

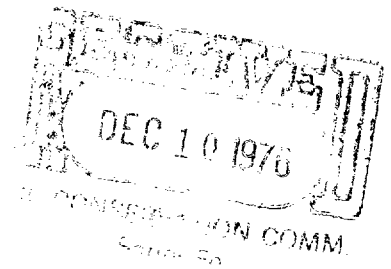
RANDOLPH M. RICHARDSON

OIL AND GAS LAND AND UNIT CONSULTANT

FEDERAL - STATE - FEE

P. O. BOX 819

ROSWELL, NEW MEXICO 88201



December 9, 1976

OFFICE 505 622-8801

HOME 505 622-7985

*Example
of work*

In Re: Case #5797
Order # R-5331
West Dallas Ranch Unit
Chaves County, New Mexico

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501

Gentlemen:

I am enclosing Xerox copy of letter addressed to the Commissioner of Public Lands in connection with the captioned Unit.

Your order does not become effective until approval by the Commissioner and the U.S.G.S., consequently the attached copy of letter is for your information and files.

Please advise if all is not in order or if you need any additional information.

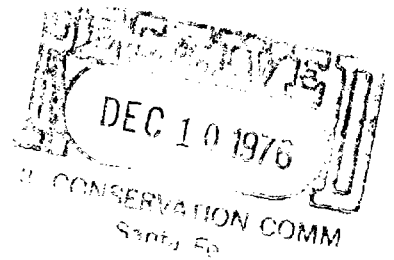
Yours very truly,

R. M. Richardson

RMR:skb

7-1

RANDOLPH M. RICHARDSON
OIL AND GAS LAND AND UNIT CONSULTANT
FEDERAL - STATE - FEE
P. O. BOX 819
ROSWELL, NEW MEXICO 88201



OFFICE 505 622-8801
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December 9, 1976

In Re: West Dallas Ranch Unit
T-9-S, R-26-E, NMPM
Chaves County, New Mexico

Mr. Ray Graham
State Land Office
P. O. Box 1148
Santa Fe, New Mexico 87501

Dear Ray:

Please refer to the captioned Unit, Preliminary Approval of which was given by you under date of November 15, 1976.

Due to circumstances beyond the control of C & K Petroleum, Inc. the initial test well will not be drilled during 1976 as originally planned.

There is a possibility that the Unit will be formed in 1977, and we would like to request that you leave your file open so that if in the future the Unit will be formed it will not be necessary for you to recheck and reapprove the Unit Agreement.

If the time extends beyond "reasonable", please take whatever action is necessary to close your file and retire.

We sincerely apologize for causing the work that has been done to date, however it could not be helped under the circumstances.

Yours very truly,

R. M. Richardson

RMR:skb

Xerox copy: C & K Petroleum, Inc.
P. O. Drawer 3546
Midland, Texas 79701

New Mexico Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico 87501



IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
FEDERAL CENTER, DENVER, COLORADO 80225

DEC 15 1976

Mr. Randolph H. Richardson
P. O. Box 819
Roswell, New Mexico 88201

Dear Mr. Richardson:

Your application filed on behalf of C & K Petroleum, Inc., with the Assistant Area Oil and Gas Supervisor, Roswell, New Mexico, requests the designation of the West Dallas Ranch unit area embracing 5,426.04 acres, more or less, Chaves County, New Mexico, as logically subject to exploration and development under the unitization provisions of the Mineral Leasing Act as amended.

Pursuant to unit plan regulations 30 CFR 226, the land requested as outlined on your plat marked "West Dallas Ranch Unit, Chaves County, New Mexico" is hereby designated as a logical unit area.

The unit agreement submitted for the area designated should provide for a well to test the Montoya formation or to a depth of 6,500 feet. Your proposed use of the Form of Agreement for Unproved Areas will be accepted with the modifications requested in your application provided it is further modified as follows:

Add the words "as amended" after (30 F.R. 12319)
in Section 26, Nondiscrimination.

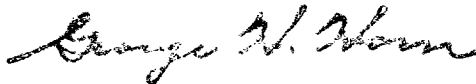
If conditions are such that further modification of said standard form is deemed necessary, three copies of the proposed modifications with appropriate justification must be submitted to this office through the Assistant Area Oil and Gas Supervisor for preliminary approval.

In the absence of any other type of land requiring special provisions or of any objections not now apparent, a duly executed agreement identical with said form, modified as outlined above, will be approved if submitted in approvable status within a reasonable period of time. However, notice is hereby given that the right is reserved to deny approval of any executed agreement submitted which, in our opinion, does not have the full commitment of sufficient lands to afford effective control of operations in the unit area.

