

New Mexico Oil Conservation Commission

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December 22, 1954

4. Prior to December 1, 1954, Lots 2 and 7 were held under lease by the Fullerton Oil Company of Pasadena, California. Effective December 1, 1954, Monterey Oil Company of Los Angeles, California purchased the lease covering Lots 2 and 7.
5. Since the time of the application; No. 1 above, it has come to our attention that the lease held by the Fullerton Oil Company (now Monterey Oil Company) did not have a "pooling clause" as to gas production and the production of fluid incidental to the production of gas.

As operator of this proposed gas unit, we have assumed the responsibility of obtaining approval from the various lease-hold interests to pool all of the acreage in the proposed gas unit for the purpose of producing gas and incidental fluids from the well located in Lot #10 of the application.

We have been successful in obtaining this agreement from the various interests with the following exceptions:

- | | <u>Royalty</u> |
|--|----------------------|
| A. M. F. Taylor and wife
Box 573
Amarillo, Texas | 1/4 of 1/8 of 8/8ths |
| B. R. B. Glen and wife
1220 Milam
Amarillo, Texas | 1/4 of 1/8 of 8/8ths |
| C. L. H. Puckett and wife
2700 B Westhaven Circle
Amarillo, Texas
(Office - Amarillo Building) | 1/8 of 1/8 of 8/8ths |
| D. At present, we do not have the signature of Mrs. C. H. Kyte; however, it is expected shortly. She was not available when we contacted Mr. C. H. Kyte. | |

New Mexico Oil Conservation Commission

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December 22, 1954

All others in the total lease hold interests have expressed their desire to communitize. A copy of the signatures of those desiring to communitize the proposed gas unit is attached.

At Present:

For Pooling for Gas Production
59/64

Against Pooling for Gas Production
5/64

6. In view of the various supporting documents; in the interest of conservation; and in line with sound production practices, we respectfully request the following:
 - A. That the non-standard gas proration unit be approved.
 - B. That the Commission recognize the proposed unit as being a properly and legally communitized lease.
 - C. That the application come before the Commission for action at the January, 1955 hearing.

Very truly yours,

FAMARISS PETROLEUM CORPORATION

Paul S. Johnston
Vice-President

PSJ/b

Enc.

MAY 11 1955

M. F. TAYLOR
REAL ESTATE AND RENTALS
ESTABLISHED 1904

MAY 11 1955

AMARILLO, TEXAS

May 6, 1955

Mr. W. B. Macey
Secretary-Director
Oil Conservation Commission
State of New Mexico
Box 871
Santa Fe, New Mexico

Dear Mr. Macey:

On December 24, 1954, we received a letter from you addressed to Mr. and Mrs. M. F. Taylor, Box 573, Amarillo, Texas. The address should have been Box 574, Amarillo, Texas. You enclosed a copy of a legal notice dated December 24, 1954, being Cases Nos. 817 and 818.

CASE NO. 817

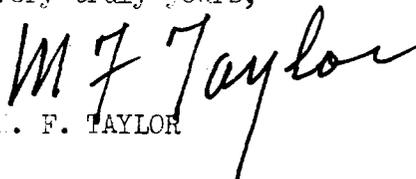
In the matter of the application of Famariss Petroleum Corporation for approval of non-standard gas proration unit. Applicant in the above styled case seeks approval of 120-acre permit, being Lots 2, 7 and 10, Section 4, Twp. 21 S., R. 37 E., N.M.P.L., Lea County, New Mexico.

Case No. 818

Application of Famariss Petroleum Corporation for compulsory communitization of Lots 2, 7 and 10, Section 4, Twp. 21 S., R. 37 E., N.M.P.L., Lea County, New Mexico.

We would like to know what they did with the two above cases. We know very little about this kind of business and will appreciate any information you will give us.