When the executed agreement is transmitted to Roswell, New Mexico for Supervisor approval, include the latest status of all acreage. In preparation of Exhibits "A" and "B", follow closely the format of the sample exhibits attached to the 1968 reprint of the aforementioned form.

Inasmuch as this unit agreement involves State land, we are sending a copy of the letter to Commissioner of Public Lands in Santa Fe. Please contact the State of New Mexico before soliciting joinders regardless of prior contacts or clearances from the State.

Sincerely yours,



Regional Conservation Manager
For the Director

cc:
CD Reading File
Area Office (2)
Commissioner of Public Lands, Santa Fe
NMOCC, Santa Fe
File

RLindua:dlk:11/12/76:476-9257

EXHIBIT "B"
SCHEDULE OF LANDS AND LEASES WITHIN THE
WEST DALLAS RANCH UNIT AREA, CHAVES COUNTY, NEW MEXICO

TRACT NO.	DESCRIPTION	ACRES	LEASE NO. EXPIR. DATE	BASIC ROYALTY	LESSEE OF RECORD AND PERCENTAGE	OVERRIDING ROYALTY AND PERCENTAGE	WORKING INTEREST AND PERCENTAGE
1.	<u>T-9-S, R-26-E</u> <u>Sec. 30: Lots 1, 2,</u> <u>3, 4, E$\frac{1}{2}$W$\frac{1}{2}$</u>	316.24	NM-0559993 5-31-78	USA 12.5	McClellan Oil Corp. J. Penrod Toles 50%	<u>Above base Glorietta</u> Wm. J. Bragg .5% Carl Engwall 2.25% Lonnie Kemper 2.25% <u>Below base Glorietta</u> Wm. J. Bragg .5%	McClellan Oil Corp. 25% J. Penrod Toles 25% Carl Engwall 25% Lonnie Kemper 25%
2.	<u>T-9-S, R-26-E</u> <u>Sec. 17; E$\frac{1}{2}$, E$\frac{1}{2}$W$\frac{1}{2}$,</u> <u>W$\frac{1}{2}$NW$\frac{1}{4}$, NW$\frac{1}{4}$SW$\frac{1}{4}$</u> Sec. 18; E $\frac{1}{2}$	920.00	NM-14294 8-31-81	USA 12.5	Pennzoil Company All	Delmar H. King 1.25% Francis H. Stripling 1.25% Edward R. Hudson 0.833% Mary H. Ard 0.833% Wm. A. Hudson, II 0.834%	Pennzoil Company All
3.	<u>T-9-S, R-26-E</u> <u>Sec. 17; SW$\frac{1}{4}$SW$\frac{1}{4}$</u>	40.00	NM-18032 3-31-83	USA 12.5	Pennzoil Company All	Larry M. Vanwinkle 5%	Pennzoil Company All
4.	<u>T-9-S, R-26-E</u> <u>Sec. 19; Lots 1, 2,</u> <u>3, 4, E$\frac{1}{2}$,</u> <u>E$\frac{1}{2}$W$\frac{1}{2}$ (A11)</u> Sec. 20; All	1,275.40	NM-26069 10-31-86	USA 12.5	M. Blakemore Trust All	None	M. Blakemore Trust All
5.	<u>T-9-S, R-26-E</u> <u>Sec. 29; S$\frac{1}{2}$</u>	320.00	OPEN				
<u>Total 2,871.64 Federal Lands</u>							

Rec'd & Handled

STATE OF NEW MEXICO LANDS

6.	<u>T-9-S, R-26-E</u> Sec. 28; $N\frac{1}{2}$, $S\frac{1}{2}$ SE $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$	440.00	L-3635 10-21-79	State	Marathon Oil Co.	ALL	None	Marathon Oil Co.	ALL
7.	<u>T-9-S, R-26-E</u> Sec. 21; $S\frac{1}{2}$ NW $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$	120.00	L-3846 12-16-79	State	Reading & Bates, Inc.	ALL	None	Reading & Bates, Inc.	ALL
8.	<u>T-9-S, R-26-E</u> Sec. 28; $S\frac{1}{2}$ SW $\frac{1}{4}$	80.00	L-5208 2-28-81	State	Pennzoil Company	ALL	None	Pennzoil Company	ALL
9.	<u>T-9-S, R-26-E</u> Sec. 16; $S\frac{1}{2}$	320.00	L-6812 11-30-81	State	Pennzoil Company	ALL	None	Pennzoil Company	ALL
10.	<u>T-9-S, R-26-E</u> Sec. 21; $N\frac{1}{2}$ SW $\frac{1}{4}$, SW $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ Sec. 28; NW $\frac{1}{4}$ SW $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$	400.00	L-6906 1-31-82	State	Pennzoil Company	ALL	None	Pennzoil Company	ALL
11.	<u>T-9-S, R-26-E</u> Sec. 21; NE $\frac{1}{4}$, NW $\frac{1}{4}$	240.00	IG-901 11-30-82	State	Pennzoil Company	ALL	None	Pennzoil Company	ALL
<u>Total</u>		<u>1,600.00</u>	<u>State of New Mexico Lands</u>						