Very truly yours,


M. F. TAYLOR

Mailing Address

M. F. Taylor
Box 574
Amarillo, Texas

MFT.at

PARTIAL ASSIGNMENT OF OIL AND GAS LEASE

THE STATE OF NEW MEXICO)
) KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF LEA)

THAT WHEREAS, on the 3rd day of April, 1939, M. F. Taylor and wife, Anna M. Taylor, and N. O. Glenn and wife, Frances Glenn, made, executed and delivered their certain Oil, Gas and Mineral Lease, as Lessors, to F. J. Danglade, as Lessee, said lease appearing of record in Book 35, Page 482, of the Oil and Gas Lease Records of Lea County, New Mexico, covering the following described land located in Lea County, New Mexico, to wit:

Lots 5, 6, 9, 10 and 11 in Section 3; and
Lots 2, 7 and 8 in Section 4, Township 21
South, Range 37 East, N.M.P.M., containing
317.89 acres, more or less; and

WHEREAS, the undersigned Monterey Oil Company is the owner and holder of said lease insofar as it covers the land hereinafter described:

NOW, THEREFORE, for and in consideration of the sum of One Dollar (\$1.00) and other good and valuable considerations, MONTEREY OIL COMPANY, a Delaware corporation, does hereby bargain, sell, transfer, assign and convey all of its rights, title and interest in and to said lease insofar as it pertains to the gas, gas condensate, and oil which is produced incidentally to the production of gas, in the so-called Blinebry Zone underlying the following described land, to wit:

Lots 2 and 7 in Section 4, Township 21 South,
Range 37 East, N.M.P.M., Lea County, New
Mexico,

as follows: Unto FAMARISS PETROLEUM CORPORATION, its successors and assigns, an undivided one-half (1/2) thereof; unto JENNINGS DRILLING COMPANY, a partnership, of Hobbs, New Mexico,

its successors and assigns, an undivided one-fourth (1/4) thereof; and unto MORRIS R. ANTWEIL, of Hobbs, New Mexico, his heirs and assigns, an undivided one-fourth (1/4) thereof.

SUBJECT TO all the covenants and conditions binding upon the Lessee under said lease as to such gas, gas condensate, and/or oil which is produced incidentally to the production of such gas.

Assignor covenants that it has not previously conveyed the interests herein assigned and that the same are free of all liens and encumbrances made or suffered by Assignor.

Concurrently herewith and in consideration of the foregoing, the said Famariss Petroleum Corporation, Jennings Drilling Company and Morris R. Antweil shall jointly and severally assign to Monterey Oil Company, its successors and assigns, an overriding royalty of one-third (1/3) of the net profits accruing to the seven-eighths (7/8) working interest from the production of gas, gas condensate, and oil produced incidentally to the production of gas, from the gas well known as the Famariss Petroleum Corporation No. 1 C. E. Hill well, located on Lot 10, Section 4, Township 21 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

WITNESS the execution hereof this 13th day of December, 1954.

MONTEREY OIL COMPANY

Attest: _____ By _____
Secretary Vice President

THE STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES)

On this 13 day of December, 1954, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the Vice President of MONTEREY OIL COMPANY, and that the seal affixed

ILLEGIBLE

to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said John R. McMillan acknowledged said instrument to be the free act and deed of said corporation.

In witness whereof, I have set my hand and seal of office on this 13th day of December, 1954.

(SEAL)

Marcel K. Gray
Notary Public in and for the County
of Los Angeles, State of California

STATE OF NEW MEXICO }
COUNTY OF LEA } SS.

AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This agreement entered into by and between the Fullerton Oil & Gas Corporation, Pasadena, California; M. F. Taylor and wife, Anna Taylor, Amarillo, Texas; R. B. Glenn and wife, _____ Glenn, Amarillo, Texas; L. H. Puckett and wife, _____ Puckett, Amarillo, Texas; James N. Coll and wife, _____ Coll, Chaves County, New Mexico; C. H. Kyte and wife, Mariee I. Kyte, Chaves County, New Mexico; Cecil H. Kyte, Trustee under Declaration of Trust recorded in Book 45, Page 264, Miscellaneous Records of Lea County, New Mexico, of Chaves County, New Mexico; Charles H. Coll and wife, _____ Coll, Chaves County, New Mexico; Max W. Coll II and wife, _____ Coll, Chaves County, New Mexico; Jon F. Coll and wife, _____ Coll, Chaves County, New Mexico; Famariss Petroleum Corporation of Hobbs, Lea County, New Mexico; Jennings Drilling Company, a partnership of Hobbs, Lea County, New Mexico; Morris R. Antweil and wife, Rose Antweil, of Hobbs, Lea County, New Mexico; and J. Hiram Moore and wife, Betty Moore, of Hobbs, Lea County, New Mexico; and E. C. HILL and wife, CORA HILL;

W I T N E S S E T H :-

That all of the parties to this agreement are owners of interests in oil and gas leases, overriding royalties, royalties, and/or minerals that may be produced, saved and marketed from the following described lands located in Lea County, New Mexico, to-wit:

Lots 2, 7 and 10 in Section 4, Township 21 South, Range 37 East, N.M.P.M.,

and desire to unitize and pool their interests in and to the above described land, thereby creating a 120 acre proration unit for the production of gas and gas condensate from a well now located on Lot 10 in Section 4, Township 21 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

NOW, THEREFORE, it is agreed that the following named companies and individuals are the owners of all of the mineral interest. as more particularly hereinafter set out, covering

Lots 2 and 7 in Section 4, Township 21 South, Range 37 East,
N.M.P.M., Lea County, New Mexico, to-wit:

Working Interest

Fullerton Oil & Gas Corporation 7/8ths

Mineral Interest

M. F. Taylor	1/4th
R. B. Glenn	1/4th
L. H. Puckett	1/8th
James N. Coll	1/32nd
C. H. Kyte	3/16ths
Cecil H. Kyte, Trustee	1/16th
Charles H. Coll	1/32nd
Max W. Coll II	1/32nd
Jon F. Coll	1/32nd

And it is agreed by the above named parties executing this agreement that that certain Oil, Gas and Mineral Lease dated April 3, 1939 and executed by M. F. Taylor and wife, Anna Taylor, and N. O. Glenn and wife, Frances Glenn, as lessors, to F. J. Danglade, as lessee, recorded in Book 35, Page 482 of the Oil and Gas Lease Records of Lea County, New Mexico, is a valid, existing oil and gas lease and the same is hereby ratified and confirmed.

That the following named companies and individuals are the owners of all of the mineral interest as more particularly hereinafter set out covering Lot 10 in Section 4, Township 21 South, Range 37 East, N.M.P.M., Lea County, New Mexico, to-wit:

Working Interest

Famariss Petroleum Corporation	1/2
Jennings Drilling Company	1/4th
Morris R. Antweil	1/4th

Mineral Interest

E. C. Hill	1/8th
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Overriding Royalty

J. Hiram Moore	1/8th of 8/8ths
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And it is agreed by the above named parties executing this agreement that that certain Oil, Gas and Mineral Lease dated March 22, 1954, executed by E. C. Hill and wife, Cora Hill, as lessors to J. Hiram Moore, as lessee, recorded in Book 115, Page 301, Oil and Gas Lease Records of Lea County, New Mexico, is a valid, existing oil and gas lease and the same is hereby ratified and confirmed.

NOW, THEREFORE, for and in consideration of the mutual benefits to be derived by the parties executing this agreement, it is agreed that Lots 2, 7 and 10 in Section 4, Township 21 South, Range 37 East, N.M.P.M., Lea County, New Mexico, may be unitized and established into one proration unit and the parties executing this agreement, their heirs, successors and assigns, shall be entitled to participate in and to the production of gas and gas condensate from the well located on Lot 10, Section 4, Township 21 South, Range 37 East, N.M.P.M., Lea County, New Mexico, as their interest under the lands claimed and owned by them bears to the total acreage under the entire proration unit to be established.