*Received
Hess*

PATENTED (FEE) LANDS

12.	<u>T-9-S, R-26-E</u> Sec. 18; Lots 1, 2	77.10	Fee	Clella Finch 12.5%	Pennzoil Co.	All	None	Pennzoil Co.	All	
13.	<u>T-9-S, R-26-E</u> Sec. 18; Lots 3, 4, E/2W/2	237.30	Fee	David McCrea 12.5%	Pennzoil Co.	All	None	Pennzoil Co.	All	
14.	<u>T-9-S, R-26-E</u> Sec. 30; E/2	320.00	Fee	David McCrea 11-29-81(1/2)Est. R. R. Hinkle 4-7-77 (1/2) Quetico Superior Fdn. Don Phillips & Assoc. Marshall & Winston, Inc.	1/2 x 1/8 1/8 x 3/16 1/32 x 3/16 3/32 x 3/16 1/4 x 3/16	Pennzoil Co.	All	None	Pennzoil Co.	All
15.	<u>T-9-S, R-26-E</u> Sec. 29; N/2	320.00	Fee	David McCrea 11-29-81(1/2)Est. R. R. Hinkle 4-7-77 (1/2) Quetico Superior Fdn. Don Phillips & Assoc. Marshall & Winston, Inc.	1/2 x 1/8 1/8 x 3/16 1/32 x 3/16 3/32 x 3/16 1/4 x 3/16	Pennzoil Co.	All	None	Pennzoil Co.	All
<u>Total</u>		954.40	<u>Patented (Fee) Lands</u>							

Recapitulation:

Federal Lands	2,871.64	Acres	52.92% of Unit Area
State of New Mexico Lands	1,600.00	Acres	29.45% of Unit Area
Patented (Fee) Lands	954.40	Acres	17.59% of Unit Area
<u>Total</u>	5,426.04		

Rec'd & Approved

DRAFT

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

dr/

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 5797

Order No. R- 5331

APPLICATION OF ^{Inc.} C & K PETROLEUM ~~CORPORATION~~
FOR APPROVAL OF THE West DALLAS RANCH
UNIT AGREEMENT, CHAVES, COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on
November 10, 19676, at Santa Fe, New Mexico, before Examiner
Richard L. Stamets.

NOW, on this _____ day of November, 19676, the Commission,
a quorum being present, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

(1) That due public notice having been given as required by
law, the Commission has jurisdiction of this cause and the subject
matter thereof.

(2) That the applicant, ^{Inc.} C & K Petroleum Corporation,
seeks approval of the West Dallas Ranch Unit Agreement
covering 5,426.04 ~~5,746~~ acres, more or less, of State,
Federal lands
and Fee
described as follows:

CHAVES COUNTY, NEW MEXICO
TOWNSHIP 9 SOUTH, RANGE 26 EAST, NMPM

Section 16 : S12 ✓

Section 17 through 21 : A11 ✓

Section 28 through 30 : A11 ✓

(3) That approval of the proposed unit agreement should promote the prevention of waste and the protection of correlative rights within the unit area.

IT IS THEREFORE ORDERED:

(1) That the Wst Dallas Ranch Unit Agreement is hereby approved.

(2) That the plan contained in said unit agreement for the development and operation of the unit area is hereby approved in principle as a proper conservation measure; provided, however, that notwithstanding any of the provisions contained in said unit agreement, this approval shall not be considered as waiving or relinquishing, in any manner, any right, duty, or obligation which is now, or may hereafter be, vested in the Commission to supervise and control operations for the exploration and development of any lands committed to the unit and production of oil or gas therefrom.

(3) That the unit operator shall file with the Commission an executed original or executed counterpart of the unit agreement within 30 days after the effective date thereof; that in the event of subsequent joinder by any party or expansion or contraction of the unit area, the unit operator shall file with the Commission within 30 days thereafter counterparts of the unit agreement reflecting the subscription of those interests having joined or ratified.

(4) That this order shall become effective upon the approval of said unit agreement by the Commissioner of Public Lands for the State of New Mexico and the Director of the United States Geological Survey; that this order shall terminate ipso facto upon the termination of said unit agreement; and that the last unit operator shall notify the Commission immediately in writing of such termination.

(5) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.