It is further mutually agreed and understood that all of the land dedicated to this proration unit is capable of producing gas and gas condensate from the same zone from which gas and gas condensate are now being produced from the well bore located on Lot 10, Section 4, Township 21 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

It is further understood and agreed between the parties that the production of gas in the known gas pools in the State of New Mexico is prorated on an acreage basis and by the creation of this unit, the parties hereto shall receive their proportionate part of the gas produced and saved from the well bore located on Lot 10, Section 4, Township 21 South, Range 37 East, N.M.P.M., Lea County, New Mexico.

For the same consideration all parties executing this agreement consent and ratify the establishing of a proration unit consisting of Lots 2, 7, 10, in Section 4, Township 21 South, Range 37 East, N.M.P.M., Lea County, New Mexico, as a gas

Proration unit.

IN WITNESS WHEREOF, our hands this the 9 day of

~~December~~, A.D., 1954.

ATTEST:

Secretary

FULLERTON OIL & GAS CORPORATION

BY _____
President

M. F. Taylor

Anna Taylor

R. B. Glenn

Glenn

L. H. Puckett

Puckett

William Hauke Coll, Guardian
James N. Coll

Coll

C. H. Kyte
C. H. Kyte

Mariee I. Kyte

Cecil H. Kyte, Trustee
Cecil H. Kyte, Trustee

William Hauke Coll, Guardian
Charles H. Coll

Coll

Max W. Coll II
Max W. Coll II

Martha M. Coll
Coll

William Hauke Coll, Guardian
Jon F. Coll

Coll

FAMARISS PETROLEUM CORPORATION

BY *Walter Tancin*
President

ATTEST:

[Signature]

JENNINGS DRILLING COMPANY

BY Kendall Jennings
Partner

Morris R. Antwell
Morris R. Antwell

Rose Antwell
Rose Antwell

J. Hiram Moore Betty Moore
J. Hiram Moore + Betty Moore

E. C. Hill
E. C. Hill

Cora Hill
Cora Hill

STATE OF CALIFORNIA)
COUNTY OF _____) SS.

On this the _____ day of _____, A.D., 1954, before me personally appeared _____ to me personally known, who, being by me duly sworn, did say that he is the _____ President of FULLERTON OIL & GAS CORPORATION, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that the said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said _____ acknowledged said instrument to be the free act and deed of said corporation.

WITNESS my hand and official seal the date in this certificate first above written.

My Commission Expires:

NOTARY PUBLIC

STATE OF TEXAS)
COUNTY OF _____) SS.

On this the _____ day of _____, A.D., 1954, before the undersigned authority in and for said county and state, personally appeared M. F. TAYLOR and wife, ANNA TAYLOR, R. B. GLENN, and wife, _____ GLENN, L. H. PUCKETT and wife, _____ PUCKETT, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission Expires:

NOTARY PUBLIC

STATE OF NEW MEXICO)
COUNTY OF LEA) SS.

On this the 6th day of December, A.D., 1954, before the undersigned authority in and for said county and state personally appeared E. C. HILL and wife, CORA HILL, to me known to be the persons described in and who executed the foregoing instrument and acknowledged to me that they executed the same as their free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission Expires: 4-23-56

J. E. Hill
NOTARY PUBLIC

STATE OF NEW MEXICO)
COUNTY OF LEA) SS.

On this the 6th day of December, A.D., 1954, before me personally appeared WALTER FAMARISS, JR., to me personally known, who, being by me duly sworn, did say that he is the President of FAMARISS PETROLEUM CORPORATION and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that the said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and said WALTER FAMARISS, JR., acknowledged said instrument to be the free act and deed of said corporation.

WITNESS my hand and official seal the date in this certificate first above written.

My Commission Expires: 8-20-58

Mrs. Betty Paulich
NOTARY PUBLIC

STATE OF NEW MEXICO)
COUNTY OF LEA) SS.

On this the 3rd day of December, A.D., 1954, before the undersigned authority in and for said county and state, personally appeared Hendall Jennings, partner of JENNINGS DRILLING COMPANY, a partnership, to me known to be the person described in and who executed the foregoing instrument, and acknowledged to me that he executed the same as a partner and as the free act and deed of said JENNINGS DRILLING COMPANY.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission Expires: 6-30-56

Caroline W. Law
NOTARY PUBLIC

STATE OF NEW MEXICO)
COUNTY OF LEA) SS.

On this the 3rd day of December, A.D., 1954, before the undersigned authority in and for said county and state personally appeared MORRIS R. ANTWEIL and wife, ROSE ANTWEIL, to me personally known to be the persons described in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission Expires: 6-30-56

Caroline W. Law
NOTARY PUBLIC

STATE OF NEW MEXICO)
COUNTY OF LEA) SS.

On this the 6th day of December, A.D., 1954, before the undersigned authority in and for said county and state personally appeared J. HIRAM MOORE and wife, BETTY MOORE, to me known to be the persons described in and who executed the foregoing instrument and acknowledged to me that they executed the same as their free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission Expires: 8/20/58

Mrs. Betty Paulich
NOTARY PUBLIC

STATE OF NEW MEXICO }
COUNTY OF Chaves } SS.

On this the 9 day of December, A.D., 1954, before the undersigned authority in and for said county and state, personally appeared Charles H. Coll; James H. Coll; & Jan P. Coll, Minors to me known to be the persons described in and who executed the foregoing instrument and acknowledged to me that they executed the same as their free act and deed, **and in the capacity therein stated.**

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission Expires:
November 24, 1956

J. J. Jackson
NOTARY PUBLIC

STATE OF _____ }
COUNTY OF _____ } SS.

On this the _____ day of _____, A.D., 1954, before the undersigned authority in and for said county and state personally appeared _____ to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission Expires:

NOTARY PUBLIC

STATE OF _____ }
COUNTY OF _____ } SS.

On this the _____ day of _____, A.D., 1954, before the undersigned authority in and for said county and state personally appeared _____ to me known to be the persons described in and who executed the foregoing instrument and acknowledged to me that they executed the same as their free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission Expires:

NOTARY PUBLIC

STATE OF NEW MEXICO)
COUNTY OF Lincoln } SS.
CHAVES

On this the 9 day of December, A.D., 1954, before the undersigned authority in and for said county and state, personally appeared ~~JAMES N. COLL and wife,~~ GOLL, ~~CHARLES H. COLL and wife~~ GOLL, ~~MAX W. COLL II and wife,~~ Martha M. COLL, JON P. COLL and wife, GOLL, to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me that they executed the same as their free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission Expires:
Feb 17, 1956

Wm F. Werner
NOTARY PUBLIC

STATE OF NEW MEXICO)
COUNTY OF CHAVES } SS.

On this the 7 day of December, A.D., 1954, before the undersigned authority in and for said county and state personally appeared C. H. KYTE ~~and wife, MARIAN KYTE,~~ to me known to be the persons described in and who executed the foregoing instrument, and acknowledged to me that ~~they~~ executed the same as ~~their~~ free act and deed.

his

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission Expires:
November 24, 1956

J. V. Jackson
NOTARY PUBLIC

STATE OF NEW MEXICO)
COUNTY OF CHAVES } SS.

On this the 7 day of December, A.D., 1954, before the undersigned authority in and for said county and state personally appeared CECIL H. KYTE, Trustee under Declaration of Trust recorded in Book 45, Page 264, Miscellaneous Records of Lea County, New Mexico, to me known to be the person described in and who executed the foregoing instrument, and acknowledged to me that he executed the same as his free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

My Commission Expires:
November 24, 1956

J. V. Jackson
NOTARY PUBLIC